

STATE BAR OF MICHIGAN - BUSINESS LAW SECTION
COUNCIL MINUTES

March 12, 2020

Pursuant to notice duly given, a meeting of the Council of the Business Law Section of the State Bar of Michigan was held via telephone conference on March 12, 2020. Council members present were Brendan Cahill, Jennifer Consiglio, Julia Dale, Patrick Haddad, Bruce Haffey, Shane Hansen, Mark Kellogg, Michael Molitor, John Schuring, Scott Timmer, James Waggoner, and Ian Williamson. In addition, Committee Chairs, Directors, and Liaisons present were Celeste Arduino, Kevin Block, Judy Calton, Marguerite Donahue, Mark High, Michael Khoury, Loukas Kalliantasis, Justin Klimko, Daniel Minkus, Mark Peters, Jordan Segal, Douglas Toering, and James Waggoner. Others present were Alexis Derrossett, Laura Johnson, Michael Leib and Terri Shoop.

1. Call to Order and Determination of Quorum. Section Chair Jennifer Consiglio called the meeting to order at approximately 3:34 p.m. and determined that a quorum was present.

2. Approval of Minutes of December 7, 2019 Council Meeting. Ms. Consiglio called for a motion to approve the Minutes of the December 7, 2019 Council meeting. A motion was made to approve the Minutes. The motion was seconded and unanimously approved, 12-0-0.

3. Treasurer's Report. A written Report has been provided by the Treasurer. The Section is financially healthy.

4. Chair's Report.

A. Sponsorship of Women Lawyers Association of Michigan's 102nd Annual Meeting and Young Lawyers Summit. A discussion ensued regarding sponsorship of the Women Lawyers Association of Michigan 102nd Annual Meeting and the Young Lawyers Summit. The Section has sponsored both events in the past. A motion was made to sponsor the Women Lawyers Association of Michigan 102nd Annual Meeting and the Young Lawyers Summit at \$1,000 each. Motion seconded and passed unanimously, 12-0-0.

B. Renewal of Agreement with ICLE for the Michigan Business Law Journal ("MBLJ"). Ms. Consiglio reported that she has received the Agreement from ICLE for production of the MBLJ for three years. The only change in the Agreement from the Section's last agreement is to the yearly payment which includes a 4-5% increase per year. The Agreement is supported by the Publications Director and the contract has been approved by the SBM's legal office. A motion was made to approve agreement between the Section and ICLE regarding the MBLJ in its current form. The motion was seconded and passed unanimously, 12-0-0.

C. Interim Executive Committee Action. Ms. Consiglio reported on an action by the Executive Committee in February regarding the Uniform Receivership Act. The Debtor/Creditor Rights Committee has been working on this matter for over a year. In December 2018, the council approved the Debtor/Creditor Rights Committee's proposed legislation and advocacy of the proposed legislation; however, the minutes of that arguably do not clearly reflect

such approval and no position statement was filed with the State Bar. In mid-January 2020 the matter was introduced as HB 5336. The Debtor/Creditor Rights Committee was asked to send a position statement on HB 5336 to the bill sponsor. At a special meeting of the Executive Committee on February 5, 2020, the Executive Committee voted 4-0 to approve, confirm and ratify the Debtor/Creditor Rights Committee's position with respect to HB 5336, consistent with the proposed legislation previously approved by it and the council, and advocacy of the same following filing of a position statement with the State Bar.

5. Committee/Directorship Reports.

A. Standing Committees.

(i) Business Courts Committee. A written report has been provided by the Business Courts Committee.

(ii) Commercial Litigation Committee. A written report has been provided by the Commercial Litigation Committee.

(iii) Corporate Laws Committee. A written report has been provided by the Corporate Laws Committee.

(iv) Debtor/Creditor Rights Committee. No written report. Michael Leib gave a detailed and historical report on Court Rule 2.622, the Uniform Commercial Real Estate Act, and the events surrounding the efforts of the Committee with respect to the receivership process which began in 2014. The Committee has attempted to provide clarity to the bench and the bar which would pertain to all receiverships. The Committee was supportive of the bill as drafted, with the exception of changes made after the Committee's review pertaining to timelines and adequate protection. The Committee believes there is no authority for the Section to support the bill as it stands. The Committee recommends taking no position on the bill. The Committee will send notice to its members and ask for a vote.

(v) Financial Institutions Committee. No written report.

(vi) In-House Counsel Committee. A written report has been provided by the In-House Counsel Committee. A discussion ensued regarding a request to create a compliance section of the State Bar of Michigan which was referred to the Section and later the Committee for review. Mr. Segal spoke to proponents of the new section. After discussions, all agreed that compliance matters will be wrapped in to the Committee's programming. The next issue of in-house insight counsel may be written by the proponents. The Committee will work on developing a brown bag lunch or ICLE seminar on compliance issues.

(vii) Law Schools Committee. A written report has been provided by the Law Schools Committee. The WSU Law School event scheduled in March was cancelled due to coronavirus.

(viii) LLC & Partnership Committee. A written report has been provided by the LLC & Partnership Committee.

(ix) Nonprofit Corporations Committee. No written report. Ms. Arduino reported that the Committee has been holding meetings two to three times each year and communicating with members via the Committee listserv.

(x) Regulation of Securities Committee. A written report has been provided by the Regulation of Securities Committee. Mr. Hansen discussed a pending HB 5131 to protect vulnerable adults. The Committee will continue to monitor this proposed legislation.

(xi) Small Business Forum. A written report has been provided by the Small Business Forum.

(xii) Uniform Commercial Code Committee. A written report has been provided by the Uniform Commercial Code Committee.

B. Directorships.

(i) Communication & Development Directorship. A written report has been provided by the Communication & Development Directorship. The Directorship is considering putting together a steering committee of newer lawyers to help advise on how younger generations would like to communicate. If you are interested in participating, please contact Ms. Consiglio.

(ii) Diversity & Inclusion Directorship. A written report has been provided by the Diversity & Inclusion Directorship.

(iii) Legislative Review Directorship. A written report has been provided by the Legislative Review Director.

(iv) Nominating Directorship. A written report has been provided by the Nominating Director.

(v) Programs Directorship. A written report has been provided by the Programs Directorship.

a. ICLE Liaison. A written report has been provided by the ICLE Liaison.

(vi) Publications Directorship. No written report.

C. Liaisons.

(i) Probate Section. No written report.

(ii) Young Lawyers Section. No written report.

6. Other Business and Announcements. None.

7. Announcement of June 16, 2020 Council Meeting at Clark Hill, PLC. The next Council meeting will take place on June 16, 2020 at 3:30 p.m. at Clark Hill, PLC in Birmingham.

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 12-0-0, the meeting was adjourned at 4:20 p.m.

Respectfully submitted,

By: _____
Mark Kellogg
Secretary