

STATE BAR OF MICHIGAN
BUSINESS LAW SECTION
COUNCIL MINUTES

June 7, 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 J.W. Marriott Hotel in Grand Rapids, Michigan on Saturday, June 7, 2014. Council members present were Matthew Allen (via telephone), Kevin Block, Judy Calton, Mark Kellogg, Christopher Maeso, Thomas Morris, Mark Peters, Gail Straith, Douglas Toering, and Jeffrey Van Winkle. Committee Chairs and Directors present were Marguerite Donahue, Dee Dee Fuller, Bharat Gandhi (via telephone), Patrick Haddad, Justin Klimko, and Daniel Minkus. Others present were Jeffrey Ammon, Lisa Geherin, Loukas Kalliantasis, Michael Khoury, Daniel Linna, and Terri Shoop.

1. Call to Order and Determination of Quorum. Section Chairperson, Jeffrey Van Winkle, called the meeting to order at approximately 10:25 a.m. and determined that a quorum was present.

2. Approval of Minutes of March 6, 2014 Council Meeting. Mr. Van Winkle called for a motion to approve the Minutes of the March 6, 2014 Council Meeting. Pursuant to motion duly made by Ms. Calton and seconded by Mr. Morris, the Minutes were unanimously approved 10-0-0.

3. Treasurer's Report. A written Treasurer's Report is attached to these Minutes. Mr. Toering reported that Mr. Peters has obtained \$14,200 in sponsorship money for the Business Law Institute. Mr. Peters was thanked for his hard work. Mr. Toering gave a report of the finances of the Section, including a steady membership and a healthy account balance. A motion was made by Ms. Calton to approve the Treasurer's Report. The motion was seconded by Mr. Peters and the report was unanimously approved 10-0-0.

4. Chairperson's Report.

a. Schulman Award. Mr. Van Winkle reported that Diane Akers will be the recipient of the Stephen H. Schulman Outstanding Business Lawyer Award which was announced at the Business Law Institute. A motion was made by Mr. Maeso to approve Diane Akers as the 2014 recipient of the Schulman Award. The motion was seconded by Ms. Straith and passed unanimously, 10-0-0.

b. Uniform Commercial Code Committee. Mr. Van Winkle reported that Patrick Mears has resigned as Chair of the Uniform Commercial Code Committee. Mr. Van Winkle thanked Mr. Mears for his service. Mr. Mears recommends Daryl Pierce of Dykema for the role of Chair. The Executive Committee also recommends naming Mr. Pierce as Chair of the Committee and such recommendation was approved unanimously by Council.

c. Committees and Directorships. Mr. Van Winkle asked Council to consider whether we have the right committees and directorships and if there are other opportunities to consider.

5. New Business and Discussion Items.

a. Potential Position on Abolishment of Mandatory Bar. Mr. Van Winkle reported on the Supreme Court Report regarding the mandatory bar. Mr. Klimko and Mr. Morris have submitted a response to the State Bar of Michigan.

b. Member Communications and Development Opportunities – Action on Realignment of the Directorship and Ad Hoc Efforts. Mr. Van Winkle reported on the restructuring of the Public Relations and Social Media Directorship, the Section Development Directorship, the Technology Directorship and the Ad Hoc Diversity Committee. A new directorship – the Communication and Development Directorship will replace all of the foregoing. Directors of the Communication and Development Directorship will be Kevin Block (point person), Jennifer Consiglio, Julia Dale, Mark High, Edward Lukas, Justin Peruski, and Gail Straith (point person). The new directorship was approved unanimously by Council.

c. Follow-up to Committee Meetings After Business Law Institute – Point Person Judy Calton. Mr. Van Winkle stated that we need to evaluate the success of the committee meetings which were held on June 7. Judy Calton will lead this effort and she will circulate an email to the committee chairs for response to Ms. Calton. A discussion ensued regarding committee meeting participation and ideas for future meetings.

d. Extension of *Business Law Journal* Contract with ICLE. Mr. Van Winkle reported that the Section received a proposal from ICLE which will continue for three years. Costs will be: Year 1: \$27,000, Year 2: \$28,000, Year 3: \$29,000. The contract can be cancelled on a yearly basis prior to June 30 of each year. Ms. Calton made a motion to approve the 3-year contract with ICLE for the *Business Law Journal* subject to any changes needed to the contract to be negotiated by Mr. Van Winkle and Mr. McDonald. The motion was seconded by Mr. Peters and passed unanimously, 10-0-0.

e. Michigan Community Resources. Mr. Van Winkle reported that Wendy Richard from Michigan Community Resources contacted him and indicated that the Section did not make a contribution to Michigan Community Resources in 2013 as in past years. She requested a \$5,000 donation. A discussion ensued regarding donation history. The officers will research Access to Justice Fund procedures and summarize the Michigan Community Resources donations and make a recommendation to Council at the September Council meeting.

6. Committee/Directorship Reports.

A. Standing Committees.

(i) Commercial Litigation Committee. A written report of the Commercial Litigation Committee is attached to these Minutes. Mr. Toering reported that Committee and the Small Business Forum would like to co-sponsor a seminar with the ADR Section regarding strategies in commercial contracts with

emphasis on shareholder disputes. No additional funds outside of the budget are required. The seminar will be an evening event from 5-7 p.m. in Troy and will include dinner and a networking opportunity. A motion was made to by Mr. Toering to approve the Commercial Litigation Committee and the Small Business Forum co-sponsorship of a seminar with the ADR Section on strategies in commercial contracts with emphasis on shareholder litigation. The motion was seconded by Mr. Morris and passed unanimously, 10-0-0. The Committee and the Small Business Forum are also considering other possible seminars.

(ii) Corporate Laws Committee. A written report of the Corporate Laws Committee is attached to these Minutes. Mr. Klimko reported that the Committee is in the process of considering the next round of amendments to the Business Corporation Act.

(iii) Debtor/Creditor Rights Committee. A written report of the Debtor/Creditor Rights Committee is attached to these Minutes. Ms. Calton reported that 151 people attended an event the Committee co-sponsored for Bankruptcy Judge Randon on May 22. The Committee will host a seminar on June 10 regarding receiverships and the new court rules.

(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 Financial Institutions Committee is attached to these Minutes. Mr. Gandhi reported that the Crain's In-House Counsel Summit went well. Many committee members attended. Committee membership has increased by 15%-20% per year. A dinner event is planned at Cranbrook in June.

(vi) Law Schools. A written report 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. Mr. Haddad reported that a program on Crowdfunding with the Small Business Forum is being planned for late summer or early fall. Speakers have been identified. A presentation on crowdfunding may also occur at the Annual Meeting. Mr. Haddad and Mr. Minkus will discuss this possibility.

(ix) Uniform Commercial Code Committee. No report.

(x) Unincorporated Enterprises Committee. A written report of the Unincorporated Enterprises Committee is attached to these Minutes. Mr. Minkus reported that the name of the committee is confusing and committee members would like to change the name of the committee to LLC & Partnership

Committee. This follows the ABA model. Council approved the name change effective October 1, 2014. A discussion ensued regarding the Business Harmonization Act and current trends.

B. 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. Attendance increased this year for the Business Law Institute. Positive reviews have been received regarding the Business Law Institute and the pub crawl. Mr. Minkus thanked Mr. Peters for his work in soliciting sponsorship money. Next year the Business Law Institute will be held in September in conjunction with the Annual Meeting. It will be held at the Amway and occur during Art Prize.

Mr. Minkus reported that Business Boot Camp is scheduled for November 3-4 in Grand Rapids and January 22-23 in Plymouth. It will include 10 75-minute presentations. Firm sponsorship will be \$1,000 to send up to 15 people, and \$220 for single registration (\$200 for early registration). Mr. Minkus asked for assistance with firm level participation from Council members, committee chairs and directorships. The Section could lose between \$10,000 and \$14,000 on the program. However if history repeats itself, the Section could make money.

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. Ms. Donahue requested that the Section approve co-sponsorship of the following ICLE seminars:

- i. Valuing a Contract Dispute Case – June 10
- ii. Drafting an LLC Operation Agreement (S Corp Tax Treatment) – September 30
- iii. Entrepreneur/Innovation Institute – June 2015
- iv. 27th Annual Business Law Institute – September/October 2015

A motion was made and seconded to approve co-sponsorship of the seminars listed above. 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.

(i) Probate Section. No report.

7. Other Business and Announcements. Next year will be the Section's 50th anniversary.

8. Announcement of September 11, 2014 Council Meeting and Annual Meeting. The next meeting of the Business Law Section Council and the Annual Meeting will take place on September 11, 2014 at 5:00 p.m. at the Sheraton Detroit Novi Hotel in Novi.

9. 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 11:46 a.m.

Respectfully submitted,

By: _____
Judy Calton
Secretary