

Control Issues: Delaware Holds Parties to Their Bargain in Recent Governance Decisions



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Delaware is widely known as a “contractarian” state when it comes to corporate law, upholding freedom of contract principles for sophisticated parties. That bias was on display in three recent post-trial Court of Chancery decisions involving control and governance of closely held Delaware companies:

- In *Ropko et al. v. McNeill, Jr.*, [1] the Court held that an LLC manager could not turn a voting agreement—requiring the other managers to vote in lockstep—into unrestricted authority to remove them by unilateral written consent.
- In *Fortis Advisors, LLC v. Krafton, Inc.*, [2] the Court rejected a buyer’s attempt to seize control of the target company by fabricating grounds to terminate its founders for “Cause.”
- In *In re Priority Responsible Funding LLC*, [3] the Court declined to permit one of two co-managing members to keep a deadlocked LLC afloat because the operating agreement lacked a tiebreaker mechanism.

Together, these decisions highlight that, when control and governance are in dispute, Delaware courts will enforce not only the rights parties grant—but the constraints and gaps they accept.

You can access the rest of this article [on the website of the Harvard Law School Forum on Corporate Governance](#), the top online resource for discourse on corporate governance.

1. C.A. No. 2024-1193-PAF, 2026 WL 732727 (Del. Ch. Mar. 16, 2026).
2. No. 2025-0805-LWW, 2026 WL 730977 (Del. Ch. Mar. 16, 2026).
3. C.A. No. 2024-0651-NAC, 2026 WL 674490 (Del. Ch. Mar. 10, 2026).