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DISPUTES BETWEEN SHAREHOLDERS: WAYS TO RESOLVE THEM AND SOME PROBLEMS OF PROTECTING CORPORATE RIGHTS

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Abstract. Corporate relations based on mutual trust, honesty, and loyalty are the most important conditions for joint business. However, these alone are not sufficient to establish a joint venture. Over time, changes in the participants' views, external influences, and unforeseen risks common in entrepreneurial activity may lead to the termination of the joint business. In such cases, the participants of the company are often tasked with preventing conflicts as much as possible, resolving them peacefully, and minimizing losses. The constituent documents of the company, which outline the rights of the participants, the conditions and methods of their implementation, and their protection, typically serve as a guarantee of relations between the participants. Additionally, the legal framework regulating corporate relations in the place of the company's establishment contributes to the effective and stable development of corporate relations. This article examines in detail the issues of preventing and resolving disputes between shareholders of a limited liability company. A comparative analysis of foreign legislation and national legislative acts is conducted, with attention given to certain problematic situations related to regulating corporate relations. The author's personal position is expressed regarding methods for resolving disputes between participants, as well as opinions on addressing existing gaps in legislation.

Keywords: shareholder, corporate relationship, ensuring rights, protecting rights, corporate disagreement, corporate dispute, resolution of corporate disputes

Introduction

Under Uzbek legislation, entrepreneurial activity is defined as proactive, risk-based activity carried out in accordance with the law, aimed at generating income under one's own property liability. Such

activity, primarily aimed at generating income and conducted jointly by several individuals, has both positive and negative aspects. The relatively easy accumulation of initial capital required to establish and operate a business, the efficient use of internal resources (such as additional contributions from shareholders) before resorting to external sources (e.g., loans, credit, or leasing), broader market opportunities (e.g., extensive business networking), the creation of a convenient and efficient working environment through the distribution of management responsibilities, and the shared decision-making process after thorough discussion and consensus—all these are important conditions and opportunities for running a business and represent the strengths of collaborative partnerships. However, there is another side to the coin. What if one of the partners is dishonest? Or if the partners' perspectives change over time, leading to the loss of previous "unanimity" in ordinary business interactions? In such cases, the aforementioned positive aspects can begin to work in reverse.

In legal literature, such misunderstandings among participants are referred to as "corporate conflicts" or "corporate disputes." Legal scholar D. Firshenko emphasizes that the concept of "corporate conflict" encompasses conflicts arising at any level or stage of corporate relations among shareholders, managers, investors, and other subjects of corporate relations [1]. Legal scholar D. Eshimbetova defines a corporate dispute as a legal confrontation arising from the rights and interests of a corporation and/or its participants, where at least one party is the corporation and/or its participants, and which stems from a clash of interests among corporate relations participants [2].

One of the biggest and most dangerous drawbacks of joint business operations, i.e., partnerships in business, is the emergence of conflicts among partners. In certain situations requiring decision-making, differing perspectives among partners can lead to various proposed solutions. A solution proposed by one partner may not be acceptable to another. However, when decision-making is mandatory and permitted by law, such decisions are legally binding, even for those who voted against them. For example, if a decision on an agenda item is adopted by a majority vote, it carries legal consequences for the dissenting participant. Although the law allows for challenging such decisions, they remain binding for participants and the company until invalidated.

In Uzbekistan, a "limited liability company" (LLC) is considered the most convenient organizational and legal form for conducting entrepreneurial activities on a partnership basis. According to statistical data, as of February 1, 2025, there are 333,458 LLCs operating in the country [3]. Therefore, we focus our analysis on conflicts among LLC participants. Article 8 of the Law of the Republic of Uzbekistan "On Limited Liability Companies" (hereinafter referred to as the "Law") establishes the rights of company participants, including the right to participate in the management of the company's affairs in accordance with the law and the company's founding documents. Participation in management is exercised through involvement in general meetings of participants, discussing agenda items, and voting on decisions (voting rights).

This norm is imperative, and any provisions in the founding documents or decisions of company bodies that restrict these rights are automatically deemed invalid. As a rule, each participant in the company has a number of votes proportional to their share in the charter capital. For example, if a participant owns 30% of the charter capital, they have 30% of the votes in decision-making. However, the company's charter may establish a different method for determining the number of votes, such as the principle of

"one participant—one vote." In this case, a participant with an 80% share and another with a 20% share would have equal voting rights. It is important to note that such conditions are highly likely to create management problems. If a conflict arises among participants, resolving it becomes relatively complicated, and in some cases, it can lead to a corporate deadlock. Particularly in cases where participants' shares are split 50/50, resolving disputes in company management becomes challenging.

Materials and methods

Within the scope of this research, the grounds for conflicts among LLC participants were studied, and comparative analyses of methods and mechanisms for preventing such conflicts were conducted under the legislation of various countries. In particular, certain provisions of the Law of the Republic of Uzbekistan "On Limited Liability Companies" were analyzed in comparison with the legal norms regulating these relations in the United Kingdom, Germany, Russia, and Ukraine. Proposals were made regarding the introduction of necessary mechanisms to prevent conflicts among participants. Additionally, the most effective and efficient method of resolving corporate disputes—judicial resolution—was studied using analytical, synthetic, and empirical methods. Court decisions on corporate disputes among company participants were examined, and general conclusions were drawn. Through normative-legal analysis, gaps and problematic aspects in the current legislation were identified, and proposals for their elimination were prepared. Scientific and practical sources, including monographs, scholarly articles, and research works by legal scholars in this field, were used as references.

Research results

The results of the research on conflicts among LLC participants indicate that such conflicts primarily arise over company management issues. The core of these conflicts is rooted in property interests. In some cases, the misuse of rights by participants, incorrect interpretation of charter provisions, and external influences contribute to disputes among participants. For instance, the influence of competing businesses or the failure of the executive body (director) to perform duties honestly and conscientiously can disrupt the balance in relations among participants. In most cases, the inability of participants to agree on the implementation of rights specified in the company's founding documents leads to the escalation of conflicts, the complexity of disputes, and, in some instances, the company's bankruptcy. Gaps and contradictory norms in legislation, the lack of clear and mandatory procedures, and the absence of detailed agreements on the conditions for exercising participants' rights are considered major issues in protecting corporate rights.

Conflicts among shareholders can generally be resolved in three ways:

First Method: Resolution of corporate conflicts by the participants themselves.

Second Method: Resolution of corporate conflicts through alternative methods, either pre-trial or non-judicial.

Third Method: Judicial resolution of corporate disputes.

The first and second methods share similarities in that they are quick and low-cost. However, they differ in that the first method involves resolution by the participants themselves (subjects of corporate relations), while the second method involves third parties (non-subjects of corporate relations). Due to the lack of official data and statistics on conflicts resolved through the first and second methods, their effectiveness cannot be assessed. Analysis of conflicts resolved through the third method shows that the number of corporate disputes in courts is increasing annually. This, in a way, indicates that the first two methods are not sufficiently effective.

Analysis of research results

First Method: Resolution of corporate disputes by the participants themselves.

Non-jurisdictional resolution of corporate disputes is considered the most concise, convenient, and cost-effective method. Moreover, resolving disputes among participants does not significantly affect the company's future operations or lead to severe consequences. The company's operational rules are maintained, and, in most cases, a productive working environment among participants is preserved. However, a crucial condition for this method is that, if not adhered to, non-jurisdictional resolution becomes impossible. Therefore, it is essential to establish mechanisms for resolving disputes in the company's charter during its formation or operation. Additionally, a well-drafted corporate agreement among participants regarding the exercise of their rights is a key factor in resolving conflicts.

With the adoption of Presidential Decree No. 415, "On Measures to Further Improve the Legal Foundations of Corporate Relations," on December 1, 2022, the requirement for state registration of the company's foundation agreement was abolished in Uzbekistan, leaving only the charter to be registered. It is worth noting that, in many foreign countries, the charter is the sole founding document.

However, Uzbek legislation retains the foundation agreement as a founding document. According to the Law, both the foundation agreement and the charter are considered founding documents. Article 11 of the Law states that, in case of inconsistency between the foundation agreement and the charter, the charter's provisions prevail for third parties and company participants. In our opinion, recent amendments to strengthen the legal foundations of corporate relations have diminished the significance of the foundation agreement as a founding document. The charter is the official founding document, defining the company's operational rules, objectives, and the rights and obligations of participants. Therefore, participants should primarily focus on the charter's provisions.

Article 13 of the Law specifies that the charter must include the company's full and abbreviated name, the subject of its activities, postal address, the composition and authority of its bodies (including matters falling under the exclusive competence of the general meeting of participants), decision-making procedures (including decisions requiring a simple or qualified majority), the size of the charter capital, the nominal value and size of each participant's share, the rights and obligations of participants, the procedure and consequences of a participant's withdrawal from the company, the procedure for transferring shares (or parts thereof) to other persons, document retention procedures, information disclosure procedures to participants and other persons, and details of branches and representative offices, among other non-contradictory information.

However, in most cases, participants pay insufficient attention to the charter's provisions during the company's formation. National legislation lacks state oversight to ensure the charter's compliance with legal requirements. For example, even if the charter specifies activities such as trading restricted substances or operating without required licenses in violation of legal requirements, it may still be registered. Court practice reveals another issue: in the case of participant A's claim to partially invalidate the charter of an LLC registered by the State Services Center in 2021, the court dismissed the case, stating that claims to invalidate the charter (or parts thereof) were not within its jurisdiction. The court noted that, if the charter does not comply with legal requirements, it should not be registered, and its legality can only be challenged through litigation [4]. However, we cannot fully agree with this decision. According to Clause 54 of

the Regulation on the State Registration of Business Entities (approved by Cabinet of Ministers Resolution No. 66 on February 9, 2017), applicants are responsible for the accuracy, correctness, and compliance of submitted information and founding documents with legal requirements.

In Germany, for example, the charter of a company (GmbH) must comply with legal and regulatory requirements during formation. If the charter violates legal requirements, it will not be registered. Notaries in Germany are responsible for verifying the charter's legality. If the charter contains non-compliant provisions, the notary will reject it. If errors or contradictions in the charter are not corrected, the company will not be registered as a legal entity. Even after registration, if non-compliance is discovered or legal requirements were violated during registration, the charter can be declared invalid by the court. In our opinion, legal norms should be studied, and provisions prohibiting the registration of non-compliant founding documents should be introduced.

The issue of invalidating charter provisions that contradict legal requirements is highly contentious. In economic court practice, cases challenging the charter are often dismissed due to lack of jurisdiction. For example, in the case of "Betiz universal servis" LLC's claim to invalidate the charter against "Ko'rkam qurilish" LLC and "Kelajakka qadam" LLC, the court dismissed the case, stating that claims to invalidate the charter were not within its jurisdiction [5]. While we do not support this court practice, we believe that part or all of a company's charter can be declared invalid, especially if it contains provisions violating the Law. For instance, Article 34 of the Law stipulates that provisions in founding documents or decisions of company bodies restricting participants' rights to participate in general meetings and vote on decisions are invalid. In practice, there are many examples where the charter specifies activities not intended, denies voting rights to certain founders, or increases the charter capital when conditions for reduction are met. To ensure uniform application of the law and court practice, the Plenum of the Supreme Economic Court of Uzbekistan should supplement its Resolution No. 262, "On Certain Issues of Resolving Corporate Disputes by Economic Courts," with Clause 20.5, stating: "Invalidating a company's charter (or part thereof) constitutes a corporate dispute, and dismissing such claims is impermissible."

Foreign legislation differs from Uzbek law in recognizing two types of charters. For example, Germany (Musterprotokoll, Individueller Gesellschaftsvertrag [6]), Ukraine (model and individual), and Russia (standard and individual [7]) have model and individual charters. Model charters are typically developed by authorized bodies (usually the government—Cabinet of Ministers). The advantage of model charters is that they simplify company formation. Their forms and provisions are legally established and used to avoid the need for legal assistance in forming or managing the company. Although Uzbek legislation does not formally (de jure) classify charters into types, in practice (de facto), model charters exist and are widely used by participants. In our view, specifying charter types in the Law and approving several types by authorized bodies would benefit the business environment.

The Civil Code of the Republic of Uzbekistan (hereinafter referred to as the "Code") did not originally cover corporate relations. However, on February 7, 2025, amendments were introduced for the first time, defining the concept of a corporate agreement, its requirements, and unique features. English literature emphasizes that, if a shareholders' agreement covers areas regulated by the company's charter and is not registered with Companies House, it (or its specific provisions) will not have legal force [8]. In such cases, the agreement (or

its parts) is considered inseparable from the company's founding documents (charter) by English courts [9; 10; 11]. However, our national legislation appears to have adopted norms from the Civil Law legal system regarding corporate agreements.

According to legal scholar V. Vasilyeva, the subject of a corporate agreement is the organizational rights of a corporation participant and their management. The agreement may involve the redistribution of organizational rights not imperatively regulated, including at the level of local normative acts [12]. A well-drafted corporate agreement with detailed terms plays a crucial role in preventing potential disputes among participants and resolving them if they arise. Such agreements allow participants to choose appropriate methods for exercising their rights, creating effective mechanisms for protecting their rights, especially in "deadlock" situations.

"Deadlock" in corporate governance is a widespread phenomenon in corporate law, and the charter or corporate agreement can specify various methods to resolve it. For example, in cases where voting rights are equal regardless of share size, the charter may grant a casting vote to the participant with the largest share in the charter capital. In cases of equal shares, the decisive vote may be given to the company's director. Additionally, corporate law theory includes several mechanisms to resolve deadlocks, such as buy-sell clauses. For instance, the Russian roulette clause allows any participant to offer to buy another participant's share at a self-determined price. The other party must either accept the offer to sell their share or counteroffer to buy the offering party's share at the same price. Failure to comply with this clause may result in compulsory share purchase through court or expulsion of the participant. Under the Texas shoot-out method, participants with equal shares submit sealed bids to buy the other's share at a specified price. The participant offering the higher price buys the share at that price, while the other must sell theirs. Put/call options allow one participant to hold a "call" option, granting the right to buy another participant's share at a predetermined price in the future, or a "put" option, allowing another participant to sell their share at a set price. Proper application of these methods can effectively prevent or resolve corporate disputes.

Second Method: Alternative resolution of disputes, either pre-trial or non-judicial.

Unlike many foreign countries, Uzbek legislation does not mandate pre-trial resolution of corporate disputes. Therefore, participants may directly appeal to a court in case of conflicts. However, the company's charter may establish mechanisms for pre-trial resolution. For example, Japan has unique cultural and legal approaches to resolving corporate disputes, emphasizing conflict avoidance, cooperation, and "saving face" (面子 - men-tsu), with a focus on pre-trial resolution where possible. Of course, pre-trial resolution is not suitable for all corporate disputes. Such mechanisms are primarily applicable to rights enforcement processes. Specifying dispute resolution mechanisms and procedures in the charter, tailored to the nature of the dispute, helps prevent negative impacts on the company's operations. Pre-trial resolution is a process for resolving conflicts among participants without litigation, aimed at saving time and costs, preserving business reputation, and maintaining partnership relations.

Unlike the first method (resolution by participants themselves), this method may involve third parties. In particular, the adoption of the Law of the Republic of Uzbekistan "On Mediation" in 2018 popularized the resolution of civil disputes, including those arising from entrepreneurial activities, through mediation. For example, if the charter or corporate agreement (on participants' rights enforcement) mandates mediation for certain disputes, the claimant cannot directly appeal to a court without attempting mediation. Failure to comply

may result in the court rejecting the claim or dismissing the case if already accepted. Financial, legal, or industry experts may be involved in mediation to provide independent opinions, offering a quick, efficient, and cost-effective way to resolve corporate disputes. Some European countries have specialized state agencies and monitoring bodies for alternative dispute resolution. For instance, France's Autorité des Marchés Financiers (AMF) and Germany's Bundeskartellamt oversee corporate disputes and commercial law enforcement, taking swift action in cases of corporate rights violations.

Uzbek legislation lacks clear provisions on resolving corporate disputes through alternative methods, such as arbitration or mediation. Consequently, experts in the field hold varying views. International experience shows that arbitration is widely used to resolve corporate disputes, protecting participants' rights. International arbitration is a globally recognized, efficient, and neutral mechanism, especially crucial for cross-border (international) business relations. In international corporate relations, arbitration is a reliable and practical tool for resolving disputes between investors and partners. Scholars like O.E. Kutafin and C. Jarrosson define arbitration as an authorized body or institution for resolving disputes arising among entrepreneurs in commercial activities [13; 14]. René David emphasized that arbitration's essence is not ensuring legal supremacy but maintaining harmony among people [15].

Analysis of Uzbek court practices reveals underdeveloped arbitration for corporate disputes. Often, participants in corporate relations, especially foreign investors, inquire about alternative dispute resolution options before investing. For example, in the case of "Maksinur export" LLC founder S. Fazilov's appeal to annul the arbitral award of the Arbitration Court under the Uzbekistan Arbitration Courts Association on March 26, 2019, the court granted the appeal, citing the arbitration court's lack of jurisdiction over the dispute (a corporate dispute) [16]. In our opinion, corporate disputes can be resolved by both permanent arbitration courts and ad hoc arbitration, provided the company's charter specifies arbitration rules and centers. Additionally, the dispute must be of a private nature (e.g., dividend payments, share transfers, or breaches of charter-based agreements). Public-interest disputes (e.g., company formation, reorganization, liquidation, or challenges to management decisions) must be resolved in economic courts.

To reconcile conflicting views among experts, amendments should be made to national legislation. In particular, Presidential Decree No. 4754 of June 17, 2020, "On Measures to Further Improve Alternative Dispute Resolution Mechanisms," prioritized enhancing the system for protecting individuals' and legal entities' rights, expanding alternative dispute resolution options, and increasing the role of mediation, arbitration, and international arbitration in reducing court workloads. Accordingly, Article 8 of the Law "On Limited Liability Companies" should be amended to allow mediation or arbitration for disputes specified in founding documents. Additionally, the Economic Procedural Code of the Republic of Uzbekistan (hereinafter referred to as the "EPC") should be supplemented to categorize corporate disputes based on their nature, specifying which disputes require economic court resolution and which can be resolved alternatively.

Third Method: Judicial Resolution of Corporate Disputes

This method is considered more effective than the aforementioned alternatives. Some countries even have specialized courts for efficient, impartial, and high-level resolution of corporate disputes. Examples include the Delaware Court of Chancery in the United States, the Business and Property Courts in the United

Kingdom, and the State-wide Business Court in Georgia. In Germany, certain courts have specialized chambers for economic and corporate cases. Uzbekistan lacks specialized courts for corporate disputes, which are handled by economic courts. However, the Supreme Court of Uzbekistan has established a specialized panel for corporate disputes within its Economic Disputes Chamber.

Statistical analysis shows that, while the number of corporate disputes in economic courts is growing slowly, it is increasing. For instance, 469 corporate disputes were heard in 2023, rising to 479 in 2024 [17]. However, judicial resolution does not always restore participants' rights. In some cases, corporate disputes disrupt company operations or lead to bankruptcy. The unique nature of corporate relations, where the primary goal is profit generation, often leads to "exploring various business avenues." Long-term collaboration creates numerous bonds among participants, but disputes can lead to breaches of fiduciary duties (loyalty, fairness, diligence, confidentiality, prioritizing company interests over personal gains), with all available "weapons" used to eliminate a partner.

To ensure efficient judicial resolution of corporate disputes, the legal framework governing these relations must be further improved. Disputes over whether a case qualifies as a corporate dispute often arise among experts and even judges. For example, in the case of claimant "P" foreign company's claim to invalidate the resolution of the general meeting of respondents "CVB" (foreign company founder) and "OTKSI" LLC on October 8, 2019, the court dismissed the case, noting that CVB had donated its 85% share in "OTKSI" LLC to Russian citizen CHAV, rendering the dispute non-corporate [18]. Another example: the Chamber of Commerce and Industry of Uzbekistan's claim on behalf of "AB" LLC against "E" LLC for forming a 92.157% share worth 108,095,299 soums was dismissed for lack of jurisdiction. The court ruled that the share formation certificate was not a legally consequential document [19]. However, Article 14 of the Law states that full payment of a share is confirmed by a certificate issued to the participant. In our view, the certificate is an official document with legal consequences. For instance, Clause 21 of the Regulation requires documents confirming additional share contributions by participants or third parties for company re-registration. Thus, legal criteria for corporate disputes should be established, focusing on the underlying corporate relations, their object, and subject.

Additionally, legal norms should specify that corporate disputes can only be resolved in economic courts to prevent other courts from handling such cases. For example, Article 25 of the EPC states that, if multiple related claims fall under the jurisdiction of different courts (e.g., economic and civil courts), all claims must be heard in the civil court. Due to the lack of restrictions on applying this norm, some corporate disputes are heard in civil courts. For instance, "FPS" LLC founders M.Q.K (40.20% share) and X.J.SH (20.10% share) filed a claim in the Tashkent Interdistrict Economic Court against "FPS" LLC founder and former director M.X.T (39.7% share) and accountant U.M.T for selling company-owned imported equipment, causing a $32,750 loss. The court dismissed the case against U.M.T (a non-corporate relations participant) and transferred it to the Yakkasaroy District Civil Court [20]. The court later ruled that M.X.T must compensate the company 400,179,782.5 soums (at the exchange rate) for the sold equipment, while U.M.T's liability was dismissed [21]. In our opinion, this dispute, involving participants and the executive body, should have been resolved in the economic court.

Another example: "B" LLC founder FGB filed a claim against "B" LLC, citizen A.SH.M, and "Asl ko'chmas mulk savdo

rieltor" LLC's Bukhara branch to invalidate the auction results and sale agreement of September 22, 2017 [22]. Lower courts treated the dispute as corporate, but the Supreme Court annulled their decisions, ruling that the auction results (where A.SH.M won) and subsequent sale of the property to "Nuri-Sitora" LLC were not corporate disputes and fell under civil court jurisdiction. However, we disagree with this ruling. Article 30(1)(3) of the EPC explicitly classifies claims by legal entity participants to invalidate company agreements as corporate disputes to be heard in economic courts. In this case, the participant's rights were violated, and court intervention would have restored them.

Corporate disputes are a unique category, and the norm requiring consolidated claims to be heard in civil courts should not apply to them. Although corporate disputes arise from civil relations, their consequences may involve public-law relations. Under Uzbek law, administrative and other public-law disputes are resolved in administrative courts. However, Article 25 of the EPC prohibits consolidating claims under the jurisdiction of different courts (e.g., administrative and economic courts). For example, a participant challenging a general meeting resolution must first file in the economic court and then in the administrative court to contest charter amendments. To ensure effective protection of corporate rights, Article 25 of the EPC should be amended to include jurisdiction over administrative and other public-law disputes related to corporate relations. As V. Slepchenko noted, such disputes involve corporate relations participants' rights and obligations, not state interests [23].

Developed countries' procedural laws recognize class actions, where groups file collective claims. Originating in Anglo-American law, this concept has spread to Civil Law systems. Canadian legal scholar J. Walker highlights that class actions aim to achieve justice, procedural efficiency, and influence participants' actions [24]. In Europe, class actions for corporate disputes have grown recently, particularly in consumer protection. EU Directive 2020/1828 mandates member states to implement this mechanism. Class actions allow corporate relations participants to collectively protect shared interests, ensuring prompt resolution, cost savings, and optimized court workloads. For example, European countries widely use class actions for cases of corporate misinformation or challenges to management decisions [25]. Most jurisdictions impose conditions for class actions, such as a minimum number of participants (e.g., 20), a common legal basis, court approval, and representation.

In our view, the Economic Procedural Code should introduce class actions, specifying procedures for corporate disputes. As a procedural tool for protecting corporate rights, class actions are highly effective. They ensure comprehensive, prompt dispute resolution, evidence evaluation, and unified court practices while incorporating international legal advancements.

To ensure business stability and efficiency, the timeframe for enforcing court decisions on corporate disputes should be shortened. For instance, reducing the one-month enforcement period to ten days would align with corporate relations participants' need for legal certainty. Swift enforcement helps parties assess situations and plan next steps. Prolonged enforcement creates uncertainty, undermining corporate rights and deterring investments.

Conclusion

Selecting appropriate legal mechanisms to resolve corporate conflicts among participants is crucial for ensuring company stability and balanced relations among stakeholders. Pre-trial and non-judicial methods (negotiation, mediation, arbitration) offer quick, cost-effective, and confidential solutions for corporate relations. However, these methods are only

effective if established in the company's founding documents beforehand. Otherwise, generic charter provisions may fail to resolve conflicts.

To enhance alternative dispute resolution mechanisms, the legal foundations of corporate relations must be strengthened. Legal provisions should mandate mediation or arbitration for private disputes, making Uzbekistan more attractive to investors who prioritize alternative dispute resolution options.

Judicial resolution, particularly in clear cases of rights violations, is the most effective means of restoring justice and legal guarantees. However, this method depends on the legal framework of the company's jurisdiction and its founding documents. Without robust legal frameworks or mechanisms for exercising and protecting participants' rights, corporate disputes may become unresolvable, leading to extreme measures such as company dissolution or business division.

To unify court practices, corporate dispute rulings should be published on the Supreme Court's official website, the national legal database, and social media platforms. Seminars and roundtables involving judges and business representatives should discuss corporate disputes and resolution practices. Efficient conflict resolution among participants is key to long-term business stability and the development of a robust corporate culture.

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