STATE OF MICHIGAN

COURT OF CLAIMS

ROCK GATE CAPITAL, LLC d/b/a 160 DRIVING ACADEMY,

Plaintiff,

v Case No. 26-000131-MZ

MICHIGAN DEPARTMENT OF STATE, Hon. Sima G. Patel

Defendant.
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ORDER DENYING 6/24/26 EMERGENCY MOTION FOR AN EX PARTE TEMPORARY RESTRAINING ORDER AND SETTING SCHEDULE

At 10:21 a.m. on June 24, 2026, plaintiff filed a corrected emergency motion for an ex parte temporary restraining order (TRO), show cause order, and preliminary injunction. The Court DENIES plaintiff's request for an ex parte TRO.

MCR 3.310(B)(1) governs the issuance of ex parte TROs as follows:

> A [TRO] may be granted without written or oral notice to the adverse party or the adverse party's attorney only if
>
> (a) it clearly appears from specific facts shown by affidavit or by a verified complaint that immediate and irreparable injury, loss, or damage will result to the applicant from the delay required to effect notice or from the risk that notice will itself precipitate adverse action before an order can be issued;
>
> (b) the applicant's attorney certifies to the court in writing the efforts, if any, that have been made to give the notice and the reasons supporting the claim that notice should not be required; and
>
> (c) a permanent record or memorandum is made of any nonwritten evidence, argument, or other representations made in support of the application.

A TRO, ex parte or otherwise, is a form of injunctive relief. "Injunctive relief is an extraordinary remedy that issues only when justice requires, there is no adequate remedy at law, and there exists a real and imminent danger of irreparable injury." *Jeffrey v Clinton Twp*, 195 Mich App 260, 263-264; 489 NW2d 211 (1992). In *Thermatool Corp v Borzym*, 227 Mich App 366, 377; 575 NW2d 334 (1998), the Court of Appeals held:

> In order to establish irreparable injury, the moving party must demonstrate a noncompensable injury for which there is no legal measurement of damages or for which damages cannot be determined with a sufficient degree of certainty. The injury must be both certain and great, and it must be actual rather than theoretical. *Economic injuries are not irreparable because they can be remedied by damages at law.* A relative deterioration of competitive position does not in itself suffice to establish irreparable injury. [Citations omitted, emphasis added.]

Here, plaintiff alleges that defendant's actions of suspending its license "have irreparably harmed Plaintiff's business." Although plaintiff contends that this suspension will have a "ripple effect" on its students and the company's reputation, this matter is, at its core, a financial issue. And it is a financial issue that can be remedied through a lawsuit that seeks compensatory damages.

Moreover, it is not clear at this time that plaintiff's underlying claims will be meritorious. The next step after securing an ex parte TRO would be to secure a preliminary injunction. To support the issuance of a preliminary injunction, plaintiff must demonstrate "the likelihood that the party seeking the injunction will prevail on the merits." *Hammel v Speaker of the House*, 297 Mich App 641, 648; 825 NW2d 616 (2012). Considering plaintiff's pleadings as a whole, it is not clear to this Court that plaintiff's action should lie against the Department of State as opposed to its majority owner. The Court requires participation from defendant and more detailed briefing and argument before more thoroughly considering that issue. Absent an irreparable injury and with concern over the substantive merits of this action, the Court DENIES plaintiff's motion for an emergency ex parte TRO.

Plaintiff also seeks to show cause why a preliminary injunction should not enter. The Court DIRECTS the parties to comply with the following scheduling order to ensure expedient consideration of this matter:

1. Plaintiff is DIRECTED to serve its corrected emergency motion, this order, and the court's prior orders on defendant by 4:00 pm today, Wednesday, June 24, 2026.

2. Defendant is DIRECTED to file its response to the June 22, 2026 verified complaint and June 24, 2026 corrected emergency motion by 4:00 pm on Wednesday, July 15, 2026.

3. If defendant responds to the complaint with a motion for summary disposition, plaintiff must file its response by 4:00 pm on Wednesday, July 29, 2026. Defendant must then file its reply by 4:00 pm on Monday, August 3, 2026. If defendant responds with an answer and separate objection to the emergency motion, plaintiff must respond to the objection by 4:00 pm on Wednesday, July 29, 2026

4. Once briefing is complete, the Court will determine if oral argument is required.

This is not a final order resolving all issues in this case.

Date: June 24, 2026

Sima G. Patel
Judge, Court of Claims