

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

December 1, 2012

Pursuant to notice duly given, a meeting of the Council of the Business Law Section of the State Bar of Michigan was held at Bodman PLC in Detroit, Michigan on Saturday, December 1, 2012. Council members present were Kevin Block, James Carey, Matthew Case, Jennifer Consiglio, Julia Dale, Marguerite Donahue, David Eberhard, Chris Maeso, Roger Mali, Richard McDonald, Thomas Morris, Douglas Toering, and Jeffrey Van Winkle. Committee members and Directors present were Diane Akers, Ann Baker, Judy Calton, Jane Forbes, Bharat Gandhi, Mark High, Justin Klimko, Edwin Lukus, Patrick Mears, Daniel Minkus, and Mark Peters. Others present were Dan Kopka and Terri Shoop.

1. Call to Order and Determination of Quorum. Section Chairperson, Marguerite Donahue, called the meeting to order at approximately 10:05 a.m. and determined that a quorum was present.

2. Approval of Minutes of September 20, 2012 Council Meeting. Ms. Donahue called for a motion to approve the Minutes of the meeting of the Council from September 20, 2012. Pursuant to motion duly made and seconded, the Minutes were unanimously approved 13-0-0.

3. Treasurer's Report. A written Treasurer's Report is attached to these Minutes. Mr. Carey reported that he is working on organizing the accounts for committees and directorships. The current accounts the Section has with the State Bar of Michigan ("SBM") are not sufficient to appropriately track the Section's funds. Mr. Carey asked for approval from Council to meet with the SBM and set up additional accounts where necessary. Mr. Carey indicated that he did not alter any of the dollar amounts requested by Committees and Directorships. Going forward, budget requests should state the estimated revenue and expenses, and not merely the net amount requested. Mr. Carey believes the Section must work to be prudent with expenses and to identify additional revenue sources. A motion was made to approve the budget as presented. The motion was seconded and unanimously approved 13-0-0.

4. Chairperson's Report.

A. State Bar of Michigan. Ms. Donahue reported that she attended the orientation in Lansing for Section Chairs where she learned about the various activities of the SBM and the many people available to assist the Section with its initiatives.

(i) Ms. Donahue reported that Jennifer Greico is the Section's Assembly Representative.

(ii) The SBM is sponsoring a mentoring program. If Section members are interested in mentoring younger business lawyers, please contact the SBM.

(iii) The State of Michigan has a reputation for not having access to legal services and many people are underserved. In response, the SBM has posted materials on its website to address simple legal needs.

(iv) Ms. Donahue discussed a bill proposed by the Probate Section regarding a six year statute of repose for attorney malpractice.

(v) Ms. Donahue reminded Committee Chairs and Directors that if they are having an event with food or drink, a list of attendees must be submitted with the expense reimbursement form.

(vi) Ms. Donahue reported that all contracts must be signed by the Section Chair and should not be signed by Committee Chairs or Directors. If a contract is not a recurring contract, it must be sent to Cliff Flood at the SBM for review and approval.

(vii) Ms. Donahue reported that any quotes to the media should be personal only, and not made on behalf of the SBM or the Section. Further, the Section cannot take a position that opposes a position of the SBM.

5. Committee/Directorship Reports.

A. Standing Committees.

(i) Commercial Litigation Committee. Written reports of the Commercial Litigation Committee are attached to these Minutes.

(ii) Corporate Laws Committee. Written reports of the Corporate Laws Committee are attached to these Minutes. Mr. Klimko reported that the MBCA amendments passed on November 26, 2012. A Committee hearing will occur on December 4 or 5, 2012. It is hoped that the Amendments will pass by the end of the year.

(iii) Debtor/Creditor Rights Committee. Written reports of the Debtor/Creditor Rights Committee are attached to these Minutes. Ms. Calton discussed a proposal to conform bankruptcy rules to the Federal Rules of Appellate Procedure regarding mailing rules for prisoners. A motion was made to approve the Debtor/Creditor Rights Committee submitting comments to the Federal Rules Committee regarding the proposed amendments to the Federal Rules of Bankruptcy Procedure. The comments would oppose an extension of time for prisoner appeals. The motion was seconded and passed unanimously 13-0-0.

(iv) Financial Institutions Committee. Written reports of the Financial Institutions Committee are attached to these Minutes.

(v) In-House Counsel Committee. Written reports of the In-House Counsel Committee are attached to these Minutes.

(vi) Law Schools. Written reports of the Law Schools Committee are attached to these Minutes.

(vii) Nonprofit Corporations Committee. Written reports of the Nonprofit Corporations Committee are attached to these Minutes. Mr. Carey asked that going forward, Committees identify lobbying expenses when submitting budget requests. This will allow the Section to clearly determine the dollar amount spent on lobbying. Ms. Forbes asked for Council approval with respect to the renewal of the contract with Karoub Associates. A motion was made to approve the \$5,000 expenditure and the renewal of the contract with Karoub Associates for the 2013 legislative session to assist the Committee in obtaining legislative approval of the proposed amendments to the Nonprofit Corporation Act. The motion was seconded and passed unanimously, 13-0-0.

(viii) Regulation of Securities Committee. No report.

(ix) Uniform Commercial Code Committee. Written reports of the Uniform Commercial Code Committee are attached to these Minutes.

(x) Unincorporated Enterprises Committee. Written reports of the Unincorporated Enterprises Committee are attached to these Minutes. Mr. Minkus asked that anyone willing to write an article on behalf of the Committee for the July 2013 *Journal* to please contact him.

B. Ad Hoc Committees.

(i) Business Courts. A written report of the Business Courts Ad Hoc Committee is attached to these Minutes. Ms. Donahue thanked Ms. Akers for her role in getting the law passed. Ms. Akers reported that business courts are on a fast track. At least 17 circuit courts will have business courts by July 1, 2013. SCAO's plans will be submitted to the circuit courts in the near future. SCAO's model plan will be based on Kent and Macomb Counties specialized business dockets. Judges will be appointed for six year terms. The Michigan Judicial Institute will provide training to the judges. The National College of Business Court Judges provides free training. A discussion ensued regarding the possibility of the Section providing training for judges. Ms. Donahue, Ms. Akers and Mr. Toering will discuss making resources available for judges.

(ii) Diversity. A written report of the Diversity Ad Hoc Committee is attached to these Minutes. Ms. Dale reported that a seminar on women and minority owned business certification will be held on February 12, 2013 in Troy. Jennifer Flack is a confirmed speaker.

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. Ms. Baker asked for any suggestions for Council members positions by May, 2013.

(iii) Programs Directorship. Written reports of the Programs Director are attached to these Minutes. Mr. Minkus reported that Business Boot Camp will not be held in 2012-2013. A 2013-2014 session is being considered. The Business Law Institute is scheduled for June 7, 2013 at the JW Marriott in Grand Rapids. The seminar will be a one day format including lunch, reception and dinner. The Council meeting will take place on the morning of June 8, 2013. Mr. Peters reported that BDO has agreed to sponsor lunch. Please contact Mr. Peters with any recommendations for sponsors. The general sponsorship amount is \$1,500. No date is set for the Annual Meeting, however it will not occur September 18-20, 2013. The Directorship recommends that the annual meeting continue to be a standalone meeting, and not part of the SBM's annual meeting event.

a. Small Business Forum. Written reports of the Small Business Forum are attached to these Minutes. Mr. Toering reported that the Forum is interested in partnering with other BLS committees or other groups (such as the MACPA) to jointly sponsor seminars. Possible upcoming seminars include UCC.

b. ICLE Liaison. A written report of the ICLE Liaison is attached to these Minutes. Mr. Kopka reported that the electronic version of the *Journal* was sent to the SBM for posting on the Section's website. A hard copy will be mailed the week of December 3, 2012.

(iv) Public Relations and Social Media. A written report of the Public Relations and Social Media Director is attached to these Minutes. Ms. Consiglio reported that the Directorship was just recently launched and she will begin to look at ways to increase attendance at Section events and at better ways of marketing Section events. A discussion ensued regarding the Section's use of Facebook. The Directorship will decide whether to discontinue Mike Scott's services with respect to Facebook, a \$50 per week expense, and whether to discontinue Facebook altogether.

(v) Publications Directorship. A written report of the Publications Director is attached to these Minutes. Mr. McDonald suggested publishing an article on the business courts and suggested Diane Akers as the author.

(vi) Section Development. Written reports of the Section Development Director are attached to these Minutes. A social event with the Detroit Metropolitan Bar Association will be held at Angelina's Italian Bistro on December 11, 2012.

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

D. Liaisons.

(i) Probate Section. No report.

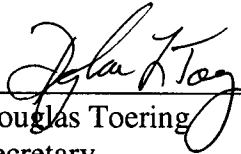
6. Other Business and Announcements. The Securities Division will move its offices within 90 days, but will keep same PO Box. The Bureau of Commercial Services will be reorganized to include the Securities Division.

Reports for March Meeting. Please submit your reports for the March meeting to Ms. Shoop by February 26, 2013.

7. Announcement of March 7, 2013 Council Meeting. The next meeting of the Business Law Section Council will take place on Thursday, March 7, 2013 at 3:00 p.m. at the State Bar of Michigan in Lansing. Dinner will follow at Gilbert & Blake's.

8. Meeting Adjournment. There being no further business to come before the Council of the Business Law Section, upon motion duly made, seconded, and unanimously approved 13-0-0, the meeting was adjourned at approximately 12:00 p.m.

Respectfully submitted,

By:  _____
Douglas Toering
Secretary