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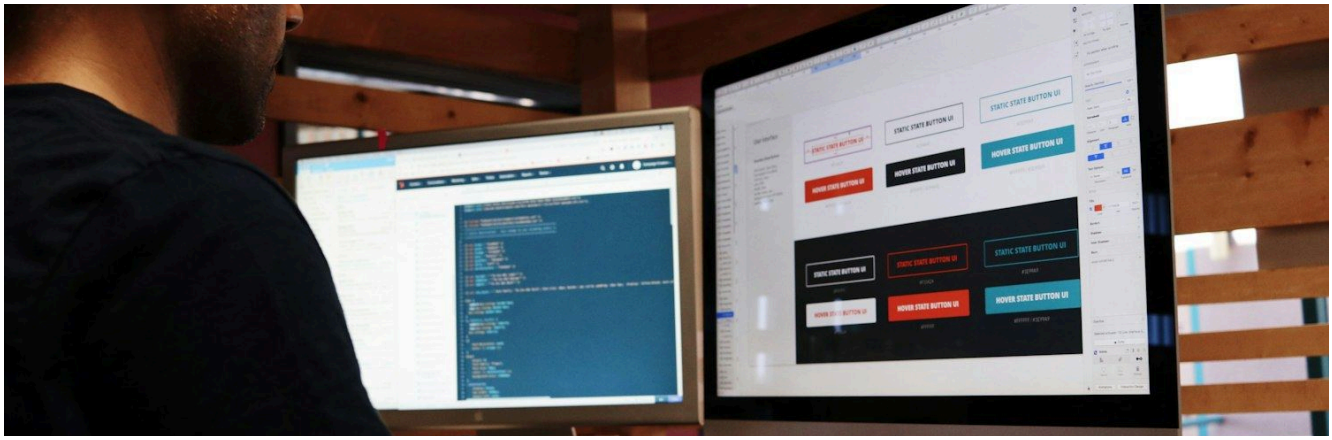
PRACTICE GUIDE · CORPORATE GOVERNANCE

Theories of Liability & Common Defenses

Grand Park Law Group · 2026



Plaintiff's Theories of Liability

- Breach of Duty of CareCorp. Code § 309
- Breach of Duty of Loyalty / Self-DealingCorp. Code § 310
- Derivative ActionCorp. Code § 800; Bader v. Anderson (2009)
- Dissolution & § 2000 BuyoutCorp. Code §§ 1800, 2000
- Shareholder OppressionJones v. H.F. Ahmanson (1969); Corp. Code § 1800(b)(4)
- Aiding & Abetting Breach of Fiduciary DutyCasey v. U.S. Bank (2005)

Common Defense Theories

- Business Judgment RuleCorp. Code § 309; Grossman v. Johnson
- Demand Futility Not Established / Pleading DeficienciesCorp. Code § 800; Bader v. Anderson
- Ratification by ShareholdersCorp. Code § 310(a)
- Articles / Operating Agreement LimitationCorp. Code § 204; RULLCA § 17701.10
- Indemnification & AdvancementCorp. Code § 317
- Statute of Limitations / LachesCCP §§ 338, 343; Equity

Practice	Corporate Governance
Publication	Practice guide · 2026

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