STATE OF MICHIGAN IN THE 30^{TH} 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,

Case No. 24-0003-CP

Plaintiff,

HON. WANDA M. STOKES

v

MICHIGAN'S CHOICE TREE SERVICE, LLC, STORM SUPPORT EMERGENCY TREE REMOVAL, LLC, and DAVID FOSTER,

Defendants.

Darrin F. Fowler (P53464)
Daniel J. Ping (P81482)
Assistant Attorneys General
Michigan Department of Attorney General
Corporate Oversight Division
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CONSENT JUDGMENT

At a session of said Court, held on
______, 2024, in the City of Lansing, Michigan.
Present: HON. WANDA M. STOKES

The Attorney General of the State of Michigan (Attorney General) commenced this lawsuit on January 4, 2024. In a five-count complaint, the Attorney General alleged that the above-captioned Defendants violated the

Michigan Limited Liability Company Act (MLLCA), MCL 450.5002, and various provisions of the Michigan Consumer Protection Act, MCL 445.901 et seq. The complaint also alleged breach of contract.

Defendants filed an Answer to the Attorney General's Complaint on or about January 26, 2024. On January 29, 2024, the Attorney General filed a motion for a preliminary injunction, to which no response has been filed. And, on January 31, 2024, the Attorney General filed a motion for summary disposition, to which no response has been filed. The Attorney General served her initial disclosures on February 9, 2024, and the parties stipulated to delay the deadline for service of Defendants' initial disclosures due to pending settlement. The only order entered by this Court during the course of this litigation was the February 22, 2024, scheduling order.

Defendants now wish to resolve the pending matter rather than pursue continued litigation. Meanwhile, the Attorney General has stated throughout this litigation the dual goals of allowing Defendants to continue operating so long as they can do so in a lawful manner and securing binding assurances that Defendants will permanently cease their unfair and deceptive business practices.

Following discussions between the Attorney General's Office and Defendants and their counsel, this Consent Judgment is being presented because it is deemed by both sides to be the best mechanism for accomplishing these goals.

Defendants acknowledge they have had the opportunity to review this document and receive appropriate legal consultation prior to its entry.

Therefore, upon the consent of the Parties as reflected through the below signatures, IT IS ORDERED AS FOLLOWS:

- 1. Defendants will pay to the Department of Attorney General the total sum of \$13,500. This shall be accomplished through two (2) equal payments, with half due thirty days after entry by the court of this consent judgment and the other half due 120 days after entry.
- 2. All payments made under this Consent Judgment shall be accomplished through two cashier's checks, money orders, or checks from the Sawyer Law Offices PC IOLTA account made payable to the State of Michigan delivered or mailed to the attention of Darrin F. Fowler, Assistant Attorney General, 525 W. Ottawa St., P.O. Box 30736, Lansing, MI 48909.
- 3. If any of these payments are late, the Attorney General shall notify counsel for Defendants either by electronic mail at ksawyer@sawyerlawpc.com or by certified mail to Attorney Sawyer's address at 418 College Ave NE, Grand Rapids, MI 49503. If Defendants fail to make the payments within 7 days of said notification, they shall pay \$50 as liquidated damages for additional efforts undertaken by the Attorney General to secure payment for a delay of up to twenty-one days. Should a payment be more than twenty-one days late, Defendants agree to compensate the Attorney General for all costs and attorney fees associated with the Attorney General's efforts to secure payment.
- 4. The Attorney General will distribute \$250 each to the three consumers identified in the identified in $\P\P$ 21–44 of the Complaint; the balance will be retained by the Attorney General to offset the expenses associated with the Lawsuit.
- 5. The Assurance of Voluntary Compliance (AVC) dated March 8, 2023, and entered into between the Attorney General, Michigan's Choice, and David Foster shall remain in force such that any party's violation thereof may be deemed a breach of contract separate and distinct from any violation of the Settlement Agreement or Consent Judgment entered in the instant case. Furthermore, all parties, including Storm Support, agree to be bound by the terms of that AVC as between themselves and the Attorney General upon entry of this Consent Judgment.
- 6. Defendants admit to violating § 3(1)(n) of the MCPA, MCL 445.903(1)(n), which prohibits:

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

- 7. Defendants, jointly and severally, are permanently enjoined from:
 - engaging in any unfair or deceptive business practices in the State of Michigan;
 - including punitive or confusing terms in any service contracts (emergency or non-emergency), such as usurious interest rates for non-payment, burdensome forum-selection clauses, or obligations to assist any defendant in receiving payment from a third party;
 - engaging in any trade or commerce in Michigan using any additional business entities or aliases without notifying the Department ten days prior to the first transaction;
 - undertaking any future tree service work or asking a consumer to sign a contract for such services without first providing the consumer with a written quote that clearly states the total price that will be billed for the project, which quote must warn the consumer, in a font no smaller than what is used in the rest of the quote, that the consumer could be liable for an amount that their insurance company declines to pay;
 - deviating from the quoted price provided prior to contracting with a consumer without first doing all of the following: providing a revised quote that describes the unforeseen condition prompting the deviation, providing a revised total project cost, informing the consumer that he or she may seek quotes from other tree services companies before deciding whether to accept or reject the revised quote, and, in the event that a consumer decides to seek other bids, assuring the consumer that Defendants will take whatever steps are necessary to leave the site with the consumer in a situation that is no more perilous than when they began work;
 - charging the consumer more for a project than the amount stated in the written or revised quote;
 - stating that a consumer will have no out-of-pocket costs, to the extent that any consumer expresses an intention to pay for Defendants' services through insurance proceeds;
 - charging any consumer more than ten percent (10%) more than the actual cost Defendants pay for any subcontracted crane service used on the consumer's project;

- placing liens, or threatening to place liens, on the properties of any consumers for whom any work was performed prior to entry of this Consent Judgment;
- making any request or exerting any pressure on any Michigan consumer to help Defendants in their efforts to gain payment from an insurance company; and
- representing on their website or in any other contract or document supplied to consumers that any defendant has arborists in its employ unless or until that defendant employs one or more certified arborists.
- 8. Defendants agree that Storm Support will not operate in Michigan unless or until they have obtained the certificate of authority required by the MLLCA. Storm Support's application for the certificate shall truthfully indicate the date on which it first operated in Michigan. See MCL 450.5002(f).
- 9. Defendants agree to update their website and marketing materials to reflect their promise to consumers that they will issue written quotes and honor them to the letter, with the exception of hidden conditions warranting an updated written quote.
- 10. Defendants agree not to seek any additional payment from consumers for emergency tree services provided, in whole or in part, before the date of entry of this Consent Judgment. This does not preclude Defendants from seeking to collect additional payment from a consumer's insurance company in good faith.
- 11. Defendants agree affirmatively to remove any liens placed on any

 Michigan consumer's property in connection with emergency tree services
 that were initiated or in place on the date of entry of this Consent

Judgment.

Dated: March <u>\$\phi7\$</u>, 2024

This is a final order resolving th	ne last pending claim in this lawsuit and
closing this case.	
Dated:, 2024	HON. WANDA STOKES Ingham County Circuit Court Judge
WE CONSENT TO ENTRY OF THE ABOVE ORDER:	
Dated: March <u>8</u> , 2024	Dani F. Juli
	Darrin F. Fowler (P53464)
Dated: March 7 , 2024	Daniel J. Ping (P81482)
	Attorneys for Plaintiff
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	Keary Sawyer (P29416)
	Attorney for Defendants

David Foster on behalf of himself, Michigan's

Choice Tree Service, LLC, and Storm Support Emergency Tree Removal, LLC