

**FEBRUARY 2021 MICHIGAN BAR EXAMINATION
MORNING SESSION**

QUESTION 1 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK I OR IN EXAMPLIFY ANSWER SCREEN 1

Paul Revere had been employed by Boston Bakery until his manager, John Adams, terminated him for eating too much product. Boston Bakery is a small bakery located in Boston, Massachusetts, where it is also incorporated. Boston Bakery only does business with local Bostonians and tourists who visit its one store located near Fenway Park. After Paul's employment was terminated, he moved back to Michigan.

Angry over his termination, Paul decides to sue both Boston Bakery and Adams. Two weeks after filing the complaint in a Michigan circuit court, Paul's wife Rachel – who was furious about Paul's termination – drove to Boston to serve the summons and complaint on Adams and Boston Bakery. While approaching the bakery, Rachel ran into John Hancock, a director of Boston Bakery, who happily greeted her. Rachel pulled out the envelope with the summons and complaint for Boston Bakery, which she handed to Hancock. Not pleased with the turn of events, Hancock told Rachel to "take a hike," and as he turned to walk away, Rachel threw the envelope containing the summons and complaint for Adams at Hancock, yelling "you can give that to the traitor Adams, and tell him he should have stuck with farming!" Unbeknownst to Rachel, Hancock threw the envelope for Adams into the trash bin outside the bakery, and never said anything about the lawsuit to Adams. Before she left Boston, Rachel mailed a registered envelope containing the summons and complaint to Boston Bakery's office.

Under these facts, and applying Michigan law, explain:

- 1. Whether Rachel properly served the summons and complaint upon Adams;**
- 2. Whether Rachel properly served the summons and complaint upon Boston Bakery; and**
- 3. Whether, assuming the answer to question 2 is yes, the Michigan circuit court can constitutionally exercise personal jurisdiction over Boston Bakery.**

QUESTION 2 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK I OR IN EXAMPLIFY ANSWER SCREEN 2

Pamela has owned a thrift business in the downtown area of a Michigan city for many years selling used clothes. When the area became impacted by the COVID pandemic, she had to close her business. Pamela experienced a terrible loss of income. Pamela moved her business to her suburban home located in a subdivision zoned residential use only. Initially, Pamela only sold online and shipped the purchased items. Sales were slow. Pamela could not afford extensive advertising. Pamela was advised that she could make money by selling directly out of her house and advertising the in-home business. Pamela placed two medium sized billboards at the opposite ends of her 1/2-acre property. The signs are illuminated at night by four bright spot lights, which are turned off at 8 p.m. daily when she closes.

The signs read:

Pam's Used Clothes
Hours: 11 am to 8 pm
(555) 555-5555

Business increased as did car traffic in the neighborhood. A city inspector visited Pamela's house after receiving a complaint about the business. The city inspector told Pamela the signs conflicted with the residential character of the neighborhood and violated the city ordinance that allows residents to participate only in minimal commercial activity. The ordinance states:

"A home occupation on property zoned residential is permissible only if it does not create a nuisance to the surrounding neighborhood; does not increase traffic more than nominally; and does not cause the erection or maintenance of any signs on the property."

Pamela was instructed to remove the two signs and lights. She refused and she was issued a citation.

Pamela went to court and argued the signs were her only practical and effective means of advertising. Pamela said she explored, but could not afford, other means of advertising. Pamela said she needed the signs for her business and that the city has no right to curtail her speech.

****THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK I OR IN EXAMPLIFY ANSWER SCREEN 2****

The city responded that signs are not allowed in her area because the signs change and ruin the residential character of the neighborhood.

Pamela complains that the ordinance violates her right to free speech under Michigan and federal law. Is Pamela correct? Fully explain your answers.

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

Phillip claims that his coworkers at Dyna-Rite Drugs subjected him to a hostile work environment because of his race. Phillip brought suit against Dyna-Rite in a Michigan circuit court, but his first trial ended in a mistrial. A retrial is scheduled for next month.

In the first trial, Phillip testified that he endured numerous racial slurs by his coworkers, which he claimed he reported under Dyna-Rite's anti-harassment policy. Dyna-Rite countered that (1) the policy required a written statement and neither Phillip nor Dyna-Rite has evidence any such statement was submitted; and (2) the Dyna-Rite facility is an open workspace, and no coworker witnessed any racial slur.

One coworker, Wanda, testified during the first trial to having heard an alleged racial slur. Wanda, however, recanted her trial testimony in a post-trial deposition in which counsel for both parties questioned her. Shortly after the deposition, Wanda resigned from Dyna-Rite, explaining that Phillip had contacted her to confess that Dyna-Rite had never treated him in a racially hostile manner, but he feared being exposed as a liar. Dyna-Rite notified the court of the alleged contact and an evidentiary hearing was held. Dyna-Rite appeared at the evidentiary hearing and examined Wanda, who testified that Phillip expressed despair over having his false claim exposed and she agonized over having contributed to his false claim. She further testified that she had pleaded with him to drop his claim, but he refused. Phillip's counsel declined to attend the evidentiary hearing, claiming Wanda's newfound story was a farce. Wanda subsequently moved to Florida.

At the final pretrial conference, Phillip announced that despite diligent efforts to locate and serve Wanda with a trial subpoena, he had been unsuccessful in procuring her attendance at the new trial. Phillip wants to read to the jury Wanda's testimony from the first trial pursuant to MRE 804(b)(1). Dyna-Rite, acknowledging it also could not serve Wanda, objected to the trial testimony, arguing Phillip should be estopped from using admittedly false testimony. Dyna-Rite then moved to allow use of Wanda's post-

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

trial deposition testimony and her evidentiary hearing testimony pursuant to MRE 804(b)(5)(B) and MRE 804(b)(1), respectively, to offset the false trial testimony and to explain Wanda's current reluctance to be found. Phillip objected to the deposition testimony and hearing testimony because Wanda's deposition testimony and her claim concerning Phillip's alleged confession were both hearsay. Phillip also asserted that Dyna-Rite could not rely on MRE 804(b)(1) for the hearing testimony because his counsel did not cross-examine Wanda at the hearing.

Answer the following questions:

- 1. How should the court rule on whether Wanda's former trial testimony should be admitted under MRE 804(b)(1)? Explain why.**
- 2. How should the court rule on whether Wanda's deposition testimony should be admitted under MRE 804(b)(5)? Explain why.**
- 3. How should the court rule on whether Wanda's evidentiary hearing testimony should be admitted under MRE 804(b)(1)? Explain why.**

GO TO BLUEBOOK II

QUESTION 4 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK II OR IN EXAMPLIFY ANSWER SCREEN 4

Jason and Joni met at age 18 in 2008, started dating immediately, and moved in together in January 2010. Jointly renting a home to live in, they also shared just about everything else regarded themselves as a couple, and otherwise held themselves out as inseparable in all walks of life. After eight years of living together, the couple married in late 2018.

After their wedding, which had been attended by both families, except Joni's only grandmother, Jason and Joni quickly grew apart and quarreling took hold of their marriage. Central to their acrimony was the birth of a full term baby boy six months after the wedding.

In the summer of 2020, Joni separated from Jason and filed for divorce seeking custody, child support, alimony, and an equitable distribution of the marital estate. She maintains that, because they lived together for eight years before they married, and held themselves out as a couple, the "length of the marriage" was actually ten years and not less than two. This, Joni reasons, strengthens her claim for alimony, based on the length of the marriage, and her claim that Jason's pre-owned and separately held investment property, worth \$2 million, should be included in the marital estate.

Jason disputes Joni's claims. He argues his prior-owned property should not be included in the marital estate. While conceding a slight disparity in their incomes, Jason counters that their marriage is not even two years old and that such a short marriage does not warrant an alimony award. Jason has "no problem" with Joni getting custody but disputes he should be obligated to pay child support because the baby was "conceived before marriage." Jason also lays claim to one-half of a \$2 million inheritance Joni received from her grandmother's will a week after separation and filing for divorce and which Joni deposited in her separate – not the parties' joint-account. Joni's grandmother (who died right after the wedding) despised Jason from the moment she met him, boycotted the wedding, and was with her estate lawyer signing the will at the time of the ceremony. The bequest was described "as Joni's sole property."

****THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK II OR IN EXAMPLIFY ANSWER SCREEN 4****

Under Michigan law, evaluate the parties' requests. Explain your answers.

QUESTION 5 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK II OR IN EXAMPLIFY ANSWER SCREEN 5

Patty acquired a certain plot of land and home in Valleyfield, Michigan from Sam in March 2012. Sam had purchased the property in March 2002. Throughout Sam's ownership, he believed that the property included a small island within a stream. Sam conveyed title to the property to Patty through a warranty deed describing the property with the same legal description through which Sam acquired it. Prior to the closing of the property between Sam and Patty, Sam had toured the property with Patty, including showing her the island.

In 2002, Sam built a small foot bridge to the island to allow him easy access. During the summer, he regularly mowed the grass and kept up with general maintenance of the island and maintained a hammock and table on the island. When Patty acquired the property, she continued to mow the grass and also kept up with the general maintenance of the island and maintained the hammock and table during the summer.

In 2017, Nancy, who owns the property adjacent to the property Patty acquired, had a survey completed on her property (the accuracy of which is not disputed), which shows that she owns the island. In March 2020, Nancy demanded that Patty remove the hammock and table and stop trespassing on the island.

Applying Michigan law, fully discuss any claims Patty might assert to establish her rights to possess or use the island. Do not discuss any claims Patty may have against Sam.

QUESTION 6 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK II OR IN EXAMPLIFY ANSWER SCREEN 6

Jack and Jill were driving from Southwest Michigan to Northern Michigan in their brand new sports car. Jack had been driving for about four hours, was thirsty and told Jill he wanted to stop and get a soda. It was just starting to get dark. Jack pulled off the expressway in a very rural area into a gas station with a convenience store. Jack parked his car near the front door of the station with the driver's door facing the station. Jack asked Jill if she wanted anything and Jill said "No."

Jack exited the running car which had the key in the ignition. Jack did not completely shut the driver's door. Dan was in the station and was watching Jack. As Jack walked into the station Jill called out to him, "get me a water." Jack did not respond. Jill was unsure if Jack heard her. She watched Jack go to the cooler and then to the cash register carrying only a soda. Jack paid for the soda and started to the front door. Jill turned to get out of the car to get her water.

As Jack walked to the front door, Dan quickly walked to the door and cut aggressively in front of Jack, slightly bumping him. Jack was startled and stopped quickly to let Dan proceed out the front door in front of him. Another customer entered through the front door after Dan and in front of Jack. Jack waited for that customer to enter the store then started to exit the store. Jack saw Dan jump directly into the driver's seat of his sports car, just as Jill shut the passenger door from outside the car. Dan drove off in the car. Jack chased after the car on foot and Jill went into the station to alert the cashier.

The cashier watched the incident unfold and quickly called the police. The cashier gave the police a description of Dan and the car and the direction Dan went. The police found the car abandoned about three miles away at a house party. The police arrested Dan inside the party. Dan told the police he only took the car to get to the party because it was too far to walk and he did not use force on anyone.

****THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK II OR IN EXAMPLIFY ANSWER SCREEN 6****

Dan was charged with carjacking. Dan argues he cannot be guilty of that offense because the elements cannot be established.

1. Under Michigan law is Dan correct?
2. What are all the elements of that crime and how do they apply?
Explain your answer.

GO TO BLUEBOOK III

**QUESTION 7 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK III OR
IN EXAMPLIFY ANSWER SCREEN 7**

Jane brought her dog Fido to the local dog park owned by the city of Canine, Michigan. When she arrived, there were five other dogs running around in the fence-enclosed park. Fido was excited by the other dogs running around, and thus started to give chase. At the same time, 8-year-old Christian (whose dog was also in the park) was running after a ball that was rolling towards the other dogs. On Fido's way over to that same area of the park, Fido saw Christian and started giving chase to him. Christian, meanwhile, thought it was funny that Fido wanted to chase him, even though Fido had started barking. Jane yelled at Fido to stop, but because he was across the park, she decided not to do anything further. As Christian tried to run faster, he continued to call for Fido to "catch me." Fido soon did catch up to Christian, and bit him in the leg. Jane ran over to Christian and apologized, saying "Fido gets too excited when people run near him, though he has never actually bitten anyone."

Christian's parents sued Jane and the city of Canine, arguing that under both state statute and common law, Jane and the city were liable for Christian's injuries. Jane moved to dismiss, arguing that Christian could not prove she was liable under either theory. The city also moved to dismiss, arguing that it was immune from suit.

1. Explain whether Jane is liable under Michigan's statutory law.
2. Explain whether Jane is liable under Michigan's common law.
3. Explain whether the city is immune from suit under Michigan law.

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QUESTION 8 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK III OR IN EXAMPLIFY ANSWER SCREEN 8

Township sought a builder to construct a police station in accordance with architectural requirements prepared by Architect. Township's advertisement for bids stated:

Bids are irrevocable for thirty days. The contract will be deemed awarded when formal notice of acceptance is sent to the selected builder by Township or Architect.

On January 1, Builder submitted what turned out to be the lowest bid. On January 20, Architect mailed Builder a deposit for the project and a set of architectural requirements. On February 5, Township's governing board approved awarding the contract to Builder. The next day, Builder informed Township that it was revoking its bid because it did not receive a formal notice of acceptance within thirty days of submitting its bid.

Contractor was the second lowest bidder. Within 30 days of receiving Contractor's bid, the Township sent a formal notice to Contractor, expressly accepting the bid. Shortly after receiving the notice, however, Contractor was offered an even more lucrative deal to build a warehouse for an online retailer. Contractor informed Township that it would not build the police station.

Township sued both Builder and Contractor for breach of contract. In Township's suit against Builder, Township argued that according to industry practice, the mailing of a deposit and architectural requirements constitutes notice of acceptance. In Township's suit against Contractor, Contractor argued that no valid contract was formed because the parties did not indicate in any of the documents whether the amount owed would be paid in even installments or at specified benchmarks in the construction process.

Township offered evidence of industry practice that would show 1) that the mailing of a deposit and architectural requirements constitutes notice of acceptance; and 2) that the usual method of payment was at specified benchmarks in the construction process.

Applying Michigan contract law, explain how a court should rule on each of Township's claims.

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

Jack worked for Big Auto Company (Big Auto) in mid-Michigan as a production worker. He earned \$1,500 per week. He had previously worked for other employers as a waiter, a sales representative, and a computer technician, all of which paid him roughly one-half of what he earned at Big Auto.

Jack suffered a back injury arising out of, and in the course of, his Big Auto employment in January 2021. The injury left him with certain lifting restrictions precluding a return to work at Big Auto. Jack is now unemployed and claims weekly workers' compensation disability benefits from Big Auto.

Big Auto does not dispute Jack has suffered a compensable back disability, but tells Jack it will only pay him a partial disability rate because there are reasonably available lower-paying waiter, sales rep, and computer technician jobs within his lifting restrictions at other employers. Big Auto explains Jack's weekly rate of compensation will take into account what he could be earning at those lower paying jobs. Big Auto added that it wants Jack to submit to a medical examination by a local board certified physician of Big Auto's choosing, at Big Auto's expense.

Jack disagrees with Big Auto's positions on both points. While he concedes the lower paying jobs Big Auto identifies are within his lifting restrictions and reasonably available, Jack says because he is not actually earning wages after his injury, he is entitled to the full weekly rate of weekly compensation rather than a partial rate. Jack also says he should not be required to submit to a medical examination by a physician of Big Auto's choosing.

Answer the following two questions raised by this dispute in accord with Michigan workers' compensation law:

- 1. Given he has no actual post-injury earnings, is Jack entitled to a full rate of weekly compensation disability benefits or only a partial disability rate? Explain your answer.**
- 2. Is Jack obliged to submit to the medical examination Big Auto requests in order to receive weekly compensation? Why or why not?**

**FEBRUARY 2021 MICHIGAN BAR EXAMINATION
AFTERNOON SESSION**

QUESTION 10 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK IV OR IN EXAMPLIFY ANSWER SCREEN 10

On February 1, 2020, Mary Sue was involved in a car accident and died the same day at the hospital. She was recently divorced and had one adult son, Trevor. Found among her things was the following document in a notebook on her desk, which Mary Sue wrote when she was 45 years of age and in good physical and mental health, in her own handwriting:

My Will

I, Mary Sue, wish to distribute my assets in the following manner upon my death:

- I leave my stamp collection to my sister, Amy.
- I leave my 2017 Volkswagen Jetta to my brother, Roger.
- I leave my shares of ABC Company stock to my friend, Beth.
- I leave the rest of my property to my husband, Frank, and if he does not survive me, I leave \$5,000 to my ungrateful son, Trevor, and the rest of my property to the Humane Society.

January 23, 2017

/s/ Mary Sue

At the time Mary Sue drafted the above document, she held 200 shares of common stock in ABC Company. In 2018, her brother Roger died, survived by his daughter, Amber. In 2019, Frank left Mary Sue and filed for divorce. The divorce became final in December 2019. Because the stamp collection reminded her of Frank, and she wanted to rid herself of all things Frank, Mary Sue sold the stamp collection for \$50,000 and used the funds to replace the collection with \$50,000 worth of gold coins.

Mary Sue's estate at the time of her death, after all of her debts and expenses were paid, consisted of the following: \$1,500,000 in cash, the gold coins, a 2017 Volkswagen Jetta, and 1,000 shares of common stock in ABC Company (consisting of the original issue

****THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK IV OR IN EXAMPLIFY ANSWER SCREEN 10****

shares plus shares purchased from reinvesting the dividends and additional shares resulting from stock splits).

Under Michigan law, how should Mary Sue's property be distributed? Explain your answers.

QUESTION 11 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK IV OR IN EXAMPLIFY ANSWER SCREEN 11

On November 1, 2019, the state district court in Michigan entered two separate default money judgments in favor of plaintiff Hi-Time Credit Card Company. One judgment was against defendant Darla and the other against defendant Bernard. Both judgments arose out of a significant past due credit card account balance. At Hi-Time's request when the judgments were not satisfied after a year, the court issued writs of garnishment, which Hi-Time served on the following garnishees: (1) Darla's bank, seeking to receive any funds it was then holding in her bank account; (2) Bernard's corporate employer, seeking to periodically receive (i.e., every pay day) the maximum legal portion of his wages; and (3) the State of Michigan, seeking to receive any state income tax refund due to them both in 2021.

Both defendants filed objections to garnishment with the court. Darla's objections to the bank garnishment are based on her assertion that the monies are legally exempt from garnishment because half of her bank account is populated with her social security benefits, and the remaining half is comprised of retirement pension benefits from her former employment as a public school teacher. She also objects to garnishing any Michigan income tax refund, citing financial hardship.

Bernard bases his objections to both the wage and the income tax refund garnishments on the fact of a previously court entered installment payment order with Hi-Time that he has been honoring, and which allows him to pay that judgment balance in \$150 monthly installments.

Applying Michigan law, and assuming the facts alleged by each defendant in their respective objections are true, fully discuss whether Hi-Time is entitled to enforcement of the writs of garnishment.

QUESTION 12 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK IV OR IN EXAMPLIFY ANSWER SCREEN 12

Defendant Don was charged in a Michigan court with one count of receiving and concealing stolen property (RCSP). Don, with his attorney, pled not guilty at the arraignment on the information. The court set a pretrial to be held 30 days later. After the arraignment, Don's attorney asked the prosecutor if there was any offer. The prosecutor said no. Don asked the prosecutor what his sentence would be. The prosecutor said, "I don't know, maybe six months."

Don had two prior felony convictions and he knew the prosecutor could file a sentence enhancement under the Habitual Offender Act. The enhancement would increase the maximum sentence of RCSP from 5 to 10 years. The Act requires that the prosecutor file the notice of enhancement no later than "21 days of the arraignment on the information" or it cannot be filed. MCL 769.13.

Don appeared at the pretrial with his attorney. Don asked about the habitual enhancement and the prosecutor said, "I won't file it if you plead guilty today." Don pled guilty. The entire agreement was written on the plea form: "plea to one count RCSP; no habitual." Don, his attorney and the prosecutor all signed the form.

The court properly complied with all the rules in taking Don's plea. It advised Don of all the rights he waived by his plea of guilty and established a factual basis for the plea. The court specifically asked Don if there were "any other promises, other than those on the form" because Don would be waiving the right to later claim that there were. Don said "no." The court accepted Don's plea as understanding, voluntary and accurately made. Don's sentencing was scheduled for 21 days later. No habitual enhancement was filed.

At sentencing the prosecutor said nothing and Don's attorney argued for probation. Don was sentenced to seven months in jail, not six months.

Don timely moved to set aside his plea. Don claimed his plea agreement was invalid, contending that foregoing the habitual enhancement was meaningless. Don said his sentence agreement was

****THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK IV OR IN EXAMPLIFY ANSWER SCREEN 12****

invalid because it was not followed and he was dissatisfied with the sentence. Don wants specific performance of the 6-month sentence agreement.

1. Was there a valid plea agreement?
2. Was there a valid sentence agreement for Don to receive a 6-month sentence?
3. Can Don be resentenced because he was dissatisfied with his 7-month sentence?

Applying Michigan law explain all your answers.

GO TO BLUEBOOK V

QUESTION 13 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK V OR IN EXAMPLIFY ANSWER SCREEN 13

Peter and Paige met in college in New Jersey in 2017. Peter is from New Jersey and Paige is from Michigan. In February 2019, Peter and Paige got engaged and moved in together in an apartment near campus. They planned to get married later that summer after graduation.

In April 2019, Peter and Paige traveled from New Jersey to visit Paige's parents and friends in Michigan over spring break. Peter and Paige were on their way to dinner one night when their vehicle, which Peter was driving, was struck on the passenger side by a drunk driver, Dennis, who had run a red light. The force of the impact caused Paige to suffer serious injuries. With the help of bystanders, Peter, who was uninjured, was able to pull Paige from the wreck, but she died in Peter's arms before the ambulance arrived.

A grief-stricken Peter sued Dennis in a Michigan state court alleging a claim for negligent infliction of emotional distress and seeking to recover for the severe emotional trauma he suffered in witnessing Paige's death. Peter claims that he is unable to sleep and has undergone psychiatric and psychological treatment for depression and anxiety.

Dennis filed a motion for summary disposition, arguing that under Michigan law only immediate family members may recover for negligent infliction of emotional distress under a "bystander liability" theory. Peter responds that New Jersey law should apply since he is a New Jersey resident, and that under New Jersey law the familial relationship extends to engaged, cohabiting couples.

- 1. Explain Michigan's choice-of-law analysis.**
- 2. Applying Michigan law, which state's law should apply?**

QUESTION 14 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK V OR IN EXAMPLIFY ANSWER SCREEN 14

Michigan Pet Emporium (MPE) is a Michigan corporation that sells small animals and pet supplies. It was founded in 2001 by Adam and his friends Bill, Chris, and Dan. Adam owns 40% of the shares, Bill owns 36% and Chris and Dan own 12% each.

Adam and Dan also compete in barbecue competitions and have developed their signature barbecue rub called "Ad-Da barbeque rub." Forty days before the annual shareholder's meeting, notice was e-mailed to all four shareholders that a board of director proposal recommending to amend the articles of incorporation to expand its stated corporate mission was to be presented at the upcoming meeting. The following resolution was presented:

"To sell, market and otherwise promote Ad-Da barbecue rub."

Adam and Dan voted for it, while Bill and Chris voted against it. The proposed amendment was adopted by a vote of 52 percent of the shares to 48 percent. Subsequently, a certificate amending the articles of incorporation was filed with the state of Michigan.

According to Bill, who remains opposed to the amendment, the amendment is invalid because selling barbecue rub has nothing to do with pet supplies and is likely to confuse their loyal customers. He demanded that MPE pay him for his shares at fair value as determined by an appraisal. The corporation declined. Bill then announced that he would sell his shares to Chris, giving Chris 48% of the company. However, Adam stated that Bill could not sell his shares to Chris. Rather, under the terms of an agreement Bill and Adam entered at the time the company was founded, Bill was required to sell his shares to Adam (and vice versa) in the event that either one of them ever wanted to liquidate their interest in MPE. Bill indicated that his shares were his personal property and he could sell them to whomever he liked.

Bill seeks legal advice. First, he seeks to have the amended articles of incorporation declared invalid. Alternatively, Bill wants MPE to pay him for his shares, or to sell his shares to Chris, or donate the shares to charity, but absolutely does not want to

****THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK V OR IN EXAMPLIFY ANSWER SCREEN 14****

sell them to Adam, as it would give Adam 76% of the shares of the company.

Applying principles of Michigan law, discuss in detail:

1. Whether the amendment to the articles of incorporation expanding the corporate mission of Michigan Pet Emporium is both procedurally and substantively valid;
2. Whether Michigan Pet Emporium is required to purchase Bill's shares; and
3. Assuming that MPE is not required to purchase Bill's shares, whether Bill can sell his shares to Chris or donate them to charity, or whether he is required to sell them to Adam.

QUESTION 15 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK V OR IN EXAMPLIFY ANSWER SCREEN 15

Bob surprised Anna with a \$10,000 tennis bracelet and said "this is just because I love you." Anna screamed for joy at the sight of the bracelet and thanked him multiple times for such a beautiful bracelet and immediately put it on. A few hours later, Anna called Bob to end their five-year relationship because she no longer loved him. Bob demanded the return of the tennis bracelet. Anna refused.

Doug gave Carla a \$5,000 engagement ring. Carla wore the engagement ring every day. The day prior to their scheduled wedding, Carla found out that Doug cheated on her with one of her bridesmaids and called off the wedding. Doug demanded the return of the engagement ring. Carla refused.

Edward and his son Frank jointly rented a safe deposit box and both had keys and equal access to the box. Edward left an envelope containing \$50,000 in the safe deposit box with Frank's name written on it. Three weeks prior to Edward's suicide, he sent Frank a letter explaining that he wanted him to have everything in the safe deposit box. Around the same time, Edward also sent his copy of the key to the safe deposit box to the house that he shared with Frank, in a package addressed to himself. Frank was aware of the arrival of the package with Edward's key, and soon after its arrival went to the safe deposit box, found the envelope with his name on it and removed it from the safe deposit box. Edward's estate now demands the return of the money left in the safe deposit box. Frank refused.

Applying Michigan law, fully discuss whether Anna, Carla and Frank are obligated to return the tennis bracelet, engagement ring, and money, respectively.