

An Extreme Case of Petitioner's Remorse

"Many business divorce practitioners are familiar with a phenomenon one might call 'petitioner's remorse' – an often abrupt abandonment of one's desire to dissolve a closely-held business entity when the opposing party unexpectedly declines to oppose or consents to dissolution. The dissolution petitioner's rationale in bringing the claim may have been an expectation that the opposing party would fear the prospect of dissolution, oppose it mightily on the merits, and ultimately be forced into some sort of negotiated or compelled buyout. In that case, when the response is lack of opposition or consent to dissolve, the in terrorem effect and leverage is lost," writes Franklin C. McRoberts in ***Farrell Fritz' Dissolution Basics***.

Read the article.