

RCW 23B.14.300 Judicial dissolution—Grounds. The superior courts may dissolve a corporation:

(1) In a proceeding by the attorney general if it is established that:

(a) The corporation obtained its articles of incorporation through fraud; or

(b) The corporation has continued to exceed or abuse the authority conferred upon it by law;

(2) In a proceeding by a shareholder if it is established that:

(a) The directors are deadlocked in the management of the corporate affairs, the shareholders are unable to break the deadlock, and irreparable injury to the corporation is threatened or being suffered, or the business and affairs of the corporation can no longer be conducted to the advantage of the shareholders generally, because of the deadlock;

(b) The directors or those in control of the corporation have acted, are acting, or will act in a manner that is illegal, oppressive, or fraudulent;

(c) The shareholders are deadlocked in voting power and have failed, for a period that includes at least two consecutive annual meeting dates, to elect successors to directors whose terms have expired, and irreparable injury to the corporation is threatened or being suffered, or the business and affairs of the corporation can no longer be conducted to the advantage of the shareholders generally, because of the deadlock;

(d) The corporate assets are being misapplied or wasted; or

(e) The corporation has ceased all business activity and has failed, within a reasonable time, to dissolve, to liquidate its assets, or to distribute its remaining assets among its shareholders;

(3) In a proceeding by a creditor if it is established that:

(a) The creditor's claim has been reduced to judgment, the execution on the judgment was returned unsatisfied, and the corporation is not able to pay its liabilities as they become due in the usual course of business or its assets are less than the sum of its total liabilities; or

(b) The corporation has admitted in writing that the creditor's claim is due and owing and the corporation is not able to pay its liabilities as they become due in the usual course of business or its assets are less than the sum of its total liabilities.

The superior courts may also assume control over a dissolved corporation's assets and the process for winding up and liquidating its business and affairs, in a proceeding instituted by the dissolved corporation to have its voluntary dissolution continued under court supervision. [2006 c 52 s 14; 1995 c 47 s 3; 1993 c 290 s 3; 1989 c 165 s 163.]