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A minority shareholder can raise a claim to establish that he has been mistreated by the majority. If the allegations are true, then that company will bring a claim on behalf of the minority shareholder. This is only possible if it is a corporate wrong. This has been the traditional doctrine. There are 2 major factors to consider, among them are fraud and control by the wrongdoer. The above 2 conditions is difficult to establish as one must prove beyond a reasonable doubt. This is difficult to establish. Parties will also need to obtain a testimony from the employees of the company against the majority shareholder. For practical reason, this is not possible. This old CL principle is outdated. They have replaced it with the statutory derivative claim S260&263CA2006. S260 provides the definition of a derogative claim. This new law requires leave conditions to be satisfied under s263. The old law did not have such condition. There are a variety of factors to consider: a) good faith b) s172 c) (1) allows for rectification. As long as the majority shareholders have rectified a course of action, then leave will not be granted. c) (2) Rectification can be after the transaction. This is different compared to c(1) where rectification can be before the transaction. d) It can also be rectified by the company if there is a likelihood that such transaction has been rectified. e) company decided not to raise proceedings as there is a similar course of action on going to the court of law. f) the course of action should be pursued by the member in his own right as opposed to by the company. (Mission Capital v Sinclair, Kiani v Cooper, Frontbar Holdings v Patel). The above 2 claims are used for different reasons. 994 is a personal claim and 260 is a corporate claim. It appears that the laws on minority protection favours the majority. The decisions in 994 seem to differ from a case to case basis. A derogative claim is difficult to succeed as there are many leave conditions. Some of the terms are very broad such as good faith, s172, and rectification. There is also trouble with rectifying as long as the majority agreed. The another option could be s122(1)(g) Insolvent Act the winding up option as the case of Ebrahimi v Westbourne Gallery. This will only be applicable to a quasi partnership.