

STATE BAR OF MICHIGAN - BUSINESS LAW SECTION
COUNCIL MINUTES

October 8, 2016

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 Amway Grand Plaza Hotel in Grand Rapids, Michigan on October 8, 2016. Council members present were Kevin Block, Judy Calton, Jennifer Consiglio, Julia Dale, Shane Hansen, Mark Kellogg, Daniel Morley, Mark Peters, John Schuring, Aaron Silver (via telephone), James Waggoner, Ian Williamson, and Christopher Yates. In addition, Committee Chairs and Directors present were James Carey, Marguerite Donahue, Dee Dee Fuller, Patrick Haddad, Justin Klimko, Richard McDonald, Daniel Minkus, and Douglas Toering. Others present were Alexis Chadderdon, Lisa Geherin, Michael Khoury, and Terri Shoop.

1. Call to Order and Determination of Quorum. Section Chairperson Judy Calton called the meeting to order at approximately 9:00 a.m. and determined that a quorum was present.

2. Approval of Minutes of June 2, 2016 Council Meeting. Ms. Calton called for a motion to approve the Minutes of the June 2, 2016 Council meeting. Pursuant to motion duly made and seconded, the Minutes were unanimously approved, 13-0-0.

3. Treasurer's Report and Proposed Budget. A written Treasurer's Report and proposed Budget was provided to Council. Mr. Peters reported that revenue is down due to a reduction in membership and lack of Business Boot Camp last year. Mr. Peters presented the proposed Budget. A motion was made to approve the Budget for 2016-2017. The motion was seconded and unanimously approved, 13-0-0.

4. Council Approval of Committee Chair and Directorship Appointments. The following persons were appointed as Committee Chairs and Directors:

Committees:

Business Courts: Douglas Toering

Commercial Litigation: Douglas Toering

Corporate Laws: Justin Klimko

Debtor/Creditor Rights: Judy Calton
Judy Miller

Financial Institutions: DJ Culkar

In-House Counsel: Dawn Reamer
MaryAnn Kanary

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| Law Schools: | Mark Kellogg |
| LLC & Partnership: | James Carey |
| Nonprofit Corporations: | Jennifer Oertel Celeste Arduino |
| Regulation of Securities: | Patrick Haddad |
| Small Business Forum: | Bruce Haffey |
| Uniform Commercial Code: | Darrell Pierce |

Directorships:

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| Communication & Development: | Kevin Block Jennifer Consiglio Julia Dale Mark High |
| Legislative Review: | Eric Lark |
| Nominating | Dee Dee Fuller |
| Programs: | Dee Dee Fuller Eric Lark Daniel Minkus Mark Peters John Schuring |
| Publications: | D. Richard McDonald Brendan Cahill |

A motion to approve the Committee and Directorship appointments was made and seconded. The motion was unanimously approved, 13-0-0.

5. Chairperson's Report.

A. Access to Justice/Sponsorships. Ms. Calton reported that Michigan Community Resources is seeking an annual contribution from the Section. After discussion, a motion was made to make a contribution in the amount of \$5,000 to Access to Justice. The motion was seconded and unanimously approved, 13-0-0.

B. State Bar Specialty Certification Proposal. Ms. Calton discussed the topic of the State Bar Specialty Certification proposal. After discussion, it was decided not to pursue this issue.

C. Program on Legal Issues in Brexit. Ms. Calton reported that a program is scheduled on November 16 with the International Law Section on Brexit. The speakers will be Sara Jones and Philip Kessler. The City of Southfield has suggested that it will pay for the venue in exchange for the opportunity to give a brief speech regarding the Northland property.

D. Publicizing Section/Committee Events. Ms. Calton reported that she would like to increase participation in the Section. Ideas to increase participation are (i) to prepare and maintain list of events and list events in the e-newsletter, (ii) to publicize legislative issues, and (iii) to post Committee events on the Section website.

E. Creating Section Liaisons. Ms. Calton suggested a subcommittee to work on defining liaison responsibilities. The Ad Hoc Strategic Planning Committee will address the liaison matter. The Young Lawyers Section has expressed an interest in having a liaison to the Section. Jim Waggoner volunteered to be the Liaison to the Young Lawyers Section. A discussion ensued regarding sponsorship of the Young Lawyers Summit. It was determined that this event was not beneficial to the Section.

F. Procedure for Intersection Events and Announcements. Ms. Calton discussed requests from other sections to send messages to our listserv. The current procedure is that these requests are approved by the Executive Committee. After discussion it was agreed that the approval process would remain the same.

G. Participation at State Bar Annual Meeting. Ms. Fuller discussed participation at the State Bar Annual Meeting, which was not favorable. After discussion, it was recommended that the Section forgo participation in this event in the future.

It was suggested that a liaison with the Solo & Small Firm Section may be helpful. A poll of Solo & Small Firm Section members may be helpful to determine their interests. ICLE will provide our Section with their list of Solo & Small Firm members for purposes of a survey.

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 on the Business Court cleanup legislation and the heavy case loads of the Business Court judges.

(ii) Commercial Litigation Committee. A written report has been provided by the Commercial Litigation Committee. Mr. Toering reported that the Committee is planning a November seminar on the Defense of Trade Secrets Act which will be co-sponsored by the Intellectual Property Section. The Committee is also planning a program on antitrust law and class actions which will be co-sponsored by the Antitrust, Franchising & Trade Regulation Section.

(iii) Corporate Laws Committee. A written report has been provided by the Corporate Laws Committee. The Committee has been asked to support the development of benefit corporation legislation (HB 5710-5713). The Committee has

been working with the primary sponsors, Rep. Christine Greig, Rep. Hank Vaupel, and Rep. Greig's legislative aide, Heidi Zabik, on reviewing and making suggested modifications to the legislation. The Committee recommends support of HB 5710-5713. In addition, the package of proposed amendments has been introduced by Sen. Mike Kowall as SB 1048. The Committee will express its support for SB 1048 as part of the legislative process. The Committee hereby requests Council approval to express support for both initiatives.

A motion was made for the Section to give its support with respect to HB 5710, HB 5711, HB 5712 and HB 5713 and SB 1048. The motion was seconded. A roll call vote was taken as follows:

Kevin Block – yea

Judy Calton – yea

Jennifer Consiglio – yea

Julia Dale – yea

Shane Hansen – yea

Mark Kellogg – yea

Daniel Morley – yea

Mark Peters – yea

John Schuring – yea

Aaron Silver – yea

James Waggoner – yea

Ian Williamson – yea

Christopher Yates – yea

The motion passed 13-0-0. A Position Statement will be filed in this matter.

(iv) Debtor/Creditor Rights Committee. A written report has been provided by the Debtor/Creditor Rights Committee. Ms. Calton reported that the Council previously approved the Committee advocating amendments to MCL 600.6023 so that exemptions outside bankruptcy are not limited to only one IRA or one college savings plan, but apply to all eligible IRAs and college savings plans. A subcommittee has been working on this and support of the Probate and Employee Benefits Sections has been obtained. These Sections have had discussions with the Oakland County Bar Association. Due to this work, the amendment has modest changes. The Committee is requesting that the Council confirm and approve this new version of the proposed

Amendment. A motion was made to approve the Committee advocating amendments to MCL 600.6023, as revised. The motion was seconded and passed, 12-1-0, with Ian Williamson voting against.

(v) Financial Institutions Committee. No report.

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

(vii) Law Schools Committee. No report.

(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. Mr. Haddad led a discussion regarding the proposed administrative rules. A motion was made to approve the Rules Review Subcommittee of the Regulation of Securities Committee to take a public policy position on proposed administrative rules (securities) published in the Michigan Register on September 1, 2016. The motion was seconded and passed, 12-0-1, with Julia Dale abstaining. Mr. Haddad will proceed with submitting the policy position. Ms. Dale explained the work that LARA has done with respect to this issue.

(xi) Small Business Forum. A written report has been provided by the Small Business Forum.

(xii) Uniform Commercial Code Committee. No report.

B. Ad Hoc Committees:

(i) Strategic Plan Committee/21st Century Practice Task Force. Ms. Fuller reported that a survey was distributed to Section members and responses were received. The survey results were provided to Council. The Committee will review the 21st Century Task Force information and work to incorporate it into the Strategic Plan as appropriate. The Committee expects the Strategic Plan project to be completed within one year.

C. Directorship Reports.

(i) Communication & Development Directorship. A written report has been provided by the Communication & Development Directorship. The Directorship is looking into methods of publicizing events.

(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 reported that planning for the 2017 Business Law Institute (“BLI”) is beginning now. A discussion ensued regarding locations and considerations with respect to the BLI. The 2017 BLI will be held in Grand Rapids. Business Boot Camp 1 will be held November 3-4, 2016 in Grand Rapids and January 30-31, 2017 in Plymouth. 16 firms have registered at the firm level.

a. ICLE Liaison. A written report has been provided by the ICLE Liaison. ICLE requests that the Section approve co-sponsorship with ICLE of a studio webcast entitled “Advising Businesses that Sell Goods or Services Online” (May 17). A motion was made to approve co-sponsorship with ICLE of “Advising Businesses that Sell Goods or Services Online”. The motion was seconded and approved 13-0-0.

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

D. Liaisons.

(i) Probate Section. No report.

7. Other Business and Announcements. Ms. Dale reported on several LARA matters including the permanent retention policy, the online filing system, changes in State government, and the ORR website.

8. Announcement of December 3, 2016 Council Meeting. The next Council meeting will take place on December 3, 2016 at 10:00 a.m. at Foster Swift Collins & Smith in Southfield.

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 approximately 10:55 a.m.

Respectfully submitted,

By: _____
Jennifer Consiglio
Secretary