

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

June 8, 2013

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 J.W. Marriott Hotel in Grand Rapids, Michigan on Saturday, June 8, 2013. Council members present were Kevin Block, James Carey, Matthew Case, Jennifer Consiglio, Julia Dale, Marguerite Donahue, Christopher Maeso, Richard McDonald, Mark Peters, Douglas Toering, and Jeffrey Van Winkle. Committee members and Directors present were Judy Calton, Dee Dee Fuller, Patrick Haddad, Mark High, Justin Klimko, and Daniel Minkus. Others present were Ryan Bailey, Ann Baker (via telephone), Michael Khoury, and Terri Shoop (via telephone).

1. Call to Order and Determination of Quorum. Section Chairperson, Marguerite Donahue, called the meeting to order at approximately 9:05 a.m. and determined that a quorum was present.

2. Approval of Minutes of March 7, 2013 Council Meeting. Ms. Donahue called for a motion to approve the Minutes of the meeting of the Council from March 7, 2013. Pursuant to motion duly made and seconded, the Minutes were unanimously approved 11-0-0.

3. Treasurer's Report. A written Treasurer's Report is attached to these Minutes. Mr. Carey reported that the Section is within \$140 of budget. Mr. Carey has been working with Becky Hunter at the SBM to establish new accounts for the Section. In September we will implement a new chart of accounts which will allow more accurate tracking of financials.

4. Chairperson's Report.

A. Update on Co-Sponsored Program with International Law Section. Ms. Donahue reported that the previously proposed program with the International Law Section has been canceled.

B. Bar Leadership Forum – Attendance by Jeff Van Winkle and Douglas Toering. Ms. Donahue reported that a Forum is held each year on Mackinac Island for the Section Chairs to familiarize themselves with the SBM and its staff. Ms. Donahue attended last year. This year Jeff Van Winkle and Doug Toering will attend. A motion was made to approve Mr. Van Winkle and Mr. Toering's attendance at the 2013 Bar Leadership Forum in Mackinac Island and payment of appropriate costs associated with the Forum. The motion was seconded and unanimously approved 11-0-0.

C. Contract with ICLE for Michigan Business Law Journal. Ms. Donahue reported electronic delivery of the *Journal* was explored at length with Rick McDonald and Candace Crowley of the SBM. The SBM would like the Section to use the SBM's e-commerce website to publish the *Journal* electronically in the SBM's

designated format. The method presented by Ms. Crowley is not acceptable to the Section. The format the Section prefers is similar to the ABA Journal format. Mr. McDonald reported that we received an estimate from a web vendor for set up of the *Journal* and the cost is approximately \$50,000. Alternatives were discussed. Mr. McDonald has discussed the topic with Mary Hiniker of ICLE. It was concluded that the Section will renew the contract for one year and will continue to look for refinements to the process. A motion was made to renew the ICLE contract to produce the *Journal* at an annual cost of \$27,864. The motion was seconded and passed unanimously 11-0-0.

D. Legal Specialist Certifications in Michigan. The concept of legal specialist certifications for business lawyers was brought to Ms. Donahue by the Probate and Estate Planning Council. The topic was discussed at length and it was decided that the Section is not in favor of legal specialist certifications for BLS members at this time. Ms. Donahue will respond to the Probate and Estate Planning Council.

E. Nominations Directorship – New Chair after 2013 Annual Meeting. Ms. Donahue reported that Ann Baker will step down from her role as Nominating Director in September. The Executive Committee will be reviewing candidates for the role in advance of the September meeting.

F. Amicus Brief. Ms. Donahue reported that the Section has been invited by the Michigan Supreme Court to file an amicus brief in *Madugula v Taub*, a matter involving shareholder oppression. Procedures and the case were discussed. It was determined that an amicus brief would be appropriate for the Corporate Laws and Commercial Litigation Committees to consider and address. A motion that the Section, specifically the Corporate Laws and Commercial Litigation Committees, will study and address the *Madugula v Taub* matter and report to Council regarding an appropriate response to the Supreme Court. The motion was seconded and passed 11-0-0.

G. Schulman Award. Dan Minkus is the recipient of the 2013 Stephen H. Schulman Outstanding Business Lawyer Award. The award will be presented at the Annual Meeting event on September 26.

5. Committee/Directorship Reports.

A. Standing Committees.

(i) Commercial Litigation Committee. A written report of the Commercial Litigation Committee is attached to these Minutes. On July 16 the Committee, along with the Small Business Forum and MACPA, will present a seminar regarding business breakups in Troy. The potential development of a business courts training program was discussed.

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

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

reported that at the May 4, 2012 Council meeting, the Council approved proposed amendments to MCR 2.621 and MCR 2.622 relating to the appointment and regulation of receivers. The Committee had a role in drafting these amendments at the request of the Michigan Supreme Court. The Michigan Supreme Court has now sent proposed MCR 2.621 and MCR 2.622, out for public comment, with comments due by September 1, 2013. There were no changes of substance. The Clerk of the Supreme Court has requested that the Business Law Section submit a comment in support. Ms. Calton asked Council for permission for the Committee to submit a comment in support. A motion was made that the Section support the revisions to MCR 2.621 and 2.622 as outlined by the Committee. The Committee will prepare a response to the Supreme Court. The motion was seconded and passed 11-0-0.

Ms. Calton reported that Judge Rhodes is retiring at the end of 2013. The Committee would like to contribute \$1,000 to co-sponsor Judge Rhodes' retirement dinner. The expenditure is an appropriate use of budgeted funds.

(iv) Financial Institutions Committee. A written report of the Financial Institutions Committee is attached to these Minutes.

(v) In-House Counsel Committee. A written report of the In-House Counsel Committee is attached to these Minutes.

(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.

(iii) Programs Directorship. A written report of the Programs Director is attached to these Minutes. The Directorship would like to hold Business Boot Camp I in Grand Rapids in November 2013 and in Plymouth in January 2014. A motion was made to approve the presentation of and financial support of the Business Boot Camp I program. The motion was seconded and passed unanimously 11-0-0.

The Annual Meeting will be held on September 26, 2013 at the Novi Sheraton.

The Business Law Institute was attended by 96 participants which is up from last year. The evaluations of the event are positive. A discussion ensued regarding various ideas surrounding increasing attendance at future institutes.

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. A motion to approve Section co-sponsorship of the following ICLE seminars:

- Hot Topics in Asset Protection Planning—(on-demand webcast only), to be recorded on Tuesday, October 22, 2013 and released on Tuesday, November 5, 2013

- Business Law Hot Topic Seminar (actual seminar topic will be determined closer in time to the program to ensure timeliness)—(on-demand webcast only), to be recorded on Tuesday December 3, 2013 and released on Tuesday, December 10, 2013

- 2014 LLC & Business Entity Update—(on-demand webcast only), to be recorded on Tuesday, January 21, 2014 and released on Tuesday, February 11, 2014

- 26th Annual Business Law Institute (Date & Location TBD)

The motion was seconded and passed unanimously 11-0-0.

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

D. Liaisons.

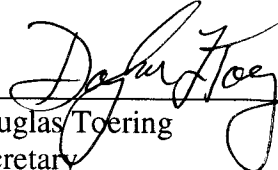
(i) Probate Section. No report.

6. Other Business and Announcements.

7. Announcement of September 26, 2013 Annual Meeting and Council Meeting. The Annual meeting and next meeting of the Business Law Section Council will take place on Thursday, September 26, 2013 at 5:00 p.m. at the Novi Sheraton.

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 11-0-0, the meeting was adjourned at approximately 10:33 a.m.

Respectfully submitted,

By: 
Douglas Toering
Secretary