

**STATE OF MICHIGAN**  
**COURT OF APPEALS**

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BENJAMIN P. FREEDLAND, BURTON W.  
FREEDLAND, ADRIENNE FREEDLAND  
MANN, GREGORY M. MANN and JAMES R.  
MANN,

UNPUBLISHED  
February 23, 2001

Plaintiffs-Appellants,

v

FREEDLAND INDUSTRIES CORPORATION,  
RICHARD FREEDLAND, HARRY  
FREEDLAND, RUTH FREEDLAND,  
DOROTHY FREEDLAND, FREEDLAND  
SALES COMPANY, DARRYLE FREEDLAND  
FORREST ROSS and MICHAEL SEAN  
FORREST FREEDLAND,

No. 216734  
Oakland Circuit Court  
LC No. 96-515575-CB

Defendants-Appellees.

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Before: Meter, P.J., and Neff and O'Connell, JJ.

MEMORANDUM.

Plaintiffs appeal as of right the circuit court order of dismissal. We affirm. This appeal is being decided without oral argument pursuant to MCR 7.214(E).

This case concerns a dispute over the distribution of proceeds from a closely held family business. After litigation began, the parties agreed to the appointment of a facilitator to resolve the dispute. The parties agreed that substantially all of the business assets would be sold and the proceeds distributed to the shareholders. The parties entered into a settlement agreement detailing the distribution.

Plaintiffs asserted that additional sums should have been included in the net proceeds determination. The facilitator, acting as an arbitrator under paragraph 9 of the settlement agreement, determined that plaintiffs were not entitled to additional sums because the term "net proceeds from the asset sale" was defined in the settlement agreement, the definition was clear, and the agreement contained an integration clause. The circuit court agreed with the facilitator

and dismissed plaintiff's action for relief. On appeal, plaintiffs argue that extrinsic evidence should have been used to construe the agreement.

Review of an arbitrator's decision is limited. Courts may vacate an arbitration award if an arbitrator's legal error is so material or so substantial as to have governed and substantially altered the award. *Dohanyos v Detrex Corp (After Remand)*, 217 Mich App 171, 175-176; 550 NW2d 608 (1996); *Detroit Automobile Inter-Ins Exchange v Gavin*, 416 Mich 407, 443; 331 NW2d 418 (1982); *Howe v Patrons' Mutual Fire Ins Co*, 216 Mich 560, 570; 185 NW2d 864 (1921).

Parol evidence that contradicts or varies a written contract is not admissible to vary the terms of a contract that is clear and unambiguous. *Schmude Oil Co v Omar Operating Co*, 184 Mich App 574, 580; 458 NW2d 659 (1990). Parol evidence is not admissible to determine whether a contract is integrated when a written contract contains such a clause. *UAW-GM Human Resource Center v KSL Recreation Corp*, 228 Mich App 486, 494; 579 NW2d 411 (1998).

There is no showing that the facilitator committed legal error. By its terms, the settlement agreement was integrated. The agreement contained a clear definition of the term "net proceeds from asset sale." There was no basis for the arbitrator, or the circuit court, to consider parol evidence to alter the content of that definition.

Affirmed.

/s/ Patrick M. Meter  
/s/ Janet T. Neff  
/s/ Peter D. O'Connell