

STATE OF MICHIGAN  
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT  
INGHAM COUNTY

IN THE MATTER OF THE PETITION  
OF ANNETTE E. FLOOD,  
DIRECTOR OF THE DEPARTMENT  
OF INSURANCE AND FINANCIAL  
SERVICES, FOR APPOINTMENT  
OF A RECEIVER FOR HEALTH ONE  
CREDIT UNION, DETROIT, MICHIGAN

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No. 14-1399 - CR  
HON. WILLIAM E. COLLETTE

**ORDER APPOINTING RECEIVER**

At a session of said Court  
held in the Circuit Courtrooms  
for the County of Ingham,  
State of Michigan on the  
12/2 day of December, 2014.

PRESENT: HONORABLE WILLIAM E. COLLETTE, CIRCUIT COURT JUDGE

This matter having come before the Court upon the Verified Petition for Appointment of Receiver of Petitioner Annette E. Flood, Director of the Department of Insurance and Financial Services (DIFS); the Court having read and considered the Verified Petition with supporting documentation; the Court having determined, based upon the Verified Petition presented, that Health One Credit Union, Detroit, Michigan, a Michigan-chartered credit union, is in IMMEDIATE DANGER OF BECOMING INSOLVENT as defined by Section 102(s)(ii) of the Michigan Credit Union Act of 2003 (MCUA), MCL 490.102(s)(ii), and is in an UNSAFE AND UNSOUND CONDITION as provided under Section 232(1) of the MCUA, MCL 490.232(1); the Court being advised that on May 16, 2014, the DIFS Director

entered an order appointing the National Credit Union Administration (NCUA) as Conservator for Health One Credit Union based on its unsafe and unsound condition, and that the NCUA has managed and operated the credit union since that time; the Court being satisfied that the continued operation of Health One Credit Union will jeopardize the safety of the funds of its depositors; the Court being further satisfied that termination of the present conservatorship and appointment of the NCUA as Receiver for Health One Credit Union is legally authorized and in the best interests of the public, the depositors, and the creditors; and the Court concluding that immediate consideration of the Verified Petition, as permitted by law, is needed to protect all interested parties;

IT IS THEREFORE ORDERED AND ADJUDGED that the present conservatorship of Health One Credit Union is terminated, and the NCUA is hereby simultaneously appointed Receiver without bond for Health One Credit Union pursuant to Section 232 of the MCUA, MCL 490.232, the Federal Credit Union Act, 12 USC 1751 *et seq.*, and the rules and regulations promulgated thereunder. This termination of the conservatorship and simultaneous appointment of the NCUA as Receiver is effective at 4:00 p.m. on Friday, December 12, 2014.

IT IS FURTHER ORDERED AND ADJUDGED that upon the acceptance of its appointment, the NCUA, as Receiver, shall possess all of the rights, powers, and privileges provided by the laws of this State with respect to a receiver of a banking institution, as well as those provided in the Federal Credit Union Act, 12 USC 1751 *et seq.*, and the rules and regulations promulgated thereunder, and that title to all

of the assets, business, and property of Health One Credit Union, of every kind and nature, shall pass to and vest in the NCUA, as Receiver, without execution of any instruments or conveyance, assignment, transfer, or endorsement.

IT IS FURTHER ORDERED AND ADJUDGED that the NCUA, as Receiver, may liquidate and/or sell the assets of Health One Credit Union pursuant to the provisions of the Federal Credit Union Act, 12 USC 1751 *et seq.*, the MCUA (as applicable), MCL 490.101 *et seq.*, and the rules and regulations promulgated thereunder, and may take possession of all of its books, records, and assets of every description, collect all debts and claims belonging to Health One Credit Union, and, if necessary, pay the debts of the credit union and enforce the individual liability, if any, of the credit union's members, officers, and directors.

IT IS FURTHER ORDERED AND ADJUDGED that pursuant to Section 233 of the MCUA, MCL 490.233, and to the extent not already accomplished in the conservatorship, Health One Credit Union and its former directors, officers, and agents are required to turn over and deliver to the NCUA, as Receiver, all of the credit union's books, records, and assets of every description.

IT IS FURTHER ORDERED AND ADJUDGED that consistent with the DIFS Director's May 16, 2014 order appointing the NCUA as Conservator, and pursuant to Section 233 of the MCUA, MCL 490.233, Health One Credit Union's former directors, officers, and agents continue to be prohibited and restrained from any further transaction of Health One Credit Union's business, including but not limited to any disposition of Health One Credit Union's assets and property.

IT IS FURTHER ORDERED AND ADJUDGED that this order is entered upon consideration of the Verified Petition of the Director of DIFS, without hearing or notice to the credit union, its depositors, creditors, or members, because MCL 490.232(2) expressly authorizes this immediate action without notice to any person. The Verified Petition is granted without hearing or notice for the additional reasons that: (a) giving notice would delay the Court in acting on the Verified Petition, which delay would likely destroy the opportunity for an advantageous sale of certain assets of Health One Credit Union and the assumption of its deposits and certain other liabilities, increasing the risk of financial loss to its members, creditors, the public, and/or the National Credit Union Share Insurance Fund; and (b) any delay may also prevent the prompt re-opening of the credit union by an assuming financial institution, thereby interrupting the continuation of banking services in the community served by Health One Credit Union and further jeopardizing the interests of the credit union's depositors and creditors.

IT IS SO ORDERED.

A handwritten signature in black ink, appearing to read "W. E. Collette", written over a horizontal line.

Honorable William E. Collette  
30<sup>th</sup> Circuit Court Judge