

STATE BAR OF MICHIGAN
MEETING OF THE COUNCIL OF THE BUSINESS LAW SECTION

Thursday, December 7, 2023 at 3:00 p.m.
Via Zoom - Information Below

AGENDA

1. Call to order and determination of quorum
2. Approval of Minutes of October 6 and 7, 2023 Council Meetings
3. Treasurer's Report
4. Chair's Report
5. Committee/Directorship Reports
 - A. Standing Committees:
 - i. Business Courts
 - ii. Commercial Litigation
 - iii. Corporate Law
 - iv. Debtor/Creditor Rights
 - v. Financial Institutions
 - vi. In-House Counsel
 - vii. Law Schools
 - viii. LLC & Partnerships
 - ix. Nonprofit Corporations
 - x. Privately Held Businesses Forum
 - xi. Regulation of Securities
 - xii. Uniform Commercial Code
 - B. Directorships:
 - i. Communication & Development
 - ii. Diversity & Inclusion
 - iii. Legislative Review
 - iv. Nominating
 - v. Programs
 - vi. Publications
6. Other Business and Announcements
7. Announcement of Thursday, March 7, 2024 at 3 pm Council Meeting at State Bar of Michigan in Lansing
8. Meeting Adjournment

Zoom information:

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**TREASURER'S REPORT
FOR THE MEETING OF THE BUSINESS LAW SECTION
DECEMBER 7, 2023**

The Business Law Section of the State Bar (the "Section") operates on a fiscal year that runs from October 1 to September 30. The most recent financial information available for the Section is:

-- *Income Statement and Expense Detail Report* for one month ended October 2023 (**Appendix A**).

--*List of Approved Invoices* for October 2023 to present (**Appendix B**). Note: Appendix B is basically my personal notes of invoices that I approved. Normally, the state bar would provide a "trial balance" of expenditures during the period, but apparently it is currently going through an audit and could not provide that to me before I needed to complete this report.

You will note that the income statement indicates that the Section had \$261,154.93 on hand at end of October. This reflects the receipt of \$55,790 of Section dues (roughly half of the budgeted amount, but remember that this is only through the end of October) but does not include any expenses for the Business Law Institute, for which I am still awaiting final bills.

Also attached as **Appendix C** is the fiscal 2023-24 budget that the Section council approved at the October 2023 meeting. As you know, this budget projects a \$112,150 loss for the fiscal year. To try to address this shortfall, I have been working on some ideas discussed below.

Dues Increase and/or Tiered Dues. Although it obviously is too late to increase dues for the 2023-24 fiscal year, the Section council did discuss at the October meeting whether to increase dues in the future. No action was taken, but the council members did seem generally agreeable to this idea, especially given that our dues have not increased in many years and several other sections charge higher dues. If Section dues are increased from \$35 to, say, \$50, then the Section would have an extra \$50,000 or so of additional revenue in future years, assuming no attrition.

Another idea that was discussed is having tiered Section dues, that is, higher dues for members who want physical copies of the *Michigan Business Law Journal* (MBLJ). Darrin Day, Director of Outreach at the state bar, tells me that the bar is working on implementing new software that should make this possible. He indicated that he would know more in early December and I will report back what I learn.


Michigan Business Law Journal. As you know, the MBLJ is published three times a year. Printed copies of each issue are mailed to over 3,200 section members. The 2023-24 budget allocates \$75,000 to the MBLJ. The most recent bill from the printer (for the fall 2023 edition) was \$13,110.45. Together with ICLE's annual fee of \$33,344, this translates to roughly \$72,675 (assuming printing costs don't increase for the new few editions). While this is within the annual budget, it is still very high; the budget for the MBLJ in the 2022-23 fiscal year was only \$54,000.

I have asked Shaynie Feinauer at the printer, FP Horak, for ideas to reduce costs, such as printing on cheaper paper. She indicated that she should have some proposals soon and I will report on them later. I will also discuss them with ICLE and Brendan Cahill.

Nonetheless, the Section may want to consider other ideas, such as only publishing the MBLJ digitally (although that would contradict a passage in the recently approved Strategic Plan) or charging higher dues for members who want paper copies, as discussed above.

Small Business Forum (also known as Privately Held Business Forum). This event will be held on February 8, 2024 at the Guardian Building in Detroit. The 2023-24 budget allocates \$10,000 to it. I understand from Mark Rossman that he continues to expect to be able to secure enough sponsorships so that the forum will not need more than \$10,000 from the Section.

Lobbying Report Late Fees. One unexpected expense that happened in the two months that I have been Treasurer is that we had to pay \$1,302 in late fees for lobbying reports to the Michigan Bureau of Elections (\$870 for the summer 2023 form and \$432 for the summer 2022 form), despite my best (but ultimately unsuccessful) efforts to try to get the bureau to waive the late fees. Terri and I have discussed changing the section's procedures so that these reports will not be filed late in the future.



Michael Molitor
November 30, 2023

APPENDIX A

State Bar of Michigan
Parent Company : State Bar of Michigan : Sections
Sections Income Statement - Business Law
Oct 2023

Financial Row	Amount (Oct 2023)	Amount YTD (Oct 2023)	Last FY YTD (Oct 2022)
Income			
42768 - Business Law Institute	\$0.00	\$0.00	\$9,000.00
40085 - Section Affiliate Dues	\$70.00	\$70.00	\$70.00
40080 - Section Dues	\$55,790.00	\$55,790.00	\$55,265.00
42010 - Sponsorships	\$7,500.00	\$7,500.00	\$0.00
Total Income	\$63,360.00	\$63,360.00	\$64,335.00
Expenses			
65060 - Awards	\$1,350.00	\$1,350.00	\$2,975.00
67035 - Business Boot Camp	\$650.00	\$650.00	\$0.00
67065 - Community Support, Donations & Sponsorships	\$0.00	\$0.00	\$10,000.00
64010 - Postage	\$61.22	\$61.22	\$52.86
61200 - Travel	\$214.95	\$214.95	\$777.95
Total Expenses	\$2,276.17	\$2,276.17	\$13,805.81
Increase or Decrease in Net Position	\$61,083.83	\$61,083.83	\$50,529.19
Net Position, Beginning Of year	\$200,071.10	\$200,071.10	\$250,531.37
Net Position, End of Period	\$261,154.93	\$261,154.93	\$301,060.56

State Bar of Michigan
Parent Company : State Bar of Michigan : Sections
Business Law Section Expense Detail Report
Oct 2023

Account	Date	Type	Document Number	Name	Memo	Description	Debit	Credit	Total Net Amount
60000 - Operating Expenses - Non-Labor							\$0.00	\$0.00	\$0.00
61200 - Travel							\$0.00	\$0.00	\$0.00
Total - 61200 - Travel	10/12/2023	Journal	JE1361		10/7/2023 travel	10/7/2023 travel	\$214.95	\$0.00	\$214.95
64010 - Postage							\$0.00	\$0.00	\$0.00
Total - 64010 - Postage	10/10/2023	Journal	JE1433		10/11/2023 postage	10/11/2023 postage	\$61.22	\$0.00	\$61.22
65060 - Awards							\$0.00	\$0.00	\$0.00
Total - 65060 - Awards	10/10/2023	Journal	JE1302		Nov 2023 BLS Schulman Award MBL Advertising	Nov 2023 BLS Schulman Award MBL Advertising	\$1,000.00	\$0.00	\$1,000.00
67035 - Business Boot Camp							\$350.00	\$0.00	\$350.00
Total - 67035 - Business Boot Camp	10/25/2023	Journal	JE1591		Schulman Awards 10/9/2023	Schulman Awards 10/9/2023	\$1,350.00	\$0.00	\$1,350.00
67035 - Business Boot Camp							\$0.00	\$0.00	\$0.00
Total - 67035 - Business Boot Camp	10/05/2023	Journal	JE1585		BLS Flyer Boot Camp	BLS Flyer Boot Camp	\$400.00	\$0.00	\$400.00
67035 - Business Boot Camp							\$100.00	\$0.00	\$100.00
Total - 67035 - Business Boot Camp	10/01/2023	Journal	JE1748		October 2023 E Blast Expense	E Blast 10/5 Business Boot Camp I: Basic Training For Every Business Lawyer (sent to Young Lawyers Section)	\$150.00	\$0.00	\$150.00
67035 - Business Boot Camp							\$650.00	\$0.00	\$650.00
Total - 67035 - Business Boot Camp	10/01/2023	Journal	JE1748		October 2023 E Blast Expense	E Blast 10/20 Reminder - Business Boot Camp I: Basic Training For Every Business Lawyer (only sent to RPLS and YLS)	\$650.00	\$0.00	\$650.00
Total - 60000 - Operating Expenses - Non-Labor							\$2,276.17	\$0.00	\$2,276.17

APPENDIX B

APPENDIX C

Business Law Section of the State Bar of Michigan
Draft 2024 Budget (October 1, 2023 - September 30, 2024)

Date	Fund Balance			
9/30/2022		\$250,531.37		
9/30/2023 (projected)		\$174,041.37	8/31/2023 (actual)	\$ 208,815.90
9/30/2024 (projected)		\$61,891.37		

Revenue		2023 Budget	2024 Budget	Variance
1-7-99-325-1006	Business Law Institute Sponsorships	\$ 10,500.00	\$ 10,500.00	\$ -
1-7-99-325-1050	Business Law Section Dues	\$ 108,000.00	\$110,000	\$ 2,000.00
1-7-99-325-1055	Business Law Student/Affil Dues			
1-7-99-325-1125	Seminars	\$ 1,000.00	\$ -	\$ (1,000.00)
1-7-99-325-1130	Continuing Legal Education			
1-7-99-325-1135	Business Law Institute^			
1-7-99-325-1140	Business Boot Camp^	\$ 19,000.00	\$ -	\$ (19,000.00)
1-7-99-325-1240	Cmt - General			
1-7-99-325-1330	Subscription to Newsletter			
1-7-99-325-1400	Cmt - Commerical Litigation	\$ 2,000.00	\$ 2,000.00	\$ -
1-7-99-325-1401	Cmt - Corporate Laws	\$ -		
1-7-99-325-1402	Cmt - Debtor/Creditor Rights	\$ -		
1-7-99-325-1403	Cmt - Financial Institutions	\$ -		
1-7-99-325-1404	Cmt - In-House Counsel	\$ -		
1-7-99-325-1405	Cmt - Law Schools	\$ -		
1-7-99-325-1406	Cmt - Nonprofit Corporations	\$ -		
1-7-99-325-1407	Cmt - Regulation of Securities	\$ -		
1-7-99-325-1408	Cmt - Uniform Commercial Code	\$ -		
1-7-99-325-1409	Cmt - LLC & Partnership	\$ -	\$0.00	\$ 4,000.00
1-7-99-325-1410	Cmt - Ad Hoc Committees	\$ -		
1-7-99-325-1411	Privately Held Businesses Forum	\$ 1,000.00	\$ -	\$ 29,000.00
1-7-99-325-1935	Miscellaneous Income			
Total Revenue		\$ 141,500.00	\$ 122,500.00	\$ 15,000.00

Expenses		2023 Budget	2024 Budget*	Variance
1-9-99-325-1111	Administrative**	\$ 19,900.00	\$ 14,000.00	\$ 4,100.00
1-9-99-325-1139	Legislation			
1-9-99-325-1145	ListServ	\$ 750.00	\$ 750.00	\$ -
1-9-99-325-1202	Continuing Legal Education Programs			
1-9-99-325-1276	Meetings - Section	\$ 3,500.00	\$ 3,500.00	\$ -
1-9-99-325-1278	Cmt - General			
1-9-99-325-1280	Business Boot Camp^^	\$ 33,000.00	\$ 39,250.00	\$ 6,250.00
1-9-99-325-1283	General Interest Seminars	\$ 3,000.00	\$ -	\$ (3,000.00)
1-9-99-325-1284	Business Law Institute^^	\$ 19,000.00	\$ 32,000.00	\$ 13,000.00
1-9-99-325-1297	Annual Meeting			
1-9-99-325-1339	Sponsorships	\$ 12,500.00	\$ 2,500.00	\$ (10,000.00)
1-9-99-325-1346	Access to Justice & Charities	\$ 10,000.00	\$ 7,500.00	\$ -
1-9-99-325-1400	Cmt - Commercial Litigation	\$ 3,000.00	\$ 4,000.00	\$ 1,000.00
1-9-99-325-1401	Cmt - Corporate Laws	\$ 5,000.00	\$ 5,000.00	\$ -
1-9-99-325-1402	Cmt - Debtor/Creditor Rights	\$ 2,500.00	\$ 2,000.00	\$ -
1-9-99-325-1403	Cmt - Financial Institutions		0	
1-9-99-325-1404	Cmt - In-House Counsel	\$ 4,500.00	\$ -	\$ (4,500.00)
1-9-99-325-1405	Cmt - Law Schools***	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00
1-9-99-325-1406	Cmt - Nonprofit Corporations	\$ 1,000.00	\$ -	
1-9-99-325-1407	Cmt - Regulation Securities		0	
1-9-99-325-1408	Cmt - Uniform Commerical Code		\$ 500.00	\$ 500.00
1-9-99-325-1409	Cmt - LLC & Partnership	\$ 5,000.00	\$ 6,000.00	\$ 10,000.00
1-9-99-325-1410	Cmt - Ad Hoc Committees	\$ 1,000.00	0	\$ (1,000.00)
1-9-99-325-1411	Cmt - Privately Held Businesses Forum	\$ 10,000.00	\$ 10,000.00	\$ 40,000.00

1-9-99-325-1458	Speaker Expense				
1-9-99-325-1493	Travel****			\$0.00	\$ 3,250.00
1-9-99-325-1528	Telephone-Administration	\$ 1,200.00	\$ 2,400.00		\$ 1,200.00
1-9-99-325-1549	Books & Subscriptions				
1-9-99-325-1689	Section Development*****	\$ 5,000.00	\$ 5,000.00		\$ 5,000.00
1-9-99-325-1749	Awards	\$ 5,000.00	\$3,750.00		\$ (1,250.00)
1-9-99-325-1826	Copying				
1-9-99-325-1833	Newsletter	\$ 140.00	\$ 250.00		\$ 110.00
1-9-99-325-1854	Business Law Journal	\$54,000.00	\$75,000.00		\$ 21,000.00
1-9-99-325-1861	Printing				
1-9-99-325-1868	Postage			\$250.00	\$ 250.00
1-9-99-325-1987	Miscellaneous	\$ 3,000.00	\$ 3,000.00		\$ -
1-9-99-325-xxxx	Business Courts Committee			\$2,000.00	\$ 2,000.00
1-9-99-325-xxxx	Diversity & Inclusion	\$ 15,000.00	\$ 15,000.00		\$ -
	Total Expenses	\$ 217,990.00	\$ 234,650.00		\$ 89,910.00
	Net Income / (Loss)	\$ (76,490.00)	\$ (112,150.00)		\$ (71,410.00)

*As requested by committee chairs and largely without adjustment for anticipated revenue

**Includes anticipated expenses for Section Administrator and Officer Training per the proposed Strategic Plan

***Per proposed Strategic Plan

****Includes Section Administrator travel plus expected cost to increase non-Detroit or GR attorney participation per Strategic Plan

*****Includes Communications and Development Directorship budget request and estimated data analysis cost per Strategic Plan

^Business Law Institute and Business Boot Camp revenue is netted against expense to determine the total due to ICLE for the event

^^Total anticipated expense after application of revenue

STATE BAR OF MICHIGAN - BUSINESS LAW SECTION

COUNCIL MINUTES

This meeting of the Council of the Business Law Section of the State Bar of Michigan was held at the J.W. Marriott Hotel in Grand Rapids, Michigan on October 6, 2023 pursuant to notice duly given.

1. Call to Order and Determination of Quorum. Section Chair, Christopher Yates, called the meeting to order at approximately 12:01 p.m. and determined that a quorum was present.
2. Nomination of Officers and Election of Officers. The following persons were presented for nomination by Nominating Director, James Carey:

Christopher Yates as Chair
Ian Williamson as Vice Chair
Michael Molitor as Treasurer
Carrie Leahy as Secretary

Pursuant to motion duly made and seconded, the nominations of the Officers as stated above were unanimously approved.

3. Incoming Chair's Report. Judge Yates spoke about the Section and his goals in the upcoming year.
4. Other Business and Announcements. None.
5. Meeting Adjournment Until 9:00 a.m. on Saturday, October 7, 2023. There being no further business to come before the Council of the Business Law Section, upon motion duly made, seconded and unanimously approved, the meeting was adjourned at approximately 12:08 p.m.

Carrie Leahy, Secretary

STATE BAR OF MICHIGAN - BUSINESS LAW SECTION

COUNCIL MINUTES

This meeting of the Council of the Business Law Section of the State Bar of Michigan was held at the J.W. Marriott Hotel in Grand Rapids, Michigan on October 7, 2023 pursuant to notice duly given. Council members present were Patrick Haddad (via telephone), Loukas Kalliantasis, Carrie Leahy (via telephone), Sharan Lee Levine, Alexis Lupo, Michael Molitor, Ryan Opel (via telephone), Ian Williamson, Victoria Valentine (via telephone), Christopher Yates, and Eric Zacks (via telephone). Committee Chairs and Directors present were James Carey, Marguerite Donahue, Mark Kellogg, Michael Khoury, Justin Klimko, Gerard Mantese, Daniel Minkus, Mark Peters, and Douglas Toering. Others present were Jennifer Consiglio, Tala Dahbour, Max Matthies, Rachael Sedlacek, Terri Shoop, and Michael Warren.

1. Call to Order and Determination of Quorum. Section Chair, Christopher Yates, called the meeting to order at approximately 9:02 a.m. and determined that a quorum was present.

2. Approval of Minutes of June 8, 2023 Council Meeting. A motion to approve the Minutes of the June 8, 2023 Council meeting was made by Ms. Lupo, seconded by Mr. Molitor, and passed unanimously, 11-0-0.

3. Treasurer's Report and Proposed Budget. A written report and proposed budget has been provided by the Treasurer. Mr. Williamson and Mr. Molitor presented the report and budget. The fund balance has grown due to the lack of programming during the pandemic. With the reintroduction of Business Boot Camp and other key Section functions, the fund will decrease. The proposed budget projects a \$150,000 loss. The Council went through the budget line by line and a lengthy and robust discussion ensued. It was noted that Section dues have not been raised in 12 years and the group discussed increasing dues. Other cost savings measures such as holding revenue neutral events, raising event ticket prices, and sponsorships were discussed. After a detailed review of the proposed budget, the following revisions were made: Administrative \$14,000; Access to Justice \$7,500; Debtor/Creditor Rights \$2,000; Law Schools \$1,000; LLC and Partnership \$6,000; Privately Held Business Forum \$10,000; Travel \$0; and Section Development \$5,000.

A motion was made by Mr. Williamson to approve the Budget for fiscal year 2023-2024 with the revisions outlined above. The motion was seconded by Ms. Lupo and passed unanimously, 11-0-0.

4. Council Approval of Committee Chair and Directorship Appointments. Judge Yates reported that all of the Committee Chairs and Directors have agreed to continue in their current roles.

Business Courts Committee - Doug Toering

Commercial Litigation Committee - Doug Toering

Corporate Law Committee - Justin Klimko and Michael Molitor

Debtor/Creditor Rights Committee - Judith Miller, Marc Swanson, Paul Hage, and
Elliot Crowder

Financial Institutions - Melissa Bridges and Thomas Schehr

In-House Counsel - Joseph Yamin
Law Schools - Mark Kellogg
LLC & Partnership - Loukas Kalliantasis and Gerard Mantese
Nonprofit Corporations - Celeste Arduino and Jennifer Oertel
Privately Held Business Forum - Sharan Lee Levine and Mark Rossman
Regulation of Securities - Patrick Haddad
Uniform Commercial Code - Kimberly Clayson and Michael Khoury
Communication and Development Directorship - Kevin Block, Jennifer Consiglio,
Mark High, Michal Khoury, and John Schuring
Diversity & Inclusion Directorship - Amber Beebe
Legislative Review Directorship - Eric Lark
Nominating Directorship - James Carey
Program Directorship - Catherine Ferguson, Eric Lark, Laura Johnson, Daniel Minkus,
Mark Peters, John Schuring, and Sarah Williams
Publications Directorship - Brendan Cahill
ICLE Liaison - Marguerite Donahue

We have a liaison to the Young Lawyers Section, Isra Khuja.

A motion to approve the current roster of Committee Chairs, Directors and Liaisons was made and seconded. The motion passed unanimously, 11-0-0. Mr. Minkus informed the Council that he will be stepping down sometime soon from his role as Programs Director. He will seek a replacement.

5. Chair's Report.

A. Access to Justice Donation for 2023-2024 Fiscal Year. A motion to approve a donation for fiscal year 2023-2024 to Access to Justice in the amount of \$7,500 was made by Mr. Molitor and seconded by Mr. Williamson. The motion passed unanimously, 11-0-0.

B. Approval of \$500 Donation to Make-A-Wish Foundation on Behalf of Mark Kellogg. A motion to approve a \$500 donation to Make-A-Wish Foundation in the name of Mark Kellogg was made by Mr. Kalliantasis and seconded by Mr. Molitor. The motion passed, 11-0-0.

5. Committee/Directorship Reports.

A. Standing Committees.

(i) Business Courts Committee. A written report has been provided by the Business Courts Committee. The Committee asked the Council to endorse two clarifying amendments to the business court statute and to retain a lobbyist if needed to promote those amendments. After discussion, a roll call motion was made to endorse two clarifying amendments to the business court statute and to retain a lobbyist if needed to promote those amendments, specifically: (1) Section 2(h) would be added; and (2) Section 3(i) would be added.

Patrick Haddad	Yes
Loukas Kalliantasis	Yes

Carrie Leahy	Yes
Sharan Lee Levine	Yes
Alexis Lupo	Yes
Michael Molitor	Yes
Ryan Opel	Yes
Victoria Valentine	Yes
Ian Williamson	Yes
Christopher Yates	Yes
Opposed	0

The motion passed 10-0-0.

The Committee would like approval for a listserv for the Business Court Judges operated through the Section and State Bar of Michigan. A motion to approve the creation of a listserv for the Business Court Judges operated through the Section and State Bar of Michigan was made by Ms. Levine, seconded by Mr. Williamson and passed unanimously, 10-0-0.

(ii) Commercial Litigation Committee. A written report has been provided by the Commercial Litigation Committee.

(iii) Corporate Laws Committee. A written report has been provided by the Corporate Laws Committee.

(iv) Debtor/Creditor Rights Committee. A written report has been provided by the Debtor/Creditor Rights Committee.

(v) Financial Institutions Committee. No report.

(vi) In-House Counsel Committee. No report.

(vii) Law Schools Committee. A written report has been provided by the Law Schools Committee.

(viii) LLC & Partnership Committee. A written report has been provided by the LLC & Partnership Committee.

(ix) Nonprofit Corporations Committee. A written report has been provided by the Nonprofit Corporations Committee.

(x) Privately Held Business Forum. A written report has been provided by the Privately Held Business Forum.

(xi) Regulation of Securities Committee. A written report has been provided by the Regulation of Securities Committee.

(xii) Uniform Commercial Code Committee. A written report has been provided by the Uniform Commercial Code Committee. The next meeting of the Committee is November 8.

B. Ad Hoc Committee for Review of Strategic Plan.

(a) Approval of Strategic Plan.

C. Directorships.

(i) Communication & Development Directorship. A written report has been provided by the Communication & Development Directorship.

(ii) Diversity & Inclusion Directorship. A written report has been provided by the Diversity & Inclusion Directorship. The Directorship would like approval to use the Power Point and scholarship application attached to the report. A motion to approve use of the Power Point and scholarship application was made by Ms. Levine and seconded by Mr. Molitor. The motion was approved, 10-0-0.

(iii) Legislative Review Directorship. A written report has been provided by the Legislative Review Director.

(iv) Nominating Directorship. A written report has been provided by the Nominating Director. James Carey reported that one-third of Council members are from outside Detroit and Grand Rapids. There are eight males and seven females.

(v) Programs Directorship. A written report has been provided by the Programs Directorship. Daniel Minkus reminded the group that Business Boot Camp will be held in Grand Rapids November 6-7 and January 18-19 in Ann Arbor. Registration is low at both the individual and firm level. Please encourage firms and individuals to sign up and attend.

a. ICLE Liaison. A written report has been provided by the ICLE Liaison.

(vi) Publications Directorship. No report.

7. Other Business and Announcements. None.

8. Announcement of December 7, 2023 Council Meeting. The next meeting of the Business Law Section Council will be held on December 7, 2023 at 3 p.m. via Zoom.

9. Meeting Adjournment. There being no further business to come before the Council of the Business Law Section, upon motion duly made by Mr. Molitor and seconded by Ms. Levine, the motion passed unanimously, 10-0-0. The meeting was adjourned at 11:01 a.m.

Carrie Leahy
Secretary

**BUSINESS COURTS COMMITTEE
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023 MEETING**

Please describe your committee's activities during the 2022-2023 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan, a copy of which is attached and to which reference may be made for further guidance in providing responses. If the question is not applicable to your particular committee or directorship, please note as such.

1. Continue to sponsor programs for continuing legal education and skills-based training within the Section. (Article I, 3 of the Strategic Plan).

The Committee does not intend to hold seminars or programs. The Commercial Litigation Committee typically handles this.

2. Address substantive legal issues for committee members. (Article I, 4 of the Strategic Plan).

The Committee meets or communicates as needed.

3. Promote strong committee leadership and active committee member involvement. Please comment on your plan regarding succession. (Article I, 5 of the Strategic Plan).

The Committee is intentionally small. There is currently no succession plan.

4. Provide an alternative source of information and communication for members by improving the website and maintaining and improving social media presence. (Article I, 6 of the Strategic Plan).

The Committee communicates as needed by e-mail or videoconference.

5. (A) monitor and raise awareness of laws or developments in laws that affect Michigan businesses and, when appropriate, make recommendations for updates and improvements;

(B) provide assistance to appropriate state government personnel with respect to business-related legislation and rule making;

(C) as appropriate, providing amicus curiae briefs related to business-related issues being addressed by the courts, and

(D) educate and seek input from Michigan businesses, their owners and employees, and Michigan attorneys about changes to Michigan's laws in order to maintain Michigan's ability to attract and retain new business enterprises and enable existing businesses to remain competitive.

(Article II, 1 of the Strategic Plan).

Generally, the Commercial Litigation Committee handles these kinds of matters. If asked, the Business Courts Committee will also do so.

6. Encourage increased member participation through the development of personal relationships with other Section members. (Article IV, 1 of the Strategic Plan).

The Committee is intentionally small.

Douglas L. Toering, Committee Chair
Mantese Honigman, PC
1361 E. Big Beaver
Troy, MI 48083
(248) 457-9200
dtoering@manteselaw.com

Date of Report: November 30, 2023

BUSINESS COURTS COMMITTEE
REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING

1. Next Scheduled Meeting of the Committee/Directorship.

No meeting of the Committee is currently scheduled.

2. Council Approval.

No matters require Council approval.

3. Membership.

The membership of the Committee is intentionally small. The members are Judge James M. Alexander (retired Oakland), Judge David J. Allen (Wayne), Judge Victoria A. Valentine (Oakland), Judge Kathryn A. Viviano (Macomb), Judge Michael David Warren, Jr. (Oakland), Judge Christopher P. Yates (Court of Appeals), Bruce Courtade, Jennifer Grieco, Brian Wassom, and yours truly.

4. Accomplishments Toward Committee/Directorship Objectives.

The Committee's objectives are to serve as a liaison between the Business Court Judges and the Business Law Section, to serve as a resource for the Business Court Judges, and to assist the Business Court Judges in whatever ways they and the Business Law Section deem appropriate.

5. Meetings and Programs.

The Committee has communicated by e-mail frequently since the last Council meeting. The Chair believes that the business court judges will soon have a listserv. The Committee was involved in that effort.

6. Publications.

The Committee has published no articles. The Michigan Business Law Journal includes a regular column on the Michigan Business Courts.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

The Committee monitors proposed changes in the business court statute and Michigan Court Rules that deal with the Michigan Business Courts. Judge Yates and Judge Alexander have offered to promote the amendments to the business court statute that the Council approved at the October 7, 2023 meeting.

8. Miscellaneous.

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Date of Report: November 30, 2023

**COMMERCIAL LITIGATION COMMITTEE
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023 MEETING**

Please describe your committee's activities during the 2022-2023 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan, a copy of which is attached and to which reference may be made for further guidance in providing responses. If the question is not applicable to your particular committee or directorship, please note as such.

1. Continue to sponsor programs for continuing legal education and skills-based training within the Section. (Article I, 3 of the Strategic Plan).

Due to various circumstances, we did not accomplish our objective of holding two programs in 2022. We do plan at least one program for 2023.

2. Address substantive legal issues for committee members. (Article I, 4 of the Strategic Plan).

Due to various circumstances, we did not accomplish our objective of holding two programs in 2022. We do plan at least one program for 2023. Nevertheless, the Chair does update Committee members on significant changes to the law as they come to the attention of the Chair.

3. Promote strong committee leadership and active committee member involvement. Please comment on your plan regarding succession. (Article I, 5 of the Strategic Plan).

When the Committee is informed of potential changes to the Michigan Court Rules or proposed legislation that may impact the practice of Committee members, the Committee engages in an e-mail or in-person discussion of such proposed changes or legislation. There is currently no succession plan.

4. Provide an alternative source of information and communication for members by improving the website and maintaining and improving social media presence. (Article I, 6 of the Strategic Plan).

5. (A) monitor and raise awareness of laws or developments in laws that affect Michigan businesses and, when appropriate, make recommendations for updates and improvements;

(B) provide assistance to appropriate state government personnel with respect to business-related legislation and rule making;

(C) as appropriate, providing amicus curiae briefs related to business-related issues being addressed by the courts, and

(D) educate and seek input from Michigan businesses, their owners and employees, and Michigan attorneys about changes to Michigan's laws in order to maintain Michigan's ability to attract and retain new business enterprises and enable existing businesses to remain competitive.

(Article II, 1 of the Strategic Plan).

The Committee continues to monitor the implementation of the business court legislation. We will also respond to requests for assistance on legislation, rulemaking, and amicus briefs. Any Committee member may notify other members about proposed legislation or recent cases via our informal listserv.

6. Encourage increased member participation through the development of personal relationships with other Section members. (Article IV, 1 of the Strategic Plan).

The Chair is planning at least one in-person program for 2023.

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Date of Report: November 30, 2023

COMMERCIAL LITIGATION COMMITTEE
REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING

1. Next Scheduled Meeting of the Committee/Directorship.

No meeting of the Committee is currently scheduled.

2. Council Approval.

The Committee has no matters needing Council approval.

3. Membership.

The Committee comprises approximately 100 commercial litigators.

4. Accomplishments Toward Committee/Directorship Objectives.

In light of recent programs offered by other groups (both nationally and locally) on trial practice, the Chair is rethinking whether a business litigation bootcamp would be profitable here, or whether a “best practices” program with the business court judges might be more helpful.

5. Meetings and Programs.

No meetings or programs have been held since the last Council meeting.

6. Publications.

The Committee has published no articles.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

The Commercial Litigation Committee typically receives notices of proposed legislation or changes to the Michigan Court Rules. When the Committee is informed of potential changes to the Michigan Court Rules or proposed legislation that may impact the practice of Committee members, the Committee engages in an e-mail or in-person discussion of such proposed changes or legislation.

8. Miscellaneous.

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Date of Report: November 30, 2023

CORPORATE LAWS COMMITTEE
REPORT PREPARED FOR THE OCTOBER 7, 2023 COUNCIL MEETING

1. Next Scheduled Meeting of the Committee.

The Committee most recently met on September 20, 2023, to continue its evaluation of the proposed Business Corporation Act amendments it is developing. We will continue the evaluation process in 2024 and expect to schedule a meeting early in the year.

2. Council Approval.

We do not request council approval of any matters at this meeting.

3. Membership.

The Committee remains open to participation by any interested parties. The Committee has approximately 75 members on its active roster, though many fewer who actively participate.

4. Accomplishments Toward Committee Objectives.

The activity of the Committee is directly related to the Strategic Plan mission of promoting improved legislation and regulation for business and the goal of reviewing Michigan laws affecting business formation, capital raising, corporate governance and related legal matters. The Committee attempts to keep Michigan corporate law current with national trends and competitive with the business law environments of other jurisdictions.

The Committee continues to monitor legislation that could affect Michigan corporation law. We are assembling material for the next round of amendments to the Michigan Business Corporation Act. We determined to bifurcate that effort and to first focus on preparing proposed draft benefit corporation legislation. Two versions of the legislation have been introduced, one in the House and one in the Senate. The House version is closer to the version we prepared. We will continue to work with Michigan Legislative Consultants once the legislature resumes activity to reconcile and revise the bills that have been introduced. We are separately working on proposed amendments to other provisions of the BCA and hope to have proposed legislation ready to seek sponsorship in early 2024.

Committee members have participated from time to time in preparation of amicus briefs on behalf of the Business Law Section, at the request of both the Michigan Court of Appeals and the Michigan Supreme Court. Examples include Madugula v. Taub, Murphy v. Inman and Soaring Pine v Park.

5. Meetings and Programs.

No programs are currently scheduled, but committee members are involved with presentations at the Business Law Institute and Business Boot Camp.

6. Publications.

The Committee was responsible for the Fall 2023 edition of the Business Law Journal, which was recently published with articles from several contributors.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action.

The Committee monitors bills that would affect corporation statutes that are introduced without its input and considers these together with the Corporations Division of the Bureau of Commercial Services of the Department of Licensing and Regulatory Affairs. The Committee interacts with the Division and the Bureau frequently on matters of legislative interpretation and administrative practice.

The Committee also consults with the Division regarding efforts to further streamline corporate filings and information dissemination.

The Committee reviews judicial decisions affecting matters of Michigan corporate law. From time to time the Committee proposes statutory amendments that are intended to address the effects of specific case law. Additionally, as noted above, the Committee has prepared and filed amicus curiae briefs at the invitation of the Michigan Court of Appeals and the Michigan Supreme Court.

The Committee monitors developments and changes in the corporate laws of other states such as Delaware and developments and changes in the Model Business Corporation Act.

8. Miscellaneous.

The Committee will continue to accept ideas for technical and other amendments to the Business Corporation Act. Suggestions in this regard may be addressed to either committee co-chair.

Any questions regarding this report may be directed to Justin Klimko or Mike Molitor.

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November 20, 2023

**CORPORATE LAWS COMMITTEE
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023 COUNCIL MEETING**

Please describe your committee's activities during the 2022-2023 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan, a copy of which is attached and to which reference may be made for further guidance in providing responses. If the question is not applicable to your particular committee or directorship, please note as such.

1. Continue to sponsor programs for continuing legal education and skills-based training within the Section. (Article I, 3 of the Strategic Plan).

We have not held a committee program but various committee members have participated in Section programs, including the Business Law Institute and the Business Boot Camp.

2. Address substantive legal issues for committee members. (Article I, 4 of the Strategic Plan).
We began the process of assembling material for the next round of amendments to the Business Corporation Act in 2022. We held meetings to discuss possible amendment topics and decided to bifurcate the effort and first to focus on preparing proposed draft benefit corporation legislation. A subcommittee was established for that purpose, and it prepared draft legislation. We worked with Michigan Legislative Consultants to seek legislative sponsorship for the act. Two versions of the legislation have been introduced, one in the House and one in the Senate. The House version is closer to the version we prepared. We will continue to work with MLC once the legislature resumes activity to reconcile and revise the bills that have been introduced. We are separately working on proposed amendments to other provisions of the BCA and hope to have proposed legislation ready to seek sponsorship in early 2024.

3. Promote strong committee leadership and active committee member involvement. Please comment on your plan regarding succession. (Article I, 5 of the Strategic Plan).

Professor Michael Molitor of Cooley Law School is the committee co-chair. We have promoted committee involvement and have added additional new members to the committee during the year. Requests for participation generally are forwarded to us. Committee membership has expanded but the number of active participants has not grown significantly.

4. Provide an alternative source of information and communication for members by improving the website and maintaining and improving social media presence. (Article I, 6 of the Strategic Plan).

We have not maintained social media presence as a committee. We facilitate communication via electronic means among committee members and have used tools such as Google Drive to assemble and disseminate materials in the past, but that has been for internal committee purposes.

5. (A) monitor and raise awareness of laws or developments in laws that affect Michigan businesses and, when appropriate, make recommendations for updates and improvements;

Monitoring matters relating to the Michigan Business Corporation Act is a core function of the Corporate Laws Committee, as is drafting proposed amendments. The committee regularly

reviews and recommends amendments to the BCA. As discussed above, we developed BCA amendments to implement benefit corporation status and we are also working on additional BCA amendments.

(B) provide assistance to appropriate government personnel with respect to business-related legislation and rule making;

The committee regularly interacts with the Corporations Division of the Department of Licensing and Regulatory Affairs and with members of the legislature in terms of interpreting existing provisions of the Business Corporation Act and introducing new amendments.

(C) as appropriate, provide amicus curie briefs related to business-related issues being addressed by the courts; and

Committee members have participated from time to time in preparation of amicus briefs on behalf of the Business Law Section, at the request of both the Michigan Court of Appeals and the Michigan Supreme Court. Examples include Madugula v. Taub, Murphy v. Inman and Soaring Pine v Park.

(D) educating Michigan businesses, their owners and employees about changes to Michigan's laws in order to maintain Michigan's ability to attract and retain new business enterprises and enable existing businesses to remain competitive. (Article II, 1 of the Strategic Plan).

The Committee publishes articles regarding changes in law and also works at the request of business owners on issues that may require amendment of the Business Corporation Act. The Committee was responsible for the Fall 2023 edition of the Business Law Journal, which contains articles from various contributors and has been published.

6. Encourage increased member participation through the development of personal relationships with other Section members. (Article IV, 1 of the Strategic Plan).

We have not sponsored or included social activities as a Committee, inasmuch as most of our meeting participation has been by remote means.

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November 20, 2023

**DEBTOR/CREDITOR RIGHTS COMMITTEE QUARTERLY REPORT
REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING**

1. Next Scheduled Meeting of the Committee/Directorship.

The Committee is planning a meeting for a date to be determined in the first quarter of 2024. Leadership meets on a regular basis.

2. Council Approval.

[Describe any matters that require Council approval.]

No matters require Council approval at this time.

3. Membership.

[Discuss some or all of the following: communication with committee/directorship members; reach-out to new members; what efforts committee has made to increase diversity in membership.]

Committee leadership is currently as follows:

Marc N. Swanson, Co-Chair
Judith Greenstone Miller, Co-Chair
Paul R. Hage, Co-Vice Chair
Elliot G. Crowder, Co-Vice Chair
Judy B. Calton, Emeritus Co-Chair

The Committee regularly submits its quarterly and annual reports to the Council, communicates with members regarding important issues, holds regular meetings and educational events, and sends legal updates to membership via its email listserv.

4. Accomplishments Toward Committee/Directorship Objectives.

[Describe committee/directorship accomplishments since its last report and future efforts toward meeting objectives.]

See responses to Questions 1, 3, and 5-7.

5. Meetings and Programs.

[Describe committee/directorship meetings/programs and provide information on future meetings or programs.]

The Committee holds meetings regularly throughout the year and regularly submits reports to the Council. The Committee endeavors to include virtual attendance options for all meetings so as to ensure a large geographic reach for membership.

The Committee has solicited authors and editors for articles to be submitted for the March 2024 Business Law Journal.

6. Publications.

[Describe publications or written communications that have gone out to committee/directorship members or other persons or entities. Identify articles to be submitted for publication in Business Law Journal.]

The Committee has solicited articles and editors for the March 2024 Edition of the Business Law Journal of the State Bar of Michigan for which the Committee is responsible. The Committee could use and is soliciting additional articles. Emeritus Chair Judy B. Calton is leading this process.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

[Describe monitoring activity performed and developments relative to the committee/directorship subject area.]

The Committee regularly reviews proposed amendments to the Bankruptcy Code, Rules of Federal Bankruptcy Procedure and state rules and laws germane to the interests of the Committee. The Committee was actively involved in the development of the Michigan Uniform Assignment of Rents Act and has been asked to provide comment on potential amendments to the Michigan exemption and fair debt collection statutes.

8. Miscellaneous.

Respectfully submitted;

Marc N. Swanson, Co-Chair
Judith Greenstone Miller, Co-Chair
Paul R. Hage, Co-Vice Chair
Elliot G. Crowder, Co-Vice Chair
Judy B. Calton, Emeritus Co-Chair

**LAW SCHOOLS COMMITTEE
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023 COUNCIL MEETING**

Please describe your committee's activities during the 2022-2023 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan to which reference may be made for further guidance in providing responses.

1. Sponsorship of programs for Continuing Legal Education via a means accessible to Section Members, including holding at least one program yearly (Article I, 3 of the Strategic Plan).

Although I have had various discussions with business society students at Wayne State University Law School and University of Detroit Mercy Law School regarding presentations, we were unable to get something scheduled. My goal this next fiscal year is to attempt to regenerate annual programs at those law schools with an interest..

2. Addressing substantive legal issues for committee members, including holding regular committee meetings (at least twice per year) and reporting on the meetings to the Council (Article I, 4 of the Strategic Plan).

- The Law Schools Committee generally does not address substantive legal issues.
- The Committee does not hold meetings of the entire committee. Meetings typically occur at the law school that is hosting a particular event.
- Reports of the programs are reflected in Item 1 above, and are included in the quarterly reports to the Council.

3. Committees chaired by one chair should add a co-chair or vice-chair. Committee leadership to report on growth in committee membership, and active involvement by existing and prospective members, in quarterly and annual reports to the Council. (Article I, 5 of the Strategic Plan).

I have not yet identified a co-chair or vice-chair for this Committee, but will attempt to .do so this year.

We promote the Law Schools Committee via the Section website, through e-mails to faculty representatives working with students of the law school business law societies (or similar organizations), the attorney liaisons and designated law student representatives, and via calendars at the individual participating law schools (as maintained by the student leaders). I have also met and discussed the Committee and its resources with various law school faculty representatives when the opportunity presented itself. As chair of the Committee, I serve as the contact person.

The Committee is comprised of student representatives from the business law societies at most of the law schools in Michigan, their faculty advisors, and members of the Business Law Section (including the Chair and attorney-liaisons who have volunteered and been appointed to each of the law schools represented). With the gap caused by COVID-19 and its restrictions, it will be necessary to reengage faculty advisors and member of the Business Law Section for purposes of securing attorney-liaisons.

4. (A) monitor and raise awareness of laws or developments in laws that affect Michigan businesses and, when appropriate, make recommendations for updates and improvements;

(B) provide assistance to appropriate government personnel with respect to business-related legislation and rule making;

(C) as appropriate, provide amicus curie briefs related to business-related issues being addressed by the courts; and

(D) educate and seek input from Michigan businesses, their owners and employees, and Michigan attorneys about changes to Michigan's laws in order to maintain Michigan's ability to attract and retain new business enterprises and enable existing businesses to remain competitive. (Article II, 1 of the Strategic Plan).

- None of these are part of the focus of the Law Schools Committee.

5. Include social activities as an element of Section activities and educational programs. (Article IV, 1 of the Strategic Plan).

- See response to Item 1 above.

6. Transition active law students into active participants in the Section. (Article IV, 3, C of the Strategic Plan).

See response to Item 1 above. With the increased initiatives further detailed in Item 1 our objective is to increase the exposure to the Business Law Section and invite law students to join the Section at no cost as students.

7. Support at least one substantive presentation or panel discussion each academic year in each of the five law schools located in Michigan. (Article IV, 4 of the Strategic Plan).

See response to Item 1 above. The Committee with assistance of other Council members will attempt to reengage with the law schools and communicate our willingness to support substantive presentations or panel discussions at the

respective law school. In this regard, we do rely to some extent on the law students to request a presentation or event of interest and the Committee would contribute its resources to assist with any such event. I do expect to continue to engage in more active outreach to faculty and students of the various law schools in the State of Michigan.

Previously the Section and Law Schools Committee had organized panel discussions and presentations with Wayne State Law School and the University of Detroit Mercy Law School, with the intent that such activities would continue on an annual basis. Unfortunately, the restrictions imposed due to the pandemic cause a halt to such activities. The Committee will continue to pursue efforts to get such activities back on track with Wayne State, University of Detroit Mercy, and the other law schools.

Respectfully submitted,

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Date of Report: December 7, 2023

LAW SCHOOLS COMMITTEE
REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING

1. Next Scheduled Meeting of the Committee.

Next scheduled meeting of the Committee: No meeting is scheduled.

2. Council Approval.

No matters require Council approval.

3. Membership.

The Committee communicates with members via e-mail to student leaders in the business law societies, their faculty advisors and attorney liaisons.

4. Accomplishments Toward Committee Objectives.

The Committee is achieving its goals. We are increasing the awareness of the Section among law students and promoting the benefits of Section membership.

5. Meetings and Programs.

- We were not successful in scheduling programs over the past year, but have reinstated communications with faculty advisors and the students associated with the Business Law Societies at the law schools and will increase our efforts to conduct one or more programs over the year..

6. Publications.

We have published no articles at this time.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

We do not regularly monitor decisions or activities in the Michigan legislature of the U.S. Congress.

Respectfully submitted,

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Date of Report: December 7, 2023

**LLC & PARTNERSHIPS COMMITTEE
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023 MEETING**

Please describe your committee's activities during the 2022-2023 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan, a copy of which is attached and to which reference may be made for further guidance in providing responses. If the question is not applicable to your particular committee or directorship, please note as such.

1. Continue to sponsor programs for continuing legal education and skills-based training within the Section. (Article I, 3 of the Strategic Plan).

Historically, the Committee has sponsored events for the Business Law Section membership and the State Bar members at large. Members of the Committee have been very active in the Business Boot Camp, including during the 2022-2023 year. The Committee also has provided speakers and speaker references to ICLE to assist in its efforts to provide educational opportunities and continuing education to members of the Bar.

2. Address substantive legal issues for committee members. (Article I, 4 of the Strategic Plan).

The Committee reviewed the Michigan Limited Liability Company Act and sought feedback from its members on proposed changes to the Act.

3. Promote strong committee leadership and active committee member involvement. Please comment on your plan regarding succession. (Article I, 5 of the Strategic Plan).

The Committee remains open to any Business Law Section members who wish to participate. The Committee has several members on its roster. The Committee reached out to members on its roster to update the same with Business Law Section members who remain interested in actively participating in the Committee. The Committee Chairs are the contact persons.

4. Provide an alternative source of information and communication for members by improving the website and maintaining and improving social media presence. (Article I, 6 of the Strategic Plan).

None this past year.

5. (A) monitor and raise awareness of laws or developments in laws that affect Michigan businesses and, when appropriate, make recommendations for updates and improvements;

The Committee has been active in legislative activities involving the Michigan Limited Liability Company Act and the Partnership Acts.

(B) provide assistance to appropriate state government personnel with respect to business-related legislation and rule making;

The Committee has and will continue to actively work with the legislature and with the Department of Licensing and Regulatory Affairs (LARA).

(C) as appropriate, providing amicus curiae briefs related to business-related issues being addressed by the courts, and

None this past year.

(D) educate and seek input from Michigan businesses, their owners and employees, and Michigan attorneys about changes to Michigan's laws in order to maintain Michigan's ability to attract and retain new business enterprises and enable existing businesses to remain competitive.

Planning for program to be held in spring or summer 2024. The program will include topic relevant to LLCs, such as a case law update and succession planning for LLCs.

(Article II, 1 of the Strategic Plan).

6. Encourage increased member participation through the development of personal relationships with other Section members. (Article IV, 1 of the Strategic Plan).

The Committee engaged in more frequent contact with its members and sought to update its roster with those that wish to remain actively involved in the Committee. Additionally, the Committee recently held an in-person meeting of the Committee.

Respectfully submitted,

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LLC & PARTNERSHIPS COMMITTEE
REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING

1. Next Scheduled Meeting of the Committee/Directorship.

No meetings of the Committee are currently scheduled (last meeting held on November 30, 2023).

2. Council Approval.

The Committee does not request Council approval of any matters at this meeting.

3. Membership.

The Committee remains open to any Business Law Section members who wish to participate. The Committee has several members on its roster. The Committee has reached out to members on its roster to update the same with Business Law Section members who remain interested in actively participating in the Committee.

4. Accomplishments Toward Committee/Directorship Objectives.

Among other matters, the Committee seeks to promote improved legislation and regulation for non-corporate business entities. The Committee generally seeks to keep Michigan entity law competitive with the business law of other states, as well as seeking out opportunities to educate and inform Michigan lawyers, judges, regulators and business people about various entity law matters. See also No. 5 below.

5. Meetings and Programs.

The last meeting of the Committee was held on November 30, 2023. The Committee is planning a program to be held in spring or summer 2024. The program will include topic relevant to LLCs, such as a case law update and succession planning for LLCs.

The Committee is also evaluating proposed amendments to be recommended to the legislature for the Michigan Limited Liability Company Act. The Committee has sought feedback and invites further feedback from members of the Committee and other members of the Business Law Section.

6. Publications.

None since the last meeting of Council.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

Committee members will review and discuss various developments in connection with updates prepared by the Business Law Section and the materials made available by the State of Michigan. See also No. 5 above.

8. Miscellaneous.

N/A

Respectfully submitted,

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**NONPROFIT CORPORATIONS COMMITTEE
CO-CHAIRS CELESTE ARDUINO AND JENNIFER OERTEL
REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING**

1. Next Scheduled Meeting of the Committee/Directorship.

To be scheduled in Q1 2024.

2. Council Approval.

None at this time

3. Membership.

We added one new committee member since the last quarterly report. The committee welcomes all interested attorneys to join as members. When the co-chairs meet attorneys who practice in this area, they encourage the attorneys to join the committee.

4. Accomplishments Toward Committee/Directorship Objectives.

The Co-Chairs seek to create an open dialogue among members during the Committee meetings. In-between meetings, in addition to updating members on significant developments in the law, Co-Chairs respond to practice questions from members, practitioners and judges.

5. Meetings and Programs.

The last Committee meeting was held on November 1 via Zoom. Topics covered at that meeting included current legislative updates at the state and federal level (including the Supreme Court's SFAA decision), information on upcoming educational opportunities, and a discussion among members regarding current issues.

6. Publications.

N/A

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

The Co-Chairs subscribe to various publications and news alerts to keep on top of new developments in the law.

Some of the Committee's membership also serves on the Charitable and Exempt Organizations Committee of the SBM Probate and Estate Planning Section, which is in the process of developing recommended

updates to state laws affecting charitable organizations, including the MI Nonprofit Corporation Act. This Committee will have an opportunity to weigh in on the proposed amendments.

8. Miscellaneous.

N/A

REGULATION OF SECURITIES COMMITTEE
REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING

1. Next Scheduled Meeting of the Committee.

The next meeting of the Committee will be scheduled for the Spring of 2024, unless there is business requiring the Committee to meet sooner. The Committee typically meets once or twice annually. Depending on need, the Committee may meet more frequently.

2. Council Approval.

No approval is requested at this time.

3. Membership.

Members are added periodically, including women and minorities.

4. Accomplishments Toward Committee Objectives.

The Committee last met on April 25, 2023. Twelve Committee members attended the meeting. At the meeting, Committee member Shane Hansen presented on the following topic: M&A Broker Exemption -- Federal and Status of States. Shane Hansen furnished materials on this and other topics which were distributed to all Committee members. Materials on the following additional topics were distributed to all Committee members: Trade Settlement – “T+1”; SEC Proposed Enhancements to Regulation S-P (Consumer Privacy); SEC Proposed Cybersecurity Risk Rules; Cryptocurrency and Enforcement; and Sterling Bancorp Sterling Bancorp, Inc. (Southfield, MI) to Plead Guilty to \$69M Securities Fraud.

5. Meetings and Programs.

See No. 4, above.

6. Publications.

Committee members frequently publish articles on various securities topics. The theme of *The Michigan Business Law Journal*, Spring 2023 edition was the Regulation of Securities Committee. Committee members contributed articles to this publication.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

The Committee discusses legislative, judicial and administrative developments on Michigan securities law issues and continues to discuss monitoring in a more formalized manner.

8. Miscellaneous.

There are no miscellaneous matters to report.

Respectfully submitted,

Patrick J. Haddad, Chair, Regulation of Securities Committee
Kerr, Russell and Weber, PLC
500 Woodward Avenue, Suite 2500, Detroit, MI 48226
Telephone: (313) 961-0200. Email: phaddad@kerr-russell.com

**UCC Committee
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023 MEETING**

1. Continue to sponsor programs for continuing legal education and skills-based training within the Section. (Article I, 3 of the Strategic Plan).

By the conclusion of the year we will have held 3 meetings in which we have presented information regarding revisions to the UCC and developments in case law interpreting the UCC.

2. Address substantive legal issues for committee members. (Article I, 4 of the Strategic Plan).

See 1. Above.

3. Promote strong committee leadership and active committee member involvement. Please comment on your plan regarding succession. (Article I, 5 of the Strategic Plan).

We have maintained a regular meeting cadence with members, worked with members who will contribute articles to the Michigan Bar Journal with at least one article ready for contribution by the end of this year.

4. Provide an alternative source of information and communication for members by improving the website and maintaining and improving social media presence. (Article I, 6 of the Strategic Plan).

n/a

5. (A) monitor and raise awareness of laws or developments in laws that affect Michigan businesses and, when appropriate, make recommendations for updates and improvements;

(B) provide assistance to appropriate state government personnel with respect to business-related legislation and rule making;

(C) as appropriate, providing amicus curiae briefs related to business-related issues being addressed by the courts, and

(D) educate and seek input from Michigan businesses, their owners and employees, and Michigan attorneys about changes to Michigan's laws in order to maintain Michigan's ability to attract and retain new business enterprises and enable existing businesses to remain competitive.

(Article II, 1 of the Strategic Plan).

We are working on implementing advocacy to the Michigan legislature for adoption of revisions to the UCC.

6. Encourage increased member participation through the development of personal relationships with other Section members. (Article IV, 1 of the Strategic Plan).

We regularly encourage members to invite colleagues to join the committee during meetings and in invitations for meetings. We will consider ways to restore in-person engagements with committee members for the coming year.

Kim Clayson, Taft Stettinius & Hollister, LLP; Southfield, Michigan
Michael Khoury, Fisher Broyles, LLP; Bingham Farms, Michigan
Co-Chairs BLS UCC Committee

BUSINESS LAW SECTION: UCC COMMITTEE
REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING

1. Next Scheduled Meeting of the Committee/Directorship.

Next scheduled meeting of the Committee/Directorship:
December 13, 2023

2. Council Approval.

N/A

3. Membership.

We have been working to engage membership in providing written contributions regarding topics concerning the UCC to the Michigan Bar Journal. Additionally, we have been working with our committee to identify strategies to get legislation introduced to the Michigan legislature to adopt recent changes to the UCC.

4. Accomplishments Toward Committee/Directorship Objectives.

We have had committee members write

Committee members are working to identify and contact individual legislators to determine how to bring UCC law changes to the Michigan code.

5. Meetings and Programs.

We have had 2 meetings this year to talk about recent updates in the law and in UCC changes.

We intend to have a final meeting this year to follow up on progress on current proposed Bar Journal articles and legislative outreach among committee members. At our final meeting of the year, we will have Tom Buiteweg, a partner in the Ann Arbor office of Hudson Cook, LLP who is a member of the Michigan delegation to the Uniform Law Commission and NCCUSL who present at the meeting on expected developments in the UCC.

6. Publications.

See 3 Above

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

We follow SBM's e-Journal and UCC notices to find developments in caselaw and revisions to the UCC that may be adopted by the legislature.

8. Miscellaneous.

Kim Clayson, Taft Stettinius & Hollister, LLP; Southfield, Michigan
Michael Khoury, Fisher Broyles, LLP; Bingham Farms, Michigan
Co-Chairs BLS UCC Committee

**COMMUNICATION AND DEVELOPMENT DIRECTORSHIP
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023 ANNUAL MEETING**

Please describe your directorship's activities during the 2022-2023 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan to which reference may be made for further guidance in providing responses.

1. Include social activities as an element of Section activities and educational programs. (Article IV, 1 of the Strategic Plan).

This is a work in progress and a focus for 2023-2024 Fiscal Year.

2. (1) The Communications and Development Directorship will coordinate with attorneys and bar associations from selected areas outside of the metropolitan Detroit and Grand Rapids regions to develop and host educational seminars, panel discussions and similar events. The Section will solicit local bar associations to cosponsor such events and will use both the Section's and the local bar association's databases for solicitation and invitation purposes. The Section will co-sponsor at least two outreach events outside of metropolitan Detroit and Grand Rapids annually.

This is a work in progress and a focus for 2023-2024 Fiscal Year.

(2) The Communications and Development Directorship will examine cooperating with other Sections of the State Bar that already have substantial participation from practitioners from these areas, particularly the tax, real property and probate/estate planning groups.

The section has been involved in a number of programs co-sponsored with other sections and routinely shares information about other sections' educations programs of interest to the BLS membership (and asks that such other sections reciprocate).

(4) The Communications and Development Directorship will seek out practitioners located outside of Detroit and Grand Rapids that are active in Section activities to assist in these endeavors. (Article IV, 2 of the Strategic Plan).

The Directorship will make recommendations to the nominating committee for leadership positions.

3. Co-sponsor at least one Young Lawyers Section event every year (Article IV, 3, A of the Strategic Plan).

This is a work in progress and a focus for 2023-2024 Fiscal Year.

4. Maintain regular, preferably weekly, updates and posts on LinkedIn. (Article IV, 5, A of the Strategic Plan).

This is a work in progress and a focus for 2023-2024 Fiscal Year. The Directorship and its members were actively involved in evaluating various social media opportunities throughout the year and continue to work on developing a strategy which fits the Section and its mission.

5. Regularly assess the use of the Section's page on the State Bar website and each of its components, as well as the use and number of listservs. (Article IV, 5, B of the Strategic Plan).

This process is on-going.

4855-6609-9605 v1 [99998-1509]

**COMMUNICATIONS AND DEVELOPMENT DIRECTORSHIP
REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING**

1. 2023-2024 Budget Request and Anticipated Use of Funds.

\$5,000 – for outreach programs. If the Directorship is able to make a recommendation on social media strategies, a further investment may be sought.

2. Use of Budgeted Funds during 2022-2023.

Anticipated use of funds involved Law School events, which did not occur in 2022-2023.

3. Next Scheduled Meeting of the Committee.

Next meeting TBD, to be held via Zoom.

4. Council Approval.

None requested

5. Membership.

Kevin Block, Jennifer Consiglio, Julia Dale, Mark High, Michael Khoury, Mariah Natzke, John Schuring, and Eric Zacks

6. Accomplishments Toward Committee Objectives.

The Directorship continues to evaluate opportunities to more effectively use social media to help publicize BLS events. To that end, several members of the directorship conducted several conference calls with Identity PR to discuss possible engagement for social media efforts. A proposal was received and reviewed, which appears to exceed the Section's needs. Further discussions are anticipated.

Additionally, it is anticipated that the Directorship will adjust its objectives based on the Section's updated Strategic Plan. That work is ongoing.

7. Meetings and Programs.

The Directorship met on June 22, 2023 and discussed current goals, short term objectives, and recruitment goals for the group. The Directorship expects to adjust its long-term goals to reflect the Section's new strategic plan once that plan is adopted. It continues to work on a social media plan to promote the Section.

8. Publications.

None

9. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

Not applicable

10. Miscellaneous.

Volunteers, or suggestions for additional Directorship members. are welcome.

Respectfully, John Schuring, on behalf of the Directorship

4858-7452-1475 v2 [99998-1509]

**DIVERSITY & INCLUSION DIRECTORSHIP
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023 COUNCIL MEETING**

Please describe your Directorship's activities during the 2023-2024 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan to which reference may be made for further guidance in providing responses.

1. Increase participation by attorneys from locations other than metropolitan Detroit and Grand Rapids. (Article IV, 2).

As part of our private practice, we will be engaging with law interns in the Lansing area in our Lansing office. We will try to get some of these interns more involved in the Business Law Section of the State Bar. We would also like to see more participation by attorneys in the Kalamazoo area and will attempt to promote the section in Kalamazoo as well.

2. Increase participation by newer lawyers (Article IV, 3).

See number 1 above.

3. Encourage law students to develop an interest in business law and become members of the Section. (Article IV, 4).

See number 1 above.

DIRECTORSHIP ON DIVERSITY & INCLUSION
REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING

1. Next Scheduled Meeting of the Committee/Directorship.

Next scheduled meeting of the Committee/Directorship:

tbd

2. Council Approval.

None currently

3. Membership.

There has been communication with members on the scholarship opportunity.

4. Accomplishments Toward Committee/Directorship Objectives.

Scholarship was finalized and is currently being promoted. **Anyone who wishes to help with this process is welcome.**

5. Meetings and Programs.

Members will be invited to meet with scholarship recipients over lunch after the awards are made.

6. Publications.

None currently

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

See previous reports

8. Miscellaneous.

BUSINESS LAW SECTION

LEGISLATIVE REVIEW DIRECTORSHIP REPORT

Prepared for the December 7, 2023 Council Meeting

(Report as of November 30, 2023)

I. PUBLIC ACTS

A. Public Act 344 of 2020. Public Act 344 enacts the "Financial Exploitation Prevention Act" to do the following:

- Require a financial institution to develop and implement a policy for training relevant employees to recognize signs of covered financial exploitation.
- Require the policy to provide certain information, including procedures to follow when covered financial exploitation is found and designation of one or more employees to make a report regarding the covered financial exploitation to a law enforcement agency or Adult Protective Services (APS).
- Require a report of financial exploitation or suspected financial exploitation to include certain information, including the name of the individual believed to be the victim, a description of the suspected or detected covered financial exploitation, and a designated contact for required notices if the reporter is a financial institution.
- Require a law enforcement agency or APS to notify, within 10 days after it receives a report of suspected or detected covered financial exploitation, the financial institution whether a reported incident is under investigation or has been referred for investigation.
- Require a law enforcement agency or APS, within 10 days after it receives a report, to notify the office of the county prosecutor.
- Prohibit a law enforcement agency, APS, or county prosecutor from disclosing the identity of an individual or financial institution that made a report without the individual's or financial institution's consent.
- Specify that a financial institution is immune from liability or penalty under law or regulation of Michigan or a local unit of government for an action or process under the Act, subject to certain exceptions.

(SB 464; Effective: 9/16/2021).

B. Public Act 115 of 2021. Public Act 115 amends Article 9 (Secured Transactions) of the Michigan Uniform Commercial Code to change references to a "correction statement" to an "information statement", and to require a filing office to accept certain financing statement forms approved by the International Association of Commercial Administrators

and adopted by the Secretary of State (SOS) and any other form adopted by the SOS. (HB 4694; Effective: 11/22/2021).

C. Public Acts 31 and 32 of 2022. Public Acts 31 and 32 amend the Michigan Limited Liability Company Act and the Michigan Business Corporation Act, respectively, to do the following:

- Allow one or more individuals licensed to engage in the practice of chiropractic medicine to organize a professional limited liability company (PLLC) or a professional corporation (PC), as applicable, with one or more other individuals licensed in the practice of chiropractic medicine, the practice of medicine, the practice of osteopathic medicine and surgery, or the practice of podiatric medicine and surgery.
- Allow one or more individuals licensed to engage in the practice of chiropractic medicine to organize a PLLC or a PC with one or more licensed physician assistants.
- Prohibit one or more physician assistants from forming a PLLC or a PC with a chiropractic physician unless a physician licensed to engage in the practice of medicine or osteopathic medicine and surgery is also a member.

(HB 5295 and HB 5296; Effective: 3/15/2022).

D. Public Act 131 of 2022. Public Act 131 amends the Act that governs local hospital authorities, to do the following:

- Delete a provision requiring the articles of incorporation of a nonprofit corporation, and the contractual arrangements between a hospital authority and the nonprofit corporation, to prohibit a nonprofit corporation from selling, leasing, or otherwise transferring a hospital without voter approval.
- Allow a nonprofit corporation to sell, lease, or otherwise transfer a hospital on terms and conditions the nonprofit corporation considered reasonable if the sale, lease, or other transfer is approved by the hospital authority.
- Delete a provision requiring the articles of incorporation of a nonprofit corporation, and the contractual arrangements between a hospital authority and the nonprofit corporation, to require a nonprofit corporation to adopt and carry out policies designed to ensure that hospital care is provided to a reasonable degree to indigent people in its hospital service area free of charge and that patients not be denied appropriate care on the basis of source of payment.
- Allow a hospital board, by a majority vote of the board, to provide for the dissolution of a hospital authority if the authority has completed the purposes for which it was organized.

(HB 5876; Effective: 6/29/2022).

- E. Public Act 137 of 2022. Public Act 137 amends the Michigan Limited Liability Company Act to modify the definition of "person" to include a nonprofit corporation, and in effect, allows nonprofit corporations to organize an LLC. (SB 926; Effective: 7/20/2022).
- F. Public Act 132 of 2023. Public Act 132 amends the Uniform Securities Act to extend the sunset of several applications, renewals, and filing fees paid by individuals for professional registrations regulated under the Act. (HB 4994; Effective: 9/29/2023).
- G. Public Acts 133, 134 and 135 of 2023. Public Acts 133, 134 and 135 amend the Michigan Business Corporation Act, the Michigan Nonprofit Corporation Act, and the Michigan Limited Liability Company Act, respectively, to extend the sunset date on certain filing fees, including the fees for filing an annual report under the Business Corporation Act and the Nonprofit Corporation Act, and the fee for filing an annual statement of resident agent under the Limited Liability Company Act. (HB 4995, HB 4996 and HB 4997; Effective: 9/29/2023).

II. NEW BILLS AND STATUS OF PENDING BILLS

- A. Senate Bill 242 of 2023. The Bill, among other things, would amend the Michigan Business Corporation Act to require a publicly held domestic corporation or foreign corporation whose executive principal offices are located in Michigan to have, depending upon the size of the board, a certain number of female board members. The Bill was introduced by Senator Santana and referred to the Committee on Economic and Community Development on 3/23/2023.
- B. House Bills 4312 and 4313 of 2023. The Bills would amend 1897 PA 230 and the Michigan Nonprofit Corporation Act, respectively, to allow summer resort and park associations to convert into domestic nonprofit corporations. The Bills were introduced by Representatives Roth and Coffia and referred for a second reading on 10/25/2023.
- C. House Bills 4794 and 4798 of 2023. The Bills would amend 1929 PA 137 and the Michigan Limited Liability Company Act, respectively, to make such acts gender neutral. The Bills were introduced by Representatives Andrews and Hoskins, respectively, and referred to the Committee on Government Operations on 6/15/2023.
- D. House Bill 4977 of 2023. The Bill would amend 1889 PA 39 to authorize conversion of summer resort and assembly associations into domestic nonprofit corporations. The Bill was introduced by Representative Outman and referred for a second reading on 10/25/2023.
- E. House Bill 4978 of 2023. The Bill would amend the Michigan Nonprofit Corporation Act to authorize conversion of summer resort and assembly associations into domestic nonprofit corporations. The Bill was introduced by Representative Roth and referred for a second reading on 10/25/2023.

- F. House Bills 5387 and 5388 of 2023. The Bills would amend the Michigan Business Corporation Act to allow legal recognition of benefit corporations in Michigan. The Bills were introduced by Representatives Breen and Koleszar, respectively, and referred to the Committee on Judiciary on 11/14/2023.

Respectfully submitted as of November 30, 2023:

Eric I. Lark/Chaoyi Ding

Kerr, Russell and Weber, PLC

**NOMINATING DIRECTORSHIP
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023, ANNUAL MEETING**

Please describe your directorship's activities during the 2023-2024 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan to which reference may be made for further guidance in providing responses.

1. Add or maintain at least one Council member annually who is not from Metro Detroit or Grand Rapids (Article IV, 2).

- Two of the individuals nominated to serve on the Council for the first time were not from Metro Detroit or Grand Rapids. Both were elected to the council – one to complete a term ending in 2025, the other to serve a full term ending in 2026.

Report submitted by:

James L. Carey, Nominating Director, Carey Law Offices, PC

E: jcarey@careylaw.us / T: 248.605.1103

November 11, 2023

NOMINATING DIRECTOR REPORT
Prepared for the December 7, 2023, Council Meeting

1. Next Scheduled Meeting of the Directorship.

There are currently no meetings scheduled. A conference call will be scheduled with the officers to discuss nominations in the summer of 2024 for the 2024 Annual Meeting.

2. Council Approval.

There are presently no new council nominations and there are no requests for Council approval.

3. Membership.

The Nominating Committee consists of the Nominating Director and the Executive Committee of the Council (Bylaws Article III, Section 4). The Executive Committee consists of the Council Officers (Bylaws Article VI, Section 3). Meetings of the Nominating Committee are scheduled on an as needed basis by the Nominating Director.

4. Accomplishments Toward Directorship Objectives.

All positions on the Council and all officer positions are filled. All Officers, Committee Chairs, and others who have suggestions as to who should be considered to represent the Section on the Council, please send your recommendations to the Nominating Director before June 15, 2024.

The Nominating Director’s function is to coordinate, with the Nominating Committee, the nomination of people for the Business Law Section Council and the Section Officer positions as terms expire and vacancies occur.

The Section Council is to consist of not less than twelve (12) nor more than fifteen (15) voting members as determined by the Council from time to time. The Section Council currently contains fifteen (15) voting members. All positions have been filled during this past year.

Past Chairpersons of the Section automatically remain as ex-officio members of the Council so long as they maintain membership in the Section. Past Chairpersons are not to be included in determining whether a quorum is present at any Council meeting, and they have no right to vote on matters brought before the Council. See Bylaws Article III, Section 1.

The current Council consists of:

<u>Terms Expiring in 2024</u>	<u>Term</u>	<u>Geography (Firm)</u>
Carrie Leahy	2	Metro Detroit (Bodman)
Mike Molitor	2	Lansing (Cooley Law School)
Hon. Victoria A. Valentine	0	Metro Detroit (Oakland County Circuit Court)
Amber Beebe	1	Grand Rapids (City of Grand Rapids)
Ryan Opel	1	Lansing (Honigman)
<u>Terms Expiring in 2025</u>		
Alexis Lupo	0	Lansing (Corporations Division State of Michigan)
Ian Williamson	3	Metro Detroit (Mantese Honigman)
Hon. Christopher Yates	3	Grand Rapids (Michigan Court of Appeals)
Eric Zacks	2	Metro Detroit (WSU Law School)
Patrick Haddad	2	Metro Detroit (Kerr Russell)

<u>Terms Expiring in 2026</u>	<u>Term</u>	<u>Geography (Firm)</u>
Laura Johnson	2	Metro Detroit (Butzel)
Shanna Kaminski	2	Metro Detroit (Kaminski Law, PLLC)
Loukas Kaliantasis	1	Metro Detroit (Clark Hill)
Sharan Lee Levine	1	Kalamazoo (Levine & Levine)
Bruce Courtade	1	Grand Rapids (Rhoades McKee)

The current Council Officers are:

<u>Officer</u>	<u>Office</u>	<u>Geography (Firm)</u>
Hon. Christopher Yates	Chair	Grand Rapids (Court of Appeals)
Ian Williamson	Vice Chair	Metro Detroit (Mantese Honigman)
Mike Molitor	Treasurer	Lansing (Cooley Law School)
Carrie Leahy	Secretary	Metro Detroit (Bodman)

5. Meetings and Programs.

A conference call will be scheduled with the Council officers to discuss nominations in the summer of 2023 for the 2023 Annual Meeting. As a directorship, there are no programs.

6. Publications.

No publications are planned. As for written communication, this directorship will solicit suggestions for Council members from committee chairs and existing Council members for vacancies that may or will occur on the council and among the officers in the upcoming election.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action.

This directorship does not monitor or recommend actions regarding legislative, judicial or administrative development.

8. Miscellaneous.

None.

Report submitted by:
James L. Carey, Nominating Director, Carey Law Offices, PC
E: jcarey@careylaw.us / T: 248.605.1103
November 11, 2023

PRIVATELY HELD BUSINESSES FORUM
{f/k/a Small Business Forum}
A Committee of the State Bar of Michigan Business Law Section

**ANNUAL REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL
MEETING**

Please describe your committee's activities during the 2023-2024 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan, a copy of which is attached and to which reference may be made for further guidance in providing responses. If the question is not applicable to your particular committee or directorship, please note as such.

1. Sponsorship of programs for Continuing Legal Education via a means accessible to Section Members, including holding at least one program yearly (Article I, 3, of the Strategic Plan).

- On February 16, 2023, the PHBF put on its 5th Annual Symposium concerning business law.
- The 6th Annual Symposium, "Expert Practice & Federal Court", will be held at the Guardian Building in Downtown Detroit on, February 8, 2024, from 5:30 - 9:00 p.m. The agenda for the program will include various topics to be discussed in two roundtable sessions consisting of (1) financial and forensic experts; and (2) Federal Court Judges. The format will allow extensive discussion and audience participation. The Business Law Section has graciously committed \$10,000 toward the program, and the PHBF will stay within that budget and cover the remainder of costs with ticket sales and sponsorships.

2. Addressing substantive legal issues for committee members, including holding regular committee meetings (at least once a year) and reporting on the meetings to the Council (Article I, 4).

- Each year, starting in 2022, the PHBF holds an Annual Meeting in the Springtime, when the goals and objectives and committees for the following year are established. The minutes of these meetings are transcribed and submitted to the Section with the Committee's reports. With respect to addressing substantive legal issues, the PHBF conducts various programs, symposia and is creating a publication.

3. Promoting involvement in the committee and making the committee more responsive to members including the designation of a contact person (Article I, 5).

- The 2021-2022 membership initiative substantially increased the number of members and also consolidated and updated member information in a way that

communications have become very efficient and organized among the 59 members of the Committee.

4. (A) monitoring and raising awareness of laws or developments in laws that affect Michigan businesses and, when appropriate, making recommendations for updates and improvements

- The programs that the PHBF presents discuss these kinds of issues.

(B) providing assistance to appropriate state government personnel with respect to business-related legislation and rule-making;

- The PHBF does not engage in this manner of assistance.

(C) as appropriate, providing amicus curiae briefs related to business-related issues being addressed by the courts, and

- See above, subsection (B).

(D) educating Michigan businesses, their owners and employees about changes to Michigan's laws in order to maintain Michigan's ability to attract and retain new business enterprises and enable existing businesses to remain competitive. (Article II, 1).

- The PHBF has non-lawyer members as well as encourages non-lawyer members to attend programs and symposia. In addition, elements of the PHBF pamphlet is going to incorporate articles and information designed to link the communities of business lawyers and the private enterprises that they represent and serve.

5. Please comment on your plan regarding succession (Article III, 5).

- At the Annual Meeting, officers and executive positions are established and approved. In the event of an emergency in leadership due to resignation, death, or incapacity, the PHBF would hold an immediate Special Meeting and seek nominations for replacements, as needed. At the present time, the PHBF is co-chaired by two Members.

6. Please list your Committee's goals and objectives for the next 12 to 24 months and whether you will require additional support from the Section to achieve these goals (Article III, 5).

- *Symposium Committee.* The PHBF Symposium Committee puts on and produces a substantive program each year on business law, with multiple speakers, sponsorship and substantial attendance. This year's program is going to be on February 8, 2024 at 5:30 at the Guardian Building in Downtown Detroit. Information can be found at www.bizsyposium.com, the website for the program.

➤ *Additional Support.* At the present time, no additional support is required.

Respectfully submitted,

/s/ Sharan Lee Levine

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Co-Chair of the Privately Held
Businesses Forum

/s/ Mark C. Rossman

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Co-Chair of the Privately Held
Businesses Forum

Report Date: November 30, 2023

PRIVATELY HELD BUSINESSES FORUM
a Committee of the State Bar of Michigan Business Law Section

QUARTERLY REPORT PREPARED FOR THE DECEMBER 7, 2023 COUNCIL MEETING

1. Next Scheduled Meeting of the Forum.

The next scheduled meeting of the PHBF is its Annual Meeting:

Time and Date: **Friday, April 5, 2024, 3:30-5:30**
Location: **2145 Crooks, Suite 220, Troy, Michigan 48084
Law Offices of Rossman, P.C.**

2. Council Approvals and Communications.

At this time, no requests for approval are being submitted.

3. Membership.

As of the date of this submission, the membership of the Forum is presently at 59 members.

4. Accomplishments Toward Forum Objectives.

The ultimate goal of the PHBF is continuing its commitment to plan programming for business lawyers who represent close corporations. Frequently, these lawyers need a practical and academic approach to business law matters impacting their clients on routine matters and for long term needs in the life cycle of a business.

The PHBF's principal objectives and efforts to achieve them consist of the following:

1. *Production of various programs throughout the year concerning different facets of law and its application in the context of privately held businesses.*
 - a. On February 16, 2023, the PHBF put on its 5th Symposium concerning business law. The program drew over 150 attendees and participants.
 - b. The 6th Annual Symposium, "Expert Practice & Federal Court", will be held at the Guardian Building in Downtown Detroit on, February 8, 2024, from 5:30 - 9:00 p.m. The agenda for the program will include various topics to be discussed in two roundtable sessions consisting of (1) financial and forensic experts; and (2) Federal Court Judges. The format will allow extensive

discussion and audience participation. The Business Law Section has graciously committed \$10,000 toward the program, and the PHBF will stay within that budget and cover the remainder of costs with ticket sales and sponsorships.

2. *Membership Increase.* The PHBF has not increased its membership within the last year. It intends to update its rolls and solicit new membership in conjunction with the 6th Symposium.
3. *Younger Lawyers Initiative.* Historically, the Committees have not had great success in attracting young lawyers to the programs. In order for the Committees to thrive, the newer generation of lawyers must be encouraged and invited to join. The Forum therefore extends its outreach to law students by maintaining close ties with the Wayne State University Law School Business Law Journal, which sponsors the symposium each year. Dozens of law students from different law schools attended the symposium remotely and in person each year, and two of the symposia were held at WSU Law School.
4. *Publications.* The PHBF does not issue any publications.

5. Meetings and Programs.

As discussed above, the Annual Meeting is scheduled to be held on Friday, April 5, 2024, and a program is scheduled for February 8, 2024 (5th Annual Business Law Symposium).

Sharan Levine is planning to continue the one hour, zoom programs on significant topics for the lawyer who represents small businesses. One program Sharan is working on is to present a short program during the winter on what lawyers should know about franchises; many lawyers represent business owners who are franchisees. Issues and questions come up from time to time and a short primer on representing the franchisee would be helpful. Sharan Levine would moderate; she is talking with a franchise law specialist about producing a short program in February 2024.

A second, larger endeavor is to develop a program for lawyers to assist their clients in developing business succession plans; the program would cover the tax implications, the structure and implementation of such plans. This would be at least a 1 - day program with a variety of participants to teach lawyers who are interested in the integration of estate planning, business planning, and tax matters of these transactions. This program is under consideration for November 2024.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

The PHBF does not monitor or report on developments in the law.

8. Miscellaneous.

The PHBF thanks the BLS for the \$10,000 commitment to the 6th Annual Symposium.

Respectfully submitted,

/s/ Sharan Lee Levine
Levine & Levine
136 E Michigan Ave Ste 1400
Kalamazoo, MI 49007-3920
(269) 382-0464
slevine@levine-levine.com

Co-Chair of the Privately Held
Businesses Forum

/s/ Mark C. Rossman
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Co-Chair of the Privately Held
Businesses Forum

Report Date: November 30, 2023

**PROGRAMS DIRECTORSHIP
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023 COUNCIL MEETING**

Please describe your directorship's activities during the 2022-2023 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan to which reference may be made for further guidance in providing responses.

1. Continue to hold the Business Law Institute and Annual Meeting (Article I, 2 of the Strategic Plan).

The Business Law Institute continues to be popular. Despite various discussions and changes in curriculum, location, dates, format, and other elements of the program, the Directorship believes the BLI is likely to attract approximately 100-120 participants each year. The Directorship believes the BLI is very worthwhile and is the one opportunity where Michigan business lawyers are able to associate in an out of office setting which combines both substantive and social activities. The Directorship continues to explore methods to increase attendance, and has elected to hold the event once again in Grand Rapids in October, 2024. The Annual Meeting is planned to occur at the same time.

2. Continue to sponsor programs for continuing legal education and skills-based training within the Section (Article I, 3 of the Strategic Plan).

The Directorship is in charge of the substantive program for the BLI and the Annual Meeting. In this regard, the various Directors of the Directorship convene regularly, often with a representative of ICLE to develop an appropriate curriculum.

Business Boot Camp I was held in Grand Rapids in November 2023 and will be held in January 2024 in Ann Arbor. Prior Boot Camp sessions were successful and introduced younger lawyers to Business Law Section activity.

3. Encourage increased member participation through the development of personal relationships with other Section members (Article IV, 1 of the Strategic Plan).

The Business Law Institute and Annual Meeting events are key networking opportunities and each contain social aspects to develop and grow relationships.

4. Increase participation by newer lawyers and lawyers from diverse backgrounds (Article IV, 3 of the Strategic Plan).

Business Boot Camp has been a popular event which was brought back in 2023 after a hiatus during the pandemic. This program is an opportunity to engage newer and younger lawyers,

PROGRAMS DIRECTORSHIP
REPORT PREPARED FOR THE DECEMBER 7, 2023
BUSINESS LAW SECTION COUNCIL MEETING

1. Next Scheduled Meeting of the Directorship.

Directorship holds meetings, and communicates via telephone and email, as necessary, to discuss course speakers and other matters regarding the Business Law Institute and the Annual Meeting, as appropriate. The 2024 BLI will be held at the J.W. Marriott Hotel in Grand Rapids on October 4, 2024.

2. Council Approval

N/A

3. Membership

Those serving on the Programs Directorship include Catherine Ferguson, Dee Dee Fuller, Eric Lark, Dan Minkus (Chair), John Schuring, and Sarah Williams.

4. Accomplishments Toward Committee Objectives

All of the Directorship members actively participate in the planning process.

The Directorship will schedule meetings, or communicate via telephone and email, as necessary to finalize course schedules and secure speakers.

5. Meetings and Programs

Business Boot Camp I was held November 6-7, 2023 in Grand Rapids. 51 people registered for the event and 50 attended. The feedback from the attendees was generally very good. Issues identified were: (1) challenges related to food (2) delivery of materials and getting them up on the screen needs to be improved, (3) length of session, and (4) some of the material was too advanced. The program will be held again on January 15-16, 2024 in Ann Arbor. To date we have 10 firms registered at the firm level - Bodman, Butzel, Clark Hill, Dawda Mann, Dickinson Wright, Mantese Honigman, Miller Johnson, Rhoades McKee, Varnum, and Warner Norcross. Revenue so far is \$28,850, with expenses from the Grand Rapids session being \$4,762. There are outstanding expenses related to Grand Rapids to come.

6. Publications.

N/A.

7. Legislative/Judicial/Administrative Developments

N/A.

8. Miscellaneous

N/A.

Report submitted by:

Daniel H. Minkus

**ICLE LIAISON
ANNUAL REPORT PREPARED FOR THE
DECEMBER 7, 2023 ANNUAL MEETING**

Please describe your directorship's activities during the 2022-2023 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan to which reference may be made for further guidance in providing responses. If the question is not applicable to your particular committee or directorship, please note as such.

1. Continue to sponsor programs for continuing legal education and skills-based training within the Section and committees. (Article I, 3 of the Strategic Plan).

The Section co-sponsored the following business law related education programs with ICLE during the last year:

- Corporate Transparency Act: New Reporting Requirements – 3-20-23
- Business Litigation Tips and Tricks – 5-1-23
- Trends in Representations and Warranties Insurance – 7-10-23
- Business Entity Update 2023 – 8-30-23
- IP Issues for Business Lawyers – 9-25-23
- Business Law Institute – 10-6-23

The Business Law Institute covered the following topics:

- *Business Legislation Update*
- *Tax Matters in M&A Transactions*
- *Negotiate and Draft Executive Equity Compensation*
- *Top Tips for Airtight Drafting*
- *Help a Start-up Prepare for Seed Funding*
- *Business Caselaw Update*
- *Update from the Business Court Bench*

Marguerite M. Donahue
Taft, Stettinius & Hollister
November 30, 2023

**ICLE LIAISON
QUARTERLY REPORT PREPARED FOR THE
DECEMBER 7, 2023 MEETING**

1. Next Scheduled Meeting of the Committee.

None.

2. Council Approval.

Council approval requested for BLS co-sponsorship of the following recently-recorded ICLE on demand webinars.

- Buying and Selling Distressed Businesses
- Advising Healthcare Provider Businesses

3. Membership.

N.A.

4. Accomplishments Toward Committee Objectives.

Conducted the following programs in 2023, with the following web usage statistics:

On-Demand Seminar	Posting Date	Unique Users	Hits
Corporate Transparency Act: New Reporting Requirements	3/20/23	250	533
Business Litigation Tips and Tricks	5/1/23	160	256
Trends in Representations and Warranties Insurance	7/10/23	59	73
Business Entity Update 2023	8/30/23	253	358
IP Issues for Business Lawyers	9/25/23	114	163

5. Release of Future Meetings and Programs.

See item 1 above.

6. Publications.

ICLE updated *Advising the Closely Held Business and Michigan Limited Liability Companies* in 2023.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action

None.

8. Miscellaneous.

Nothing to report.

Marguerite M. Donahue
Taft, Stettinius & Hollister
November 30, 2023

PUBLICATIONS DIRECTOR
REPORT PREPARED FOR THE
BUSINESS LAW SECTION COUNCIL MEETING
STATE BAR OF MICHIGAN

December 7, 2023

Publication of *Michigan Business Law Journal*

Articles for the Spring 2024 issue (Debtor/Creditors Rights Committee) of the *Journal* are being reviewed and typeset. Articles for the Summer 2024 issue (March 31, 2024 deadline; Nonprofit Corporations Committee) are being solicited, received and reviewed.

A current schedule of publication dates, dates for submission of articles and committee assignments is attached.

Respectfully submitted,

Brendan J. Cahill
Publications Director

Michigan Business Law Journal

**Schedule Of Publication Dates, Article Submission Dates And
Committee Assignments**

Commencing July 2024

Summer 2024; July 31, 2024

Nonprofit Corporations Committee

Celeste E. Arduino / Jennifer M. Oertel

Deadline for submission of articles: March 31, 2024

Fall 2024; November 30, 2024

Uniform Commercial Code Committee

Michael S. Khoury

Deadline for submission of articles: July 31, 2024

Spring 2025; March 31, 2025

Commercial Litigation Committee

Doug Touring

Deadline for submission of articles: November 30, 2024

Summer 2025; July 31, 2025

LLC & Partnership Committee

Donald A DeLong / Loukas P. Kalliantasis

Deadline for submission of articles: March 31, 2023

Fall 2025; November 30, 2025

Financial Institutions Committee

David W. Barton / Thomas M. Schehr

Deadline for submission of articles: July 31, 2025

Spring 2026; March 31, 2026

Regulations of Securities Committee

Patrick Haddad

Deadline for submission of articles: November 30, 2025

Summer 2026; July 31, 2026

In House Counsel Committee

Joseph Yamin

Deadline for submission of articles: March 31, 2026

Fall 2026; November 30, 2026

Corporate Laws Committee

Justin G. Klimko / Michael K. Molitor

Deadline for submission of articles: July 31, 2026

Spring 2027; March 31, 2027

Debtor/Creditors Rights Committee

Judy B. Calton / Judith Greenstone Miller / Marc Swanson / Paul Hage / Shanna M. Kaminski

Deadline for submission of articles: November 30, 2026