

**CORPORATE LAWS COMMITTEE**  
**REPORT PREPARED FOR THE DECEMBER 6, 2008 COUNCIL MEETING**

**1. Next Scheduled Meeting of the Committee**

The Committee does not hold regular meetings but rather meets when in the process of considering amendments to the Business Corporation Act. The Committee held multiple meetings in 2007 to develop the currently proposed amendments to the Business Corporation Act and Professional Service Corporation Act and has been monitoring the progress of those amendments in the state legislature, where they were approved by the House but remain under consideration by in committee in the Senate.

**2. Council Approval**

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

**3. Membership**

The Committee remains open to participation by any interested parties.

**4. Accomplishments Toward Committee Objectives**

The Committee continues to monitor developments in corporate laws throughout the country and to consider changes to the Business Corporation Act. This is an ongoing and continuous process.

**5. Meetings and Programs**

No programs are currently scheduled, though the Committee is open to participation in presentations discussing changes to the Act.

**6. Publications**

The committee is sponsoring the fall 2008 issue of the Michigan Business Law Journal. As of the date of this report, the issue had not been published, but publication is imminent.

**7. Legislative/Judicial/Administrative Developments**

The Committee drafted amendments to the BCA as well as the PSCA (and one conforming amendment to the Limited Liability Company Act). The bills were introduced in the Michigan House of Representatives as HB 5356, 5357 and 5358 and passed by the House in December, 2007. Certain insurance and other groups expressed opposition to the portions of the bills designed to address the Court of Appeals' decision in Miller v Allstate. Consideration of the bills was deferred in the Senate pending the Supreme Court's decision in Miller. That decision was issued in July, 2008. The Committee attempted to revive consideration of the bill for the post-election session by suggesting that the Miller provisions be dropped from the bill. As of the date of this writing, no further progress had been made, but the Committee has been informed that action may occur during the week of December 1, which

would be the final opportunity before the Legislature adjourns. We will issue a supplemental report if there are additional developments prior to the Council meeting.

**8. Analysis of Applicable Strategic Plan Issues.**

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.

**9. Miscellaneous**

The Committee will continue to accept ideas for technical and other amendments to the Business Corporation Act, which is amended periodically. Suggestions in this regard may be addressed to either of the committee co-chairs, Cyril Moscow or Justin G. Klimko. The Committee also will consult with the Department of Labor and Economic Growth regarding efforts to further streamline corporate filings and information dissemination.

Any questions regarding this report may be directed to me.

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November 24, 2008