

**STATE BAR OF MICHIGAN
BUSINESS LAW SECTION
COUNCIL MINUTES**

March 4, 2004

This meeting of the Council of the Business Law Section of the State Bar of Michigan was held at the State Bar of Michigan in Lansing, Michigan on Thursday, March 4, 2004 at 4:00 p.m., pursuant to notice duly given. Council members present: Diane Akers, G. Ann Baker, John Dresser, David Foltyn, Dee Dee Fuller, Mark High, Michael Khoury (via telephone), Eric Lark, Paul Marcela, Richard Sundquist (via telephone), Stephen Waterbury, and Robert Wilson. Committee members present: Jeffrey Ammon, Jane Forbes, Justin Klimko, Patrick Mears, Daniel Minkus. Others present: Elizabeth Jamieson, Commissioner Liason and Terri Shoop, Section Administrator.

1. Call to Order and Determination of Quorum. The Section Chairperson, G. Ann Baker, called the meeting to order at approximately 4:10 p.m. and determined with the other officers present that a quorum existed.

2. Approval of Minutes of December 6, 2003 Council Meeting. Ms. Baker called for a motion to approve the Minutes of the Meeting of the Council from December 6, 2003. Pursuant to motion duly made and seconded, the Minutes were unanimously approved.

3. Treasurer's Report. A written Treasurer's Report is attached to these Minutes. Ms. Baker stated that Mr. Khoury is concerned about committee budgets and would like a fixed budget amount for each committee. Mr. Khoury stated that the Section has a fair amount of money, but he would like further information from committees and other groups regarding the dollars that are actually needed. If the Section spends what is in the current budget, by the end of the year the Section will have a balance of \$40,000. Mr. Khoury reported that expenses are going up and that the Section has already exceeded budgeted revenues. He suggested that the Section should pay more attention to large expenditures. Mr. Khoury reported that he is still waiting to receive information on the approval process for the dues increase, but that Section dues will increase in 2005 to \$30. Paul Marcela asked about the In-House Counsel Committee budget. He reported that the Section is teaming up with the Detroit Chapter of the American Society of Corporate Secretaries and the Michigan Chapter of the Association of Corporate Counsel to host a luncheon seminar on the topic of Implementing Sarbanes-Oxley. The seminar is scheduled for March 24 at the Skyline Club and the speakers will be Patrick Daugherty, Justin Klimko, Donald Kunz, and J. Bryan Williams. An email notice announcing the seminar will be sent to Section members on March 5 and information regarding the seminar will be put on the Section's website. Mr. Marcela has requested \$3,000-\$5,000 for the In-House Counsel Committee budget and he would like to use \$1,000 for the event to offset the cost of the lunch. Mr. Khoury approved the Committee's request.

4. Chairperson's Report.

a. Annual Meeting. Ms. Baker reported that the Section will hold its Annual Meeting on September 23, 2004 in Southeast Michigan, separate from the State Bar's Annual

Meeting dates of September 30-October 1 in Lansing. The Section intends to hold the program from 1:30 p.m. - 4:30 p.m., the business meeting from 4:30 p.m. – 5:15 p.m., with a reception and dinner to follow. The Executive Committee, the Programs Directors, and Terri Shoop are currently researching locations for the event. Ms. Baker passed out a schematic of potential venues for review (copy attached). A discussion ensued regarding the proposed venues. It was decided that the Section would further investigate three venues: (1) The Townsend Hotel in Birmingham, (2) the Southfield Westin, and (3) the Southfield Marriott. It was decided that if the program was going to be held at one of the Southfield locations, the dinner would be held at the Skyline Club. Mr. Lark will get in touch with his contacts at the Southfield Westin, and Ms. Shoop will contact the Townsend Hotel, the Southfield Marriott, and the Skyline Club.

b. Mid-Year Meeting. Caryl Markson joined the meeting to discuss the services the State Bar can provide with respect to the 2005 Mid-Year Meeting. Ms. Markson stated that the Bar can help with the following services: press releases, publications, postage and mailing, arranging meeting rooms, arranging for food and beverages, preparation of name badges, preparation of and updating conference lists, project management, site selection, arranging for AV needs, and providing status reports. The charge for these services would be \$15 per hour on an individual service basis or project management billed at \$15 per hour not to exceed \$1,000. The Bar can also provide on-site supervision for a fee of \$300 per week with additional fees incurring on the weekend. The State Bar will not arrange for speakers for the event, although they will help with coordinating speakers. Ms. Baker asked Ms. Markson for an estimate of what it would cost to manage the Mid-Year Meeting event. Ms. Markson said that the basic project management fee is not to exceed \$1,000. She stated that it would most likely take someone eight hours at \$15 per hour for basic preparation activities. If we are interested in on-site management, the fee would be approximately \$2,000. Ms. Markson further stated that the State Bar could help with preparation of the brochure. Mr. High asked if the Bar could help arrange CLE credits. Ms. Markson stated that it wasn't something they have done in the past, but she does not think this would be a difficult task to accomplish. Ms. Markson left the meeting.

Mr. Minkus suggested giving thought to hosting one meeting instead of holding the Mid-Year Meeting and the Annual Meeting and a discussion ensued regarding this subject. Mr. Minkus, Mr. Lark, Mr. Foltyn and Mr. High agreed to look into the feasibility of this concept and will report back to the Council with recommendations at the Mid-Year Meeting.

c. Updated Strategic Plan. Ms. Baker reported that the Updated Strategic Plan project is not progressing as quickly as she would have liked. She will be setting up a meeting in the near future to review the provisions of the Strategic Plan and to make revisions. Ms. Baker hopes to have a revision drafted for the May 22 Council meeting.

d. Article IX/Administrative Order No. 2004-01. Ms. Baker reported that she attended a meeting on March 4; Article IX is gone; and Article VIII has been revised. Ms. Baker stated that the Supreme Court was much more restrictive with the Article than the Sections would have liked. Article VIII defines what a State Bar entity is. Part of the change clarifies the two types of entities and states that entities cannot take positions if it would create an impression to the public when the position is not a defined position. Sections must follow the structured process outlined in the Order. Sections can take positions, but committees of Sections

cannot. Ms. Baker stated that we will need to act as a Section when taking a position and fill out and submit the appropriate paperwork. This process applies to positions that affect legislation. In the case of meeting with a legislative body, all of the notice procedures do not have to be followed. A copy of Administrative Order No. 2004-01 is attached to these Minutes.

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. A written report of the In-House Counsel Committee is attached to these Minutes. Mr. Marcela stated that he is working with Mark High to organize a program at the Mid-Year Meeting.

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

(viii) Regulation of Securities Committee. A written report of the Regulation of Securities Committee is attached to these Minutes.

(ix) Uniform Commercial Code Committee. A written report of the Uniform Commercial Code Committee is attached to these Minutes. Mr. Mears stated that the Committee will hold at meeting at the Mid-Year Meeting.

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

B. Ad Hoc Committees. The written report of the Regulation of Securities Committee also serves as the report of the Uniform Securities Act of 2002 and is attached to these Minutes.

C. Directorship Reports.

(i) Legislative Review Directorship. A written report of the Legislative Review Director is attached to these Minutes.

(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. Mark High stated that the Programs Directors and Shel Stark have prepared an announcement of the Mid-Year Meeting which was distributed with the packet of materials for the Council meeting. Mr. High suggested that Council/Committee Members/Directors distribute the announcement at their respective firms to prompt awareness of the event (a copy of the Announcement is attached to these Minutes). Mr. High reported that the Mid-Year Meeting has five sponsors who are contributing a total of \$9,000 as follows: Crawford & Winiarski - \$1,000; Standard Federal Bank - \$3,000; Stout Risiouss Ross, Inc. - \$3,000; Bowne of Detroit, Inc. - \$1,000; and CT Corporation - \$1,000. Mr. Lark thanked Mr. High for all of the work he did to obtain the sponsorships. It was reported that Mark High and Bob Wilson have started discussing coordinating sponsorship efforts. Mr. High suggested that it is time to start recruiting new people to work as Programs Directors. He stated that Paul Rentenbach, Dee Dee Fuller, and John Cook have expressed interest. It was suggested by Mr. Lark that someone be assigned to work on obtaining sponsorships. A further discussion ensued regarding holding one meeting in lieu of both the Mid-Year and Annual Meetings and different concepts were discussed. It was suggested that attendance may increase if there was one event instead of two and the Section would like to spend its time and energy on a meeting that will be well-attended and well-received. An ad hoc committee consisting of David Foltyn (Chair), Mark High, Eric Lark, and Dan Minkus, was created to explore options for the Mid-Year and Annual Meetings. Dan Minkus will compose a list of questions and email it to Section members to obtain input.

(iv) Publications Directorship. A written report of the Publications Director is attached to these Minutes.

(v) Section Development. A written report of the Section Development Director is attached to these Minutes.

1. Business Boot Camp. Jeff Ammon reported that he participated in a phone conversation with Tim Damschroder, Dan Minkus, and Shel Stark regarding Business Boot Camp and it was decided that the Section should take a year off from the program because numbers are down from the first year, and there is no indication that there would not be a further decline. The group feels they can predict the numbers of new registrants because they have contacted the firms that have purchased firm sponsorships in the past. While it will be disappointing to some firms to not have the program in 2004-2005, it is hoped that firms will miss the program and want to take advantage of it in 2005-2006. The topics for 2005-2006 will be the topics from Business Boot Camp I, or the best topics from Business Boot Camp I and II, with some revisions. It was asked whether we are doing anything to keep in contact with Business Boot Camp alumni and the reception at the end of the year, which is the only form of outreach, was discussed. A discussion ensued regarding attracting new Section members

from Business Boot Camp participants, including council members attending the reception for Business Boot Camp, a Section introduction on the first day of the program, and sending personal letters to participants.

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

6. Liaison Reports. No reports.

7. Other Business and Announcements. None.

8. Announcement of May 22, 2004 Meeting. The next meeting of the Business Law Section Council will be held on Saturday, May 22, 2004 at 7:00 a.m. at the Soaring Eagle Casino and Resort in Mt. Pleasant.

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 5:25 p.m.

Respectfully submitted,

By _____
Eric I. Lark
Secretary