

Shareholder Disputes

At Lathrop GPM, we represent majority and minority shareholders and corporations involved in shareholder, corporate governance and valuation disputes. A dispute within a business can be just as devastating as a dispute with an outside company or individual. These events can threaten the very existence of closely held businesses, endangering the equity that shareholders have built over many years of hard work.

While there may be shared objectives when parties are beginning a business, changes in the shareholders' long- and short-term goals can occur over time, causing disagreements if the parties are not able to negotiate a satisfactory resolution.

We provide counsel in a wide variety of disputes, including:

- Breaches of fiduciary duty
- Breaches of shareholder/partnership agreements
- Disagreements over the sale of assets, mergers and similar corporate events
- Embezzlement
- Corporate governance
- Dissolutions
- Dividends, distributions and shareholder loans
- Excessive executive compensation claims
- Misappropriation of confidential information
- Self-dealing
- Valuation disputes

We recognize - and are sensitive to - the importance of resolving these situations with grace and the need to protect relationships with a minimum amount of damage. Because of our experience, we've been called on to guide businesses in conducting comprehensive investigations of their concerns. We will help clients explore their

options, and we will be ready to protect their rights if an agreement cannot be reached. Moreover, when the situation requires, we will move aggressively on our client's behalf in court to obtain necessary protection for our client and their business.

We are innovative by nature, providing several options when dealing with complex matters. As a result, we often call upon the expertise of our colleagues within several practice areas, including tax, intellectual property, real estate and entrepreneurial services.

Representative Experience

- Represented two of three owners in agricultural-related construction company; successfully opposed motion for temporary restraining order and receiver
- Represented owners of Web-based business in obtaining temporary restraining order against former employee and shareholder who was competing; favorably resolved matter related to attempt to unwind client's purchase of former shareholder's stock
- Represented widow seeking full compensation for redemption of her husband's stock in closely held corporation; amount obtained for client was 70% more than initially offered
- Represented part owner of distribution company in four-day arbitration involving claims by other owners of conversion and other wrongful conduct; arbitration award in favor of client was four times last settlement offer