

Disbarred lawyer Mark Canady admits taking money from young boy's estate

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Attorney Mark Canady pleaded guilty Wednesday in Ingham county Circuit Court in Lansing to embezzling \$45,000 from a client.

What's next

Mark Canady, who pleaded guilty to embezzlement between \$20,000 and \$50,000, will be sentenced June 26. He faces up to 10 years in prison.

LANSING — The investigation that led to Mark Canady losing his law license found he had taken money from a young boy's estate and spent it on utilities, hotels, gas, restaurants and liquor.

But in court Wednesday, as he pleaded guilty to an embezzlement charge, the former Lansing Community College trustee and Lansing city councilman told a judge he spent \$45,000 over several months to cover business expenses.

Canady, 52, said he was running a management company in 2011 that operated a "bar and grill" in Lansing.

"It started hemorrhaging money and I was using it (the money) to cover expenses," he said at the hearing in Ingham County Circuit Court. "My intent was to try and pay it back but I didn't."

Canady, whose license to practice law in the state was revoked in December 2012, is scheduled to be sentenced June 26. He faces up to 10 years in prison after pleading guilty to embezzlement between \$20,000 and \$50,000.

After the hearing, he declined to name the bar and grill or comment about why the investigation by the state's Attorney Grievance Commission had found he spent the money differently.

Canady represented himself at the hearing before a visiting judge, Calhoun County Circuit Judge Conrad Sindt. Ingham County's circuit judges, including his brother, Clinton Canady III, disqualified themselves from the case.

The criminal case is being handled by Eaton County's interim prosecutor, Doug Lloyd. Ingham County Prosecutor Stuart Dunnings III recused his office.

Mark Canady told Sindt he represented the boy, whose father died in a vehicle crash, in a wrongful death claim for insurance benefits. He was hired by the boy's mother.

In December 2010, Canady said he obtained a \$75,000 settlement. Of that, he received \$25,000 for attorney fees.

A probate judge ordered that \$5,000 was to be used for burial expenses, court documents say, and the remaining \$45,000 was to be held by Canady in an escrow account until the judge appointed a conservator for the boy.

Any legal settlement involving a minor must go through probate court.

In court Wednesday, Canady said he began using the money in June 2011, when documents say the boy was 3 years old, for the business expenses. He said he did it "without permission or without any right."

Over the course of several months, Canaday transferred the \$45,000 to his law firm's account.

Around that same time, between between April 2011 and August 2011, state records show Canady's law license was suspended after he violated his probation for an impaired driving conviction. Canady has admitted having problems with alcoholism, documents show.

