

STATE BAR OF MICHIGAN - BUSINESS LAW SECTION
COUNCIL MINUTES

October 6, 2018

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 October 6, 2018. Council members present were Kevin Block, Jennifer Consiglio (via telephone), Julia Dale, Bruce Haffey (via telephone), Shane Hansen, Mark Kellogg, Carrie Leahy, Mike Molitor, John Schuring, J. Scott Timmer (via telephone), Ian Williamson, Christopher Yates, and Eric Zacks (via telephone). In addition, Committee Chairs, Directors and Liaisons present were Judy Calton, Marguerite Donahue, Dee Dee Fuller, Patrick Haddad, Justin Klimko, Daniel Minkus, and Douglas Toering. Others present were Alexis Chadderdon, Jenni Colagiovanni, Lisa Geherin, and Terri Shoop.

1. Call to Order and Determination of Quorum. Section Chair Kevin Block called the meeting to order at approximately 9:01 a.m. and determined that a quorum was present.

2. Approval of Minutes of June 5, 2018 Council Meetings. Mr. Block called for a motion to approve the Minutes of the June 5, 2018 Council meeting. A motion was made to approve the Minutes. The motion was seconded and unanimously approved, 13-0-0.

3. Treasurer's Report. A written Treasurer's Report was provided to Council. Ms. Consiglio reported that the Section is in a good financial position. The 2018-2019 budget was discussed. Appropriate uses of surplus funds were discussed including programming, social media, and recruiting. The Communications & Development Directorship will make a recommendation to Council on this topic at the December Council meeting. A motion was made to approve the 2018-2019 budget. The motion was seconded and passed unanimously, 13-0-0.

4. Council Approval of Committee Chairs and Directors. The Committee Chairs and Directors will remain the same. Mr. Block reported that he was approached by Priya Marwah at the BLI and that she may have interest in serving as a Co-Chair on the In-House Counsel Committee.

5. Chair's Report.

A. Approval of Donation on Behalf of Mark Peters. Mr. Block reported that the Section typically provides the outgoing Chair with a gift at the end of their term. Mark Peters has requested a donation to his church, Christ Church of Cranbrook, as his outgoing Chair gift. A motion was made and seconded approving a donation in the amount of \$400 to Christ Church of Cranbrook. The motion passed, 13-0-0.

B. Update on Law School Initiatives. Mr. Block discussed the transactional competition at WSU Law School. Professor Zacks reported that the competition is scheduled for November 2, that judges are needed, and that an invitation to Section members will be going out soon. A networking event will follow the competition. A discussion ensued regarding efforts

with respect to U of D Law School, MSU Law School, U of M Law School, and Cooley Law School.

C. Access to Justice Donation. Mr. Block reported that historically the Section makes an annual donation to Access to Justice, earmarked for Community Legal Services, in the amount of \$5,000. The Section did not make a donation to Access to Justice during the 2017-2018 fiscal year. A discussion ensued with respect to donations to this fund. A motion was made to approve a total donation in the amount of \$10,000 for Access to Justice, Community Legal Resources, during fiscal year 2018-2019. \$5,000 of the amount will be paid immediately and \$5,000 will be paid in June of 2019. The motion was seconded and passed unanimously, 13-0-0.

6. Committee/Directorship Reports.

A. Standing Committees.

(i) Business Courts Committee. A written report has been provided by the Business Courts Committee. Judge Yates reported that a massive overhaul of the court rules is currently with the Supreme Court and big changes could be coming soon. He also reported that he is Chair of the Legislative Committee and will gladly help with moving legislation through if needed.

(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. Mr. Klimko reported that a task force has been formed to examine the oppression provisions of the Business Corporation Act and the Limited Liability Company Act and make recommendations regarding changes to make it easier to understand and apply.

(iv) Debtor/Creditor Rights Committee. No written report. Ms. Calton reported that the Committee is active and is currently working on amendments to the Receivership Act.

(v) Financial Institutions Committee. No report.

(vi) In-House Counsel Committee. No report.

(vii) Law Schools Committee. A written report has been provided by the Law Schools Committee. A discussion ensued regarding various events and ideas to introduce law students to the Section and involve them in Section activities.

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

(ix) Nonprofit Corporations Committee. A written report has been provided by the Nonprofit Corporations Committee.

(x) Regulation of Securities Committee. A written report has been provided by the Regulation of Securities Committee.

(xi) Small Business Forum. A written report has been provided by the Small Business Forum. Mr. Haffey reported that a program on corporate oppression actions is scheduled for October 25 in Grand Rapids and November 1 in Detroit. The Detroit program will be held at WSU and is co-sponsored by the Wayne State Journal of Business Law. Admission will be free to law students.

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

B. Ad Hoc Committees.

(i) Ad Hoc Committee on Legal Opinions. A written report has been provided by the Ad Hoc Committee on Legal Opinions. Mr. Klimko provided background on the Statement of Opinion Practice and the Core Opinion Principles developed by the ABA Legal Opinions Committee and the Working Group on Legal Opinions (“Joint Committee”). The Joint Committee has asked relevant groups around the country to review and approve these documents in an effort to recognize a national customary practice with respect to legal opinions. The Joint Committee intends to publish a list of entities that have approved these documents. The Ad Hoc Committee has met and unanimously recommended Section approval of the documents. A motion was made to approve the Section’s endorsement of the Statement of Opinion Practice and the Core Opinion Principles. The motion was seconded and passed, 13-0-0.

ii. Ad Hoc Committee on Diversity and Inclusion. Mr. Peters reported that a subcommittee to investigate the Section’s participation in the Michigan Bar Association’s diversity activities has been formed and has met twice. The subcommittee has been appointed to draft a recommendation to Council to be presented at the December Council meeting.

C. Directorship Reports.

(i) Communication & Development Directorship. A written report has been provided by the Communication & Development Directorship. The Directorship will provide a recommendation regarding social media at the December Council meeting.

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

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

(iv) Programs Directorship. A written report has been provided by the Programs Directorship. Mr. Minkus discussed Business Boot Camp I. He reported that costs to put on the seminars have increased and that the Section must be willing to underwrite approximately \$12,000 in connection with this program. A motion was made to approve the Section holding the Business Boot Camp I program in 2019-2020 in Grand Rapids and Southeast Michigan. The motion was seconded and approved, 13-0-0.

A discussion ensued regarding the 2019 BLI. Lisa Gehrin introduced Jenni Colagioanni who will be planning the event with the Section. The event will be held October 4, 2019 at the Amway. Art Prize will not be held next year and will become an every other year event. An art event of some kind will be held in its place next year. Differences between the Amway and J.W. Marriott were discussed. ICLE will investigate both locations for the 2020 BLI.

a. ICLE Liaison. A written report has been provided by the ICLE Liaison. Ms. Donahue reported that ICLE requests Section co-sponsorship on the following webcasts at no cost to the Section:

- i. Navigate Non-competes and Trade Secrets;
- ii. Draft, Negotiate and Litigate Contracts;
- iii. Life Cycle of a Loan;
- iv. IP Issues for Business Lawyers;
- v. Impact of Wayfair on Online Businesses; and
- vi. Business Entity Update 2019.

A motion to approve Section co-sponsorship of the referenced webcasts was made, seconded, and passed, 13-0-0. Ms. Donahue reported that ICLE is seeking experienced business law attorneys to assist in providing input and advice with respect to training being developed in connection with its business transactions competency map. If anyone has interest, please contact Ms. Donahue.

(v) Publications Directorship. No report.

D. Liaisons.

(i) Probate Section. No written report.

(ii) Young Lawyers Section. No written report.

7. Other Business and Announcements. A discussion ensued regarding increasing Section membership. A joint program on cyber security with the Information Technology Law Section was discussed. Mr. Block will reach out to that Section.

8. Announcement of December 1 Council Meeting. The next Council meeting will take place on December 1, 2018 at 10:00 a.m. at Kerr, Russell in Detroit.

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 13-0-0, the meeting was adjourned at 10:25 a.m.

Respectfully submitted,

By: _____
John Schuring
Secretary