

STATE OF MICHIGAN
IN THE 17th CIRCUIT COURT FOR KENT COUNTY

TODD ALAN STACY, individually and as
assignee of ADMINISTRATION SYSTEMS
RESEARCH CORPORATION, a Michigan
corporation,

Plaintiff,

Case No. 12-11945-NZB

vs.

HON. CHRISTOPHER P. YATES

J. MICHAEL BRANDON; and MARY J.
BRANDON,

Defendants.

ORDER GRANTING IN PART, AND DENYING IN PART, PLAINTIFF'S
MOTION FOR RECONSIDERATION CONCERNING PCHM CLAIMS

On November 30, 2015, the Court issued an Opinion and Order Granting Defendants' Motion for Summary Disposition Regarding Formation of PCHM. Citing MCR 2.116(C)(7), the Court ruled that Plaintiff Todd Stacy's claim for conversion concerning the formation of Physicians Care Health Management LLC ("PCHM") is barred by the applicable three-year statute of limitations. Stacy filed a motion for reconsideration of that ruling on December 21, 2015. That motion requires the moving party to "demonstrate a palpable error by which the court and the parties have been misled and show that a different disposition of the motion must result from correction of the error." See MCR 2.119(F)(3). On reconsideration, the Court reaffirms its conclusion that Stacy's conversion claim is time-barred, but the Court rules that Stacy may proceed on his unjust-enrichment claim.

The documents supplied in connection with the motion for summary disposition concerning PCHM plainly establish that Defendant Michael Brandon informed Plaintiff Stacy about PCHM in

January and March of 2007. See Defendants’ Brief in Support of Motion for Summary Disposition Pursuant to MCR 2.116(C)(7) Regarding Formation of PCHM, Exhibits C & F. Indeed, Brandon even invited Stacy to take part in PCHM. See id., Exhibit C. Despite that disclosure, Stacy did not file a conversion claim concerning PCHM until December 26, 2012 – beyond the applicable three-year statute of limitations. Although Stacy insists he did not know “that Mr. Brandon surreptitiously used PCHM to divert profits that had been previously retained by” Administration Systems Research Corporation, see Plaintiff’s Brief in Support of Plaintiff’s Motion for Reconsideration at 1, the Court considered and expressly rejected that argument in footnote 4 of the opinion and order that Stacy has challenged on reconsideration. As the Court explained, “Stacy’s suggestion that the defendants must prove he knew every detail in order to defeat his assertion of MCL 600.5855 is completely contrary to Michigan law. See, e.g., Roman Catholic Archbishop of the Archdiocese of Detroit, 264 Mich App 632, 642-643 (2004).” On reconsideration, the Court stands by that analysis, so the Court must deny Stacy’s motion for reconsideration with respect to the conversion claim.

Plaintiff Stacy’s unjust-enrichment claim presents an entirely different issue. Although the Court did not give separate consideration to whether the applicable statute of limitations precludes Stacy from seeking recovery concerning PCHM on an unjust-enrichment theory, Stacy has pointed out that that claim is governed by a six-year statute of limitations, so it is not time-barred. The Court agrees. The Court has not found a published appellate decision defining the statute of limitations for claims of unjust enrichment, but our Court of Appeals has held in unpublished decisions that the statute of limitations for unjust-enrichment claims is six years by dint of MCL 600.5813. See, e.g., Trudel v City of Allen Park, No 304507, slip op at 19 (Mich App Nov 14, 2013); Romeo Investment Ltd v Michigan Consolidated Gas Co, No 260320, slip op at 9-10 (Mich App May 1, 2007). Thus,

the Court erred in foreclosing Stacy from seeking relief on his unjust-enrichment claim concerning PCHM because Stacy learned about PCHM in early 2007 and filed suit in December of 2012, which was within the six-year statute of limitations. Accordingly, the Court shall grant reconsideration and permit Stacy to pursue his unjust-enrichment claim concerning PCHM.

IT IS SO ORDERED.

Dated: February 2, 2015



HON. CHRISTOPHER P. YATES (P41017)
Kent County Circuit Court Judge