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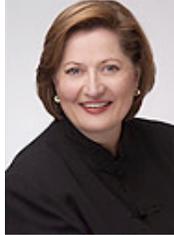
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to view last month's issue.



2007 National Conference for the Minority

Message from the Chair, Linda Hayman



Write your Congressman or Congresswoman. Urge them to increase judicial salaries. On behalf of the Section of Business Law, I [have written to urge Congress to increase judicial pay](#). The inadequate compensation of our federal judiciary is threatening not only the independence of our judiciary but the attractiveness of the profession to potential jurists. And the importance to the business community is self-evident. The increasing number of complex business cases demands a judiciary of the highest caliber.

The ABA has collected some of the disheartening statistics and you can access them easily [here](#). A few highlights:

- Since 1969, the year in which the first comprehensive adjustment of judicial salaries occurred, a judge's pay has declined by approximately 25%, while the pay of the average American worker has increased by almost 19% when adjusted for inflation. If judicial salaries had kept pace with the increase in wages for the average American worker, the salary of district court judges would now be \$261,000.
- Since the last pay raise took effect in 1992, when adjusted for inflation, the average American worker's wages has risen 18.5% and most federal workers' pay have risen 15%. In contrast, the pay of federal judges has declined 10.8% as a result of their not receiving cost-of-living adjustments in 1994, 1995, 1996, 1997, 1999 and 2007. The cumulative compensation lost totals \$208,500 for district judges.
- The median salary for law school deans is approximately \$230,000 - about 42% more than salaries of district court judges. The differential between judicial salaries and those of non-profit leaders is even greater.
- In the business community, the salaries of judicial clerks may exceed those of the judges within a few years after leaving their clerkships. Judges who leave the bench to participate in mediation and arbitration can expect to triple or quadruple their salary immediately.

I urge you to read the Volker Commission Report on Judicial Pay, as well as the statements of Justice Breyer, Justice Alito and Justice Kennedy. These can easily be accessed [here](#).

In addition to [testifying to Congress](#), Justice Breyer also addressed the members of our Section on the same subject ([click here for full audio](#)). In response to a question posed at our Section's Spring Meeting, Justice Breyer stressed the importance of attracting judges from diverse backgrounds:

"I think you want a lot of federal judges who would, in a sense, grow out of the community. Now, what does that mean? It means they're pushed into their job by others, they're recommended by others. Why? Because it's a man or a woman who's recognized by the bar and those he works with are segments of the community. * * * Now traditionally, the federal judiciary has been somewhat like that in the sense that when you look at a group of judges, they come from a lot of different places. There can be some who previously were magistrates or state court judges. There should be some who previously were in the bar. What bar? Every bar. Large firms, small firms, this kind of practice, that kind of practice. * * * But I'll use the word diversity to describe it and I'll say, from that point of view, there is a growing problem. * * * And if you look at the judges of the federal court that President Eisenhower appointed, you see that probably one in five came from what I call a judicial career previously - a magistrate, a State Court Judge, etc. One in five, fine. We want people who have that professional background; there's some great judges from that background. But then I see that that background has gone up to over half... over half. And then I say, "Well, what's happening? We're going to become a judiciary as they have in France, as they have in Belgium, other places on the continent." Nothing wrong with that. There's some very good judges there, but that's not our system. And that's not a system that ultimately will reflect a group of people who understand their communities well enough."

As business lawyers, our community is the business community. It is important that

Lawyer
June 28-29, 2007
Boston, MA
Format: Live/In-Person



2007 Annual Meeting
August 10-14, 2007
San Francisco, CA
Format: Live/In-Person

Advance Registration Ends Friday,
July 6, 2007, 5:00 p.m. CST

BUSINESS LAW CLE CONNECTION

Class Actions/Consumers: Do the Twain Still Meet?

Teleconference
06/20/2007 - 06/20/2007
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For complete program details,
[Click Here](#)
To register, call 1-800-285-2221

The ABCs of Securitization

Video Conference
06/21/2007 - 06/21/2007
Multi-site

For complete program details,
[Click Here](#)
To register, call 1-800-285-2221

Broken Plan Basics: Using the EPCRS DFVC and VFPC Toolboxes

Webcast/Teleconference
06/26/2007 - 06/26/2007
Multi-site

For complete program details,
[Click Here](#)
To register, call 1-800-285-2221

6th Annual Commercial Law Developments Update

Webcast/Teleconference
07/18/2007 - 07/18/2007
Multi-site

For information on future programs,
check out the
[Section Meetings Calendar](#).

For more information on upcoming
Committee Meetings contact
ruppr@staff.abanet.org.

BEST OF BUSINESS LAW BOOKS

[A Practical Guide to Software Licensing for Licensees and Licensors, Second Edition](#)

lawyers who practice in business settings (whether in private law firms or in-house) continue to be attracted to service on the bench. But today the business lawyer contemplating service on the bench often faces a severe and unacceptable decrease in compensation. One can only be concerned how many future business lawyers will choose the judicial path.

Linda Hayman
Chair, Section of Business Law

PRACTICE POINTS

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Changes to LIBOR Definitions in Credit and Other Agreements.

As a result of Reuters's acquisition of MoneyLine Telerate, the references in the typical definition of Eurodollar Rate should be updated in any credit or other agreement that uses a customary definition of Eurodollar Rate (or LIBOR for dollar-denominated deposits). Check your documents to determine whether changes are needed.

[Print Materials](#) | [E-mail to a Colleague](#)

From the *Commercial Law Newsletter*, the Newsletter of the Committees on [Commercial Financial Services](#) and [Uniform Commercial Code](#), January 2007.

2006 Commercial Law Developments.

Review the significant commercial law developments in 2006—in a 67-page detailed outline and the audio from the program.

[Print Materials](#) | [Audio](#) | [E-mail to a Colleague](#)

Presented by the Committees on [Commercial Financial Services](#) and [Uniform Commercial Code](#) at the 2007 Spring Meeting - March 15-18, 2007.

The Latest in Corporate Governance for Directors: The Corporate Director's Guidebook V.

Directors' decisions continue to be challenged by stockholders in a variety of contexts including litigation. *The Corporate Director's Guidebook* provides guidance to directors and aspiring directors in meeting the myriad of challenges facing corporations. Read the materials and listen to the audio.

[Print Materials](#) | [Audio](#) | [E-mail to a Colleague](#)

Presented by the Committee on [Corporate Laws](#) at the 2007 Spring Meeting - March 15-18, 2007.

Hot Topics in Cyberspace—2007 Edition.

These written materials and the program audio provide a great review of the latest developments in cyberspace law.

[Print Materials](#) | [Audio](#) | [E-mail to a Colleague](#)

Presented by the Committee on [Cyberspace Law](#) at the 2007 Spring Meeting - March 15-18, 2007.

Director Oversight Duties After Caremark.

The Delaware Supreme Court's decision in *Stone v. Ritter* deals with directors' duty to oversee corporate compliance. The complaint alleged that the failure of the AmSouth directors to implement effective reporting systems and internal compliance monitoring resulted in approximately \$50 million in losses to AmSouth.

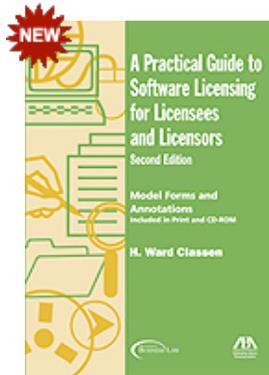
[Print Materials](#) | [E-mail to a Colleague](#)

From the *Director and Officer Liability Newsletter*, the Newsletter of the Committee on [Director and Officer Liability](#), March 2007.

Foreign Investment in the U.S.: The CFIUS Process.

The President of the United States has broad authority, under the Defense Production Act, to review and, potentially, block mergers, acquisitions, and takeovers that could result in foreign control of persons engaged in interstate commerce in the United States.

[Print Materials](#) | [Audio](#) | [E-mail to a Colleague](#)



The following excerpt is taken from **A Practical Guide to Software Licensing for Licensees and Licensors, Second Edition** by **H. Ward Classen**, Copyright 2007 by ABA Section of Business Law. Reprinted here with permission. The material contained herein represents the opinions of the authors and editors and should not be construed to be the action of either the American Bar Association or the Section of Business Law unless adopted pursuant to the bylaws of the Association. Nothing contained herein is to be considered as the rendering of legal advice for specific cases, and readers are responsible for obtaining such advice from their own legal counsel. To request reprint permission, contact the Manager, Copyrights and Licensing, at (312) 988-6102.

[More](#)

For the complete excerpt, [click here](#)

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The Series LLC—Raises Serious State Tax Questions But Few Answers Are Yet Available.

The few existing series LLC laws generally allow each series to be treated as a separate entity for state law purposes; but it is unclear whether each series will be treated as a separate entity for federal and state tax purposes.

[Print Materials](#) | [E-mail to a Colleague](#)

From [PUBOGRAM](#), the Newsletter of the Committee on [Partnerships and Unincorporated Business Organizations](#), February 2007 - Volume XXIV, no 2.

Clean Technology Investments: Tremendous Opportunities and Unique Challenges for Venture Lawyers.

Venture capital investment in clean technology, according to one source, represented more than 10% of the total venture dollars invested in 2006. That made it the fastest growing venture capital sector, and experts predict that investments in clean technology will only increase.

[Print Materials](#) | [E-mail to a Colleague](#)

From the [Preferred Returns](#), the Newsletter of the Committee on [Venture Capital and Private Equity](#), March 2007.

FEATURES

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Words of Wisdom: BLS Advisors on Changes in the Profession - Is This Progress?

The BLS Advisors program recognizes individuals who have distinguished themselves as practitioners, teachers, or government officials in one or more of the areas in which committees of the Section of Business Law are active. The Section looks for senior lawyers with national reputations who are interested in sharing the wisdom and knowledge they have accumulated over years of practice. In this program, four of our Section's Advisors evaluate the pluses and minuses of such changes in the profession as the growth of the "mega-firm," the faithlessness of clients, the primacy of "big bucks," the advent of lateral "poaching," and technology overload.

Chair:

- **James Freund**, Of Counsel, Skadden Arps Slate Meagher & Flom LLP, New York, NY

Speakers:

- **Professor Harvey Goldschmid**, Dwight Professor of Law, Columbia University School of Law, New York, NY
- **Honorable Myron T. Steele**, Chief Justice, Supreme Court of the State of Delaware, Dover, DE
- **Honorable Patricia Wald**, Retired Chief Judge, U.S. Court of Appeals, Washington, DC

[Print Materials \(96 MB\)](#) | [Audio](#) | [E-mail](#)

Thank You to the 2007 DirectWomen Institute Sponsors.

The DirectWomen Institute and Awards Luncheon held March 29-30 at the Waldorf=Astoria in New York was a memorable event for the Section. Participants at the Institute included not only a group of qualified women selected to attend the Institute, but also outstanding faculty discussing topics such as the roles and responsibilities of the director and the board, leadership and strategy, the fundamentals of financial statements and officers' liability. Over 300 individuals were present at the DirectWomen Awards Luncheon which paid tribute to the women attorneys serving as corporate directors and the companies on whose boards they serve. In addition, the DirectWomen Institute's inaugural class was introduced. Plans are underway for the 2008 DirectWomen Board Institute, February 20-22, New York, NY and for more information [click here](#).

Thanks to all of our sponsors, especially our Gold Premier, who helped make all this possible.

GOLD PREMIER



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Committee Spotlight

To learn more about or join the committees that contributed to this month's practice points, just click on the committee name below.

- [Commercial Financial Services](#)
- [Corporate Laws](#)
- [Cyberspace Law](#)
- [Director and Officer Liability](#)
- [Negotiated Acquisitions](#)
- [Partnerships and Unincorporated Business Organizations](#)
- [Uniform Commercial Code](#)
- [Venture Capital and Private Equity](#)

Section members are eligible to join the Section's committees at no additional cost. Become involved or simply stay in the information flow. It's FREE!

Report to the Business Law Section Officers, Council and Committee Chairs.

The Nominating Committee, consisting of Steve Weise, Alvin Thompson, Roland Brandel, Arthur Field, Jean FitzSimon, Linda Hayman (*ex officio*), Charlie McCallum (*ex officio*) and Barbara Mendel Mayden, assisted by Section Director, Sue Daly, recommends the following slate of officers to be elected at the Annual Meeting in August 2007:

- **Chair-Elect:**
 - Karl J. Ege, Tacoma, WA
- **Secretary:**
 - Lynne B. Barr, Boston, MA
- **Delegate to the ABA House of Delegates for a two year term ending August 2009:**
 - Maury Poscover, St. Louis, MO
- **Delegate to the ABA House of Delegates for a three-year term ending August 2010:**
 - Amelia H. Boss, Philadelphia, PA
- **Council Positions for terms ending August 2011:**
 - Mitchell L. Bach, Philadelphia, PA
 - Conrad G. Goodkind, Milwaukee, WI
 - Paul (Chip) L. Lion, III, Palo Alto, CA
 - Timothy M. Lupinacci, Birmingham, AL
 - Jacqueline Parker, Seattle, WA

The ABA Section of Business Law is now accepting applications for its Fellows Program.

The goal of the Program is to increase the participation of young lawyers in Section activities. The Section is committed to investing dollars in young lawyers who are expected to participate actively in the substantive work of the Section and to grow into future leadership positions within the Section. The Program is designed not only to develop future leaders of the Section but also to enhance the image of the Section among members of the YLD in order to attract young lawyers into Section membership. The Section will select five Fellows and will fund their expenses to participate in Section activities for two years. Applications are due **July 6, 2007**. For more information about the program, [click here](#).

The ABA Section of Business Law is now accepting applications for its Ambassadors Program.

The goal of the Program is to increase the participation of lawyers of color in Section activities. The Section is committed to investing dollars in lawyers of color who are expected to participate actively in the substantive work of the Section and to grow into future leadership positions within the Section. The Program is designed not only to develop future leaders of the Section but also to enhance the image of the Section among members of the national minority bar organizations in order to attract lawyers of color into Section membership. The Section will select five Ambassadors and will fund their expenses to participate in Section activities for two years. Applications are due **July 6, 2007**. For more information about the program, [click here](#).

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The Section of Business Law of the American Bar Association

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