

STATE OF MICHIGAN
COURT OF APPEALS

DURWARD ROLLER,

Plaintiff-Appellee,

v

CHRYSLER CORPORATION,

Defendant-Appellant.

UNPUBLISHED
September 3, 1999

No. 194756
Oakland Circuit Court
LC No. 94-473978 CK

ON REMAND

Before: MacKenzie, P.J., and Sawyer and Neff, JJ.

PER CURIAM.

In our original opinion, we reversed the judgment of the circuit court in favor of plaintiff and remanded for a new trial. *Roller v Chrysler Corp, Inc*, unpublished opinion per curiam (Docket No. 194756, rel'd January 27, 1998). Thereafter, the Supreme Court, in lieu of granting leave to appeal, vacated our opinion and remanded for reconsideration in light of *UAW-GM Human Resource Ctr v KSL Recreation Corp*, 228 Mich App 486; 579 NW2d 411 (1998). *Roller v Chrysler Corp*, 459 Mich 969; ___ NW2d ___ (1999).

The only issue relevant on remand is the issue of the separation agreement's integration clause and the trial court's admission of parol evidence on the issue of the separation agreement's treatment of plaintiff's stock options. Although our original opinion concluded that the trial court did not err in admitting the parol evidence on this issue, in light of *UAW-GM Human Resource Ctr, supra*, we are now persuaded that the trial court did, in fact, err in admitting parol evidence on this point.

This Court in *UAW-GM Human Resource Ctr, supra* at 502, stated the rule regarding parol evidence in light of a contract's integration clause:

For these reasons, we hold that when the parties include an integration clause in their written contract, it is conclusive and parol evidence is not admissible to show that the agreement is not integrated except in cases of fraud that invalidate the integration clause or where an agreement is obviously incomplete "on its face" and, therefore, parol evidence is necessary for the "filling of gaps." 3 Corbin, Contracts, § 578, p 411.

Paragraph 6 of Attachment III of the separation agreement in the case at bar provides as follows:

Attachments I, II and III, the cover letter to which they are attached, and the benefit plans referenced in the Attachments, constitute the entire agreement between Roller and Chrysler. There are no agreements, understandings or representations made by Chrysler except as expressly stated in Attachments I, II and III, the cover letter and said benefit plans. This agreement may not be amended except in writing signed by an authorized Chrysler representative.

The trial court concluded that parol evidence was admissible because the separation agreement was silent as to the stock options and, therefore, was ambiguous. While an argument can be made that such silence makes the agreement “obviously incomplete ‘on its face’ ” and gaps need to be filled, *UAW-GM Human Resource Ctr, supra* at 502, we are not persuaded that that is the case. While the separation agreement could have addressed the stock options, we do not believe that it necessarily had to address the stock options.

The stock option agreement is a separate contract which, obviously, predates plaintiff’s separation from defendant. While it is conceivable that the parties might choose to modify the terms of the stock option agreement as part of the separation agreement, we are not aware of any requirement that obligated the parties to do so. Silence on this issue in the separation agreement does not render the stock option agreement ambiguous. Rather, the terms of the stock option agreement may be applied in light of the terms of the separation agreement.¹

In short, both the separation agreement and the stock option agreement are enforceable despite the lack of any reference to the stock options in the separation agreement. Accordingly, the separation agreement is not incomplete on its face, nor are there any allegations of fraud. Therefore, in light of *UAW-GM Human Resource Ctr, supra*, we now are persuaded that the separation agreement’s integration clause precluded the admission of parol evidence on the issue of plaintiff’s rights under the stock option agreement in light of the separation agreement. Rather, the plaintiff’s rights under the stock option agreement must be determined in light of his employment status under the written terms of the separation agreement without consideration of any parol evidence.

Pursuant to the Supreme Court’s directive in its remand order, because we conclude that the trial court abused its discretion in admitting the parol evidence, we remand the matter to the trial court for a new trial.

Reversed and remanded for further proceedings consistent with this opinion. We do not retain jurisdiction. Defendant may tax costs.

/s/ Barbara B. MacKenzie

/s/ David H. Sawyer

/s/ Janet T. Neff

¹ Indeed, plaintiff’s concerns do not center on a dispute between the parties on the status of plaintiff’s stock options in light of the separation agreement’s silence on the issue. Rather, plaintiff’s concerns arise from his realization that his stock options would lapse under the terms of the stock option

agreement unless there was a provision in the separation agreement to preserve them. It is such a provision that plaintiff is attempting to be added to the separation agreement through parol evidence.