Order

Michigan Supreme Court
Lansing, Michigan

April 10, 2026

169129

Megan K. Cavanagh,
Chief Justice

Brian K. Zahra
Richard H. Bernstein
Elizabeth M. Welch
Kyra H. Bolden
Kimberly A. Thomas
Noah P. Hood,
Justices

RENTAL AT EASE LLC,
Plaintiff-Appellant,

v

SC: 169129
COA: 370671
Wayne CC: 22-009116-CB

DOOR AND WINDOW GUARD SYSTEMS, INC.,
Defendant-Appellee.

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On order of the Court, the application for leave to appeal the July 25, 2025 judgment of the Court of Appeals is considered, and it is DENIED, because we are not persuaded that the question presented should be reviewed by this Court.

WELCH, J. (*dissenting*).

The question in this case is whether a contractual provision limiting a lessor's "liability for *any failure of the leased equipment*" applies when the lessor fails to deliver or install the equipment in question. It plainly does not. However, both the trial court and the Court of Appeals reached the opposite conclusion. Because I would have reversed the lower courts' judgments, I respectfully dissent from the denial of plaintiff's application for leave to appeal.

Plaintiff Rental at Ease LLC owns a rental home in Detroit. It contracted with defendant Door and Window Guard Systems, Inc. to rent and install window guards on the house. Vandals broke into the house and set a fire, causing significant damage to the premises. Plaintiff claims that the break-in was possible because defendant had failed to install a guard on one of the rear windows.

Plaintiff sued defendant for negligence in the Wayne Circuit Court. Defendant moved for summary disposition under MCR 2.116(C)(4) and (C)(10). It argued that a provision in the rental agreement limited plaintiff's recovery to one month's rent ($600) and that, accordingly, the circuit court lacked subject matter jurisdiction. The provision in question reads:

> 7. Inspection and Warranties. [Defendant] agrees to take all reasonable steps to ensure that the Leased Equipment is in working condition as of the date of its delivery to [plaintiff]. Nevertheless, [plaintiff] is responsible for inspecting the Leased Equipment and satisfying itself as to its fitness for the particular purpose in which it is employed. [DEFENDANT] MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED AS TO THE MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OF THE LEASED EQUIPMENT OTHER THAN THOSE CONTAINED HEREIN AND [PLAINTIFF] AGREES THAT [DEFENDANT'S] LIABILITY FOR ANY *FAILURE OF THE LEASED EQUIPMENT*, RESULTING IN LOSS DAMAGE OR INJURY DIRECT OR INDIRECT FROM DEFECTIVE MATERIAL FAULTY WORKMANSHIP OR OTHERWISE HOWSOEVER ARISING AND WHETHER OR NOT CAUSED BY NEGLIGENCE SHALL BE LIMITED TO AND NOT EXCEED ONE MONTHS RENTAL FOR ALL SAID LEASED EQUIPMENT. [Emphasis added.]

The trial court agreed with defendant's reading, granted its motion for summary disposition, and transferred the case to the district court. See MCL 600.8301(1) ("The district court has exclusive jurisdiction in civil actions when the amount in controversy does not exceed $25,000.00."). Plaintiff appealed, but the Court of Appeals affirmed. *Rental at Ease LLC v Door & Window Guard Sys Inc*, unpublished per curiam opinion of the Court of Appeals, issued July 25, 2025 (Docket No. 370671). It agreed with the trial court's finding that " 'the terms in paragraph seven are unambiguous and broad and the language is inclusive and not limited to the leased equipment, but the implementation of the agreement.' " *Id*. at 4. The panel also concluded that the term "leased equipment" extended to equipment not delivered, relying on the rental agreement's definition of that term as "the security doors, screens, lights and materials to be supplied on rental." It explained:

> The term "to be supplied" expands the paragraph's scope because the term necessarily encompasses performance obligations that extend beyond warranty provisions. Put differently, because defendant's installation obligations are addressed within paragraph seven as "leased equipment," the limitation of damages applies comprehensively to both warranties claims and breach of contract claims. Consequently, to the extent that plaintiff argues that defendant was contractually obligated to install certain equipment and that it failed to do so, that failure and that equipment would be covered by the provision in question. [*Id*.]

I disagree with the panel's reading of the lease. First, by its plain terms, the damage-capping provision applies to liability for "failure *of the leased equipment*." It goes on to

name several types and vectors of harm—"loss damage or injury direct or indirect from defective material faulty workmanship or otherwise howsoever arising and whether or not caused by negligence"—but those harms must "result[]" from the leased equipment for the provision to apply. Because the provision limits liability for *equipment failures*, it does not extend to *the failure to install equipment*.

Second, the definition of "leased equipment" as "the security doors, screens, lights and materials to be supplied on rental" does not, as the panel claimed, "encompass[] performance obligations." *Id*. It simply refers to the specific equipment being leased. Other provisions recognize this when they provide that "[a]ll Leased Equipment remains the property of [defendant]" and "[w]here [plaintiff] fails to pay . . . , [defendant] may recover the Leased Equipment . . . ." The reference to equipment "to be supplied" is unremarkable, when taken in context. The agreement does not rent particular equipment for a particular term; rather, it contemplates that plaintiff will complete separate "orders" specifying equipment, rates, and terms.

Careful parsing of the contract only confirms what was apparent at first glance. Damages that result from defendant's *failure to install* a window guard do not result from the *failure of the window guard*. Because the lower courts held otherwise, I would reverse. For those reasons, I respectfully dissent.

HOOD, J., joins the statement of WELCH, J.

I, Elizabeth Kingston-Miller, Clerk of the Michigan Supreme Court, certify that the foregoing is a true and complete copy of the order entered at the direction of the Court.

April 10, 2026

Clerk

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