

**CORPORATE LAWS COMMITTEE
REPORT PREPARED FOR THE DECEMBER 5, 2009 COUNCIL MEETING**

1. 2009-2010 Budget Request and Anticipated Use of Funds.

We have requested a budget of \$3,000 for this fiscal year. Of that amount, \$500 would be for meeting expenses (though we have rarely used that much in past years) and \$2,500 would be for a reporter's fee as we continue consideration of additional amendments to the Michigan Business Corporation Act.

2. Use of Budgeted Funds During 2008-2009.

In 2008-2009 we used a nominal amount of funds only for meeting expenses, primarily conference telephone charges.

3. Next Scheduled Meeting of the Committee.

The next scheduled meeting of the Committee is December 15, 2009.

4. Council Approval.

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

5. Membership.

The Committee remains open to participation by any interested parties. The Committee has approximately 30 members on its active roster.

6. 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. The Committee is in the process of considering additional possible amendments to the Michigan Business Corporation Act.

7. Meetings and Programs.

No programs are currently scheduled, though the Committee is open to participation in presentations discussing changes to the Act. The Committee's next meeting is scheduled for December 15, 2009. The Committee anticipates additional meetings in 2010 in connection with consideration of amendments to the Michigan Business Corporation Act.

8. Publications.

The committee sponsored the fall 2008 issue of the Michigan Business Law Journal. That issue was published and distributed in late 2008 and is also available through the Section's web site. It included seven articles on corporate law topics that were created through the efforts of committee members and their firms. We typically provide articles for publication whenever the BCA is amended, as

well as other articles from time to time. An article describing the January, 2009 amendments was included in the winter 2009 issue of the Business Law Journal.

9. Legislative/Judicial/Administrative Developments.

The Committee drafted amendments to the BCA that became PA 402 of 2008, effective January 6, 2009. An article describing the amendments was included in the winter, 2009 issue of the Michigan Business Law Journal.

The Committee held an initial meeting on August 20, 2009 to consider possible topics for further amendment of the BCA as well as the Professional Service Corporation Act. A list of possible areas for amendment was developed. This will be further considered at the Committee's next meeting on

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10. 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.

11. 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 committee chair, 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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