

STATE OF MICHIGAN
30TH JUDICIAL CIRCUIT COURT
COUNTY OF INGHAM

DANA NESSEL, ATTORNEY GENERAL OF
THE STATE OF MICHIGAN, *ex rel* THE
PEOPLE OF THE STATE OF MICHIGAN

Plaintiff,

v

AMERICAN CANCER FOUNDATION OF
DETROIT, a Michigan nonprofit corporation;
AMERICAN CANCER FOUNDATION OF
GRAND RAPIDS, a Michigan nonprofit
corporation;
AMERICAN CANCER FOUNDATION OF
LANSING, a Michigan nonprofit corporation;
AMERICAN CANCER FOUNDATION OF
MICHIGAN, a Michigan nonprofit corporation;
AMERICAN CANCER SOCIETY OF
DETROIT, a Michigan nonprofit corporation;
AMERICAN CANCER SOCIETY OF
MICHIGAN, a Michigan nonprofit corporation;
AMERICAN RED CROSS OF DETROIT, a
Michigan nonprofit corporation;
AMERICAN RED CROSS OF MICHIGAN, a
Michigan nonprofit corporation;
UNITED WAY OF DETROIT, a Michigan
nonprofit corporation;
UNITED WAY OF MICHIGAN, a Michigan
nonprofit corporation;
Ian Richard Hosang, Individually;
Claudia Stephen, Individually; and
Lincoln Palsey, Individually.

Defendants.

Case No. 20-431-CZ

HON. CLINTON CANADY III

**ORDER FOR DEFAULT
JUDGMENT**

Julia Dale (P63904)
Assistant Attorney General
Attorney for Plaintiff
Michigan Department of Attorney General
Corporate Oversight Division
P.O. Box 30736
Lansing, MI 48909
Telephone: (517) 335-7632

ORDER FOR DEFAULT JUDGMENT

At a session of said Court
held in the City of Lansing, county of Ingham,
this 23 day of June 2021.

PRESENT: HON. CLINTON CANADY III

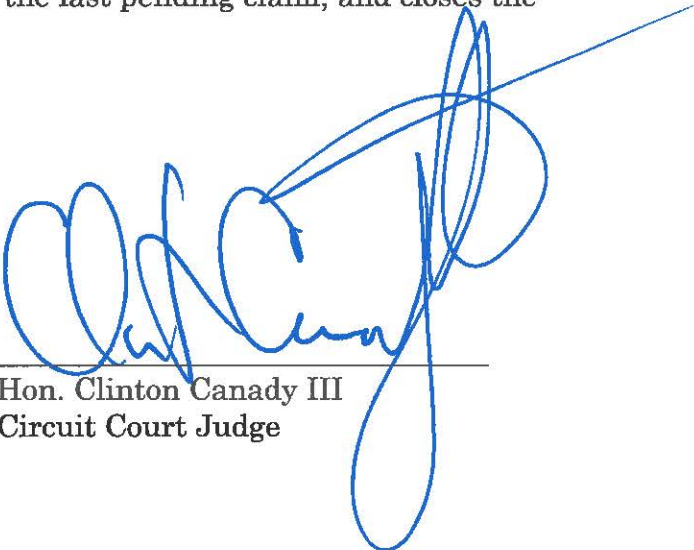
In conjunction with a Complaint filed in the above-captioned matter, Plaintiff brought a motion for default judgment. Defendants were provided an opportunity to respond, and a hearing was held in this Court. Now, for the reasons stated on the record, IT IS ORDERED that:

1. Defendants are held to have engaged in unlawful conduct in violation of the Michigan Nonprofit Corporations Act (MNCA), MCL 450.2101 et seq., by procuring the organizations through fraud; repeatedly, willfully, and materially exceeding the authority conferred on it by law; and repeatedly, willfully, and materially conducting its affairs in an unlawful manner. MCL 450.2821.

2. The violations of the MNCA described in paragraph 1 are found to be persistent and knowing.
3. Defendants are hereby permanently enjoined, whether acting directly or through any person, entity, or other device, from engaging in conduct in violation of the MNCA.
4. Defendants are hereby permanently enjoined from forming a Michigan Nonprofit Corporation or from seeking a Certificate of Authority to transact business in Michigan on behalf of a foreign nonprofit entity.
5. Defendants are hereby permanently enjoined from serving as an Officer, Director, or Resident Agent for a nonprofit corporation formed or transacting business in Michigan.
6. Defendant entities listed below are ordered to be dissolved:
 - (a) American Cancer Foundation of Detroit, Corporations Identification Number (CID) 802227495;
 - (b) American Cancer Foundation of Grand Rapids, CID 802229867;
 - (c) American Cancer Foundation of Lansing, CID 802229868;
 - (d) American Cancer Foundation of Michigan, CID 802223599;
 - (e) American Cancer Society of Detroit, CID 802182793;
 - (f) American Cancer Society of Michigan, CID 802179705;
 - (g) American Red Cross of Detroit, CID 80219705;
 - (h) American Red Cross of Michigan, CID 802182104;
 - (i) United Way of Detroit, CID 802182804;
 - (j) United Way of Michigan, CID 802179707.

7. Any remaining assets of the Defendant entities shall be distributed to one or more domestic corporations, societies, or organizations engaged in charitable activities substantially similar to the stated charitable purposes of the defendant corporations to be approved by the Attorney General.
8. This Order is a final order, resolves the last pending claim, and closes the case.

IT IS SO ORDERED.



A handwritten signature in blue ink, appearing to read 'Clinton Canady III', is written over a horizontal line. The signature is highly stylized and cursive.

Hon. Clinton Canady III
Circuit Court Judge