

# Boardroom, Shareholder and Partnership Disputes

As the pandemic continues to affect businesses, shareholders and investors are finding challenges in maintaining value and control over their investments. As the situation develops, this could lead to an increase in disputes amongst shareholders.

Management and control of a company or partnership are typically carried out by means of collective and majority-based decision-making. This power of the majority to prevail over the minority is conferred by statute, the constitution of the organisation or in contract. Together, these three elements make up the internal governance regime which binds the organisation's stakeholders together and regulates their relationships and dealings.

Partnership, company and shareholder disputes can arise from a variety of circumstances.

You may be a minority shareholder unhappy with treatment by other shareholders, working under a regime that permits and upholds majority rule. We will work with you and utilise appropriate statutory safeguards – principally in the form of derivative claims, remedies for unfair prejudice or the right to petition for a just and equitable winding-up, to ensure that you are protected.

Disputes can also occur when a company and its board face opposition from

shareholders, a director is uncomfortable with decisions being made, claims are made against a board of directors or a listed company is concerned about activism and disruption. We can help you resolve any of these shareholder disputes.

The breakdown of relations within a partnership or between the directors and shareholders of a company can be as acrimonious as going through a bitter divorce, particularly in the case of informal 'quasi-partnerships' or family run companies. Breakdowns can sometimes lead to a harmful impact on your company's reputation, so we work closely with our reputation management team to help you avoid any unwanted publicity.

If a dispute between the stakeholders in your organisation involves you and is jeopardising your interests, we can help. Whatever the situation, we can assist you with our bespoke and personal approach. Rather than treating all claims in the ordinary course of commercial litigation, we understand the personal and often sensitive nature of these disputes. We work with you to resolve these

conflicts by providing carefully considered, proportionate, and cost-effective options.

No matter the location of your dispute, we can assemble and manage a specialised international team at very short notice, including lawyers based in the UK, Europe, the Middle East and Hong Kong, as well as a number of experts who are admitted in other key jurisdictions, such as the Caribbean. We also utilise our established network of foreign advisers, to offer a seamless service around the world.

### How we can help you

- Breaches of duty
- Investment disputes
- Urgent injunctions
- Shareholder remedies
- Directors' duties and liabilities
- Board and shareholder meetings
- Corporate governance
- Shareholders' and joint venture agreements
- Removal and appointment of directors and partners
- Purchase and sale of shareholder interests
- Liquidations
- Negotiation of settlements

## Our relevant experience



Acting for Tripen Limited in a shareholder dispute adjudicated by arbitration concerning shareholder rights and activities in West African shipping. This included success on every issue in arbitration followed by successfully defending an appeal against that award with an award of legal fees to our client for each proceeding.



Working for an investor and majority shareholder in a substantial agriculture project in Zambia, which involves the termination of a joint venture through exercise of options. This matter was subject to ICC arbitration, settled by agreement and enforcement is ongoing. The matter included complex issues of valuation of Zambian assets and of currency rates and exchange.



Working for two partners in a partnership that owns care homes and for the shareholders who own half of the company that operates them. We currently have proceedings ongoing for unfair prejudice under section 994 of the Companies Act 2006 and a High Court claim for recognition of partnership share and value.



Advising a high net worth individual resident in Monaco in respect of a shareholder dispute involving a UAE entity registered in the Dubai World Central (Dubai South) freezone. The dispute ultimately related to ownership in an oil and petroleum products and petrochemicals storage business in Latvia.



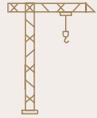
Acted for the former chairman and CEO of a Middle Eastern advertising, PR and media buying business in a shareholder dispute with an LSE and NASDAQ / FTSE100 multinational advertising agency. This case included a minority shareholder prejudice petition in Hong Kong and defence of contractual claims under the SPA in the London Commercial Court.



Acting for a Dubai-based real estate developer in two parallel LCIA arbitration proceedings subject to UAE law and with a Singapore seat. The claims have a combined value of AED 1.3 billion arising from a partnership dispute between the client and its NSE and BSE listed joint venture partner.



# Our relevant experience



Representing the minority shareholder in a substantial residential house building company who was excluded from the management of the business and suspended as an employee. The matter settled successfully for our client who received his full share and is subject to enforcement.



Acting for the majority shareholder in the leading case of *Irvine v. Irvine* [2007] 1 BCLC 445 which established the proper discount to be applied to the share value on the purchase of minority shares by the majority.



Advising investors/shareholders in an arbitration brought under Bilateral Investment Treaties and negotiations in Africa, Eastern Europe and the Middle East.



Acting for a Kazakh law firm in respect of a global claim for fraud and breach of fiduciary duty against a syndicate of former employees with multi-jurisdiction concurrent proceedings, including LCIA arbitration in London.



Acting for a major Qatari telecommunications company in an LCIA Arbitration relating to a USD 680 million shareholder dispute.



## Your key contacts

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