

## Shareholder Disputes and Dissolution

---

### Partnership, Member and Shareholder Dispute Attorneys in New Jersey

Even the most detailed partnership and operating agreements can leave some aspects of the business relationship unaddressed. These agreements should protect all business owners, but often the shareholders of corporations, members of a limited liability company, and partners in partnerships will encounter disputes over business issues that cannot be settled through the normal corporate process, procedure or protocol.

When these disagreements become critical or the parties are unable to resolve the differences among themselves, litigation or arbitration may be necessary to protect their rights and interests.

The New Jersey corporate and litigation attorneys of Einhorn Barbarito represent both plaintiffs and defendants in actions involving disputes among shareholders, members of limited liability companies and/or business partners. We know that a vigorous representation to protect our clients' interests is key to resolving ownership related disputes, such as:

- Breach-of-contract disputes (including disputes regarding partnership agreements and/or operating agreements)
- Dissolution of the business
- Shareholder/Partnership/Member buyouts
- Oppressed minority shareholder lawsuits

A shareholder dispute and resulting litigation to resolve such a dispute can be a costly event for a business, especially if it involves a protracted legal proceeding. The attorneys at Einhorn Barbarito work with the parties to resolve the dispute quickly and efficiently, protecting the rights of our clients

with the dual goal of preserving business resources and returning the focus to the operation and growth of the business as soon as possible.

## Disputes Involving the New Jersey “Oppressed Minority Shareholder” Statute

In some situations, the minority shareholders in a closely held corporation may feel as though they are being “oppressed” because decisions are being made that favor the majority shareholders to the detriment of the minority shareholders. The attorneys in our Business/Corporate Law Practice are experienced in handling these types of complex and sensitive matters. We have a solid understanding of the law and the rights provided to minority shareholders under the New Jersey “Oppressed Minority Shareholder Statute” (N.J.S.A. 14A:12-7).

Actions that are “oppressive or unfair” toward one or more minority shareholders can occur when the directors or those in control of the corporation act fraudulently or illegally; mismanage the corporation; or abuse their authority as officers. The Oppressed Minority Shareholder Statute is designed to protect minority shareholders in closely held corporations from these types of oppressive conduct. When a minority shareholder believes that acts of oppression have occurred, the shareholder has the right to initiate litigation under the statute. Should a court ultimately find oppression to exist, the court can fashion a variety of remedies, including ordering the dissolution of the corporation. The attorneys in the Business/Corporate Law practice group at Einhorn Barbarito are experienced in protecting the rights of minority shareholders in these matters or when shareholders seek to file a lawsuit on behalf of the corporation for wrongs committed against the corporation. We also handle other types of business conflicts and ownership disputes throughout New Jersey.

## Schedule an Appointment With One of Our New Jersey corporate and Litigation Attorneys

If you are involved in a matter relating to a shareholder, partnership or member dispute or need

representation in connection with a business dissolution, Einhorn Barbarito can assist you at every point in the process. We invite you to schedule a consultation with our New Jersey Corporate and Litigation attorneys by calling [973-627-7300](tel:973-627-7300)