

**STATE BAR OF MICHIGAN  
BUSINESS LAW SECTION  
COUNCIL MINUTES  
MARCH 6, 2003**

This meeting of the Council of the Business Law Section of the State Bar of Michigan was held at the offices of the State Bar of Michigan in Lansing, Michigan on March 6, 2003 at 4:00 p.m., pursuant to notice duly given. Council members present: G. Ann Baker, Timothy Damschroder, David Folytn, Dee Dee Fuller, Mark High, Michael Khoury, Eric Lark, Vicki Martin-Anderson, Paul Rentenbach, Richard Sundquist, Stephen Waterbury, and Robert Wilson. Committee members present: Jeffrey Ammon, James Breay, John Dresser, Justin Klimko, Paul Marcela, Patrick Mears, and Daniel Minkus. Others present: Gerald Lievois, Hugh Makens, Michael Roskiewicz, and Terri Shoop.

I. Call to Order and Determination of Quorum. Section Chairperson Timothy Damschroder called the meeting to order at approximately 4:15 p.m. and determined with the other officers present that a quorum existed.

II. Approval of Minutes of Meeting of December 7, 2002. Mr. Damschroder called for a motion to approve the Minutes of the Meeting of the Council from December 7, 2002. Pursuant to motion duly made and seconded, the Minutes were unanimously approved.

III. Treasurer's Report. Mr. Damschroder reported that the Section continues to be financially sound, that there is a current cash balance in the amount of \$191,839.99, and that the Section is spending money in positive ways. A brief discussion ensued regarding the overall Section budget. Pursuant to motion duly made and seconded, the Treasurer's Report was unanimously approved. A copy of the written Treasurer's Report is attached to these Minutes.

IV. Chairperson's Report.

A. New Section Administrator. Mr. Damschroder introduced Terri Shoop as the new Section Administrator and encouraged the Council and Committee members to work with her on upcoming projects. Mr. Damschroder indicated that Ms. Shoop is working on a database for the Section which will provide information on Section members and be helpful in Committee work.

B. Securities Law. Mr. Damschroder introduced Gerald Lievois and Mike Roskiewicz who will work on securities initiatives and the Securities Committee of the Section. Mr. Damschroder next suggested that Hugh Makens and Cy Moscow serve as co-chairs of an ad hoc subcommittee to work on legislation in Michigan to adopt a form of the recently drafted Uniform Securities Act ("USA") as drafted by the NCUSL. Hugh Makens introduced himself and briefly discussed his background. He stated that in 1985 there was a failed attempt to amend the USA, and that it had last been revised in 1956. He indicated that he had been on a drafting committee to revise the USA. Mr. Makens discussed legislation proposed last year and certain issues under the proposed legislation. The proposed Michigan legislation will be a modernization and synchronization of the USA and brings together the best of state

requirements. Mr. Damschroder asked for support to create a subcommittee to (i) consider and draft amendments to the Uniform Securities Act of 2000, (ii) work with the Michigan Office of Financial and Insurance Services in this effort, and (iii) assist with introduction of the Uniform Securities Act to the Michigan Legislature. The chairpersons of the USA Subcommittee to be Cyril Moscow and Hugh Makens. An email announcing the formation of the Subcommittee and asking for participants will be sent to the Section. A motion to form the Subcommittee as set out above was duly made and seconded, and the motion was unanimously approved.

C. Dues Increase. Mr. Damschroder reported that the State Bar's Board of Commissioners had approved an increase in Section dues to \$40 per year.

D. Open Justice Program. Mr. Damschroder reported that April 10-12, 2003 is the Michigan Conference on Racial and Ethnic Fairness in the Legal System. If anyone would like information on this program, Mr. Damschroder can provide it.

E. Annual Meeting. Mr. Damschroder reported that the annual meeting will be held in Lansing on September 11, 2003 at 1:30 p.m., with the program to follow. The dinner for Council members and past chairs will also be held on September 11, and we are currently working to secure a location.

F. Proposed Article VIII of State Bar Bylaws. Mr. Damschroder provided the attendees with a copy of proposed changes to Article VIII of the Bylaws for the entire State Bar, dealing with Section and Committee Activity; Public Policy. The proposed Article VIII as revised is to be voted on by the Board of Commissioners on April 25, 2003. A discussion ensued regarding current policy, the proposed policy and Keller limitations and rules. It was decided that a subcommittee should be formed to study this issue and to work with Janet Welch, general counsel to the State Bar, who drafted the proposed revised Article VIII. The subcommittee will be comprised of Mr. Damschroder, Mr. Klimko, Mr. Dresser and Mr. Rentenbach. Mr. Damschroder will obtain further information from Ms. Welch and distribute it to the subcommittee members.

5. Committee/Directorship Reports.

A. Standing Committees.

(i). Agricultural Committee. A written report of the Agricultural Committee is attached to these Minutes.

(ii) Commercial Litigation Committee. A written report of the Commercial Litigation Committee is attached to these Minutes.

(iii) Corporate Laws Committee. A written report of the Corporate Laws Committee is attached to these Minutes.

(iv) Debtor/Creditor Rights Committee. A written report of the Debtor/Creditor Rights Committee is attached to these Minutes.

(v) Financial Institutions Committee. A written report of the Financial Institutions Committee is attached to these Minutes.

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

(vii) Nonprofit Corporations Committee. A written report of the Nonprofit Corporations Committee is attached to these Minutes.

(viii) Regulation of Securities Committee. No report.

(ix) Uniform Commercial Code Committee. A written report of the Uniform Commercial Code Committee is attached to these Minutes.

(x) Unincorporated Enterprises Committee. A written report of the Unincorporated Enterprises Committee is attached to these Minutes.

B. Ad Hoc Committees. No reports.

C. Directorship Reports.

(i) Legislative Review Directorship. A written report of the Legislative Review Director is attached to these Minutes. Eric Lark reported on Senate Bill 218 of 2003 regarding classified boards of directors.

(ii) Nominating Directorship. A written report of the Nominating Director is attached to these Minutes.

(iii) Programs Directorship. A written report of the Programs Director is attached to these Minutes.

(iv) Publications Directorship. A written report of the Publications Director is attached to these Minutes. Robert Wilson reported that we should have a proposal from ICLE regarding fee arrangements in May.

(v) Section Development. A written report of the Section Development Director is attached to these Minutes. Mr. Damschroder discussed Business Boot Camp, including the possibility of making it a yearly program. He requested that Council Members and Committee Chairs suggest topics and speakers to him, Mr. Minkus or Mr. Ammon. Mr. Damschroder also discussed the efforts of Mr. Dresser and Ms. Fuller to increase outstate opportunities for participation in Section activities.

(vi) Technology. A written report of the Technology Director is attached to these Minutes.

6. Liaison Reports. No reports.

7. Other Business and Announcements. Mr. Dresser introduced the current topic of perfecting security interests in mobile homes and the issues raised by the recent Sixth

Circuit decision deciding that a mortgage was not sufficient to perfect a security interest in a mobile home. A discussion ensued regarding the matter.

8. Announcement of May Meeting. The next meeting of the Business Law Section Council will be held on Saturday, May 17, 2003 at 7:30 a.m. at the Grand Traverse Resort in conjunction with the Mid-Year Meeting of the Section. Further information with respect to the exact location of the meeting will be distributed to Council members and committee chairs.

9. Adjournment. 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 5:45 p.m.

Respectfully submitted,

By \_\_\_\_\_  
Terri A. Shoop  
Secretary of the Meeting