

**QUESTION 3 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK I
OR IN SOFTEST ANSWER SCREEN 3**

The Mighty Miter Company (MMC) is a Michigan corporation whose sole place of business is located in Montegan County, Michigan.

On November 10, 2014, Vicky Valon, a minority shareholder of MMC, sent a written demand to MMC demanding that her agent, Carl Corts, be allowed to inspect the corporation's stock ledger. Her written demand indicated that the purpose of the inspection was to buy additional shares of the company's stock by soliciting other shareholders. No additional information was provided.

Two days later, another MMC minority shareholder, Paul Pigeon, sent MMC a written demand seeking copies of certain MMC financial records. His demand letter indicated that in order to protect his interest as a shareholder, he sought information regarding discrepancies between actual expenditures and MMC's operating budget in order to determine why MMC has been losing money.

On November 14, 2014, MMC sent a response to both Vicky and Paul. MMC flatly refused to allow Carl Corts to inspect MMC's stock ledger. As for Paul, MMC indicated that it would provide the information, on condition that Paul first pay a "labor and material" charge of \$150. Infuriated, Paul and Vicky filed suit in Montegan County Circuit Court, asking that the court compel MMC to provide the information sought.

Applying Michigan law, fully explain whether (1) Vicky is likely to prevail in obtaining the corporate information she seeks, including whether Vicky or the corporation has the burden of proof, and (2) whether Paul is likely to obtain the copies of financial records without paying the charge.