



**DENIED**

EFiled: Jun 07 2024 04:57PM EDT  
Transaction ID 73343745  
Case No. 2024-0412-NAC

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

ANDREW C. WALTER,	:	
	:	
Petitioner,	:	
	:	
v.	:	C.A. No. 2024-0412-NAC
	:	
GERALDINE F. MCMANUS,	:	
	:	
Respondent,	:	
and	:	
	:	
GRANGER MANAGEMENT	:	
HOLDINGS LLC,	:	
	:	
Nominal Respondent.	:	

**ORDER GRANTING RESPONDENT  
GERALDINE F. MCMANUS’S MOTION TO DISMISS**

WHEREAS, this Court having considered Respondent Geraldine F. McManus’s (“Respondent”) Motion to Dismiss (the “Motion”) the Verified Petition for Judicial Dissolution of Petitioner Andrew C. Walter (the “Petition”) any related briefing and any argument thereto, and for good cause shown,

1. The Motion is GRANTED; and
2. The Petition is DISMISSED WITH PREJUDICE.

IT IS SO ORDERED, this \_\_\_\_ day of May, 2024.

\_\_\_\_\_  
The Honorable Nathan A. Cook

This document constitutes a ruling of the court and should be treated as such.

**Court:** DE Court of Chancery Civil Action

**Judge:** Nathan A Cook

**File & Serve  
Transaction ID:** 73063836

**Current Date:** Jun 07, 2024

**Case Number:** 2024-0412-NAC

**Case Name:** Andrew C. Walter v. Geraldine F. McManus, et al

**Court Authorizer:** Nathan A Cook

**Court Authorizer**

**Comments:**

Per Fisk, “convincing factors” for judicial dissolution include circumstances where (1) there is board level voting deadlock and “(2) the operating agreement gives no means of navigating around the deadlock...” 2009 WL 73957, at \*4 (Ch.), aff’d, 984 A.2d 124 (Del. 2009). Walter well-pleads these. The Fisk circumstances “are not individually dispositive, nor must they all exist...” Id.

McManus suggests a deadlocked LLC with no contractual mechanism for resolving deadlock must be metaphorically ablaze to state a reasonably conceivable claim. As Walter ably answers, that is not our law. Deadlock over “[s]erious managerial issues, such as strategic visions,” is sufficient. Mehra, 2021 WL 300352, at \*19. Walter well-pleads such facts. Pet. ¶¶19-20, 27-31; see also Haley, 864 A.2d 86, 93-96 (Ch.) (“§18-802 plays a role for LLCs similar to the role that § 273 of the DGCL plays for joint venture corporations with only two stockholders”); Bermor, 2015 WL 554861, at \*4 (Ch.) (§273 “does not mandate that parties struggle until they have destroyed their relationship entirely and jeopardized their business.”). Although unnecessary, Walter also alleges imminent, grave risk to the business, even if it is currently profitable via a “residual, inertial status quo[.]” Haley, at 96.

I note McManus’ new lead argument in reply suggests Walter must allege more deadlocked votes. But “Delaware law does not require a member to plead she made performative proposals she knew would be dead-on-arrival as a predicate to seeking judicial dissolution.” Seokoh, 2021 WL 1197593, at \*11 (Ch.) (also distinguishing Arrow, 2009 WL 1101682, as not based on deadlock).

Also, McManus newly argues Walter can sell his interest to a third party. But that is insufficient. T&S, 2023 WL 334674, at \*9 (Ch.); Fisk, at \*5 (“inequitable...to force a party to exercise its option”); Lola, 2009 WL 4052681, at \*6 (Ch.) (denying dismissal where “provision...is entirely voluntary”).

The motion is denied.

/s/ **Judge Nathan A Cook**