Chair’s Letter from
Marguerite M. Donahue

On behalf of the Section’s Council and officers, I wish you a happy and healthy 2013!

New Year, New Laws
Although the right-to-work legislation dominated media coverage, the Michigan Congress also passed noteworthy amendments to the Business Corporation Act at the end of the 2011-2012 legislative session, now contained in Public Act 569 of 2012. Governor Snyder signed these amendments into law early this year, with immediate effect. Among other changes:

- The Professional Service Corporation Act has been eliminated as a separate act, and the vast majority of its provisions have been codified in Chapter 2A of the BCA. Chapter 2A specifies when incorporators MUST incorporate a corporation as a professional corporation, and when they MAY CHOOSE to incorporate it either as a professional corporation or as a regular business corporation. A professional corporation’s annual report filed with LARA now must contain a certification that the entity has met the requirements of Chapter 2A.

- The indemnification sections of the BCA were amended to restrict a corporation’s ability to revoke indemnity rights after events giving rise to the indemnity claim or cause of action occurred.

- A corporation’s board may amend the corporation’s articles before the corporation has shareholders or subscriptions for shares.

- A corporation may agree to submit a matter to a shareholder vote even if, after initially approving a matter, the board later decides not to recommend that the shareholders approve the action, under new Section 529. This issue often arises with competing bids in contests for control of public companies. Section

Section Events

- March 7, 2013—Council Meeting (3 p.m., State Bar of Michigan, Lansing)
- June 8, 2013—Council Meeting (9 a.m., JW Marriott, Grand Rapids)

Other Events

- February 12, 2013—How to Obtain and Keep Women or Minority Owned Business Certification (4–6:30 p.m., Columbia Center, 201 W. Big Beaver, Troy, 1st floor conference room)
- April 16, 2013—Crain’s In-House Counsel Event
529 was modeled upon provisions in the Delaware General Corporation Act and the Model Business Corporation Act.

Congratulations to the Section’s Corporate Laws Committee for their efforts in getting the BCA amendments passed. James Carey was the principal draftsperson of the BCA amendments. Both he and Committee Chair Justin Klimko testified in support of the amendments before the legislature, and worked to address the concerns of several trade associations on how the amendments would be worded.

In Memoriam
Our Section lost a great lawyer and leader when Jerome (Jerry) Schwartz passed away on December 21. Jerry served as chair of the Section’s Securities Committee for the last six years. He generously contributed his time to communicating new state and federal securities law developments to Section members through meetings and seminars. On a personal note, Jerry had an engaging sense of humor and was a pleasure to work with. We will miss him.