

STATE BAR OF MICHIGAN - BUSINESS LAW SECTION
COUNCIL MINUTES

June 4, 2015

Pursuant to notice duly given, a meeting of the Council of the Business Law Section of the State Bar of Michigan was held at Jaffe, Raitt, Heuer & Weiss, P.C. in Southfield, Michigan on Thursday, June 4, 2015 at 3:30 p.m. Council members present were Matt Allen, Judy Calton (via telephone), James Carey, Jennifer Consiglio, Julia Dale (via telephone), Shane Hansen, Mark Kellogg, Thomas Morris, Mark Peters, Richard McDonald, Douglas Toering, and Christopher Yates (via telephone). Committee Chairs and Directors present were Marguerite Donahue, Patrick Haddad, Justin Klimko, Daniel Minkus and Darrell Pierce. Others present were Diane Akers, John Decker, Justin Hanna, David Hansma, Michael Khoury, John Schuring, Terri Shoop, and Brian Wassom (via telephone).

1. Call to Order and Determination of Quorum. Section Chairperson James Carey called the meeting to order at approximately 3:35 p.m. and determined that a quorum was present.

2. Approval of Minutes of March 12, 2015 Council Meeting. Mr. Carey called for a motion to approve the Minutes of the March 12, 2015 Council meeting as distributed. Pursuant to motion duly made and seconded, the Minutes were unanimously approved 12-0-0.

3. Treasurer's Report. A written Treasurer's Report is attached to these Minutes. Ms. Calton reported that the Section is operating within its budget. She stated that the budget process will take place in September for the 2015-2016 fiscal year. This change will properly align the budgeting process with the fiscal year. Budget figures will be requested from Committee Chairs and Directors in August.

4. Chairperson's Report. Mr. Carey reported that he was contacted by Robert Meisner regarding the Michigan Nonprofit Corporation Act Amendments. Mr. Carey replied to Mr. Meisner and those he copied on his correspondence. Mr. Carey has not heard back on this matter from those copied on the correspondences. Copies of the correspondences were distributed to Council.

Mr. Carey congratulated the Nonprofit Corporation Committee on getting the Nonprofit Corporation Act updated.

The Section was asked to be a sponsor of the Solo & Small Firm Institute in the amount of \$2,500. Historically the Section has sponsored the event and the dollars have been used primarily for scholarships for Section members with remaining funds being used toward other expenses of the program. Section sponsorship helps to provide lower cost admission to Section members meeting outlined criteria. The Executive Committee has approved sponsorship in the amount of \$2,500 for the 2015 Institute.

Mr. Carey reported that the Information Technology Section has asked for approval of an eblast to Section members regarding its 8th Annual Information Technology Law Seminar on September 10. The Executive Committee has approved this request.

5. Committee/Directorship Reports.

A. Standing Committees.

(i) Commercial Litigation Committee. A written report was provided by the Commercial Litigation Committee. Mr. Toering reported that the Committee is considering the establishment of various subcommittees.

(ii) Corporate Laws Committee. A written report was provided by the Corporate Laws Committee.

(iii) Debtor/Creditor Rights Committee. A written report was provided by the Debtor/Creditor Rights Committee.

(iv) Financial Institutions Committee. A written report was provided by the Financial Institutions Committee.

(v) In-House Counsel Committee. No report. The Crain's General & In-House Counsel Summit will be held on June 10.

(vi) Law Schools. A written report was provided by the Law Schools Committee.

(vii) LLC & Partnership Committee. A written report was provided by the LLC & Partnership Committee.

(viii) Nonprofit Corporations Committee. A written report was provided by the Nonprofit Corporations Committee.

(ix) Regulation of Securities Committee. A written report was provided by the Regulation of Securities Committee.

(x) Small Business Forum. A written report was provided by the Small Business Forum. Mr. Toering reported that he would like to ask Richard Bruder to Chair the Small Business Forum. Mr. Toering will follow up with Mr. Bruder.

(xi) Uniform Commercial Code Committee. A written report was provided by the Uniform Commercial Code Committee.

B. Directorship Reports.

(i) Communication & Development Directorship. A written report was provided by the Communication and Development Directorship.

(ii) Legislative Review Directorship. A written report was provided by the Legislative Review Director.

(iii) Nominating Directorship. A written report was provided by the Nominating Director.

(iv) Programs Directorship. A written report was provided by the Programs Directorship. The Business Law Institute and Annual Meeting will be held on September 25. The recipient of the Schulman Award for 2015 will be Laurence Schultz. Mr. Schultz was Chair of the Section in 1972 and was responsible for starting the *Michigan Business Law Journal*. The Schulman Award will be presented at the September 25 event.

a. ICLE Liaison. A written report was provided by the ICLE Liaison.

(v) Publications Directorship. A written report was provided by the Publications Director.

C. Liaisons.

(i) Probate Section. No report.

6. Old Business.

A. Electronic Version of Business Law Journal Prior to 2001. This task has not yet been completed by Mr. Carey, but he will work on it this fall

B. New Website – Business Law Journal Member Only. The *Michigan Business Law Journal* is now open to the general public on the Section website.

C. House Bill 4198 – Antitrust Reform Act. Mr. Carey reported that he is not aware of any movement on this matter.

D. Banner Ads on Website. Mr. Carey reported that Thomson Reuters is not as interested as initially thought. They have asked the Section for an RFP. Mr. Carey reported that banner ads are permissible on our webpage.

7. New Business.

A. Ad Hoc Business Court Committee. A Business Courts Ad Hoc Committee has been established. Members of the Committee are Douglas Toering (Chair), Diane Akers and Brian Wassom. Mr. Toering reported that the business court judges are interested in making improvements and changes to the legislation. The Committee will act as the conduit between the judges and the legislature. Mr. Toering reported that the Committee has met with Judge Ryan and learned of several proposed amendments which are generally jurisdictional. They have been unanimously endorsed by the business court judges. Judge Yates indicated that the changes are housekeeping and clean up in nature. A lengthy discussion ensued regarding the

amendments. A motion was made for Council to approve the amendments and work at passing them through the legislature. This motion did not pass.

A motion for a five minute recess was made. The motion was seconded and passed 12-0-0.

A motion was made that Council support all of the proposed changes as written except 8035(3). The motion was seconded and passed unanimously 12-0-0.

A motion was made that Council support the acceptance of 8035(3) provided discretion is given to the judges. The motion was seconded and passed unanimously 12-0-0.

B. BLS Membership for Business Court and Bankruptcy Court Judges in Michigan. It was suggested that it would be beneficial for the Section to have the Business Court Judges become members of the Section. A discussion ensued regarding Business Court Judges and Bankruptcy Court Judges being offered complimentary membership in the Section. There is uncertainty regarding whether or not we will be able to offer the membership to Bankruptcy Court Judges. It was decided that active Business Court and Bankruptcy Court Judges as of October 1 would be offered complementary membership in the Section. The judges will receive a letter asking if they want to become a member of the Section at no cost. A motion was made to offer complimentary membership in the Business Law Section to active Business Court Judges and Bankruptcy Court Judges. The motion was seconded and passed unanimously 12-0-0.

C. Debtor/Creditor Rights Committee Amicus Brief Request in the Appeal in Casa Bella Landscaping v Lee (Circuit Court's Violation of MCR 2.622, the New Receivership Rule). The Committee is seeking authority to file an amicus brief on *Casa Bella Landscaping v. Lee*. A motion was made granting the Debtor/Creditor Rights Committee authority to file an amicus brief on the matter of *Casa Bella Landscaping v. Lee*. The motion was seconded and passed unanimously 12-0-0.

D. Business Law Section Annual Report. Mr. Carey reported that the Annual Report for the Section was submitted timely to the State Bar of Michigan. A copy of the report was distributed to Council.

8. Other Business and Announcements. The next meeting of the Business Law Section Council will take place on September 25, 2015 at the Amway Grand Plaza Hotel in Grand Rapids.

Mr. Carey asked that candidates for consideration for Secretary of the Council or Council positions should be referred to the Chair or Dee Dee Fuller.

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 12-0-0, the meeting was adjourned at approximately 5:22 p.m.

Respectfully submitted,

By: _____
Mark Peters
Secretary