

IN THE COURT OF COMMON PLEAS, FRANKLIN COUNTY, OHIO
CIVIL DIVISION

IN RE: :
: MISCELLANEOUS CASE
JUST 4 VETS :
WILLIAM A. HASTINGS III :
MICHAEL E. GIBSON : FILE NO. _____
:

MATTER: *Charitable solicitations conducted by William A. Hastings and Michael E. Gibson*

ASSURANCE OF DISCONTINUANCE

Pursuant to the authority granted in the Ohio Charitable Organizations Act, R.C. § 1716.01 *et seq.*, specifically, R.C. § 1716.16(C), and the Ohio Charitable Trust Act, R.C. § 109.23 *et seq.*, specifically, R.C. § 109.24(E), Ohio Attorney General Mike DeWine (hereinafter “Attorney General”) accepts this Assurance of Discontinuance (hereinafter “Assurance”) from William A. Hastings and Michael E. Gibson. The Attorney General and William A. Hastings and Michael E. Gibson, in their personal and individual capacities, as parties to this agreement, acknowledge and agree that it is in their best interest and consistent with the best interests of the people of the State of Ohio to resolve the issues between them in the manner set forth herein. As part of this Assurance, the Attorney General and William A. Hastings and Michael E. Gibson stipulate as follows:

JURISDICTION AND VENUE

A. This Court has jurisdiction over the subject matter of this action pursuant to R.C. Chapter 1716, R.C. § 109.23 *et seq.*, the rules adopted thereunder, and the Attorney General’s common law authority to enforce charitable trusts. This Court has jurisdiction over the parties. Venue is proper in this Court.

FACTS

- B. William A. Hastings resides at 2230 Homewood Ave, Columbus, Ohio 43223.
- C. Michael E. Gibson resides at 583 Ryan Ave #C, Columbus, Ohio 43223.
- D. Just 4 Vets is a non-profit organization created to assist needy veterans and their families in basic living essentials on an as-needed and availability basis.
- E. Just 4 Vets principle place of business is 1425 Sullivant Ave, Columbus, Ohio 43223.
- F. Charles W. Johns serves as the President of Just 4 Vets.
- G. Charles W. Johns resides at 1425 Sullivant Ave, Columbus, Ohio 43223.
- H. William A. Hastings was retained by Just 4 Vets to handle paperwork and to conduct charitable solicitations.
- I. Michael E. Gibson assisted William A. Hastings in conducting charitable solicitations using the Just 4 Vets name.
- J. Just 4 Vets was incorporated with the Ohio Secretary of State as a nonprofit corporation on March 7, 2011.
- K. William A. Hastings and Michael E. Gibson solicited patrons in front of various Kroger and Wal-Mart stores purportedly on behalf of Just 4 Vets.
- L. William A. Hastings and Michael E. Gibson recruited others to solicit patrons in front of various Kroger and Wal-Mart stores on behalf of Just 4 Vets.
- M. These individuals reported directly to William A. Hastings and Michael E. Gibson.
- N. William A. Hastings, Michael E. Gibson, and those recruited to solicit by Mr. Hastings and Mr. Gibson, solicited patrons in front of various Kroger and Wal-Mart stores, using the Just 4 Vets name, at least twelve (12) times since November 2012.
- O. In conducting charitable solicitations in the name of Just 4 Vets, William A. Hastings, Michael E. Gibson, and those recruited by Mr. Hastings and Mr. Gibson to solicit, distributed flyers which claimed Just 4 Vets had obtained a 501(c)(3) tax-exempt status from the I.R.S., when it had not, in fact, obtained such a status.
- P. Despite conducting more than twelve (12) solicitation campaigns in front of various Kroger and Wal-Mart stores on behalf of Just 4 Vets, William A. Hastings and Michael E. Gibson have not provide Just 4 Vets any proceeds from the solicitation campaigns to date.

- Q. William A. Hastings and Michael E. Gibson have failed to provide Just 4 Vets and/or Charles W. Johns with an accounting of the solicitation activities that were conducted in the name of Just 4 Vets.
- R. Neither Just 4 Vets nor Charles W. Johns were aware that the charitable solicitation campaigns had begun.
- S. Just 4 Vets is not registered with the Ohio Attorney General's Office to conduct charitable solicitations in the State of Ohio as required under R.C. § 1716.02.

CONCLUSIONS OF THE ATTORNEY GENERAL

- T. The charitable trust and solicitation activities in Ohio of William A. Hastings and Michael E. Gibson, purportedly on behalf of Just 4 Vets, are the subject of this Agreement. Such activities are described in and regulated by the Ohio Charitable Organizations Act, R.C. § 1716.01 *et seq.*, the Ohio Charitable Trust Act, R.C. § 109.23 *et seq.*, and the Attorney General's common law authority to enforce charitable trusts.
- U. The Attorney General is the party charged with enforcing the Ohio Charitable Organizations Act and the Ohio Charitable Trust Act and has caused an investigation to be conducted by the Charitable Law Section of the charitable trust and solicitation activities of William A. Hastings, Michael E. Gibson and their agents.
- V. As a result of its investigation, the Attorney General believes that William A. Hastings and Michael E. Gibson have violated of the Ohio Charitable Organizations Act, the Ohio Charitable Trust Act, and the common law by violating the following:
 - 1. R.C. § 1716.14(A)(1): William A. Hastings, Michael E. Gibson and their agents committed deceptive acts while soliciting for a charitable organization and/or for a charitable purpose by knowingly misrepresenting material facts to potential donors by telling them that their donation would be going to a charitable organization and/or to a charitable purpose and inducing such donors to contribute to the charitable organization and/or charitable purpose when none of the proceeds raised from the solicitation activities of William A. Hastings, Michael E. Gibson and their agents were turned over to Just 4 Vets;

2. R.C. § 1716.14(A)(1): William A. Hastings, Michael E. Gibson and their agents committed deceptive acts while soliciting for a charitable organization and/or for a charitable purpose by knowingly misrepresenting material facts to potential donors by handing out flyers indicating that Just 4 Vets had obtained its 501(c)(3) tax exempt status when it had not;
3. R.C. § 1716.14(A)(2): William A. Hastings, Michael E. Gibson and their agents misled potential donors as to material facts concerning the solicitation of contributions for a charitable organization and/or a charitable purpose by representing to potential donors that their donation would be going to a charitable organization and/or a charitable purpose when none of the donations were delivered to Just 4 Vets or used to assist needy veterans and their families in basic living essentials on an as-needed and availability basis;
4. R.C. § 1716.14(A)(3): William A. Hastings, Michael E. Gibson and their agents failed to obtain written authorization to solicit on behalf of Just 4 Vets prior to engaging in their solicitation campaign;
5. R.C. § 1716.14(A)(5): William A. Hastings and Michael E. Gibson misled donors by representing that donations would be used for a charitable purpose when, in fact, the funds raised were not being delivered to Just 4 Vets or being used to assist needy veterans and their families in basic living essentials on an as-needed and availability basis;
6. R.C. § 1716.17 and R.C. § 109.23(A): William A. Hastings, Michael E. Gibson and their agents breached fiduciary duties of care, loyalty, to properly manage accounts, to comply with the law, to not waste charitable assets, and to act in the best interest of the charities, resulting in loss and other damages to the charitable beneficiaries of Just 4 Vets;
7. Conversion: William A. Hastings and Michael E. Gibson benefitted at the expense of the charitable beneficiaries by taking proceeds collected for charitable purposes and using that money for non-charitable purposes;
8. Unjust Enrichment: William A. Hastings and Michael E. Gibson benefitted at the expense of the charitable beneficiaries by taking proceeds collected for charitable purposes and using the funds for other non-charitable purposes;

9. The Attorney General's findings, as outlined above, are the basis upon which this Agreement has been negotiated. However, this Agreement is the culmination of disputed claims and does not constitute an admission of any wrongdoing by William A. Hastings and Michael E. Gibson.

ASSURANCE

- W. William A. Hastings and Michael E. Gibson, in their personal and individual capacities, each agree that they will not hold any position as a volunteer, officer, trustee, employee, representative, or agent of any charitable organization in the State of Ohio following the date this Agreement is signed, except that Michael E. Gibson is permitted to continue ministering through the church, provided he does no fundraising.
- X. William A. Hastings and Michael E. Gibson, in their personal capacities, each agree will not participate in solicitations in the State of Ohio for any charitable purpose or on behalf of any charitable organization following the date this Agreement is signed. This exclusion includes solicitations conducted as a volunteer, officer, trustee, employee, representative, or agent of an organization.
- Y. William A. Hastings and Michael E. Gibson understand that this Agreement is made in lieu of prosecution of a civil action based upon the findings set forth herein.
- Z. William A. Hastings and Michael E. Gibson agrees that any evidence of a violation of this Agreement shall be *prima facie* evidence of a violation of Chapter 1716 of the Ohio Revised Code and any rule adopted thereunder in any subsequent action or proceeding brought by the Attorney General, as provided in R.C. §1716.16(C).
- AA. In the event that William A. Hastings or Michael E. Gibson fail to comply with any requirement contained in this Agreement, they will be liable for and shall pay stipulated penalties for each failure to comply: A minimum of ten thousand dollars (\$10,000.00), or true damages; whichever the Ohio Attorney General chooses in its discretion.
- BB. William A. Hastings and Michael E. Gibson agree that this Agreement shall not be construed to limit the Ohio Attorney General's authority to seek additional relief pursuant to R.C. Chapter 109 or R.C. Chapter 1716, or to otherwise seek judicial enforcement of this Agreement.

- CC. William A. Hastings and Michael E. Gibson agree that any matter closed by the acceptance of this Agreement may be reopened at any time by the Attorney General for further proceedings in the public interest based upon any violation of the terms of this Agreement or upon the discovery of evidence not known or anticipated by the parties at the time of signing.

RETENTION OF JURISDICTION

- DD. This Court shall retain jurisdiction of this action for the purpose of enforcing this Assurance.

AUTHORITY TO ENTER INTO THE ASSURANCE

- EE. William A. Hastings and Michael E. Gibson, each warrant to sign in their individual and personal capacities.

ACKNOWLEDGEMENTS

- FF. William A. Hastings and Michael E. Gibson acknowledge that it has been given ample opportunity to be advised by legal counsel as to the meaning and effect of each provision of this Agreement and it has freely and willfully elected to enter into this Agreement.
- GG. The Attorney General, William A. Hastings and Michael E. Gibson hereby agree that this Agreement is binding upon the successors and assignees of all parties hereto and that this Agreement constitutes the entire agreement and understanding of the parties.

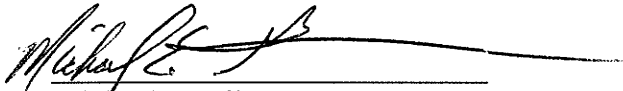
CERTIFICATION

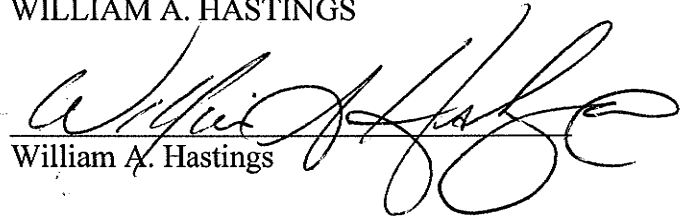
Each individual signing below represents that he or she is authorized and directed to sign this Assurance of Discontinuance on behalf of the party represented and further represents that he or she has the requisite authority to bind the party on behalf of whom they are signing.

WHEREFORE, the undersigned have executed this Assurance of Discontinuance this 4th day of April, 2013.

MICHAEL E. GIBSON

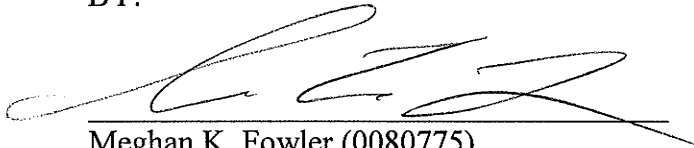
WILLIAM A. HASTINGS


Michael E. Gibson


William A. Hastings

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