

Regulation of Securities

Report Prepared for the December 6, 2008 Council Meeting

By Jerry Schwartz

1. Next Scheduled Meeting of the Committee.

The most recent meeting was held June 10, 2008. The date of the next meeting will depend in part on the progress of the proposed new Uniform Securities Act (2002) in the Michigan legislature, and when the Committee can be helpful in reviewing and commenting on proposed rules for the Act.

2. Council Approval.

No approvals are being requested.

3. Membership

During the past two years, we have created a current Committee membership of about 70 persons, including men and women with experience ranging from very little to extensive, members of law firms of all sizes, attorneys from private and public companies, an attorney from the Michigan securities office, and from a law school. The Committee has some diversity, and we are looking for opportunities to expand the Committee's diversity.

4. Accomplishments Toward Committee Objectives

The Committee has been successfully organized. Its members wrote articles for the securities law edition of *The Michigan Business Law Journal* published for the Fall of 2007. The Committee meets periodically, and has established communications with the staff of the Michigan securities office. Meetings include presentations on recent developments in federal and state securities law, the Michigan legislature and the Michigan securities office.

5. Meetings and Programs

The Committee has been asked by the Michigan securities office to comment on drafts of rules for the proposed new Uniform Securities Act (2002) when the rules become available. The Committee is waiting for the drafts to become available, and when they are, will be scheduling meetings to review and comment on the rules.

The Committee's most recent prior meeting was Tuesday, June 10, 2008. The following presentations were made at that meeting:

- Stuart Sinai—"Stoneridge: Escape from Securities Liability Notwithstanding Active, Intentional, Deceptive Conduct" (re Rule 10b-5)
- Patrick Haddad—Recent Amendments to Regulation D
- Christopher Persaud—"Carbon Offsets and Their Relevance for the Securities Lawyer"
- Linda Cena (Securities Director of the Michigan Office of Financial and Insurance Regulation)—Proposed New Uniform Securities Act

6. Publications

Three members of the Committee wrote articles for the Fall 2007 issue of *The Michigan Business Law Journal*

7. Legislative/Judicial/Administrative Developments

The Uniform Securities Act (2002) was introduced in the Michigan legislature on July 10, 2007 as House Bill 5008 (primary sponsor: Bill Huizenga). The Bill passed the House on April 30, 2008 by a vote of 106 to 0. On May 1, 2008, it was assigned to the Senate Committee on Banking and Financial Services. No recent progress has been publicly reported for this Bill.

8. Miscellaneous

Nothing to report.

If I can be of help to you, please let me know. My contact information is Jerry Schwartz, Dickinson Wright PLLC, 500 Woodward Avenue, Suite 4000, Detroit, Michigan 48226. Phone: 313-223-3628. Email: jschwartz@dickinsonwright.com.

Date: November 25, 2008