If this opinion indicates that it is "FOR PUBLICATION," it is subject to revision until final publication in the Michigan Appeals Reports.

STATE OF MICHIGAN

COURT OF APPEALS

VELOCITY MRS -- FUND IV, LLC,

Plaintiff-Appellee,

UNPUBLISHED
August 17, 2026
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v

411 HELP, LLC, 4 TRANSPORT, INC, GRAVITY IMAGING, LLC, and SPINE & HEALTH, PLLC,

Defendants-Appellees,

and

HASSAN FAYAD,

Defendant,

and

4 UR RECOVERY, LLC, 411 PT, INC, and FOUR TRANSPORT, INC,

Appellants.

No. 371811
Wayne Circuit Court
LC No. 21-013338-CB

Before: ACKERMAN, P.J., and BAZZI and LIEVENSE, JJ.

PER CURIAM.

4 UR Recovery Therapy, LLC, 411 PT, Inc, and Four Transport, Inc, nonparty appellants to this case, appeal the trial court's order denying their motion to quash or set aside a court order. Plaintiff and defendant-appellees (collectively "appellees") argue that this Court does not have jurisdiction because the appealed order was not a final order and, alternatively, we should deny appellants' request for appellate relief. We agree with appellees' first argument and dismiss this case for lack of jurisdiction.

I. FACTS

Defendants 411 Help, LLC; 4 Transport, Inc.; Gravity Imaging, LLC; and Spine & Health, PLLC (referred to collectively as the Medical Facilities), are companies that provided a variety of health care related services to Michigan residents with no-fault insurance who were injured in automobile accidents. Defendant Hassan Fayad ("Hassan") is a member and authorized representative of the Medical Facilities. Based on their operations, the Medical Facilities had accounts receivable worth millions of dollars.

At some point in the late 2010s, plaintiff and the Medical Facilities were engaged in a business dispute and, eventually, litigation was filed in Texas in about 2019. Eventually, on April 27, 2020, plaintiff and defendants (including both the Medical Facilities and Hassan) entered into a settlement agreement under which defendants assigned to plaintiff certain of the Medical Facilities' receivables worth millions of dollars. Plaintiff learned shortly afterwards, however, that defendants had breached the settlement agreement by double assigning certain receivables to plaintiff and another company and by receiving and keeping payments made to defendants on the receivables by insurance companies.

In 2021, plaintiff sued defendants for breach of contract and conversion in Texas. Defendants consented to a judgment against them in that case and, on May 14, 2021, the Texas court entered a judgment requiring defendants to pay plaintiff more than $6.3 million. Simultaneously with the consent judgment, plaintiff and defendants entered into a forbearance agreement that established a payment plan for defendants.

It appears that defendants almost immediately breached the forbearance agreement and by late June 2021 plaintiff was serving writs of garnishment to defendants' banks and the attorneys representing the insurance companies who owed money on the no-fault benefit receivables. Meanwhile, in July 2021, Mirna Fayad, Hassan's sister ("Mirna"), incorporated new entities in Michigan with names very similar to two of the defendants, including Four Transport, Inc., and 411 PT, Inc., which are two of the nonparty appellants.

Based on concerns that their debt collection efforts would not succeed, in October 2021, plaintiff sued defendants in this case for breach of the forbearance agreement, fraudulent transfer, and the appointment of a receiver over the Medical Faculties. In lieu of a receiver, on November 15, 2021, plaintiff and defendants 411 Help, 4 Transport, and Gravity Imaging (three of the Medical Facilities, which will be referred to as the "Stipulating Defendants"),[1] stipulated to the appointment of a chief restructuring officer (CRO) to manage the businesses. Among other things, the stipulated order gave the CRO broad authority, including access to and control over:

> [a]ll personal property owned by or in the possession of any of the Stipulating Defendants . . . whether or not such personal property assets are in the possession of the CRO, the Stipulating Defendants, or any third party, including any successor-

[1] The record indicates that a separate Collection Order addressed one of the Medical Facilities, Spine & Health, PLLC, and that entity is not involved in this appeal.

in-interest, transferee, related party, party related through common ownership or affiliate of a Stipulating Defendants [sic].

The CRO began working and continued doing so into 2023. Then, on June 6, 2023, the trial court entered an order on the stipulation of the parties that, in relevant part: (1) dismissed the case without prejudice; (2) provided that prior orders, including the stipulated order appointing the CRO, "shall continue in full force and effect after dismissal . . . until further order of this Court;" and (3) provided that the parties could reopen the case with an ex parte motion if needed to enforce any provision in a prior order or seek other authority from the trial court.

Then, in early September 2023, the CRO filed an emergency ex parte motion to reopen the case and for an order authorizing the CRO to seize certain items of the Stipulating Defendants and related entities. On September 14, 2023, the trial court granted the motion and issued an ex parte order. The order first "affirmed in its entirety" the November 12, 2021 order that appointed the CRO over the Stipulating Defendants, as well as "their affiliates, subsidiaries, assigns, successors-in-interest, any related party through common ownership or common officer, director, member, and/or executive in any form . . . . " The ex parte order also identified by name about eight specific affiliates, which included the appellants.

On September 18, 2023, employees of the CRO entered the building in which the Stipulating Defendants operated and took control of the personal property used by their employees, including computers, books, and records. According to plaintiff and the CRO (who now controls the Stipulating Defendants), these records showed that the Fayads had been diverting money from the Stipulating Defendants to other parties, including appellants.

On September 29, 2023, in their roles as the "[s]ole members of" the Stipulating Defendants, Hassan and Mirna filed an emergency motion to "quash or modify" the September 14, 2023 ex parte order and "for the release of wrongfully seized property." Hassan and Mirna alleged that the CRO had seized the assets of multiple companies unrelated to the litigation and requested that the trial court order the CRO to return all seized items. Hearings on the motion, including an evidentiary hearing, were postponed several times with the Fayads' agreement.

On February 9, 2024, appellants separately moved to "quash and/or set aside" the trial court's September 14, 2023 order authorizing the CRO to seize their assets.

On May 22, 2024, the trial court held a hearing on the motions to quash and denied them. Though the movants labeled them motions to "quash," the trial court noted that there is no mechanism in Michigan law to quash a trial court order in a civil proceeding, thus it treated them as motions for reconsideration. In its June 2024 written order, the trial court stated that the order "does not resolve the last pending claim nor close the case." Appellants moved for reconsideration and the trial court denied that as well in a July 2024 order. This appeal followed.

II. JURISDICTION

Appellants initially argued that this Court has jurisdiction under MCR 7.203(A)(1), the rule providing appeals of right for final judgments or orders. In response, appellees briefly argued that this Court does not have jurisdiction because the order appealed from is a nonfinal order and so appellants did not have an appeal as of right.

On its own motion, the court ordered supplemental briefing on this issue. In its supplemental brief, appellants concede that their initial statement asserting jurisdiction over this purported appeal as of right under MCR 7.203(A)(1) was wrong because the order they appealed from was not final. Instead, appellants argue the court should exercise its discretion and treat their claim as if on leave granted under MCR 7.203(B)(1). The appellees argue that the court should not treat the pending appeal as if we had granted leave to appeal.

The issue of jurisdiction over an appeal is one this Court determines de novo. *Wardell v Hincka*, 297 Mich App 127, 131; 822 NW2d 278 (2012). Jurisdiction may be raised at any time. *New Covert Generating Co, LLC v Twp of Covert*, 334 Mich App 24, 45-46; 964 NW2d 24 (2020). "This Court's jurisdiction to hear an appeal by right is determined by application of the court rules." *Id*. at 46.

The parties unanimously agree that, contrary to their initial claim, appellants had no right to appeal under MCR 7.203(A)(1), and the June 2024 written order confirms they are right. Thus, appellants should have filed an application for leave to appeal. See MCR 7.203(B). They did not do so, and we are not persuaded that we should exercise our discretion to treat appellants' claim of appeal as a granted application for leave to appeal.

We dismiss this appeal for lack of jurisdiction.

/s/ Mariam S. Bazzi
/s/ Andrew J. Lievense

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S T A T E O F M I C H I G A N

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Before: ACKERMAN, P.J., and BAZZI and LIEVENSE, JJ.

ACKERMAN, P.J. (*concurring in the judgment*).

I concur in the result reached by the majority: This Court lacks jurisdiction over this appeal because appellants filed a claim of appeal from a non-final judgment. I do not join the majority opinion solely because it acknowledges that this Court has "discretion to treat appellants' claim of appeal as a granted application for leave to appeal." I do not believe this Court properly possesses any such discretion and therefore concur only in the result.

On many occasions, this Court has asserted that it may treat a claim of appeal as an application for leave to appeal. See, e.g., *Schultz v Auto-Owners Ins Co*, 212 Mich App 199, 200 n 1; 536 NW2d 784 (1995) ("[T]his Court has no jurisdiction over the matter as an appeal of right. Nevertheless, we have elected to treat the case as if leave to appeal had been granted.") (citation omitted). The Supreme Court has also at times gestured that this option is available. See, e.g., *Varran v Granneman*, 497 Mich 928, 928 (2014) ("If the Court of Appeals determines that the . . . order is not appealable by right, it may then dismiss the defendant-appellant's claim of appeal for lack of jurisdiction, or exercise its discretion to treat the claim of appeal as an application for leave to appeal and grant the application."). But the legitimacy of this practice appears to have been taken for granted rather than analyzed. In my view, there is no sound basis—either formalistically or prudentially—for it.

Consider first the formal question. Constitutionally, this Court possesses no appellate jurisdiction beyond that provided by the Legislature.[1] See Const 1963, art 6, § 10 ("The jurisdiction of the court of appeals shall be provided by law . . . ."). Our statutory grant of jurisdiction gives us "jurisdiction on appeals from all final judgments and final orders from the circuit court, court of claims, and probate court, as those terms are defined by law and supreme court rule," and provides that such judgments and orders are "appealable as a matter of right." MCL 600.308(1). The statute thus incorporates by reference the Supreme Court's definition of final judgments and orders in MCR 7.202(6). See *Nonhuman Rights Project, Inc v DeYoung Family Zoo, LLC*, ___ Mich App ___, ___; ___ NW3d ___ (2025) (Docket No. 369247); slip op at 7.

By contrast, when a judgment or order is not final, this Court has "jurisdiction on appeal . . . only on application for leave to appeal granted by the court of appeals." MCL 600.308(2)(c). That language unmistakably restricts this Court's jurisdiction: We have appellate jurisdiction *only* when an application for leave to appeal has been made and granted. When we treat a claim of appeal as an application and grant it, we subvert the clear intention of the Legislature to limit our appellate jurisdiction. So far as I can tell, *none* of the cases in which either this Court or the Supreme Court has assumed that we can treat a claim of appeal as an application and grant it have engaged with the terms of the statutory grant of appellate jurisdiction within which we are required to operate.

There are also compelling prudential reasons to enforce our jurisdictional boundaries. Resolving a case on jurisdictional grounds will ordinarily be faster and less resource-intensive than resolving it on the merits. This Court has no shortage of work, and there is substantial value in resolving cases with straightforward jurisdictional defects on that basis. In 2025, this Court received 5,097 new filings—more than any of the preceding five years—and disposed of 4,733 cases, resulting in a 93% clearance rate. Michigan Court of Appeals, 2025 Annual Report, p 1 <https://www.courts.michigan.gov/49e82a/siteassets/reports/coa/annualreports/annualreport2025.pdf> (accessed August 11, 2026). Against that backdrop, unnecessarily reaching the merits of cases outside our appellate jurisdiction consumes judicial resources that could instead be devoted

[1] The Constitution does separately grant this Court original jurisdiction over Headlee Amendment matters. See Const 1963, art 9, § 32.

to cases we are authorized to decide. If we lack jurisdiction over a case, I see no useful purpose in manufacturing it to reach the merits.[2]

This Court's practice of overlooking jurisdictional defects also leaves the law governing our jurisdiction underdeveloped. That is precisely what occurred in *In re Investigative Subpoena*, 258 Mich App 507, 508 n 2; 671 NW2d 570 (2003), where the appellee "argue[d] that we lack jurisdiction," but "[r]ather than address the merits of th[at] issue, we treat[ed] [the] respondent's claim of appeal as an application for leave to appeal and grant[ed] it." When jurisdictional questions go unanswered, the governing law remains needlessly uncertain. That combination of uncertainty and this Court's willingness to bypass jurisdictional defects also diminishes appellees' incentive to incur the expense of filing a motion to dismiss for lack of jurisdiction under MCR 7.211(C)(2)(a).

Finally, vesting this Court with discretion to treat a claim of appeal as an application for leave creates a problematic incentive for appellants: They are given a reason to file a claim of appeal and see what happens. That practice not only encourages improper filings and the avoidable expenditure of judicial and administrative resources, but also disadvantages appellants who carefully examine the court rules, determine that they must seek leave, and conscientiously follow the prescribed procedure. An appellant who seeks leave must satisfy substantially greater front-end requirements, including filing a supporting brief, submitting specified supporting materials, and, when appealing an interlocutory order, showing how awaiting final judgment would cause substantial harm; an appellant proceeding by claim of appeal need only file a single-sheet claim of appeal to initiate the appeal. Compare MCR 7.205(B) with MCR 7.204(B). When this Court treats a claim of appeal as an application and grants it, an appellant who improperly proceeded by claim of appeal obtains the benefit of discretionary review without having satisfied those requirements. I see no reason to reward that noncompliance, especially at the expense of litigants who followed the rules. That disparity is itself a form of inequity that I do not believe this Court should foster.

For all of these reasons, I will decline, moving forward, to participate in the practice of treating a claim of appeal as an application for leave to appeal. In this case, the majority does not exercise that alleged discretion, and I therefore concur in the result. But I concur only in the result because—if we are not exercising it—I would not refer in our opinion to discretion I do not believe we properly have.

/s/ Matthew S. Ackerman

[2] Nor does dismissal necessarily foreclose an appellant's opportunity to obtain discretionary review. If this Court dismisses a timely claim of appeal for lack of jurisdiction, MCR 7.205(A)(4)(b) permits the appellant, subject to the conditions stated in the rule, to file a delayed application for leave to appeal within 21 days of the dismissal order or an order denying reconsideration.