QUESTION 9 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK III OR IN EXAMPLIFY ANSWER SCREEN 9

Widgets R Us (WRU) is a Michigan corporation located in Genesaw County, Michigan.

Sam Smith, through his friend, Eddie Edwards, sent a written demand to WRU, seeking to inspect the company's list of shareholders. The written demand was accompanied by a notarized document authorizing Eddie Edwards to act on Sam Smith's behalf. Sam, who owned .1% of WRU stock, claimed that the purpose for demanding the list of shareholders was his interest in seeking a position on the board of directors.

In February 2017, Larissa LaRue, owner of 10% of WRU stock, and also a vice-president at one of WRU's fiercest competitors, sent a written request to WRU. Larissa demanded to inspect the design specifications of WRU's newest widget. She claimed that the purpose for the request was to ensure that the new widget design was aesthetically pleasing.

WRU summarily denied both requests. WRU claimed that Sam Smith had no right to inspect the company's list of shareholders, because he only owned a miniscule amount of WRU stock and because he did not personally make the demand. Rather, he made it through his friend. WRU claimed that Larissa had no right to review the design specifications of the newest widget, because she was employed by WRU's competitor.

Subsequently, both Sam and Larissa filed suit in Genesaw circuit court, demanding to view the corporate records sought.

Applying Michigan law, discuss:

- 1. Which party has the burden of proof.
- 2. Sam and Larissa's likelihood of obtaining the corporate records sought.