

## SHAREHOLDER ISSUES AND OPTIONS

Below is a brief outline of some options in The Corporations Act that might be available to shareholders when issues arise. You must always check the articles of incorporation, by-laws, and any agreements for options as well.

### **Right to Dissent (section 184 of The Corporations Act)**

A shareholder who has voted against certain changes made at meeting has a right to be paid (“bought out”) the fair value of their shares by the corporation. The shareholder must follow the steps in The Corporations Act to get paid.

### **Derivative Action - court action on behalf of corporation (section 232 of The Corporations Act)**

A shareholder or other person may apply to the court for help if they believe the directors are not acting in the best interests of the corporation.

### **Oppression remedy – court action on behalf of a shareholder (section 234 of The Corporations Act)**

A shareholder or any other person may apply to the court for help if they believe the corporation or the directors have acted in a way that is oppressive or unfair towards a shareholder, creditor, director, or officer.

### **Court ordered liquidation and dissolution (section 207 of The Corporations Act)**

A shareholder may apply to the court, and the court may order that business stops, assets are sold, and the corporation be dissolved. The court must be satisfied that the corporation or its directors have acted in a way that is oppressive or unfair towards the interests of a shareholder, creditor, director, or officer.