

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

September 20, 2007

The Annual Meeting of the Business Law Section of the State Bar of Michigan was held at the Sheraton Detroit Novi in Novi, Michigan on September 20, 2007 at 5:30 p.m., pursuant to notice duly given.

1. Call to Order and Determination of Quorum. Section Chairperson, Michael Khoury, called the meeting to order at approximately 5:30 p.m. and determined with the other officers present that a quorum existed.

2. Approval of Minutes of June 1, 2007 Council Meeting. Mr. Khoury called for a motion to approve the Minutes of the Meeting of the Council from June 1, 2007. Pursuant to motion duly made and seconded, the Minutes were unanimously approved.

3. Nomination of Officers. The following persons were presented for nomination by Jeffrey Ammon: Michael Khoury, as Chairperson, Diane Akers, as Vice Chairperson, Dee Dee Fuller, as Secretary, and Robert Wilson, as Treasurer.

4. Election of Officers. Pursuant to motion duly made and seconded, the nominations of the Officers, as stated above in item 3, was unanimously approved.

5. Incoming Chairperson's Report. Mr. Khoury stated that his goal is to do two things: (a) make sure the efforts of the prior chairs continue, and (b) to do something new. Mr. Khoury's three initiatives are as follows:

(i) Looking Back – Section Historian Project. Mr. Khoury has solicited former chairs of the Section and they and others will work together over the next year to put together a written history of the Section which will be available at next year's annual meeting.

(ii) More Efficient Communication. An e-newsletter has been created to collect information on important Section and legal topics and it will be distributed to Section members by email once each month. Mr. Khoury will prepare the e-newsletter each month. Committee chairs should provide information about meetings and events to Mr. Khoury and Terri Shoop.

(iii) Outreach. Mr. Khoury's goal is to reach out to members of the Bar with whom the Section currently has no interaction. The Section will work with special purpose bars to achieve this goal. Planning is currently being done with an African American group and the Young Lawyers Association. Christopher Maeso will be the liaison with the Hispanic Bar Association.

6. Council Approval of Committee Chair and Directorship Appointments. Mr. Khoury reported that the Section Committees and Directorships will be announced at the December 1 Council meeting. A motion was made to approve the current Committees and Directorships. The motion was seconded and unanimously approved.

7. Committee/Directorship Reports.

A. Standing Committees.

(i) Agricultural Committee. No report.

(ii) 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, a written summary of proposed amendments to the Michigan Business Corporation Act (“BCA”) and the Michigan Professional Service Corporation Act (“PSCA”), and a Reporter’s Draft of the BCA are attached to these Minutes. A discussion ensued regarding the particulars of the amendments. Justin Klimko stated that the Committee requests that Council approve the proposed amendments to the BCA, the PSCA and (in one instance) the Limited Liability Company Act. A motion was made to support the amendments. The motion was seconded and unanimously approved.

(iv) Debtor/Creditor Rights Committee. A written report of the Debtor/Creditor Rights Committee is attached to these Minutes. Judy Calton reported that the Committee has created an Ad Hoc Committee headed by Lisa Gretchko to evaluate *Estes v Titus* and address five pertinent issues. The Family Law Section has also evaluated this case and come to a similar conclusion as the Ad Hoc Committee. Ms. Calton stated that the Committee is seeking Council approval to file an amicus brief on behalf of the Section taking the positions outlined in the attached report. A motion was made to approve the filing of an amicus brief regarding the *Estes v Titus* case. The motion was seconded and passed unanimously.

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

(vi) In-House Counsel Committee. A written report of the In-House Counsel 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) Uniform Securities Act (2002). No report.

(a) Mr. Klimko reported that the Committee proposes that the Section support HB 5008 regarding the Uniform Securities Act ("USA"). After discussion, a motion was made to support the amendments to the USA. The motion was seconded and passed unanimously.

(ii) Task Force on Attorney-Client Privilege. A written report of the Task Force on Attorney-Client Privilege is attached to these Minutes.

Business Court. No written report.

(iii) Lobbyist Issues. No written report.

(iv) PR Developments. No written report.

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.

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

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

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

(vi) Technology. A written report of the Technology Directorship is attached to these Minutes.

8. Liaison Reports.

(i) Law Schools. A written report of the Law Schools Liaison is attached to these Minutes.

9. Other Business and Announcements.

A. Section Endorsement of ABA Committee on Legal Opinions Statement on Customary Practice. Mr. Klimko reported on the Statement on the Role of Customary Practice in the Preparation and Understanding of Third-Party Legal Opinions (the "Statement") developed by the Committee on Legal Opinions of the ABA Business Law Section. The Section was asked to review the statement and, if acceptable, endorse it. Mr. Klimko has circulated the Statement to 14 law firms with significant transactional practices in Michigan. Of the 14 firms polled, 9 endorsed the Statement, 4 reserved comment, and 1 did not respond. Mr. Klimko asked the Council to authorize him to communicate the Section's endorsement of the Statement. A motion was made to endorse the Statement. The motion was seconded and passed unanimously.

B. Introduction of Gregory L. Ulrich, Commissioner, State Bar of Michigan. Mr. Ulrich introduced himself and indicated that the Section will have a new liaison this year.

C. Introduction of Karoub Associates. Joe Garcia of Karoub Associates introduced himself and spoke about his firm and its activities.

10. Announcement of December 1, 2007 Meeting. The next meeting of the Business Law Section Council will be held on Saturday, December 1, 2007 at 10:00 a.m. at the offices of Dickinson Wright in Detroit.

11. 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, the meeting was adjourned at approximately 6:00 p.m.

12. Schulman Award Presentation. Mr. Lark spoke about the Stephen H. Schulman Outstanding Business Lawyer Award which is presented annually. The award honors Michigan business lawyers who consistently exemplify the characteristics the Section seeks to foster and facilitate: the highest quality of professionalism, the highest quality of practice, an unwavering dedication to service, ethical conduct, and collegiality within the practice of law. Mark High remarked about Verne Hampton and presented Mr. Hampton with his award. Alex DeYonker remarked about Charles McCallum and presented Mr. McCallum with his award. The award ceremony ended at approximately 6:20 p.m.

Respectfully submitted,

By: _____
Tania E. (Dee Dee) Fuller, Secretary