

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

May 22, 2004

This meeting of the Council of the Business Law Section of the State Bar of Michigan was held in the Ojibwa Room at the Soaring Eagle Casino and Resort in Mt. Pleasant, Michigan on Saturday, May 22, 2004 at 7:00 a.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, Eric Lark, Paul Marcela, Paul Rentenbach, Richard Sundquist, Stephen Waterbury, and Robert Wilson. Committee members present: Jeffrey Ammon, Judy Calton, Timothy Damschroder, Agnes Hagerty, Justin Klimko, Daniel Minkus, and Michael Roskiewicz. Others present: Gene Bowen, 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 7:10 a.m. and determined with the other officers present that a quorum existed.

2. Approval of Minutes of March 4, 2004 Council Meeting. Ms. Baker called for a motion to approve the Minutes of the Meeting of the Council from March 4, 2004. 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. Mr. Khoury stated that on Attachment A entitled 2003-2004 Budget to the Treasurer's Report, the reference to \$999,333 under the heading "Expenses" under the section "Miscellaneous – Other" in the "Budget" column was inserted in error. Mr. Khoury stated that dues will increase to \$30 in September and this will help to stabilize finances and keep the Section close to the fund balance it desires to attain.

4. Chairperson's Report.

a. Mid-Year Meeting. Mr. Minkus reported that the Committee, consisting of Mr. Minkus, Mr. Lark, Mr. Foltyn and Mr. High, is continuing to meet. The Committee recommends that beginning in 2005, the Section have one program to be held in May. The Committee feels that by doing the program only once, it will be a bigger draw and the subject matter will be more meaningful. Mr. Minkus stated that if the Section wants to hold the meeting in May at Soaring Eagle, it will need to make plans soon. The Committee talked about doing something intriguing and fun, and will come back with creative ideas for the 2005 meeting.

A discussion ensued regarding the particulars of the Mid-Year Meeting, including low attendance, feedback from program participants including positive comments regarding the shorter drive, the drawbacks of holding the event too close to Detroit, whether or not the event should have more social components, and possible dates for the event. It was decided that the third Saturday in May, May 20 and 21, would be favorable, although those dates will have to be checked for availability and for overlap with dates chosen by the Probate Section.

Ms. Baker raised the subject of who will plan and organize the event and whether or not ICLE is the most cost effective, and a handout was distributed (see attached). Ms. Baker reported that she, Mr. Waterbury, and Mr. Foltyn met with Caryl Markson of the State Bar. She stated that Ms. Markson did not seem prepared and she was worried about the State Bar's organizational capabilities. The State Bar is short staffed and too many people are doing too many jobs. It was determined that there is no benefit to using the State Bar over ICLE. Mr. High spoke with Lauren Bigelow, the event planner referred by Mr. Damschroder. Mr. High stated that she is very nice and a great person, but that she needs to have the whole roadmap to the event and her bottom line comes down to the issue of postage. Ms. Bigelow said she would have to think about quoting the Section's event. A discussion ensued regarding ICLE. The Section may not have enough time to switch to another event planner. ICLE provides many services to the Section. Mr. Waterbury stated that he hopes the Section will choose to stay with ICLE. He has confidence in ICLE, they don't gouge the Section, our agreement with them is fair, leaving them would cause a loss of institutional memories, ICLE means quality, and he feels it would be a mistake to choose someone else. Mr. Klimko commented that when the Section did the event itself, there was no publicity, it was a huge burden, and that it is not a responsibility we want. Mr. Khoury called for a motion to keep ICLE for 2005. Pursuant to motion duly made and seconded, the motion was unanimously approved.

A discussion ensued regarding costs associated with the event, including the contract with ICLE and sponsorships. The council and committee members thanked Mr. High for his outstanding efforts in raising \$9,000 in sponsorships for this year's event. Mr. Khoury will talk to Mr. Stark to work out the details of the costs of the event.

b. Annual Meeting. Ms. Baker reported that the Section will hold its Annual Meeting separate from the State Bar this year. The event will take place on Thursday, September 23, 2004 in Southfield and will consist of an afternoon program, followed by a business meeting, reception, and dinner. Ms. Baker reported that a change is proposed regarding the Annual Meeting which will allow the Section to choose the time and place of the meeting as long as it is not the same date as the State Bar event (see attached). It is expected that the Board of Commissioners will approve the change in June. A general circulation must be distributed to all Section members announcing the meeting. Changes were made to the handout which would allow the announcement to be in the form of U.S. Mail or by electronic means. The Section's Bylaws will need to be changed to conform with the State Bar Bylaws. The Section will need to fill out and submit a form to change the Bylaws, and Mr. Lark will obtain, complete and submit the form. A motion was made to change the Section's Bylaws. Pursuant to motion duly made and seconded, the changes to the Bylaws were unanimously approved.

c. ICLE Publishing Contract. Ms. Baker reported that we were recently approached by ICLE to resign an Agreement for the Business Law Journal. The Section signed an Agreement with ICLE this morning, which decision was ratified.

d. Request from Law Student Section. Ms. Baker reported that she received a letter from the Law Student Section asking for special pricing for law students for Section events. A motion was made to give discretion to the Treasurer to provide separate pricing to law students for Section events. Pursuant to motion duly made and seconded, the motion passed unanimously.

e. Miscellaneous. Different individuals are currently expressing an interest in becoming involved in Section activities. Ms. Baker and Mr. Damschroder will discuss the matter and find appropriate tasks for those who want to be active.

f. Updated Strategic Plan. Ms. Baker stated that she did not receive any responses to her email about the Strategic Plan. She reported that Mr. Rentenbach has done some preliminary work on the Plan.

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. Ms. Calton stated that she would like to initiate a process to see if the Section can support legislation. Ms. Baker asked Ms. Calton to circulate to the Council members the position the Committee would like it to take. Council will review the position and vote on it at the September meeting. Ms. Baker stated that if the Committee would like action taken before the September meeting, a special meeting of Council can be called.

(v) Financial Institutions Committee. No report.

(vi) In-House Counsel Committee. Mr. Marcela reported on the success of the Sarbanes-Oxley Seminar held at the Skyline Club on March 24. There were four speakers at the event and approximately 100 people were in attendance.

(vii) Nonprofit Corporations Committee. A written report of the Nonprofit Corporations Committee is attached to these Minutes. Ms. Hagerty reported that the Committee is currently working to revise the Nonprofit Act.

(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. A meeting of the Committee was held yesterday. The Committee is working to put together a program and has talked to ICLE regarding this prospect.

(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. Dee Dee Fuller, Mark Peters, and John Cook are new Programs Directors together with Steve Waterbury. The Directors hope to meet before the Mid-Year Meeting is over.

(iv) Publications Directorship. Mr. Wilson reported that the relationship with ICLE is continuing to go well and there is a signed contract for the Journal.

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

1. Scholarship Award. Ms. Fuller reported that she was disappointed with the quality of the papers for the Scholarship Award and only one good paper was submitted. Mr. Damschroder stated that Goldie Adele says that it takes a few years for a scholarship program to get off the ground. After it is published and gets more notice, results should be promising.

Mr. Damschroder introduced Gene Bowman from Bodman LLP. Mr. Bowman is interested in becoming involved in Section activities.

Outreach activities were discussed.

Business Boot Camp was discussed. The Section would like to present something unique that participants can't get elsewhere.

(vi) Technology. A written report of the Technology Director is attached to these Minutes. Mr. Khoury reported that he was notified by the State Bar that as of October 1, 2004 the listserv will no longer be a free service. In approximately one month, an outside vendor will effectuate listerv services. The cost to the Section will be approximately \$40 per month per list. This cost will be a budget item next year.

6. Liaison Reports. No reports.

7. Other Business and Announcements. Ms. Akers reported that she attended a meeting of Section leaders where lawyer certification in specialty areas was discussed. She reported that less than one-third of the meeting attendees thought certification was a good idea. She stated that the term “certification” can’t be used unless one goes through an elaborate program. In order to make it simpler, one could get a “certificate” but not be “certified”. Ms. Akers stated that currently 26 states have certification programs. The Tax Section is considering moving forward with a program. Section leaders were asked to go back to their sections to see if there is an interest. A discussion ensued regarding the subject and it was decided that: (1) the Business Law Section is too diverse a group to have a certificate program, (2) it would be expensive, and (3) having a certificate is not helpful in obtaining business. Ms. Akers will monitor this subject and report back.

8. Announcement of September 23, 2004 Meeting. The next meeting of the Business Law Section Council will be held on Thursday, September 23, 2004 at 5:00 p.m. at the Westin in Southfield.

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 8:25 a.m.

Respectfully submitted,

By _____
Eric I. Lark
Secretary