

Fair Value and Discounting in N.J. Shareholder Oppression Case

November 3, 2008

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New Jersey Law Journal

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The New Jersey Oppressed Shareholder Statute (the “Act”), N.J.S.A. 14A:12-7(1)(c), allows an oppressed minority shareholder in a closely held corporation having 25 or fewer shareholders to bring suit in the N.J. Superior Court. Once oppression has been established, the Act allows a judge to, inter alia, order dissolution of the corporation or sale of its stock. If sale of the stock is the remedy, the Act allows judicial discretion to structure the sale in a manner “fair and equitable” to all parties, given the circumstances.