

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

**March 6, 2014**

Pursuant to notice duly given, a 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, 2014. Council members present were Matthew Allen, James Carey, Judy Calton, Jennifer Consiglio, Julia Dale, Mark Kellogg, Richard McDonald, Thomas Morris, Mark Peters, Douglas Toering, and Jeffrey Van Winkle. Committee members and Directors present were Jane Forbes, Dee Dee Fuller, Bharat Gandhi (via telephone), Patrick Haddad, Justin Klimko, Judy Miller (via telephone), and Daniel Minkus (via telephone). Others present were Ann Baker, Alexis Chadderdon, Amy Durant, Jennifer Grieco, Dan Kopka and Terri Shoop (via telephone).

1. Call to Order and Determination of Quorum. Section Chairperson, Jeffrey Van Winkle, called the meeting to order at approximately 3:05 p.m. and determined that a quorum was present.

2. Approval of Minutes of December 2, 2013 Special Meeting of the Council and Minutes of December 7, 2013 Council Meeting. Mr. Van Winkle called for a motion to approve the Minutes of the Special Meeting of the Council from December 2, 2013 and the Minutes of the December 7, 2013 Council Meeting. Pursuant to motion duly made by Mr. Van Winkle and seconded by Mr. Kellogg, the Minutes were unanimously approved 11-0-0.

3. Treasurer's Report. A written Treasurer's Report is attached to these Minutes. Mr. Toering gave a report regarding the finances of the Section. Mr. Carey called for a motion to accept the Treasurer's Report. Pursuant to motion duly made and seconded by Ms. Calton, the report was unanimously approved 11-0-0.

4. Chairperson's Report. Mr. Van Winkle reported that the Financial Institutions Committee Chair vacancy left open from the resignation of James Breay has been filled by the appointment of Amy Durant of Bodman PLC and D.J. Culker of Comerica. Pursuant to motion duly made and seconded, the appointment of Amy Durant and D.J. Culker as co-Chairs of the Financial Institutions Committee was unanimously approved 11-0-0

5. New Business and Discussion Items.

(a) Approval of Solo & Small Firm Institute Sponsorship for \$2,500. Mr. VanWinkle reported that the Section has been a co-sponsor of the Solo & Small Firm Institute in past years. It is the recommendation of the Executive Committee that the Section continue with the sponsorship of the Institute. Many Section members attend the Institute as this educational opportunity aligns with their interests. Further, the Institute does not compete with programs offered by the Section. Pursuant to motion duly made and seconded, sponsorship of the Solo & Small Firm Institute in the amount of \$2,500 for 2014 was unanimously approved 11-0-0.

(b) Potential Position on Abolishment of Mandatory Bar. Jennifer Grieco discussed the mandatory bar vs. the voluntary bar policy issue. Ms. Grieco reported that SB 743 was introduced by Representative Meekhof to eliminate the mandatory bar. Janet Welch asked the Michigan Supreme Court to decide whether the SBM violated *Keller*. Nothing has occurred regarding SB 743 because the Supreme Court is examining the issue and has set up a Task Force. The Task Force has met twice. The Task Force will make its report by June 2, 2014. The Supreme Court has said there will be changes. Ms. Grieco does not know what changes will be made either to the Bar or the Sections. The Sections have the right to lobby because dues are voluntary. The Supreme Court can take away all rights of Sections to lobby. A discussion ensued regarding the Section's role in this issue, including the thought that perhaps the Section's role should be to try to provide clarification. What has happened in various states with respect to this issue was discussed. Discussion ensued regarding various tactics to deal with the matter. The Executive Committee will work to find the right people to draft a communication which will provide a statement of what the Section does, why it's valuable, and how dues are used. This communication will be circulated for comments. The goal is to send this communication out in the next six weeks. If anyone has a contact within the Task Force, we can discuss making contact.

(c) Diversity Committee. Ms. Dale talked about the Committee's activities. To date, the Committee has functioned with a programming slant believing that programming would target specific groups. People come to events, but do not further participate with the Section. It is believed that these specific groups have already aligned themselves with other organizations so perhaps the direction to move in would be to reach out to specific organizations. With respect to the BLI, Ms. Dale suggested sending a personal invitation to a specialty group. Ms. Dale believes that diversity issues may be better served partnering with other organizations to try to increase membership. A discussion ensued regarding changes and strategies to make to be more successful in drawing in a more diverse group of participants.

(d) June Committee Meetings. Mr. VanWinkle reported that each Committee will be required to hold a Committee meeting before the Council meeting on June 7. The BLI is an all day event on Friday, June 6 with a social event in the evening. The strategy with this decision is to drive higher attendance at the BLI. Every Chair will be contacted to let them know about the Saturday meetings. Chairs should get communications out to their members quickly. West Michigan practitioners should get the word out to get people to the BLI and to the meetings. Call in and meeting information will be posted on our website.

(e) Member Communications and Development Opportunities. Mr. VanWinkle reported that some of our Directorships are related and there is cross over in the work they do, such as the Public Relations and Social Media and Section Development Directorships. The Technology Directorship has become communications. Diversity layers in to all of these areas. Gail Straith will be the new Technology Director. It has been communicated to these Directors that there are opportunities to align together. The Directors believe it makes sense. A proposal will be developed for the June meeting with a detailed written statement for approval by Council at the June meeting.

(f) Consideration of Michigan Community Resources Proposal. Mr. Allen was approached by Wendy Richards of Michigan Community Resources (“MCR”). MCR is petitioning the SBM for a grant to be used by MCR to provide training and educate investors on Crowdfunding. MCR wants to use the grant to educate on rights and responsibilities. MCR would like the Section to draft a letter of recommendation. After discussion, it was decided that Mr. Allen will tell Ms. Richards the Section is interested in the issue and we would like to be kept informed. However we are still working to understand the topic.

(g) Amicus Brief – Woodbury Case. Mr. Carey reported on *Woodbury*. During the Summer, the Michigan Supreme Court requested that the Section file an amicus brief in the *Woodbury* case. Prior to the Section drafting anything, it appeared the parties would settle and the case was effectively suspended by the court pending a settlement by the parties. In October 2013, the Attorney General’s Office sent a letter to the Clerk of the Michigan Supreme Court requesting that the Supreme Court vacate the Court of Appeals opinion as part of any stipulated dismissal. The request for dismissal was not filed until last December 2013. The Attorney General’s Office contacted Mr. Carey asking if the Section could now write a letter making the same request that the Attorney General’s Office made in October. Mr. Carey and Mr. VanWinkle would like to send the letter included in the Council packet to Larry Royster at the Michigan Supreme Court. Ms. Calton made a motion to authorize sending the letter, comments open until end of the day on March 10. Mr. Carey may use discretion in revising the letter to incorporate comments. The motion was seconded by Mr. Morris. The motion passed 10 in favor (James Carey, Judy Calton, Jennifer Consiglio, Julia Dale, Bharat Gandhi, Mark Kellogg, Thomas Morris, Mark Peters, Douglas Toering, and Jeffrey Van Winkle); 0 opposed; 1 abstaining (Matthew Allen); 4 absent.

## 7. Committee/Directorship Reports.

### A. Standing Committees.

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

(ii) Corporate Laws Committee. A written report of the Corporate Laws Committee is attached to these Minutes. The Committee has the Fall issue of the *Journal*. If anyone has corporate articles to submit, please contact Mr. Klimko or Mr. Carey. The deadline for submissions is July 31.

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

(iv) Financial Institutions Committee. No report.

(v) In-House Counsel Committee. No written report. Mr. Gandhi reported that the In-House Counsel Committee has yet to convene a meeting, but one is planned for late March to early April. At the meeting, the Committee will discuss contributions to the *Journal*, programming for this year, and support for

Crain's In-House Counsel Summit. The In-House Counsel Summit is scheduled for May 13 at the Book Cadillac. Tracks are being organized and the In-House Counsel is assisting in preparations. Membership is slowly increasing and the Committee is looking at various growth opportunities.

(vi) Law Schools. A written reports of the Law Schools Committee is attached to these Minutes.

(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.

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

B. Ad Hoc Committees.

(i) Diversity. A written report of the Diversity Ad Hoc Committee 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. Please let Ms. Fuller know if you know someone who would be a good fit on the Council and provide information.

(iii) Programs Directorship. A written report of the Programs Director is attached to these Minutes. Ms. Shoop will be reaching out to Committee Chairs regarding dial in numbers for the Saturday morning committee meetings and the Directorship is working on communication equipment. The Friday night event is a pub crawl.

a. Small Business Forum. A written report of the Small Business Forum is attached to these Minutes.

b. ICLE Liaison. A written report of the ICLE Liaison is attached to these Minutes. There are two co-sponsorships to discuss and approve:

i. LPM – Running Your Small Business Law Practice (on-demand webcast only) to be recorded on May 15, 2014. Presenters are Dee Dee Fuller, Bill Shaheen and Dennis Loy.

ii. Drafting an LLC Operating Agreement (on-demand webcast only) to be recorded September 30, 2014. Confirmed speakers are George Gregory and Rachel Doxsie.

A motion to approve the Section’s co-sponsorship of the seminars LPM – Running Your Small Business Law Practice and Drafting an LLC Operating Agreement was made and seconded. The motion passed unanimously 10-0-0.

(iv) Public Relations and Social Media. A written report of the Public Relations and Social Media Director is attached to these Minutes.

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

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

(vii) Technology. No report.

D. Liaisons.

8. Other Business and Announcements. Ms. Dale reported that profit annual report mailings were sent out on Monday. There were complications with the process and the Corporations Division is off its normal schedule. The Corporation Division is now offering a subscription service for updates related to legislation. This service is found at the Corporation Division website by clicking on subscription. Non-profit seminars for officers and directors are available. There are four seminars per year which are held for a nominal fee. The next session is in May. The Corporation Division is currently experiencing problems with online filings.

9. Announcement of June 7, 2014 Council Meeting. The next meeting of the Business Law Section Council will take place on June 7, 2014 at 10:00 a.m. at the J.W. Marriott Hotel in Grand Rapids.

10. 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 5:15 p.m.

Respectfully submitted,

By: \_\_\_\_\_  
Judy Calton  
Secretary