

**STATE BAR OF MICHIGAN
SECTION ANNUAL REPORT
BUSINESS LAW SECTION 2018-2019**

Bar Year: 2018-2019

Section Name: Business Law Section

Mission Statement: The mission of the Business Law Section is to foster the highest quality of professionalism and practice in business law and to enhance the legislative and regulatory environment for conducting business in Michigan. To fulfill this mission, the Section shall: (1) expand the resources of business lawyers by providing educational, networking and mentoring opportunities; (2) review and promote improvements to Michigan's business legislation and regulations; and (3) provide a forum to facilitate service and commitment and to promote ethical conduct and collegiality within the practice.

Officers and Council Members:

Officer	Name	Address	Telephone	Email
Chair	Kevin T. Block P56136	500 Woodward Ave, Ste 2500, Detroit, MI 48226-5499	(313) 961-0200	kblock@kerr-russell.com
Vice Chair	Jennifer E. Consiglio P68496	41000 Woodward Ave, Stoneridge West, Bloomfield Hills, MI 48304-5130	(248) 593-3023	consiglio@butzel.com
Treasurer	Julia A. Dale P63904	PO Box 30054 Lansing, MI 48909-7554	(517) 241-6463	dalej@michigan.gov
Secretary	John T. Schuring P69996	200 Ottawa Ave NW Ste 1000, Grand Rapids, MI 49503-2427	(616) 336-1023	jschuring@dickinsonwright.com
Administrator	Terri A. Shoop	Farmington Hills	(248) 953-9022	businesslawsection@gmail.com

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Member	Term	Member	Term
Kevin T. Block P56136 – Detroit	2019	Shane B. Hansen P34523 – Grand Rapids	2020
Mark Kellogg P38306 – Lansing	2019	J. Scott Timmer P31855 – Norton Shores	2020
Ian M. Williamson P65056 – Troy	2019	Julia A. Dale P63904 – Lansing	2021
Hon. Christopher P. Yates P41017 – Grand Rapids	2019	Carrie Leahy P68142 – Ann Arbor	2021
Eric A. Zacks P64883 – Detroit	2019	Michael K. Molitor P51779 – Grand Rapids	2021
Brendan J. Cahill P51938 – Bloomfield Hills	2020	John Thomas Schuring P69996 – Grand Rapids	2021
Jennifer E. Consiglio P68496 – Bloomfield Hills	2020	James Robert Waggoner P70033 - Birmingham	2021
Bruce W. Haffey P33374 – Troy	2020		

Council Meeting Schedule:

Please attach any additional information needed regarding Council meetings as an addendum.

Meeting Type	Date	Location
Council Meeting	6/5/18	Bloomfield Hills
Annual Meeting	10/5/18	Grand Rapids
Council Meeting	10/5/18	Grand Rapids
Council Meeting	10/6/18	Grand Rapids
Council Meeting	12/1/18	Detroit
Council Meeting	3/7/19	Lansing

General Budget Information: See attached Budget which was approved at the 10/6/18 Council meeting.

Events and/or Seminars:

Please attach any additional information needed regarding events and/or seminars as an addendum.

Event or Seminar Title	Date	Location
Business Law Institute	10/5/18	Grand Rapids
Symposium on Corporate Oppression Actions: Prosecuting, Defending and Avoiding	10/25/18	Grand Rapids
Co-Sponsor - Navigate Non-competes and Trade Secrets	10/29/18	Webinar
Symposium on Corporate Oppression Actions: Prosecuting, Defending and Avoiding	11/1/18	Detroit

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Co-Sponsor - Draft, Negotiate and Litigate Contracts	12/3/18	Webinar
Co-Sponsor - Life Cycle of a Loan	1/3/19	Webinar
WSU Law School Panel Discussion	3/27/19	Detroit
Co-Sponsor - IP Issues for Business Lawyers	3/27/19	Webinar
Co-Sponsor - Impact of Wayfair on Online Businesses	4/9/19	Webinar
Sponsor – Women’s Lawyer Association of Michigan 101 st Annual Meeting	5/4/19	Traverse City
Sponsor - Young Lawyers Section’s 12th Annual Summit	5/17-19/19	Detroit
Co-Sponsor - Business Entity Update 2019	6/19/19	Webinar

Legislative issues:

Amendments to the Michigan Business Corporation Act. The amendments to the Michigan Business Corporation Act prepared by the Corporate Law Committee were passed and signed into law as PA 85 of 2018.

Oppression Provisions of the Business Corporation Act and Limited Liability Company Act. A task force was formed to examine the oppression provisions of the Business Corporation Act and the Limited Liability Company Act and make recommendations regarding changes to make it easier to understand and apply. The task force includes plaintiff and defense lawyers who litigate oppression claims, transaction lawyers, a business court judge and members of the LLC and Partnership Committee. The task force created subcommittees to study discrete issues arising with regard to the oppression statutes. The subcommittees will work separately and report back to the larger group.

Statement of Opinion Practice and the Core Opinion Principles developed by the ABA Legal Opinions Committee and the Working Group on Legal Opinions (the “Joint Committee”). The Section, along with groups around the country, were asked to review and approve the Statement of Opinion Practice and the Core Opinion Principles in an effort to recognize a national customary practice with respect to legal opinions. Section formed an Ad Hoc Committee which met to review the documents and unanimously recommended Section approval of the documents, which the Council approved. The Section’s endorsement of the Statement of Opinion Practice and the Core Opinion Principles has been reported to the ABA Joint Committee.

SB 1182 and SB 1183 Regarding Award of Attorney Fees. After review by the Commercial Litigation Committee of the Section, the Section opposed SB 1182 and SB 1183 with an explanatory note referencing substantive and procedural concerns voiced by Section members.

Amendment to Bankruptcy Rule 2004(c). The Debtor/Creditor Rights Committee of the Section addressed this issue. The National Rules Committee was updating the bankruptcy discovery rule

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which applied to outside litigation. The rule was being updated to include all the defendants of electronic discovery, but didn't include a provision regarding proportionality of need for discovery and cost of a case. The Debtor/Creditor Rights Committee doesn't believe it should be mandated that the court consider these things, however that the court could consider the proportionality of the need for discovery and the cost/benefit. The Committee wrote letter on the topic. There will be a public hearing to address this issue.

Uniform Commercial Real Estate Receivership Act. Last year, the State of Michigan adopted the Uniform Commercial Real Estate Receivership Act ("UCRERA"). A Subcommittee of the Debtor/Creditor Rights Committee reviewed a proposed amendment to that legislation that, if adopted, would expand the provisions of UCRERA to all business receiverships, including those of operating businesses and not just real estate cases. The Subcommittee modified the proposed amendment and is in the process of working with members of the State legislature to have the legislation introduced. The Committee has not yet formally considered and voted on this proposed legislation but plans to do so.

Uniform Assignment of Rents Act. A Subcommittee of the Debtor/Creditor Rights Committee of the Section reviewed the Uniform Assignment of Rents Act and modified it to conform to Michigan practice. The Subcommittee is working with members of the State Legislature to have the legislation introduced. The new legislation, if adopted, would make the grant of an assignment of rents a security interest, as opposed to an absolute assignment, which would have a significant impact on the manner in which single asset real estate debtors' cases are handled. The Committee has not yet formally considered and voted on this proposed legislation but plans to do so.

Publication of Proposed Amendments to Federal Rules of Bankruptcy Procedure. The Standing Committee on Bankruptcy Rules for the National Judicial Conference ("Standing Committee") submitted proposed amendments to various rules of the Federal Rules of Bankruptcy Procedure. The Debtor/Creditor Rights Committee of the Section recently reviewed, prepared and submitted formal written comments to proposed Federal Rule of Bankruptcy Procedure 2004(c) because, unlike Federal Rule of Civil Procedure 26, it did not contain the concept of proportionality with respect to ediscovery. Judith Greenstone Miller, Co-Chair of the Debtor/Creditor Rights Committee, submitted formal comments of the Committee to the Standing Committee. The Committee is also making inquiry about the ability to testify at an upcoming meeting of the Standing Committee considering the proposed rule changes.

Other Information:

The Section signed the State Bar of Michigan Diversity Pledge in 2019.

The Section contributes annually to Access to Justice, Community Legal Resources.

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Awards:

Stephen H. Schulman Outstanding Business Lawyer Award

The Section established the Stephen H. Schulman Outstanding Business Lawyer Award in 2006, to be presented annually. The award honors Michigan business lawyers who consistently exemplify the characteristics the Business Law Section seeks to foster and facilitate: the highest quality of professionalism, the highest quality of practice, an unwavering dedication to service, ethical conduct, and collegiality within the practice of law. The Section honored Dee Dee Fuller at its Annual Meeting on October 5, 2018, at the J.W. Marriott Hotel in Grand Rapids. The Award for 2019 will be presented at the Annual Meeting on October 4, 2019 in Grand Rapids.

Business Law Section Awards to Wayne State University Law School Transactional Law Competition Winners.

The Section participated in the Wayne State University Law School Transactional Law Competition and presented awards to the winners: Jamila Garmo, Asma Al-Khshali, Alexander Krasuski and Fadee Nakkash. Each winner received a cash award of \$200, complimentary registration to upcoming Business Boot Camp I and II sessions, and a complimentary registration to 2019 Business Law Institute.

COMMITTEES: Complete contact information for committee chairpersons is available on the Section's website.

Business Courts

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.

Commercial Litigation Committee

The Commercial Litigation Committee assists litigators as well as business and corporate counsel in addressing issues that may lead to or arise in business-related litigation. The Committee sponsors seminars and other programs that address such issues and that are designed to enhance the practice of those involved in commercial litigation.

Corporate Laws Committee

The Corporate Laws Committee monitors and reviews matters relating to corporate law statutes and developments in the law of corporate governance. The committee also works with the Business Corporation Act Revision Subcommittee, which reviews the Michigan Business Corporation Act for the purpose of keeping it current with developments in corporate law and which assists from time to time in drafting and advocating proposed changes to the Act.

Debtor/Creditor Rights Committee

The Debtor/Creditor Rights Committee focuses on issues of insolvency, such as bankruptcy, state law alternatives to bankruptcy, secured lending (Article 9 of the Uniform Commercial Code), and state law exemptions.

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Financial Institutions Committee

The Financial Institutions Committee focuses on legislative, regulatory and judicial developments and issues of interest to financial institutions (primarily banks) and their affiliates.

In-House Counsel Committee

The In-House Counsel Committee is committed to addressing the professional interests of in-house counsel by sponsoring continuing legal education programs, informing members about issues of particular interest to them, and offering social and professional networking opportunities.

Law Schools Committee

The Law Schools Committee is designed to promote an interest in business law among students at each of the law schools located in Michigan. The Committee represents a collaborative effort between the Section and the business law societies at the University of Michigan Law School, Michigan State University College of Law, University of Detroit Mercy School of Law, Wayne State University Law School and Thomas M. Cooley Law School. The Committee supports programs initiated by the business law societies within the law schools and provides a forum for networking among law students and members of the Section.

LLC and Partnerships Committee

The Committee remains active in conducting seminars regarding unincorporated enterprises, focusing principally on limited liability companies. The Committee has also assisted in informing members of the bar from other sections as to legislation affecting unincorporated enterprises.

Nonprofit Corporations Committee

The Nonprofit Corporations Committee's principal responsibility is to review and update laws relating to the organization of nonprofit corporations in Michigan. The principal focus has been on the Nonprofit Corporation Act, but it also reviews other legislation, such as bills regulating the solicitation of contributions by charities. The committee also assists with sponsoring continuing legal education programs directed at nonprofit organization issues.

Regulation of Securities Committee

The Regulation of Securities Committee is concerned with federal and state laws and regulations relating to the offer, sale and trading of securities. The Committee also supplies a liaison to the Securities Law Advisory Committee of the Michigan Corporations, Securities and Commercial Licensing Bureau. Activities are designed to inform members of current developments and issues and provide input to appropriate administrative and legislative bodies.

Small Business Forum

The Small Business Forum specifically caters to business owners, attorneys, accountants, and other professionals who work with closely held businesses. The Forum hosts two to three highly productive, time efficient and fun educational events throughout the year. Every event includes a networking portion to mingle with other business professionals.

Uniform Commercial Code Committee

The Uniform Commercial Code Committee monitors developments and issues under all Articles of the UCC and related commercial statutes. In October of each year, the Committee

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presents a seminar on recent developments in commercial law. Additionally, the Committee prepares an annual survey of case law involving the UCC and commercial law.

PUBLICATIONS:

The *Michigan Business Law Journal* is published three times per year and is sent to members via U.S. mail and electronically. The *Journal* is posted on the Section's website.

Reports must be submitted before May 24, 2019 to:

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