

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

March 6, 2008

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 6, 2008, pursuant to notice duly given. Council members present: Diane Akers, Judy Calton, David Eberhard, Dee Dee Fuller, Michael Khoury, Edwin Lukas, Christopher Maeso, Paul Rentenbach, Jeffrey Van Winkle, and Robert Wilson. Committee chairs present: Matthew Case, Jane Forbes, Eric Lark, Judith Greenstone Miller, Justin Klimko, and Jerome Schwartz. Liaisons present: Margaurite Donahue, and John Dresser. Others present: Ann Baker, James Carey, Erin Keeler, Dan Sharkey, Terri Shoop (via telephone), Leah Sloniker, and Tracy Sonneborn.

1. Call to Order and Determination of Quorum. Section Chairperson, Michael Khoury, called the meeting to order at approximately 3:10 p.m. and determined with the other officers present that a quorum existed.

2. Approval of Minutes of December 1, 2007 Council Meeting. Mr. Khoury called for a motion to approve the Minutes of the Meeting of the Council from December 1, 2007. Pursuant to motion duly made and seconded, the Minutes were unanimously approved 10-0-0.

3. Treasurer's Report. A written Treasurer's Report is attached to these minutes. Mr. Wilson reported that the Section remains fiscally healthy; however major expenditures are still to come later this year. Pursuant to motion duly made and seconded, the Treasurer's Report was unanimously approved 10-0-0.

4. Chairperson's Report. Mr. Khoury reported that Michael Kennedy resigned from Council. Mr. Kennedy has moved to Florida and is working with a former client as their in-house counsel. Mr. Khoury stated that under the Section's Bylaws, Council can authorize to appoint a successor. Anyone interested in being considered for a Council position or anyone who would like to suggest someone for nomination to Council should contact a Section officer before the June meeting. Mr. Lark indicated that he has a replacement for Mr. Kennedy in mind and is working to confirm interest. A replacement will be discussed at the June Council meeting.

(a) Update on Initiatives.

(i) E-Newsletter. Mr. Khoury reported that the e-newsletter has been distributed each month and positive feedback has been received. Some glitches have occurred and the SBM is working to correct these issues. Mr. Van Winkle is assisting Mr. Khoury in the production of the e-newsletter. The Section's template is being copied by three other sections that are planning to produce their own e-newsletter.

(ii) Historian Project. Mr. Khoury reported that a number of people have volunteered to assist with the historian project; however no one has wanted to take the lead with respect to writing and interviewing. Cost-driven ideas are being explored with respect to

writing and publication of the project. Computing Source has agreed to fund the cost of production of the project onto a CD. Mr. Khoury is working to identify sponsors to cover the cost of a writer and production of the project, and he is considering our current sponsors of the Business Law Institute.

(iii) Outreach. Mr. Khoury reported on a joint event that took place in November with the D. Augustus Straker Bar Association, Young Lawyers Section, and the Hispanic Bar Association regarding intellectual property management. Participation of the Hispanic Bar Association was arranged by Chris Maeso. The event was attended by approximately 50 people and made page one in *Michigan Lawyers Weekly*. Chris Maeso will take the lead on behalf of Section to institutionalize the Section's relationship with Straker. We will measure our success with this event and then see what we can build in the future with other organizations.

(iv) Schulman Award. Mr. Khoury stated that 2008 will be the third year for the Schulman Award which is given to an attorney demonstrating leadership and substantial contributions to the practice of business law. The award is loosely administered by an Ad Hoc Committee consisting of the officers, Eric Lark and Dan Minkus. The Award has generated great press for the Section. If anyone has ideas regarding candidates for this year's Award, please contact Mr. Lark, Mr. Minkus, or any of the officers. Over the next few months, the Ad Hoc Committee will be taking suggestions and evaluating candidates. The Ad Hoc Committee will make a recommendation to Council regarding the 2008 recipient.

(v) Business Law Institute. The Business Law Institute will be held on June 13 and 14, 2008 at the Dearborn Inn in Dearborn. The Council meeting was traditionally held prior to the start of the Saturday session at 7:00 a.m. Last year the Council meeting was moved to Friday before the start of the program and included a working lunch. This year's council meeting will take place on Friday, June 13 from 11:00 a.m. – 1:00 p.m. and will include lunch.

With respect to scheduling the Business Law Institute, it is important to keep conflicts in mind. The ABA central state workshop is scheduled for mid-June and is held on the same weekend each year. The Section officers meeting is also held in June. The Programs Directors will need to talk to ICLE about potential conflicts with respect to future planning.

With respect to location, the Programs Directors are conducting an experiment to see how well the Business Law Institute fairs this year in Southeast Michigan. The Institute has traditionally been held at a resort location in northern Michigan, however attendance numbers have been stagnating. A decision was made two years ago to move the Institute to Southeast Michigan to determine if the location would work as an alternative venue. A discussion ensued regarding suggested locations for the 2009 Institute. At the inception of the Institute, the idea was not only to have an educational conference, but also to create an opportunity for people to get to know one another. This is the reason it has been done away from a major city. The Amway Grand and the Marriott in Grand Rapids were discussed as options as well as Ann Arbor locations.

(vi) Annual Meeting. The Annual Meeting will be held on September 25, 2008 at 4:00 p.m. at the Novi Detroit Sheraton in Novi. A dinner location has not yet been selected.

(vii) December Council Meeting. The December Council meeting is scheduled for Saturday, December 6, 2008 at 10:00 a.m. at Jaffe, Raitt in Southfield.

5. Committee/Directorship Reports.

a. Standing Committees.

(i) Commercial Litigation Committee. A written report of the Commercial Litigation Committee is attached to these minutes. Ms. Akers reported that she has approached Dan Sharkey about chairing the Commercial Litigation Committee. The Committee continues to struggle with whether or not to continue its newsletter and with finding interesting cases to report.

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

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

The Committee held a seminar on Alternatives to Bankruptcy at the Troy Marriott. The SBM assisted with the publicity and registrations which was very helpful. 63 people attended and the program received good reviews. Approximately 70 people wanted to buy the materials.

The local bankruptcy rules for the Eastern District of Michigan were approved by the district courts. A significant change in the rules will be effective in 60 days. The Committee has spoken with Judge Rhodes and wants to have seminar prior to the effective date of the rules change. The Committee would like the Section to act as a co-sponsor of this event. No out-of-pocket expenses are anticipated. A motion was made to approve the Section's co-sponsorship of a seminar on bankruptcy rules on April 18. The motion was seconded and pass unanimously 10-0-0.

(iv) Financial Institutions Committee. A written report of the Financial Institutions Committee is attached to these Minutes. The Committee has scheduled a meeting for April 22 and the meeting agenda is included in the report. The Committee is following a piece of legislation for people in the financial institutions areas which addresses issues about people who store and maintain personal information. A substantial penalty would be imposed for those who do not have industry standards for proper encryption security. The Committee is monitoring the legislation.

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

(vi) Law Schools. A written report of the Law Schools Committee is attached to these Minutes. Mr. Lukas introduced Cooley Law School students Erin Keeler and Leah Sloniker. The Committee is off to a good start. The structure is in place with advisors and attorneys from the Section. A web page was launched. Events will be held in next two weeks at four of the six law schools. The Spring Fling social function will be held on April 10 at the Dirty Martini in Novi. Mr. Lukas encouraged Council and committee chairs and directors to attend. Mr. Lukas stated that students have expressed an interest in having their articles published in Section publications.

(vii) Nonprofit Corporations Committee. A written report of the Nonprofit Corporations Committee is attached to these Minutes. A Committee meeting is scheduled for April 2. Topics for the meeting are the Nonprofit Act and expanding the Committee.

(viii) Regulation of Securities Committee. A written report of the Regulation of Securities Committee is attached to these Minutes. A Committee meeting is scheduled for June 10 at 4:30 p.m. at Dickinson Wright regarding changes in securities law. The securities edition of the *Business Law Journal* has been published and Mr. Schwartz thanked Mark Metz, Ed Lukas and Shane Hansen for submitting articles.

(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. Mr. Khoury reported that he attended the Business Entity Update program and it was great.

b. Ad Hoc Committees.

(i) Uniform Securities Act (2002). No written report. Mr. Schwartz has been in touch with Cy Moscow and there is no new information to report.

(ii) Business Court. No written report. The Business Court process has been stalled.

(iii) Lobbyist Issues. No report.

(iv) PR Developments. Mr. Khoury reported that the SBM can help with registrations, PR, etc. for events. This is a new service and there have been some hiccups. Heather Anderson will be the contact person for this service. The SBM recognizes that there is a learning curve and they have established policies to try to correct the issues. It is important that the Section Administrator be advised about what is happening with respect to event.

c. Directorship Reports.

(i) Legislative Review Directorship. Written report.

(ii) Nominating Directorship. A written report of the Nominating Director is attached to these Minutes. Jeff Ammon has expressed a desire to move out of the position of Nominating Director. The Executive Committee has asked Ann Baker if she would consider taking over as Nominating Director in September and she has agreed. Ms. Baker and Mr. Ammon will work together on the transition.

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

a. Small Business Forum. A written report of the Small Business Forum is attached to these Minutes. Both east and west Small Business Forums have been created. The Committee on West is comprised of Dee Dee Fuller, Nick Reister, Todd Hoppe, and Joe Paparella. The Forum has three planned events for 2008.

The Forum is geared to not only core members, but others as well. The Forum is planning a program on financing in coordination with the Regulation of Securities Committee and a program on the business of nonprofits in coordination with the Nonprofit Corporations Committee. The Forum would like to explore partnering with other committees. The goal with respect to programs is create a concept that can travel from east to west.

Mr. Eberhard reported that one of three east events will be held in Macomb in the Fall. The Forum hopes to get participation from the Macomb Bar Association.

b. ICLE Liaison. A written report of the ICLE Liaison is attached to these Minutes.

Ms. Donahue reported that the Small Business Forum programs should be planned as is as there are no conflicts with ICLE.

Ms. Donahue reported that a confidential list of ICLE's schedule for 2008-2009 was provided by Jeff Kirkey. She has checked with committee chairs to see if Section Committees wanted to co-sponsor ICLE's events. All committee chairs were in favor of co-sponsoring.

Mr. Khoury made a motion to approve the co-sponsorship of the programs outlined Ms. Donahue's report. The motion was seconded and passed 10-0-0.

(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. The final schedule for Business Boot Camp is attached.

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

6. Other Business and Announcements. Tracy Sonneborn of the Department of Attorney General spoke on the Amendment to Nonprofit Corporation Act and issues of state regulation.

7. Announcement of June 13, 2008 Council Meeting. The next meeting of the Business Law Section Council will take place on Friday, June 13 at 11:00 a.m. at the Dearborn Inn in Dearborn. Lunch will be included.

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 (10-0-0), the meeting was adjourned at approximately 5:05 p.m.

Respectfully submitted,

By: Dee Dee Fuller
Dee Dee Fuller, Secretary