

**MICHIGAN AD HOC COMMITTEE ON LEGAL OPINIONS
REPORT PREPARED FOR THE DECEMBER 5, 2009 COUNCIL MEETING**

1. 2009-2010 Budget Request and Anticipated Use of Funds.

We have requested a budget of \$5000 for this fiscal year for meeting expenses.

2. Use of Budgeted Funds During 2008-2009.

In 2008-2009 we used a nominal amount of funds only for meeting expenses, primarily conference telephone charges.

3. Next Scheduled Meeting of the Committee.

The Committee is working on drafts of sections of its planned reports and has not scheduled its next meeting.

4. Council Approval.

The Committee does not request Council approval of any items at this meeting.

5. Membership.

The Committee remains open to participation by any interested parties. The Committee has 12 members on its active roster.

6. Accomplishments Toward Committee Objectives.

The Committee and its working groups are reviewing various materials, performing research and considering transaction opinion issues as well as preparing drafts of sections of the ultimate work product that the Committee will issue. The Committee and its work have been noted by the Legal Opinions Committee of the American Bar Association and by the Working Group on Legal Opinions, a national group that considers legal opinion developments in which several Committee members participate. A copy of the Committee's background statement has been posted to the Legal Opinion Resource Center web site maintained by the ABA Legal Opinions Committee.

7. Meetings and Programs.

The Committee has hoped to publish its report by the end of the first quarter of 2010, although its progress has been slowed somewhat by the maternity leave of one of the working group leaders. I have agreed to participate in a presentation on the Committee's activities at the 2010 Business Law Institute.

8. Publications.

The Committee intends to issue a report that will address recommended resources for Michigan lawyers engaged in rendering third party legal opinions, areas in the 1991 Michigan report that need to be updated or have become obsolete, and areas of specific significance under Michigan law relating to delivery of third party legal opinions. The Committee expects that its report will be published in the Michigan Business Law Journal or the Michigan Bar Journal.

9. Legislative/Judicial/Administrative Developments.

The Committee is aware of no reported cases in the most recent quarter dealing with legal opinion issues or liabilities. The State of New York adopted a very intrusive power of attorney law in 2009 that has implications for attorneys delivering opinions that rely for authorization or action on powers of attorney executed in New York. The statute's provisions are so broad that it may cover many ordinary agencies, such as simple corporate proxies and brokerage agreements. New York lawyers have mounted efforts to persuade legislators to amend the statute so as to limit it to estate planning and related situations, which was cited as the original target of the statute.

10. Analysis of Applicable Strategic Plan Issues.

The activity of the Committee is related to the Strategic Plan mission of promoting greater understanding and learning for Michigan business lawyers in areas related to business transactions.

11. Miscellaneous.

The Committee welcomes ideas, thoughts or suggestions relevant to its activities. Suggestions in this regard may be addressed to me or any other Committee member.

Any questions regarding this report may be directed to me.

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