

Always possible for a majority of owners to voluntarily dissolve. These scenarios apply to minority owners who want to quit.

Is Breaking Up Hard to Do?: Minority Owner, At-Will Entity

	General Partnership	LLC	Corporation
Default rule:	Can force <u>winding up</u> (RUPA 801(a)) Can be avoided with a Partnership agreement	Can force <u>buyout</u> (ULLCA 603(a)(1) & 701(a)(1)) <small>Also often modified through Partnership agreements</small>	<small>(Appraisal right = the right to be bought out)</small> Appraisal rights in only limited circumstances (E.g., MBCA 13.02(a)(1) re merger appraisal rights)
Typical modifications	Reduce minority's disruptive power (e.g., buyout and continuation agreement)	Reduce minority's disruptive power (e.g., limit disassociation right, lower price, installment payments, like eDrive)	Enhance minority position with employment agmt, repurchase of shares at death, etc. (+ SHs in publicly held corp can just sell)
Judicial order to wind up?	Yes, if •economic purpose frustrated •Another partner's misconduct •not reasonably practicable to carry on under partnership agreement (RUPA 801(5))	Yes, under RUPA triggers + if managers or controlling members act oppressively, etc. (ULLCA 801(4))	Only if SHs or directors deadlocked (causing irreparable injury, etc.) <u>or those in control act oppressively, etc.</u> (MBCA 14.30(a)(2)(i)&(ii))

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For close corp, courts from Alaska (*Alaska Plastics*) to NC (*Meiselman*) equate oppression with denial of reasonable expectations, and craft equitable buyout remedy