

STATE OF MICHIGAN
COURT OF APPEALS

DENNIS GOVER,

Plaintiff-Appellant,

v

NICK S. EDWARDS, JR.,

Defendant,

and

CHURCH OF GOD IN CHRIST,

Defendant-Appellee.

UNPUBLISHED

March 19, 2002

No. 229178

Wayne Circuit Court

LC No. 99-911457-CK

Before: Bandstra, P.J., and Murphy and Murray, JJ.

PER CURIAM.

Plaintiff appeals as of right the trial court's order granting the motion for summary disposition filed by defendant Church of God in Christ (COGIC). We affirm. This appeal is being decided without oral argument pursuant to MCR 7.214(E).

Plaintiff, a minister licensed by COGIC, and defendant Nick S. Edwards, Jr. (hereinafter Edwards), son of Nick S. Edwards, Sr., who is a COGIC minister and the superintendent of a local church district, entered into a business venture designed to provide moral entertainment to young people. At Edwards' urging, plaintiff invested a considerable sum of money in and quit his job to devote full time to the venture. The venture proved unsuccessful, and plaintiff lost his investment. Plaintiff maintained that Edwards dissipated the funds in an improper manner, and requested that COGIC take action against Edwards. The church declined to do so.

Plaintiff filed suit naming Edwards and the national organization of COGIC as defendants. He alleged that Edwards fraudulently induced him to enter into the business venture by representing that the venture was approved and authorized by COGIC. Plaintiff also alleged that COGIC failed to implement its own dispute resolution procedures, actively or implicitly conspired with Edwards to protect its own hierarchy, and committed misfeasance, malfeasance, and nonfeasance.

A default and default judgment were entered against Edwards. COGIC moved for summary disposition pursuant to MCR 2.116(C)(8) and (10), arguing that plaintiff had provided no evidence of the agency/conspiracy claims raised in his complaint. In addition, COGIC argued that plaintiff's claim that it failed to enforce its own rules and regulations failed to state a claim on which relief could be granted because such a claim necessitated the consideration of church doctrine. The trial court granted COGIC's motion. In doing so, the trial court specifically stated that it did not base its decision on a consideration of religious doctrine. We review a trial court's decision on a motion for summary disposition de novo. *Harrison v Olde Financial Corp*, 225 Mich App 601, 605; 572 NW2d 679 (1997).

An agency relationship may arise based on a manifestation by the principal that the agent may act on behalf of the principal. *Stokes v Millen Roofing Co*, 245 Mich App 44, 61; 627 NW2d 16 (2001). If no actual authority exists, a principal may be bound by an agent's actions under the doctrine of apparent authority. *Id.* Apparent authority arises where the acts of the purported agent lead a third party to reasonably believe an agency relationship exists between the purported agent and the principal. *Id.* Apparent authority must be traced to the principal. *Id.* It cannot be established by the acts of the purported agent alone. *Id.*

Plaintiff argues the trial court erred by granting COGIC's motion for summary disposition. We disagree and affirm the trial court's decision. Contrary to plaintiff's assertion, the trial court did not base its decision on a determination that plaintiff was seeking to have it interpret church doctrine. Rather, the trial court based its decision on agency principles. An agent is a business representative whose function is to obtain, modify, affect, accept, or terminate contractual obligations between his principal and a third party. *St Clair Intermediate School Dist v Intermediate Education Ass'n/Michigan Education Ass'n*, 458 Mich 540, 557; 581 NW2d 707 (1998). Plaintiff argued that even if Edwards could not be considered COGIC's agent before he undertook the actions complained of, an agency relationship was nevertheless formulated by COGIC's refusal to take action against Edwards. Plaintiff cites no authority that demonstrates an agency relationship can be created retroactively in this manner. Apparent agency cannot be established by the acts of the purported agent alone. It must be traced to the principal. *Stokes, supra*. Plaintiff points to no action by COGIC which would lead a reasonable person to believe that Edwards and COGIC ever had an agency relationship. *Auto-Owners Ins Co v Michigan Mutual Ins Co*, 223 Mich App 205, 216; 565 NW2d 907 (1997). Summary disposition was proper.

We affirm.

/s/ Richard A. Bandstra
/s/ William B. Murphy
/s/ Christopher M. Murray