

## Summary of SC88812, *William O. Cannon v. Thomas E. Monroe*

Appeal from the circuit court of St. Louis County, the Honorable Maura B. McShane.

**Attorneys:** Monroe was represented by Mr. Francis E. Pennington III and Laurie A. Shea of Pennington Shea LC in St. Louis. Cannon was represented by Gary Grove of The Grove Law Firm in St. Louis and Michael A. Kaplan of Clayton.

*This summary is not part of the opinion of the Court. It has been prepared by the communications counsel for the convenience of the reader. It neither has been reviewed nor approved by the Supreme Court and should not be quoted or cited.*

**Overview:** A man challenged the validity of a statute he said impaired a business agreement he had with his co-owner of three related companies. In a 7-0 per curiam opinion that cannot be attributed to any particular judge, the Supreme Court of Missouri transferred the appeal to the Missouri Court of Appeals, holding that because the agreement does not apply to the underlying suit, the statute's validity is not implicated.

**Facts:** William Cannon brought an action under section 351.467, RSMo 2000, to dissolve three related companies in which he and Thomas Monroe each owned half-interests and to distribute the companies' assets. Monroe challenged the validity of this statute, alleging it impairs an agreement he had with Cannon. The trial court applied the statute, and Monroe appeals.

### **CAUSE TRANSFERRED.**

**Court en banc holds:** The agreement addressed two situations – if a shareholder sought to transfer or encumber his shares of stock in the corporation or if a shareholder desired to sell, encumber or otherwise dispose of the corporation's stock without the consent of the other shareholder – but Cannon did not seek to exercise either option. The agreement, therefore, does not apply to this action, and so the statute's validity is not implicated.