

STATE OF MICHIGAN
IN THE OAKLAND COUNTY CIRCUIT COURT

JPMORGAN CHASE BANK, N.A.

Plaintiff

v.

Case No. 2025-211948-CB

Hon. Victoria Valentine

PET RESOURCES, INC. and
MATTHEW SHATTUCK,
Defendants.

Alward Fisher Rice Rowe & Graf, PLC
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OPINION AND ORDER REGARDING PLAINTIFF JP MORGAN CHASE BANK N.A.'S
MOTION FOR SUMMARY DISPOSITION UNDER MCR 2.116(C)(10).

At a session of said Court, held in the
County of Oakland, State of Michigan
October 29, 2025

HONORABLE VICTORIA A. VALENTINE

This matter is before the Court on Plaintiff's Motion for Summary Disposition under MCR 2.116(C)(10). The Court has reviewed the Court record, considered the parties' submissions, and heard oral argument. For the reasons set forth below, Plaintiff's Motion is GRANTED.

FACTUAL OVERVIEW

The material facts in this matter are not in dispute. On or about December 28, 2016, Defendant PET RESOURCES INC ("Pet Resources") entered into a Credit

Agreement with JP MORGAN CHASE BANK N.A. (“Chase”) for a loan from Chase in the principal amount of \$75,000.00.¹ This Credit Agreement was executed on behalf of Pet Resources by Matthew Shattuck, as President of the corporation. On the same date, Pet Resources executed a Line of Credit Note, in which it promised to repay borrowed funds in monthly installments.² This Note was likewise executed by Matthew Shattuck on behalf of Pet Resources. Also, on December 28, 2016, Defendant Matthew Shattuck individually executed a Guaranty, wherein he guaranteed the prompt payment of Pet Resources’ Liabilities when due and also to reimburse the Bank for any fees, charges, costs and expenses, including reasonable attorneys’ fees and court costs.³

On December 19, 2023, a Certificate of Dissolution was signed by David Deutsch, authorized agent of Pet Resources.⁴ The certificate was marked received by the Michigan Department of Licensing and Regulatory Affairs (LARA) on December 19, 2023, and filed on December 21, 2023.⁵

Approximately 13 months later, on January 7, 2025, Chase filed a two-count complaint against Defendants, alleging:

- Count I-Breach of Note against Pet Resources Inc; and
- Count II-Breach of Guaranty against Defendant Matthew Shattuck.

Chase now brings this motion for summary disposition under MCR 2.116(C)(10), asserting that there is no genuine issue of material fact, and that it is entitled to judgment as a matter of law. In support of the Motion, Chase submits the Affidavit of Veronica

¹ Plaintiff’s MSD Exhibit 1: Credit Agreement.

² Plaintiff’s MSD Exhibit 2: Line of Credit Note.

³ Plaintiff’s MSD Exhibit 3: Continuing Guaranty.

⁴ Defendants’ MSD Exhibit 3: Certificate of Dissolution.

⁵ Defendants’ MSD Exhibit 3: Michigan Department of Licensing and Regulatory Affairs Filing Endorsement.

Escobar, Special Credit Analyst for Chase and the individual responsible for managing the loan at issue.⁶ Ms. Escobar attests that Pet Resources failed to make required payments under the terms of the Agreement and is in default.⁷ She attests that the following amounts remain due and owing:

- Principal: \$73,224.01
- Accrued Interest: \$3,513.98
- Late Fees and Costs: \$552.04
- Total Outstanding Balance: \$77,290.03⁸

Chase also submits the Affidavit of Counsel, along with a billing summary, attesting to attorney's fees in the amount of \$7,870.24. Counsel further affirms that the Agreement entitles Chase to recover reasonable attorney fees incurred in the collection of amounts due.⁹

Defendants filed a Response to Plaintiff's Motion for Summary Disposition. However, their Response does not dispute the material facts of the case. Specifically:

- Defendants do not contest that Pet Resources is in default under the terms of the Credit Agreement and Note;
- Defendants do not contest that Defendant Matthew Shattuck executed the Guaranty;
- Defendants do not deny that the total amount of \$77,290.03 is due and owing; and
- Defendants do not challenge the amount of attorney fees (\$7,870.24) claimed by Chase pursuant to the Credit Agreement and Guaranty.

Instead, Defendants argue that because Pet Resources was dissolved on December 21, 2023—prior to the filing of this action on January 7, 2024—Plaintiff cannot obtain judgment against a dissolved corporation. They further contend that Defendant

⁶ Plaintiff's MSD Exhibit 4: Affidavit.

⁷ Plaintiff's MSD Exhibit 4: Affidavit ¶ 5.

⁸ Plaintiff's MSD Exhibit 4: Affidavit ¶ 6 and Exhibit C attached thereto.

⁹ Affidavit of Abigail Bosco, attorney for Chase.

Matthew Shattuck cannot be held liable under the personal Guaranty, asserting that the Guaranty only covers “liabilities” of Pet Resources and that no such liabilities can exist because Pet Resources is no longer in existence in Michigan. Based on these arguments, Defendants seek summary disposition under MCR 2.116(I), and request that Plaintiff’s complaint be dismissed.¹⁰

STANDARD OF REVIEW

A motion for summary disposition under MCR 2.116(C)(10) tests the factual sufficiency of the claim, and is warranted when there is no genuine issue as to any material fact, and the moving party is entitled to judgment as a matter of law. *El-Khalil v Oakwood Healthcare, Inc*, 504 Mich 152, 159 (2019). When reviewing a motion for summary disposition under MCR 2.116(C)(10), the Court considers the documentary evidence submitted by the parties in the light most favorable to the nonmoving party. *Id.* A genuine issue of material fact exists if the record leaves open an issue upon which reasonable minds might disagree. *Id.* “Where the burden of proof at trial on a dispositive issue rests on a nonmoving party, the nonmoving party may not rely on mere allegations or denials in pleadings, but must go beyond the pleadings to set forth specific facts showing that a genuine issue of material fact exists.” *Lowrey v LMPS & LMPJ, Inc*, 500 Mich 1, 7 (2016) (quotation marks and citation omitted).

ANALYSIS

Defendants argue that because Pet Resources was dissolved on December 21,

¹⁰ Defendants have presented no evidence that they provided voluntary notice of dissolution to Plaintiff under MCL 450.1841a or MCL 450.1842a. Likewise, Defendant Pet Resource offers no evidence regarding any efforts undertaken to wind up its affairs.

2023, Plaintiff is barred from maintaining this action, which was filed on January 7, 2025. This argument fails as a matter of law and misconstrues the effect of corporate dissolution under Michigan's Business Corporation Act.

Under MCL 450.1833, a Michigan corporation does not cease to exist upon dissolution. Instead, it enters a winding-up phase during which it may continue to exist for limited purposes, including the resolution of outstanding debts. The statute provides in relevant part:

Except as a court may otherwise direct, a dissolved corporation shall continue its corporate existence but shall not carry on business except for the purpose of winding up its affairs by:

(c) Paying its debts and other liabilities. MCL 450.1833(c).

Moreover, MCL 450.1834(e) expressly confirms that:

(e) The corporation may sue and be sued in its corporate name and process may issue by and against the corporation in the same manner as if dissolution had not occurred.

Under these statutory provisions, a dissolved corporation may be sued in its corporate name during the winding-up period. Therefore, Pet Resource remains subject to suit for preexisting debts until it has completed the winding-up process. See the unpublished opinion of *Drake v Plum Hollow Lanes, Inc*, 2024 WL 501194, where the Court of Appeals explained, "MCL 450.1833 defines the interim state between dissolution and termination of corporate existence, the "winding up" phase when the corporation still exists and maintains its ability to sue and be sued. MCL 450.1834(e). MCL 450.1833(c) states the winding up of a corporation's affairs includes "[p]aying its debts and other liabilities." *Id.* at *5.

Defendants cite *Flint Cold Storage v Dep't of Treasury*, 285 Mich App 483 (2009), but their reliance is misplaced. In *Flint*, the plaintiff corporation filed suit more than 32 years after its dissolution. The Court interpreted MCL 450.1833 and MCL 450.1834 together, confirming that a dissolved corporation retains the capacity to sue and be sued during its winding-up phase. However, the Court held that a dissolved corporation “may continue to exist beyond its date of dissolution only until it has concluded winding up its affairs,” and that upon completion of that process, the corporation is “terminated and ceases to exist for all purposes.” *Id* 495-96.

The Court further clarified that “what constitutes a reasonable time [for winding up] is generally a question of law for the court.” *Id* at 498.

The key question here is whether Pet Resources, despite being dissolved, had “cease[d] to exist for all purposes,” prior to the filing of Plaintiff’s Complaint. Under MCL 450.1833(c), a corporation’s winding-up phase includes the resolution of debts and liabilities. Notably, Defendant Pet Resource offers no evidence regarding any efforts undertaken to wind up its affairs. However, it is undisputed that Defendants continue to owe a debt to Plaintiff, which remains unsatisfied.

There is no evidence in the record indicating that Pet Resource has completed the winding-up of its corporate affairs. Accordingly, the corporation retains the legal capacity to be sued pursuant to MCL 450.1834(e). Plaintiff’s claim is therefore both timely and procedurally proper. Moreover, Defendants do not dispute the amounts owed under the Agreements and Guaranty.

ORDER AND JUDGMENT

Because there is no genuine issue of material fact as to Defendants’ liability under

the Agreements at issue, Plaintiff's motion for summary disposition under MCR 2.116(C)(10) is GRANTED, and Defendants' motion under MCR 2.116(I) is DENIED.

Judgment is entered in favor of Chase and against Pet Resources and Matthew Shattuck jointly and severally in the amount of \$77,290.03 plus attorney fees and cost of \$7,870.25.

THIS RESOLVES THE LAST PENDING CLAIM AND CLOSES THE CASE.



DATED: 10/29/25