

STATE OF MICHIGAN
IN THE 30TH JUDICIAL CIRCUIT COURT FOR THE COUNTY OF INGHAM

DANA NESSEL, ATTORNEY GENERAL
OF THE STATE OF MICHIGAN, *ex rel* The
People of the State of Michigan,

Plaintiff,

v

CANARY DATE SCULPTING, INC., a
Florida corporation d/b/a Canary Tree
Service; JUSTIN HARTMANN, an
individual; HOLTSLANDER AND SONS
TREE SERVICE, LLC, a Michigan limited
liability company d/b/a Holtslander and
Sons; GARRISON MCKINNEY TREE AND
BRIDGE SERVICES, LLC, a Mississippi
limited liability company d/b/a Garrison
McKinney; E & B CONTRACTING, a
Kentucky limited liability company,

Defendants.

No. 24- 4/8 -CP

HON. **JUDGE WANDA M. STOKES**

COMPLAINT

RECEIVED
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30TH CIRCUIT COURT

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This matter arises from an Investigation of Canary Date Sculpting, Inc. and other tree services, as described in the Attorney General's Ex Parte Petition for Civil Investigative Subpoenas filed with this Court under docket number 22-9-PZ and assigned to Judge Joyce Draganchuk.

ATTORNEY GENERAL'S COMPLAINT

Plaintiff, Dana Nessel, Attorney General of the State of Michigan, *ex rel* the People of the State of Michigan, through Assistant Attorneys General Darrin F. Fowler and Daniel J. Ping, state the following for her complaint:

I. Parties, Legal Authority, and Venue

1. The Plaintiff in this lawsuit is Attorney General Dana Nessel. She is a constitutional officer charged with enforcing the laws of the State of Michigan. In this capacity, she has authority to seek the imposition of fines upon entities that transact business in Michigan without a certificate of authority, and to request an injunction against the operation of such a business. See MCL 450.2011, MCL 450.2055. The Attorney General is also authorized to enforce the Michigan Consumer Protection Act (MCPA), MCL 445.901 *et seq.* To this end, she may commence actions for injunctive relief, and for the imposition of civil fines upon those who persistently and knowingly violate the MCPA. See MCL 445.905(1).

2. Defendant Canary Date Sculpting, Inc. is a Florida corporation with an address of 4651 Salisbury Rd., Ste. 400, Jacksonville, FL 32256. Canary Tree Service is a registered fictitious name for Canary Date Sculpting, Inc. Defendant Justin Hartmann is the resident agent for this entity, and he is also the owner and principal manager.

3. Defendant Holtslander and Sons Tree Service LLC (Holtslander and Sons) is a Michigan limited liability company with an address of 1390 Sacker Rd., Fenton, MI 48430. Alex Holtslander is the resident agent for Holtslander and Sons.

4. Defendant Garrison McKinney Tree and Bridge Services, LLC (Garrison McKinney) is a Mississippi limited liability company with an address of 278 CR 1538, Tupelo, MS 38804. Chase McKinney is the resident agent for Garrison McKinney.

5. Defendant E & B Contracting, LLC (E & B Contracting) is a Kentucky limited liability company with an address of 948 Adams Mill Rd, Cadiz, KY 42211. Zachary Tyler Brant is the registered agent for E & B Contracting.

6. Since Canary Tree Service has its principal place of business in Florida, this Court is an appropriate venue for this matter. MCL 445.905(1).

II. Background and Summary of Investigation

7. In recent years, Canary Tree Service traveled the country, swooping in after storms in hopes of enriching itself through unfair and deceptive trade practices used in connection with emergency tree services. Specifically, Canary Tree Service targeted consumers who had trees or branches that had fallen on their homes, garages, decks, fences, or other structures covered by homeowners' insurance. Along the way, Canary recruited a flock of tree services from various States, including Michigan, to assist it in this effort. Defendant Hartmann was the driving force behind such recruitment, as he used social media posts and videos in what is ultimately a get rich quick scheme. Hartmann also offered, and charged large sums for, training sessions that other tree service companies could attend to learn about his methods. The other Defendants to this suit were recruited through one or more of such efforts. David Foster, who recently admitted to legal violations

in connection with emergency tree services through a consent judgment in a separate action before this Court, held Hartmann in high regard and had attended one of his trainings. (See 1/3/24 Complaint, *Dana Nessel v David Foster*, Ingham Cty Cir Ct No. 24-003-CP.)

8. A tornado struck Gaylord, Michigan, on May 20, 2022. At that time, the Attorney General had already been assembling evidence related to a series of problems arising from Canary Tree Service projects from July and August of 2021 for which Michigan consumers were being billed grossly excessive prices. Thus, the Attorney General expedited issuance of a Notice of Intended Action to Canary Tree Service and expressly warned it against trying to exploit Gaylord residents.¹

9. This Court authorized a formal investigation of Defendants through an order issued on August 25, 2022. This authorization was premised upon the Attorney General's presentation of proofs demonstrating there was probable cause to believe Defendants had violated, and were violating, the Michigan Consumer Protection Act (MCPA), MCL 445.901 *et seq.*

10. Through this investigation, the Attorney General has determined that, during 2021 and 2022, all Defendants engaged in a pattern of misleading consumers about the nature of the agreements they were signing, the cost of the services they were providing, the potential for financial responsibility for costs not paid for by

¹ See May 27, 2022 Press Release, *AG Nessel Issues Notice of Intended Action to Tree Trimmer Operating in Gaylord*, Michigan Department of Attorney General, available at: <https://www.michigan.gov/ag/news/press-releases/2022/05/27/ag-nessel-issues-notice-of-intended-action-to-tree-trimmer-operating-in-gaylord> (accessed April 29, 2024.)

insurance, and confusing consumers about their legal rights and obligations.

Canary Tree Service also had a pattern of charging grossly excessive prices for its tree services. Although the Attorney General initially believed Canary Tree Service was acting as a billing agent for the other tree service Defendants, the investigation revealed the other tree service Defendants were actually acting as subcontractors of Canary Tree Service during this time period. This fact was also not fairly disclosed to consumers.

11. Although eventually complying with the first subpoena they received in this investigation, Defendants Canary Tree Service and Hartmann subsequently defied subpoenas for additional documents and testimony. This Court issued an order compelling compliance and imposing a \$1,000 fine on December 13, 2023. This order was served upon these Defendants. The order and proof of service are included as **Exhibit 1**. Despite this, they have still failed to comply.

12. On November 1, 2023, Defendant Hartmann sent undersigned counsel an email regarding the subpoena suggesting that Canary Tree Service is no longer in business. Specifically, the email stated: “You have put us out of business. What can I do? We are bankrupted by this.” Upon information and belief, to the extent Canary Tree Service is no longer operating, that is a consequence of Hartmann’s management choices and misconduct.

13. After this Court entered the order authorizing this investigation, Canary Tree Service informally agreed to cease undertaking projects in Michigan. The Attorney General is not aware of Canary Tree Service performing any work in

Michigan after May 2022. But, during 2023, Defendant Holtslander and Sons continued this pattern of unfair business practices on its own. It did so knowingly and repeatedly. It has also chosen to maintain misleading information on its website.

14. At the beginning of the investigation, Defendants Canary Tree Service and Holtslander and Sons sought to quash the subpoenas issued to them in furtherance of this investigation. The essence of their contention was that they were seeking payment from the insurance companies rather than the consumers. This Court properly denied that motion. Defendants were making misrepresentations to consumers. The contracts at issue in this lawsuit make the consumers ultimately responsible for all payments. This is true under both the contracts with Canary Tree Service for the projects in 2021 and 2022 (the “Canary contracts”) and those Holtslander and Sons began using in 2023 (the “Holtslander contracts”.) Some of the consumers entering into these contracts endured threats of liens and litigation.

15. A consumer can also suffer harm even when a grossly excessive invoice is paid by an insurer. If the consumer’s coverage for a particular storm event is capped, then payment of a grossly excessive tree services invoice may leave the consumer without sufficient funds to make other home repairs. And the consumer may experience increased rates to maintain insurance coverage in future years.

16. Defendants’ patterned misconduct could also cause increased insurance rates for Michiganders to whom they were not providing tree services. A

recent Wall Street Journal article observed that the hidden costs of home ownership, such as mortgage rates and taxes have been increasing; and,

“[w]orst of all, home insurance premiums are soaring. Rates rose by more than 10% on average in 19 states in 2023 after a series of big payouts related to floods, storms, wildfires and other natural disasters across the U.S., according to an Insurance Information Institute analysis of data from S&P Global Market Intelligence.” The article then elaborated that, “Catastrophic weather events, rising labor and material costs and uncertainty about future losses are all pushing up home insurance prices—even in states less prone to hurricanes and wildfires. The average annual home insurance cost rose about 20% between 2021 and 2023 to \$2,377, according to insurance-shopping site Insurify, which projects another 6% increase in 2024.”²

III. Factual Allegations

17. Canary Tree Service entered into the Canary contracts with Michigan consumers during 2021 and 2022. At times it did so directly, and at other times it did so through one of the other company Defendants. Holtslander and Sons began entering into the Holtslander contracts with consumers in 2023, and it did so directly and on its own behalf. The following allegations are made with respect to sample transactions under the Canary contracts and the Holtslander contracts. This action is brought on behalf of these, and all similarly situated, consumers.

² Nicole Friedman, *The Hidden Costs of Homeownership Are Skyrocketing*, Wallstreet Journal (April 10, 2024) available at: <https://www.msn.com/en-us/money/realestate/the-hidden-costs-of-homeownership-are-skyrocketing/ar-BB1lq8lF> (accessed May 30, 2024).

A. Canary contracts

Derek W. [REDACTED] of Farmington

18. On July 7, 2021, a windstorm caused a large tree to fall in Derek's backyard. It fell across a retaining wall and damaged the limbs of another tree as it fell. (Derek W. Aff, ¶¶ 1–2; photos at pp 6–7, **Exhibit 2**.)

19. Because the storm knocked out the power to his home, Derek and his wife and infant son went to stay with family, and Derek did not return to the property until July 12. On that day, two men who observed the tree lying in Derek's backyard knocked on his door and explained they could remove it. One of the men identified himself as Justin Hartmann, the owner of Canary Tree Service of Jacksonville, Florida. Hartmann said that Canary Tree Service was in town working with a local company because of the extensive storm damage. (*Id.* ¶¶ 1, 3–4.)

Hartmann told Derek "he would accept whatever the insurance company paid as payment in full. He said his interactions would be solely with the insurance provider." He promised Derek that he would not be balance billed or obligated for any additional payment over and above what Canary Tree Service received from Derek's insurance provider. (*Id.* ¶ 4.)

Hartmann told Derek that Canary could do the tree removal that evening. Although Derek did not regard the removal as an emergency, he was eager to get it done since he had not been able to connect with any other tree company to that point, and he could see Canary was doing work in his neighborhood. Derek agreed

to have Canary remove the tree. Hartmann then asked Derek to sign his iPad. Based on what Hartmann told and showed Derek, Derek was given to understand that “[t]he agreement on the iPad was only an assignment of the insurance claim to allow them to pay the claim directly to Canary Tree Service.” Hartmann never gave a verbal or written cost estimate, promising again that Derek “would not owe anything beyond what the insurance provider would pay.” (*Id.* ¶ 5.)

Hartmann and his crew of five workers then set to work on the tree removal for Derek. The project took approximately 2.5 hours and included use of a crane to lift the large limbs over Derek’s home to the front yard for removal. Some small debris was left that evening, but Hartmann and one other worker returned on July 17 to remove it. That additional work took about a half hour. (*Id.* ¶ 6–7.)

20. Canary then submitted a 115-page invoice packet to Derek’s insurer, complete with photographs of the project. Derek’s insurer provided him a copy of this packet, and it is included as Attachment C to his affidavit. *The total invoice price was \$25,747.50.* This submission was reviewed by a certified arborist with more than twenty years of experience from ArborMax Tree Service. ArborMax priced out three distinct methodologies by which the tree removal project at Derek’s home might reasonably have been conducted, averaged the costs of those three methods, and then added on an appropriate billing for the disposal of the resultant debris. ArborMax concluded the appropriate average cost for the work performed for Derek would be \$6,155.56, with the most expensive option potentially costing \$6,990.00.

21. Next, Derek received a call from Kelly at AAA on August 30, 2021. During that conversation, Derek learned from Kelly that Canary had billed AAA \$25,747.08 for the tree removal at his home. Kelly then explained that AAA had determined the bill was excessive and that it would not pay the full amount, meaning Derek could be personally responsible for the balance. Having never received a bill or other documents from Canary, Derek asked Kelly to send him the invoice AAA had received. (*Id.* ¶¶ 8–9.)

22. Derek then reviewed the invoice AAA had received from Canary and found the insurance submission included a page of terms and conditions he had never agreed to. As he explains:

After receiving and reviewing the invoice, I noticed that information had been added to what I signed with Justin after the fact. The only information Justin gave me to review on his tablet was the single-page assignment of benefits included as **Attachment B** of this affidavit. I never reviewed, saw or agreed to anything contained on page 3 of the invoice. The first time I saw this information, which is included as **Attachment C**, is when the insurance company sent it to me. [*Id.* ¶ 10.]

The previously unseen page of the invoice to which Derek refers included standardized language that reserved Canary Tree Service’s right to assess late fees and finance charges for unpaid past due balances and disclaimed that any reductions, corrections, invoice adjustments, or changes of any kind by the assignee are not acts of insurance adjusting or advising of any kind. It further provided that any audit or inquiry would be subject to fees billable at a rate of \$125 per hour.

23. On October 11, 2021, Derek received an email from Keith Chandler at Canary. Through that message, Chandler told Derek to “follow up with me as soon

as possible to avoid collections and lien proceedings.” (*Id.* ¶ 11; pp 127–128.) This threat is in direct conflict with the oral representations Hartmann made in initiating the transaction, and the threat against Derek is wholly inconsistent with the assignment of benefits Derek acknowledges signing—which expressly put Canary in position of dealing directly with the insurance company.

24. Then, in December 2021, Derek received two phone calls and voicemail messages from Thomas at Canary. Derek did not return these calls because he finds the invoice submitted to AAA to be “outrageous.” Derek adds that he never would have authorized the work had he known Canary would try to charge his insurer such an unreasonable price. (*Id.* ¶ 12.)

Shirley Y. T [REDACTED] of Waterford

25. Shirley retired from Chrysler in 2010 and purchased her Waterford-area home in 2018. The following year, while attending a home show, she signed up for a free quote from a local tree company. That tree company came out to her home in 2019 and gave Shirley a quote to remove a tree that was tilting over the fence line from her neighbor’s property for \$500. With four other trees that would be removed from Shirley’s property, the total quote for the five trees was around \$11,000. (Shirley Aff ¶¶ 1–2, Exhibit 3.)

Having only recently purchased the home, Shirley was not yet in a financial position to proceed with that work, but the bid helped her make future plans. As she was worried about the tree from the adjacent property falling and damaging the fence separating the two properties, Shirley spoke with the property manager for

the home next door. She obtained permission to remove the tree if she would pay for it. (*Id.* ¶ 3.)

26. A storm hit on July 17, 2021, that did precisely what Shirley feared—causing the top third of the tree to break off and fall into her yard, breaking the fence lying in its downward path. (*Id.* ¶ 4.)

As the family next door included several small children, Shirley was worried one of them might get hurt trying to crawl through the gap in the fence near the downed tree. So, she called her insurance company, State Farm, and was given a claim number. (*Id.* ¶ 5.) After looking online, Shirley called what she understood to be a local tree company about the removal, though she does not remember the company's name. She was told by whomever she spoke with that they would bill the insurance company directly, and she would not have to pay anything. (*Id.* ¶ 6.)

27. A few days later, a crew arrived from Canary Tree Service with several trucks. Shirley was surprised at the amount of equipment brought to her home since it was just one tree—and it was not particularly large. A Canary worker came to her door with a clipboard to take down the claim number. Shirley was again told that her insurance company would be billed, and she was not given a quote on the price of the work. She does not remember signing anything. (*Id.* ¶ 7.)

The crew then set to work, completing the job over several hours. They cut the tree in the neighbor's yard at a point about five feet up from the ground and hauled away the large pieces. They threw smaller debris into the neighbor's yard.

Canary did not use most of the large equipment it had mobilized to Shirley's home. (*Id.* ¶ 8.)

28. Canary Tree Service then submitted an invoice package to Shirley's insurer, seeking payment of \$18,637.50 for the work. (Ex 3, Attachment A.)

On October 12, 2021, Shirley had communications with Keith Chandler, who was seeking to collect on the invoice for Canary Tree Service. Shirley had an email exchange with Chandler, during which she pointed out Canary had left the bottom portion of the tree. She also asked whether Canary Tree Service was the company that had been sued for price-gouging in another State—information she found while doing online research because of her concerns about what was happening to her. (Ex 3, ¶ 12; pp 21–24.) Chandler did not respond. (*Id.* ¶ 12.)

29. In November 2021, Shirley reached out to her insurance agent to inquire about her claim. State Farm sent Shirley the invoice it had received from Canary, showing a billing of \$18,637.50. (*Id.*, pp 7–9.) And State Farm sent Shirley a check for \$10,117.67 to cover both the tree removal and fence repair, telling her she should be the one to pay Canary since she was the customer. Shirley deposited this money into an account and is holding it given her ongoing dispute with Canary. (*Id.* ¶ 9.)

30. On January 13, 2022, Shirley received an email from Ed Stewart from Martini, Hughes & Grossman. Stewart said that his client wants “my firm to file a lien against the property where the work was done.” (*Id.*, pp 38–39.)

An email exchange followed during which settlement offers were exchanged. When that process broke down, Stewart threatened: “If I can not [sic] work this out with you its [sic] going legal with court and legal fees total will be 30k.” (*Id.*, p 30.)

Stewart also emailed Shirley an invoice for the work done at her property showing the total owed at \$21,697.50. (*Id.*, pp 25–28.) This is approximately \$3,000 more than Canary had invoiced State Farm a few months earlier for the exact same project.

A review of the two invoices shows Canary made various adjustments in pricing at some point in its process. Originally, Canary invoiced a crew of five workers at \$1,200 each. But later Canary seems to have re-categorized one of these workers as a site supervisor, billing that labor at \$2,048, and billing the other four workers at \$1,600 each. The cost of the disposal of the tree debris also jumped from \$3,727.50 to \$4,339.50. (Compare, Ex 3, Attachment A, with Attachment D.)

31. Shirley refuses to pay Canary the demanded amount, explaining that “their invoiced price is unreasonable, especially because I have a quote from another tree service stating that the removal of this same tree would only cost \$5,000.” Shirley adds, “If I had any knowledge beforehand that the price would be this high, I would not have allowed Canary Tree Service to remove the tree in my yard.” (Ex 3, ¶ 15.)

Tammy S [REDACTED] of Lindon

32. The July 2021 storms also caused a big oak tree to fall into Tammy’s backyard in Lindon, Michigan from next door. The oak damaged the fence in

between the properties and hit Tammy's garage, and the canopy covered much of her deck. It also damaged a cherry tree in Tammy's yard. (Tammy S. Aff, ¶¶ 1–2, Exhibit 4.)

After reaching out to her insurer, AAA, and getting a claim number, Tammy called Holtlander and Sons, a local tree company that was recommended by another of her neighbors. A man whom she understood to be the owner of Holtlander and Sons came out to give Tammy a quote on removing both the oak and cherry trees. Through the investigation, the Attorney General confirmed it was Alex Holtlander with whom Tammy met. In her own words, this man “did not give me a price for the tree removal but said they would go through my insurance and not charge me anything. He asked me for the claim number from AAA. I gave it to him and signed something for him on a tablet.” (*Id.* ¶¶ 3–5.)

33. The work for Tammy was not addressed as an emergency. The project started two or three days after Tammy met with Holtlander and was finished a few days after that. (*Id.* ¶ 6.) Although Holtlander told Tammy they would leave the chippings, that did not happen. (*Id.* ¶ 7.) But the work was otherwise finished, and a few months later events took a foul turn. Tammy states:

I never received a bill from Holtlander and Sons. But I did receive a letter from AAA dated November 17, 2021 in which AAA said it had been billed \$38,857.50 from a company called Canary Tree Service for the tree removal. Reading this letter was the first I had ever heard of Canary Tree Service. The letter went on to explain that AAA was paying Canary Tree Service \$11,500 based on a quote it had gotten from a company called HMI Advantage that reviewed the scope of the work done at my home. [*Id.* ¶ 8; pp 4–6.]

Upon information and belief, \$11,500 for the work done at Tammy's home is a more accurate reflection of the cost at which similar services are sold, making the amount she was invoiced grossly excessive. Upon further information and belief, this correspondence was the first that Tammy had ever heard of Canary Tree Service because Defendant Holtslander and Sons failed to explain the role that company played in the transaction at the time it sold services to Tammy and because she was not given a reasonable opportunity to read and understand the document or documents she was being asked to sign—or to which her signature was being applied—on the tablet presented by Alex Holtslander.

34. Tammy was surprised at the price invoiced to her insurer. She said that if she had known Holtslander and Sons planned to charge so much, she would never have authorized them to do the work. (*Id.* ¶ 9.)

35. On December 10, 2021, Tammy received a voicemail from Ryan at Canary Tree Service in which he said he wanted to talk about the bill. She did not return the call. (*Id.*)

36. Since then, Tammy has received numerous emails from Canary regarding the balance it claims is due. (*Id.* ¶ 10.) Ryan from Canary Tree Service has emailed her numerous times with the following message:

Have you had a chance to look at my previous emails about going to appraisal. Please reply to this email and let me know what you decide. To date we have received a total of \$11,500.00 for the emergency tree service. Our invoice is \$38,857.50. With such a large difference in price between the adjuster's estimate and our invoice I believe this could be settled by going to appraisal. You would have an appraiser and the carrier would have an appraiser and they would reach an agreement on the amount of loss. Canary will agree to whatever price

the appraisers agree to and won't pursue you for additional money. The link to the form is below. William Griffin is the Public Adjuster on the form that we suggest. If you have a public adjuster that you would rather use please provide their information. If you have any questions please let me know. [*Id.*, pp 7–11.]

37. The insurance packet Canary submitted to AAA includes a purported assignment of benefits from Tammy. (**Exhibit 5**, Assignment of Benefits.)

Notwithstanding that document, Canary persists in antagonizing this consumer. Tammy continues not to respond because she does not believe she owes anything based on what the Holtslander owner told her when she agreed to the work. (Ex 4, ¶ 9.)

Jaqueline J. [REDACTED] of Oak Park

38. Yet another victim of the July 2021 storms was Oak Park resident Jaqueline. A storm caused an eighty-foot-tall tree from the City property adjoining hers to fall into her yard and destroy her garage, totaling the two cars inside, and taking out a DTE power pole. The tree's canopy also damaged the gutters on her home. (Jaqueline J. Aff, **Exhibit 6**, ¶¶ 1–2, 5; photos at pp 7–8.)

39. Although Jaqueline initially had difficulty identifying a tree company to do the removal, a local company referred her to Canary Tree Service. She called Canary, and Justin Hartmann came to her home. In her initial meeting with Hartmann, Jaqueline asked him how much the tree removal would cost. He responded she did not have to worry about that since Canary would bill her insurance directly. During this initial visit, Hartmann did not ask Jaqueline to sign anything. (*Id.* ¶¶ 3–5.)

40. Later, Hartmann returned with his crew and equipment—at which time he presented his iPad to Jaqueline to get a signature. Jaqueline had hired a consultant, Mr. Stabley, to guide her through the insurance process. Mr. Stabley was present at the time of the second discussion, which Jaqueline explains as follows:

I again asked Hartman [sic] how much the tree removal would cost, and he again responded I would not have to worry about it since he would bill my insurer, State Farm. Mr. Hartman [sic] also told me that if I did not have enough money left on my insurance coverage to restore my garage, he would reimburse me from payments he would receive [sic] for the tree removal. Mr. Stabley said this sounded weird, and I did not understand it. But DTE was onsite and wanted to get to work on the replacement of the pole, and Hartman [sic] had a crew and cranes there, so I felt under pressure to get the job done. Hartman [sic] then told me I needed to initial and sign something on the electronic tablet he was holding. First, he asked me to initial something that said I was waiving a three-day cancellation period. I saw that on the screen and initialed it. Hartman [sic] then scrolled down and asked me to sign—which I did. Days later, I would find out that I had signed a document called an Assignment of Benefits. But I did not know this at the time—and Hartman [sic] never told me it was an Assignment of Benefits. I did not review the document Hartman [sic] asked me to sign, nor did he ever give me control of the tablet. [*Id.* ¶ 6.]

The Canary crew then set to work cutting the tree into small pieces which it used two cranes to move into the park from which it had fallen. A third crane was onsite, but it was not used. The debris that was moved into the park was removed the next day, and it is Jaqueline's understanding a local company connected to Mr. Hartmann did that work. (*Id.* ¶ 7.)

41. Over the next several days, Jaqueline contacted Hartmann several times in an effort to get the invoice for the tree removal. He did not send her anything showing the total cost of the work. Instead, he sent her a document called

an assignment of benefits with her signature on it. At that time, Jaqueline did not understand what this document was. (*Id.* ¶ 8.)

42. A few days after the tree removal, Jaqueline's insurance adjuster visited her home and explained it had received the assignment of benefits from Canary. He also explained to her what that document is, and said it is unusual for a tree company to get such an assignment. The State Farm representative told Jaqueline the insurer would be more comfortable paying her directly, and then she could pay Canary from those funds. Although the total damage to her garage and vehicles was assessed at \$42,000, Jaqueline was limited to a recovery of \$30,000 under her policy. (*Id.*, ¶ 9.)

43. Jaqueline also learned that Canary had billed her insurer \$25,850 for the tree removal. "While I initially didn't remember this exact amount, I do very much remember [the State Farm claims supervisor] stating and me thinking, that it was an absurd amount. If Hartman [sic] had told me the cost was going to be more than \$10,000 when I was talking with him, I would have recognized such a price as ridiculous and would have sent him on his way." (*Id.* ¶ 11.)

44. The visit with State Farm prompted Jaqueline to start reading online about assignments of benefits. Upon reading that assignments of benefits have become an issue in Florida, she emailed Hartmann saying she was revoking the one with her signature on it. Hartmann responded that she could not revoke it. (*Id.* ¶ 10; pp 21-24.)

45. Then, in August 2021, Jaqueline got a call from Canary Tree Service about the bill. She worked with her consultant, Mr. Stabley, on a resolution with Canary. As documented in emails, Jaqueline ended up paying Canary \$1,000 from the insurance proceeds, and she has not heard from them since. (*Id.* ¶ 12.)

Maria B. [REDACTED] of Linden

46. August 2021 brought another bad storm to Linden, where a schoolteacher named Maria and her husband Andrew live. A tree in their backyard snapped about twenty feet up and fell across their yard and that of their neighbor. It damaged power lines, lawn furniture, and the fence between the properties. (Maria B. Aff, Exhibit 7, ¶¶ 1–2.)

47. On August 16, Maria spoke by phone to Alex of Holtslander and Sons. During this call, Alex told Maria she and her husband would not have to pay for the removal: “When I asked him about the cost of the removal, Alex assured me that Holtslander only bills our insurance company, and that we would not be responsible for any additional costs that the insurance company did not pay.” (*Id.*, ¶ 5.)

48. That afternoon, Alex Holtslander arrived with four other workers, along with a crane and debris hauler. (*Id.*, ¶ 6.) Then, Holtslander asked Maria to sign a document on his tablet confirming that she and her husband hired Holtslander and Sons for tree removal. Maria noticed that the document listed Canary Tree Service at the top, not Holtslander, and asked Holtslander why this was the case. According to Maria, “Alex told me that Canary Tree is their third-party billing service, which is why their name is on the contract, but otherwise not

to worry about it. Alex also assured me again, as he had on the phone, that all the billing was done through insurance and that we would not be responsible for any payments.” (*Id.* ¶ 7.)

49. That afternoon, Holtslander and Sons cleaned up most of the tree debris—including the portion that had fallen into the neighbor’s yard. A week later, three workers returned and took care of the portion of the tree and stump that had remained. (*Id.* ¶¶ 8–9.)

50. Canary Tree Service then submitted an invoice for over \$20,000 to Maria and Andrew’s insurer. The insurer provided the invoice to Maria and her husband. (Insurance Invoice Excerpt, **Exhibit 8**.)

51. Maria and her husband did not hear from Holtslander or Canary Tree Service regarding payment during 2021. But they did receive information from their insurance company indicating that it would pay \$3,700 of the claim of more than \$20,000 that had been made. Maria and her husband assumed this was the end of the matter. (Ex 7, ¶ 10.)

52. But in early 2022, Maria’s husband took a phone call from someone they believe to be an attorney for Canary Tree Service seeking payment for the balance not paid by the insurance company. Her husband told this person this was not consistent with what Alex from Holtslander had represented to Maria. Having thus refused to pay, her husband was also sent an email about the collection that same day. (*Id.* ¶ 11.) The email to Maria’s husband threatened legal action if the sum was not paid, and read as follows:

Subject: Case#JFH97392 Canary Tree Service vs. Andrew M[redacted]
et al.

Andrew,

We are writing concerning the amount of \$20,197.50 which is due our client Canary Tree Service. Despite numerous requests for payment as well as providing several different options to satisfy your past due balance, your account remains outstanding. All of my client's attempts to avoid litigation and resolve this matter amicably have been ignored.

If this account is not resolved voluntarily our client reserves the right to commence legal proceedings per Michigan State Law and you may be responsible for any associated legal fees or collection costs if your account is forwarded to local counsel.

If you wish to prevent this, please contact the undersigned as a matter of urgency and settle your account before any further legal actions have commenced.

Sincerely,

James Hughes

Hughes, Martini & Associates

Corporate Offices of MHG
955 NW 17th Ave Bldg A
Delray Beach, Florida 33445

[*Id.* at pp 4–6.]

Various elements of this message—from the subject line reference to a case number and use of the familiar “vs,” and “et al,” to the reference to Canary Tree Service as “our client,” to the threats of litigation, and the use of a firm name in the signature block that sounds like a law firm’s name—have reasonably contributed to Maria and Andrew’s impression that they were being threatened by an attorney for

Canary Tree Service. A review of the website for Hughes, Martini & Associates, however, suggests this is simply a collections business rather than a law firm.³

53. Maria and her husband have not paid anything to Canary since doing so does not align with what Alex told them, and they find the price to be unreasonable for the work that was done. Indeed, had they known Canary would charge so much, Maria says they would not have accepted Holtslander's services. (*Id.* ¶¶ 11–12.)

54. Holtslander and Sons also took care of the portion of the tree that was on Maria's neighbor's property. During the investigation, Holtslander and Sons supplied photographs of the work done for the neighbor, but it asserted it did not have the invoicing information, which is possessed by Canary Tree Service. Because Canary Tree Service failed to comply with the second subpoena it was issued, the Attorney General does not have this invoice, nor does her team know how much Canary Tree Service already obtained for removal of the portion of the tree on the neighbor's property.

Cindy B. [REDACTED] of Flushing

55. Also in August 2021, a powerful microburst caused limbs and branches from two trees in the yard of Flushing resident Cindy B. to come down upon her home and driveway—causing damage to fencing and the home's siding and electric meter, and trapping her car in the garage. Still more limbs and branches fell into

³ Website for Hughes, Martini & Associates, available at: <http://mhg.bz/> (last accessed: May 19, 2022).

her yard from a neighbor's tree, though that neighbor volunteered to pay for that portion of the clean-up when he returned from a vacation. (Cindy B. Aff, ¶¶ 1–3, **Exhibit 9.**)

56. Cindy, a retiree, tried calling her normal tree service the next morning, but was told they were too swamped at that time to assist her. (*Id.* ¶¶ 1, 4.) A young man then came to her door and introduced himself as being from Garrison McKinney, a tree service company based in Tupulo, Mississippi. The man explained that he and his crew had been following the storm north in order to provide emergency tree services. (*Id.* ¶ 5.) Cindy then got a sales pitch much like the other consumers featured in this Complaint:

He then told me he could help me take care of the trees and debris in my yard at no cost to myself. He said that his company works entirely through my insurance, and that no money would be exchanged between myself and the tree company. [*Id.* ¶ 6.]

57. Worried about her lack of power, air conditioning, and food, and eager to get her car free so she could go to the store, Cindy agreed to have Garrison McKinney do the tree debris clean-up. The young man asked her to sign a blank signature screen on his phone, telling Cindy it was permission to access her property to do the work. She asked for a copy of what she had signed, but it was never provided. (*Id.* ¶¶ 7–8.)

Beginning that day, and with two more visits to Cindy's home (one of which was necessitated by its crew moving tree debris into the street to the dissatisfaction of Flushing police), Garrison McKinney completed the work. (*Id.* ¶¶ 9–17.)

The National Insurance Crime Bureau supplied the Attorney General with Cindy's invoice, submitted by Canary, showing a total billing in the amount of \$35,257.50. (Invoice, **Exhibit 10**.) In light of the amount billed, it bears repeating that the clean-up at Cindy's house involved limbs and branches from two standing trees—not fallen trees. (Ex 9, ¶¶ 18–19.) And in light of Cindy's statement that she was asked only to sign a blank screen on a tablet by the Garrison McKinney representative, it warrants emphasis that her signature appears on an assignment of benefits and agreement in the invoice packet Canary Tree Service submitted to her insurer. (Ex 9, ¶ 8; Ex 10, p 3.)

58. A month later, Cindy heard back from the claims agent that Frankenmuth Mutual had determined that \$3,700 would be an appropriate payment for the work Garrison McKinney had performed and asked her approval to make this payment. Cindy gave that approval. She was then sent confirmation of this payment and observed that it was made to Canary Tree Service. This was the first time Cindy had heard of Canary. (*Id.* ¶¶ 20–21.)

59. On March 25, 2022, Cindy received a voicemail message from Ryan at Canary Tree Service asking her to call him to discuss that invoice. Cindy did not return that call and has not spoken to anyone from Canary or Garrison McKinney about this invoice or project since that time. (*Id.* ¶ 22.)

Michelle S [REDACTED], Britta and Jerry B [REDACTED], and Jim O [REDACTED] of Ann Arbor

60. On or about August 13, 2021, a storm caused the top portion of a tree to fall upon Jim's Ann Arbor property. The tree was originally rooted two lots over on his neighbor Michelle's property. The tree fell from Michelle's property onto Jerry & Britta's garage roof and partially onto Jim's property. The top twenty-five feet of the tree landed on Jim's property. (Jim O. Aff, ¶¶ 1-2, Exhibit 11.)

61. Jim returned home from out of town on August 16, 2021. Noticing that Jerry and Britta had hired a tree removal company, Jim went over to discuss the possibility of that company's assistance with his property as well and approached a worker who identified himself as Stephan. Stephan said that they could assist. (*Id.* ¶ 3.)

62. Jim asked what the price would be for removal, and Stephan said it would cost a few hundred dollars. Stephan also agreed to prorate the work between Jim, Jerry and Britta, and Michelle. Stephan then asked Jim to sign multiple pages on his iPad, which included language asserting that Canary would take care of the billing with Jim's insurance company, so Jim gave Stephan the claim number from his insurer, USAA. (*Id.*)

63. Within thirty minutes of Jim's discussion with Stephan, the crew had removed the top section of the tree from Jim's property. (*Id.*)

64. At the end of August, USAA contacted Jim, stating it did not have all the information needed from Canary Tree Service. Jim reached out to Stephan on

August 30, 2021 to discuss the matter. Stephan responded, "Let me check on that."
(*Id.* ¶ 4 & Attachment A.)

65. Canary's next communication with Jim was not until October 19, 2021, when Keith Chandler of Canary Tree Services emailed Jim stating that Canary was going to put a lien on his house because the invoice had not been paid. (*Id.* at Attachment A.) Confused and worried about this development, Jim reached out to USAA to try to understand what had happened. USAA provided Jim a partial invoice dated September 7, 2021, with a total amount due of \$17,697.50. Canary had billed for 24 hours of labor for four crew members and eight hours of crane and skid steer use. USAA told Jim that Canary insisted that the price was correct for the work provided. USAA informed Jim that if the invoice price held, he would be personally liable for paying approximately \$3,000 out of pocket. Jim informed USAA that according to what he was told by Stephan, that could not be the correct price. On October 22, 2021, Jim emailed Keith Chandler to dispute the invoice and ask that it be adjusted. (*Id.* ¶¶ 5, 6.)

66. Later that day, Jim asked his neighbors how they fared. Michelle and Jerry and Britta had not received much information, so they requested invoices. Michelle's insurance company had not yet been invoiced, but the group was surprised to learn that Jerry and Britta's invoice listed the same price as Jim's: \$17,697.50. Jerry and Britta's invoice was nearly identical to Jim's, with the exception of which photos were used. (*Id.* ¶ 7.)

67. In May 2022, USAA told Jim that Canary had revised the invoice to \$10,093.75 and that Jim would have to pay approximately \$1,500 if the invoice held. It was unclear whether USAA would send Jim a check or if USAA would pay Canary directly. (*Id.* ¶ 8.)

68. On May 10, 2022, Justin Hartmann informed Jim via email that a USAA claims manager had confirmed that the invoice was valid and that USAA would pay Canary Tree Service directly. Jim and Justin emailed back and forth regarding payment until May 31. Justin insists that the work was work that only his crew could have provided and that the invoice was fair. Jim has not responded to Justin's last two emails or phone calls since then. (*Id.* ¶¶ 9–10 & Attachment B.)

69. Before Stephan's crew did the work, Michelle and Jerry and Britta had another contractor visit the property. The estimate was for only \$8,000. Further, Jerry and Britta's insurance company, State Farm, does not consider Canary's charges reasonable. (*Id.* ¶ 10.) Because Britta and Jerry's insurer did not pay the full invoiced amount, Canary Tree Service then began sending harassing emails to them.

70. From her vantage point, Michelle talked with some named Chase who said he was from Canary Tree Service. Chase did not give Michelle a written quote for the work to be done on her property but said it would cost around \$10,000 to remove. He also told Michelle they would bill her insurance company directly. Upon information and belief, Canary Tree Service never billed Michelle or her

insurance company; instead, it shifted all of the claimed costs for the removal of this tree onto Jim, Britta, Jerry, and their insurance companies.

Nicholas B [REDACTED] of Grand Blanc

71. Nicholas called Holtslander and Sons after a tree limb fell on his employer's truck, which was parked in Nicholas' driveway. Alex Holtslander met with Nicholas and asked him to sign for the work on a tablet. Alex Holtslander never mentioned Canary Tree Service, nor did he show any documentation on the electronic device that had the name Canary Tree Service. Holtslander did not give Nicholas a total project price, instead telling him his insurance would be billed. Eventually, Nicholas' insurance company was billed more than \$20,000 for the removal of the single limb. Nicholas' insurance company provided him a copy of the invoice packet, which included Nicholas' signature on various documents bearing Canary Tree Service's name. Nicholas has no idea how his signature got onto these documents. Based upon Alex Holtslander's representations, he thought he was contracting with Holtslander and Sons.

Tammy J [REDACTED] of Gaylord

72. Zach Brant from E & B Contracting approached Tammy, a Gaylord homeowner, a day after a tornado went through town to inquire about removing two uprooted trees at her home. Tammy told Brant that she already had a quote from a local company to remove the trees for \$4,200 to be billed to her insurance company, but that her friends were organizing to take care of them for free. Tammy

expressed apprehension over dealing with insurance, but Mr. Brant assured her not only that he would perform the service for less than the prior quote, but that he would work directly with the insurance company to alleviate her stress. Tammy signed a contract on Mr. Brant's tablet. Tammy neither received a copy of the contract nor an estimate, and the company left uprooted stumps on the property.

73. Ultimately, Canary Tree Service charged Tammy's insurance company \$33,000.00 for the removal of two trees. Tammy was shocked at this price and sought to better understand it in a call to Brant with her insurance adjuster. Mr. Brant gave Tammy the phone number of his billing department, identifying it as Canary Tree Service, which he referred to as an affiliate of his company. Justin Hartmann called Tammy to attempt to complete the process. Having heard about the Attorney General's Notice of Intended Action against Canary, Tammy instead submitted a formal complaint to the Attorney General.

B. Holtslander contracts

74. During 2023, Holtslander and Sons performed emergency tree services for multiple consumers in Michigan using a contract like that included as **Exhibit 12** which is the contract used for a consumer named Bethany Y [REDACTED]. Upon information and belief, although Holtslander and Sons would sometimes adjust the prices associated with various equipment and personnel, the contracts used for other consumers, including Anthony L [REDACTED] and Stephanie C [REDACTED], were substantially similar to the attached contract used for Bethany Y [REDACTED]. Upon information and belief, it is impossible for a consumer signing a contract like that

included as Ex 12 to determine the total project price by reviewing the contract. The total project cost is material to a services contract. Holtslander and Sons was in a better position than the consumers with which it was dealing to know the total project cost, or a reasonable approximation thereof, before asking the consumers to sign such contracts. Nevertheless, it was the general practice of Holtslander and Sons not to provide this information before asking the consumers to sign the contracts. Holtslander and Sons would tell the consumers their homeowners' insurance would cover the project costs. Such statements had the effect of making consumers feel more comfortable with signing the Holtslander contract even though a total project price was not provided.

75. Under the Holtslander contract, the consumer signing it is contractually obligated to pay any balance left unpaid by his or her insurance company. Upon information and belief, Holtslander and Sons would either not volunteer this information in oral communications prior to the consumer signing the contract or would assure the consumer's insurance would cover the cost.

76. Using such contracts, Holtslander and Sons has attempted to justify invoices in amounts not foreseen by the consumers executing them. Holtslander and Sons invoiced Bethany Y [REDACTED] of Linden \$17,989.04 for the removal of a tree limb that was, according to the invoice, approximately seventy feet long that had fallen upon her detached barn. And it invoiced Anthony L [REDACTED] also of Linden, \$27,312.00 for the removal of a large tree that had fallen upon his detached garage during the late August storm that plagued much of mid-Michigan. As it regards

these invoices to be unjustifiably high, the insurance company for both Y [REDACTED] and L [REDACTED] has refused to pay the full amount invoiced by Holtslander and Sons.

Under the terms of the Holtslander contract, Y [REDACTED] and L [REDACTED] are liable for any balance not paid by insurance. Upon information and belief, Holtslander has used the potential liability of these consumers to leverage payment from their insurance company in amounts that are grossly in excess of the price at which similar services are sold.

77. The August 2023 storm also caused two tree limbs to fall at the Linden home of Stephanie C [REDACTED]—one on the roof of her home and the other on her deck. Both limbs caused damage, with the latter puncturing a hole in the deck. Having observed Holtslander and Sons performing work at the home of a neighbor, C [REDACTED] called that company. A worker from Holtslander and Sons then walked over to C [REDACTED]'s home from the neighbor's house. The worker asked C [REDACTED] to sign a contract on an electronic device, which he handed to her. C [REDACTED] told the Holtslander and Sons worker the text was too small to read. The worker responded that she did not need to read it because the work would be paid for by her insurance company. C [REDACTED] then got the worker's help in learning how to scroll to find the places where she needed to place her initials in the electronic document. She then added her electronic signature at the end of the document. Upon information and belief, Alex Holtslander was the worker who participated in this interaction with C [REDACTED].

78. The Holtslander and Sons crew then came from the home down the street to C [REDACTED]'s home. It removed both tree limbs in a project lasting approximately one hour. In the process, Holtslander and Sons caused damage to the stairs of C [REDACTED]'s deck. Upon information and belief, the damage to the deck stairs could have been avoided if Holtslander and sons had used a different method for removing the limb from the deck.

79. In the days subsequent, Holtslander and Sons billed C [REDACTED] more than \$23,000 for this project. C [REDACTED] paid over \$16,000 to Holtslander and Sons from the insurance payment she received related to the storm damage. Upon information and belief, although C [REDACTED] was able to get her roof fixed with the insurance proceeds because a family member undertook the labor, she did not have enough left over to repair the hole in the deck caused by the limb and the damage to the stairs caused by Holtslander and Sons.

80. Upon information and belief, both the \$23,000-plus originally billed by Holtslander and Sons—as well as C [REDACTED]'s payment exceeding \$16,000—are prices grossly in excess of the price at which similar services are sold. For a project lasting approximately one hour, such charges are unconscionable.

IV. Causes of Action

COUNT I – VIOLATION OF BUSINESS CORPORATIONS ACT (as to Canary Tree Service)

81. The Attorney General incorporates all above allegations as though more fully set forth here.

82. As a corporation formed under the laws of the State of Florida, Canary Tree Service was required to have a certificate of authority to conduct business in Michigan under MCL 450.2011. Canary Tree Service has conducted business in Michigan without such a certificate of authority. It did so in at least July 2021, August 2021, and May 2022.

83. Under MCL 450.2055, a fine may be imposed in an amount up to \$1,000 per month for this violation.

COUNT II – CIVIL CONTEMPT (as to Canary Tree Service)

84. The Attorney General incorporates all above allegations as though more fully set forth here.

85. Defendant Canary Tree Service failed to comply with the investigative subpoena issued to it on September 29, 2023. Although this Court entered an order compelling compliance with that subpoena and imposing a \$1,000 civil fine, Canary Tree Service has neither complied with the subpoena nor paid that civil fine. It was required to do so by December 20, 2023.

86. The order compelling compliance with the investigative subpoena was issued under MCL 445.908, which directs that the violation of such an order may be punished as civil contempt. A civil contempt has occurred and is ongoing pursuant to MCL 600.1715. The Attorney General asks that further civil fines be imposed in a manner aimed at gaining compliance with this Court's order of December 13, 2023.

**COUNT III – VIOLATIONS OF MICHIGAN CONSUMER PROTECTION ACT
(as to all Defendants)**

87. The Attorney General incorporates all above allegations as though more fully set forth here.

88. All Defendants, whether directly or in furtherance of a civil conspiracy, have engaged in or abetted the following unfair business practices made unlawful under the MCPA:

...

(n) Causing a probability of confusion or of misunderstanding as to the legal rights, obligations, or remedies of a party to a transaction.

...

(r) Representing that a consumer will receive goods or services free or without charge, or using words of similar import in the representation, without clearly and conspicuously disclosing with equal prominence in immediate conjunction with the use of those words the conditions, terms, or prerequisites to the use or retention of the goods or services advertised.

(s) Failing to reveal a material fact, the omission of which tends to mislead or deceive the consumer, and which fact could not reasonably be known by the consumer.

(t) Entering into a consumer transaction in which the consumer waives or purports to waive a right, benefit, or immunity provided by law, unless the waiver is clearly stated and the consumer has specifically consented to it.

...

(w) Representing that a consumer will receive a rebate, discount, or other benefit as an inducement for entering into a transaction, if the benefit is contingent on an event to occur subsequent to the consummation of the transaction.

...

(y) Gross discrepancies between the oral representations of the seller and the written agreement covering the same transaction or failure of the other party to the transaction to provide the promised benefits.

(z) Charging the consumer a price that is grossly in excess of the price at which similar property or services are sold.

...

(bb) Making a representation of fact or statement of fact material to the transaction such that a person reasonably believes the represented or suggested state of affairs to be other than it actually is.

(cc) Failing to reveal facts that are material to the transaction in light of representations of fact made in a positive manner.

[MCL 445.903(1)(n), (r), (s), (t), (y), (z), (bb), and (cc).]

These violations are alleged individually, collectively, and alternatively.

They are alleged against all Defendants for the transactions taking place in 2021; against Canary Tree Service, Hartmann, and E & B Contracting for the 2022 transactions; and against only Holtslander and Sons for the 2023 transactions.

89. Defendants misconduct is manifest in multiple ways. Defendants' oral representations to consumers are misleading, create a probability of confusion over the payment obligation, and are inconsistent with the contracts they present. In many instances, the Canary contracts and Holtslander contracts have been presented to consumers on electronic devices in a manner that either does not show the consumer the entirety of the obligations contained in the contract or in which the consumer cannot reasonably be expected to review the contract terms. To the extent consumers are able to review such contracts, they are designed to reinforce the concept that the insurance company will pay for the tree services, but then contain various unconscionable provisions—many of which put consumers in the

position of seeming to waive legal rights without appropriate notice. In the Canary contracts, such terms include provisions purporting to waive the general concept that the contract be construed against Canary Tree Service as its drafter, and a provision setting the jurisdiction for any lawsuits as an inconvenient forum in a Florida county. For the Holtslander contracts, such terms are similar. Both the Canary contracts and Holtslander contracts also unlawful penalties upon consumers in the event of non-payment.

90. As both the Canary contracts and Holtslander contracts include no total project cost, and instead provide a list of potential cost components, Defendants create a probability of confusion over the total project price. Such price is material to the transaction. As a result, there has been no true meeting of the minds in the transactions alleged above. By proceeding to present invoices with grossly excessive total prices, Defendants are also violating the duty of good faith and fair dealing.

91. The above-named consumers, and all similarly situated Michigan consumers, are entitled to rescission of the contracts. Alternatively, such consumers are entitled to modification of those contracts to eliminate all unfair or unconscionable terms in accord with MCL 445.910(2). Stephanie C [REDACTED], and all other Michigan consumers who have experienced damages as a result of Defendants' misconduct, should be compensated in accord with MCL 445.910(1).

92. Holtslander and Sons' violations under this Count are knowing and persistent. Civil fines against Holtslander and Sons are thus appropriate under MCL 445.905.

COUNT IV – CONSUMER CONFUSION AS TO ENTITY WITH WHOM THEY WERE CONTRACTING (as to Holtslander and Sons)

93. The Attorney General incorporates all above allegations as though more fully set forth here.

94. During 2021, when it was acting as a subcontractor for Canary Tree Service, Holtslander and Sons made representations to consumers leading them to believe they were entering into a contract with Holtslander and Sons as the service provider. In representing that Canary Tree Service was its billing agent, Holtslander and Sons was not accurately identifying the source of the services being provided, and was making an oral representation inconsistent with the written agreement. Holtslander and Sons was thus engaging in the following unfair trade practices:

(a) Causing a probability of confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods or services.

...

(y) Gross discrepancies between the oral representations of the seller and the written agreement covering the same transaction or failure of the other party to the transaction to provide the promised benefits.

[MCL 445.903(1)(a) & (y).]

COUNT V – WEBSITE ISSUES (as to Holtslander and Sons)

95. The Attorney General incorporates all above allegations as though more fully set forth here.

96. Through various statements on its website, Holtslander and Sons has engaged in violations of the following unfair or deceptive trade practices made unlawful by the MCPA:

(c) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has sponsorship, approval, status, affiliation, or connection that he or she does not have.

...

(bb) Making a representation of fact or statement of fact material to the transaction such that a person reasonably believes the represented or suggested state of affairs to be other than it actually is.

...

(cc) Failing to reveal facts that are material to the transaction in light of representations of fact made in a positive manner.

[MCL 445.903(1)(c), (bb), (cc).]

97. To qualify as an arborist, an individual must have a certification demonstrating he or she possesses the requisite knowledge and training. At the time the Attorney General commenced this investigation, Holtslander and Sons did not employ any arborists. Nevertheless, Holtslander and Sons included statements on its website suggesting it did employ certified arborists. For example, in a section related to tree cabling, the website stated, “Our arborists understand the correct cabling methods for your trees, providing them a better opportunity to grow and stay in tact.” And, in a section called “Expert Tree Inspections” Holtslander and

Sons advised, "Always speak at length with any tree service to ensure they have the proper certification. There are a lot of quick talkers in the industry so be sure to do your homework." During the investigation, the Attorney General's team raised concern to Holtslander and Sons that it was misrepresenting to consumers that it employed arborists. Holtslander and Sons subsequently edited the aforementioned statements on its website. Doing so does not change the fact the MCPA had been violated.

98. Holtslander and Sons has represented on its website that it is superior to other tree services because it is licensed. Tree services are not licensed in Michigan. Holtslander and Sons thus does not possess a tree service license.

99. Holtslander and Sons was formed as a limited liability company in 2014. The sole owner and manager of Holtslander and Sons is Alex Holtslander. In January of 2023, Alex Holtslander provided investigative testimony that he was twenty-eight years old at that time. Despite these facts, Holtslander and Sons has maintained statements on its website suggesting a much longer existence than it has actually had. The Attorney General's team raised this concern to Holtslander and Sons during the investigation. Nevertheless, Holtslander and Sons continues to represent on its website that it has existed for close to two decades as of the filing date of this lawsuit. This is a knowing and persistent misrepresentation.

100. As of the filing date of this lawsuit, Holtslander and Sons website contains the following statement:

When it comes to insurance and workman's compensation, Holtslander and Sons does not mess around. We are fully insured and we make sure that every employee is covered by workman's comp. We will provide you with documentation of this, just ask. We feel that it is very important that you ask for this proof from any tree company that you are considering having complete a job on your property. Insurance in this line of work is very expensive and there are a lot of companies that say they are insured but when an accident happens you as the homeowner find out the hard way that they were not properly insured. If you request copies of this information you will usually weed out the fly-by-night companies. It is never worth the risk to be held responsible for an injury or death on your property.

101. This text was on the Holtslander and Sons website before, and throughout, the investigation. Holtslander and Sons has maintained this text on its website even though it sometimes uses workers on its jobsites who are not employees and thus not covered by worker's compensation.

V. Relief Request

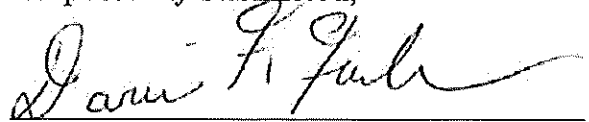
Accordingly, for the reasons stated above, the Attorney General respectfully requests the following relief:

- A. Orders finding that Canary Tree Service conducted business in Michigan without a certificate of authority to do so and imposing a judgment against it in the amount of \$3,000 for this violation of the Business Corporations Act. Canary Tree Service should be enjoined from conducting business in Michigan until it has both satisfied this judgment and has obtained the proper certificate to do so;
- B. An order holding Canary Tree Service in civil contempt for its violation of this Court's order of December 13, 2023, imposing an additional

sanction of \$500 for such noncompliance, and requiring compliance with that order (including payment of the \$1,000 stated within it);

- C. Orders holding that all Defendants have violated the MCPA as alleged in Count III and preliminarily and permanently enjoining them from enforcing all such contracts against the consumers identified in this Complaint, and all similarly situated consumers. The Attorney General further asks that this Court either rescind, or at least modify, such contracts in accord with MCL 445.910(2) to achieve a just result;
- D. Orders finding that Holtslander and Sons is liable to Stephanie C [REDACTED] and all similarly situated Michigan consumers for monetary damages, or, in the alternative as relates to Stephanie C [REDACTED] enjoining Holtslander and Sons' continued failure to correct the damage caused to this consumer's property;
- E. An order enjoining Holtslander and Sons from performing tree services without first providing consumers legible contracts that, at a minimum, include a clear and conspicuous total project cost;
- F. An order finding that Holtslander and Sons' misconduct under the MCPA is persistent and knowing, and imposing appropriate civil fines in accord with MCL 445.905; and
- G. Such other relief as this Court deems just and proper.

Respectfully submitted,



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Dated: May 30, 2024