The Texas Lawbook

Free Speech, Due Process and Trial by Jury

# Business Court: April 2026 Decisions

MAY 11, 2026 | **BY ZACK EWING & MICHAEL PATTON**

The Court continues to cement its judicial heavyweight status — with the month's marquee event ringing in a 90-page opinion in the high-profile fight between the Dallas Mavericks and Dallas Stars over control of the American Airlines Center. In *Dallas Sports Group v. DSE Hockey Club*, the Court declared that the Mavericks had effectively redeemed the Stars' interests in the arena's operating entities, finding the Stars breached their contractual commitment to keep the team's offices in Dallas when they decamped to Frisco more than two decades ago.

The Court also maintained its strategy of deploying Rule 166(g) to narrow cases early, this time in Enosis Investments v. Jensen, where it held that the fiduciary duties plaintiffs alleged did not exist on the facts pleaded. The Court tackled personal jurisdiction in *Daimler Truck Financial Services v. Vanguard National Trailer*, dismissing claims against out-of-state trailer manufacturers whose only Texas connection was too attenuated to support specific jurisdiction. And in a pair of companion opinions in *Energy Founders Fund v. Daskevich*, the Court delivered a thorough analysis of the company's operating agreement to resolve questions of fee advancement and board approval of the sale of a Texas LLC.

**Dallas Sports Group, LLC, et al. v. DSE Hockey Club, L.P. et al, 2026 Tex. Bus. 15 (1st Div.)**

*The Decision*

The Court granted the Dallas Mavericks' motions for declaratory judgment and partial summary judgment and denied all five of the Dallas Stars' motions, declaring that the Mavericks had effectively redeemed the Stars' ownership interests in the entities operating the American Airlines Center for a total of $110. The Court found the Stars breached their "Location Commitment" by failing to maintain the team's principal offices in Dallas, triggering the Mavericks' redemption rights, and held that the Stars' board members were terminated from the general partner board on the date of redemption. The Mavericks later filed notice to drop its remaining tortious interference claim that had been set for trial in May.

*What Happened*

The Mavericks and Stars co-own the limited partnership and general partner entities that contracted with the city of Dallas to operate the American Airlines Center, the arena where both teams play their home games. In 1998, each organization executed separate franchise agreements with Dallas requiring each owner to designate Dallas as the location of its team's principal corporate and executive offices. A year later, the parties executed operating agreements containing "Relocation Events" clauses providing that if a party breached its Location Commitment before 2031, the non-breaching party may cause the entities to redeem the breaching party's interests for $100 and $10, respectively.

The Mavericks contended that the

Stars relocated from Dallas no later than 2003, when they moved their administrative offices and practice facilities to Frisco, roughly 30 miles north of downtown Dallas. On Oct. 25, 2024, the Mavericks' counsel sent a letter to the Stars declaring that a Relocation Event had occurred and tendering the $110 fee. After the Stars rejected the redemption, the Mavericks sued for declaratory judgment and tortious interference. The Stars counterclaimed, and the parties ultimately filed seven summary judgment motions. The Court's 90-page tour de force opinion resolved all seven by working through the core contract-construction issues and ultimately upholding Texas's longstanding freedom-of-contract principles among sophisticated parties.

*Redemption Mechanics*

The Stars argued that only the limited partner and general partner entities themselves — not the Mavericks — could effectuate a redemption. The Court rejected this reading, reasoning that the agreements provided two paths to redemption: direct entity action and a separate right permitting the remaining partner to "cause" the redemption. The Stars' "entity only" interpretation would render portions of the redemption clauses meaningless and effectively give the Mavericks a contractual right to redemption while granting the Stars power to block it through a fifty-fifty deadlock. The Court found it significant that the agreements did not prescribe any particular redemption procedures, and the Stars offered no evidence that a formal board vote would have changed the outcome.

*Meaning of "Location Commitment"*

The pivotal contract issue was what the Location Commitments require. The Court carefully parsed the franchise agreements' defined terms and found "Owner" and "Team" to be distinct: "Owner" referred to the legal entity holding the franchise, while "Team" encompassed the players, coaches, trainers, and administrative employees known publicly as the Dallas Stars or Dallas Mavericks. Because the commitments required the Owner to designate Dallas as the location of the Team's principal offices—not the Owner's own offices—the Court determined that government filings listing Las Vegas addresses for Mavericks-affiliated entities were irrelevant. Undisputed evidence showed the Mavericks' Team offices, practice facilities, and personnel had continuously been in Dallas. The Stars conceded they had never designated or maintained their Team's principal offices in Dallas during the relevant period.

*Stars' Waiver, Limitations and Laches Defenses*

The Stars argued that the Mavericks' 20-plus years of inaction despite knowing the Stars were not located in Dallas constituted an implied waiver. The Court held that the agreements' non-waiver clauses — providing that the failure to insist on strict performance would not constitute a waiver — precluded an implied waiver grounded in the very conduct the parties agreed would not give rise to one. The Court also rejected the Stars' argument that post-redemption government filings listing Las Vegas addresses constituted affirmative conduct inconsistent with the Mavericks' redemption rights, finding the filings said nothing about redemption rights and again did not address where the Team's offices were located.

The Court denied the Stars' limitations motion, holding that the Mavericks' declaratory judgment claim did not accrue until Nov. 1, 2024, when the Stars rejected the Mavericks' redemption letter and an actual, justiciable controversy arose. The laches defense fared no better: the Stars offered no evidence of a detrimental change of position resulting from the Mavericks' alleged delay.

*Stars' Original Impossibility Defense*

Finally, the Court rejected the Stars' argument that original impossibility

  

barred the Mavericks' claims. The Stars conceded they had never maintained their offices in Dallas and had at least a year between signing the franchise agreement and the operating agreements — meaning they knew of any impossibility before making their Location Commitment. The Stars also offered no evidence that they could never have located their Team's offices in Dallas.

The decision came from Judge Bill Whitehill of the Texas Business Court, First Division.

Charles L. Babcock, Chris Bankler, Sarah Starr, Minoo Blaesche and Gabriela Barake of Jackson Walker represented the plaintiffs; Douglas Alexander, Kirsten Castaneda, and Wallace Jefferson of Alexander Dubose & Jefferson, Chad Baruch of Johnston Tobey Baruch, and Joshua Sandler, Frank Carroll, Benjamin Hamel, John David Janicek, Cory Johnson and Andrew Patterson and of Winstead represented the defendants.

**Daimler Truck Financial Services USA LLC v. Vanguard National Trailer Corp. et. al, 2026 Tex. Bus 16 (8th Div.) (mem. op.)**

*The Decision*

The Court granted the Vanguard Companies' special appearance and dismissed all claims for lack of personal jurisdiction. Daimler failed to establish its claims arose out of or sufficiently related to the Vanguard Companies' Texas contacts, which were too attenuated to haul the defendants into Texas courts.

*What Happened*

This lien-priority dispute involved Texas-based Daimler, Indiana-based Vanguard National Trailer Corporation and CIMC Reefer Trailer (collectively, the Vanguard Companies), California-based KAL Trailers and KAL Freight, and Texas-based King Country Trailer and Repair. The Vanguard Companies manufacture trailers, and between 2022 and 2023, Daimler loaned KAL Freight millions of dollars to buy Vanguard trailers from KAL Trailers. Daimler alleged the Vanguard Companies provided KAL Trailers with fraudulent manufacturer's certificates of origin, inducing Daimler to believe it held valid liens. When KAL Trailers and KAL Freight filed for bankruptcy in December 2024, the Vanguard Companies repossessed some trailers and sold a portion to King Country in Texas. Daimler sued, asserting several claims centered on fraud and negligent misrepresentation related to the lien dispute. The Vanguard Companies filed an amended special appearance challenging personal jurisdiction.

The parties agreed the Court lacked general jurisdiction over the Vanguard Companies, which are Delaware corporations headquartered in Indiana. With respect to specific jurisdiction, the Vanguard Companies' sole argument was that Daimler's claims do not arise out of or relate to the Vanguard Companies' Texas contacts.

The Court agreed and dismissed the suit for lack of personal jurisdiction. Texas was absent from most of the operative facts, as the core injurious events occurred in California and outside Texas. The Vanguard Companies' only Texas conduct — selling trailers to King Country — was too random and attenuated to establish a sufficient nexus between the Vanguard Companies' Texas contacts and the litigation's operative facts.

The decision came from Judge Jerry D. Bullard of the Texas Business Court, Eighth Division.

The plaintiff was represented by Kim Gage of Cooksey, Toolen, Gage, Duffett & Woog, and Joseph Harper, Stephen McCartin and Robert Slovak of Foley & Lardner. Defendants Vanguard Companies were represented by Sean Gorman and Kyle Mason of White & Case. J. Daren Brown and J. Ethan Colley of Stockard, Johnston, Brown, Netardus & Doyle represented defendant King Country Trailer and Repair.

**Energy Founders Fund v. Daskevich, 2026 Tex. Bus. 17 (11th Div.)**

*The Decision*

  

In the first of two consecutive decisions, the Court denied Daskevich's motion to compel advancement of defense costs from Gage Western, a company of which Daskevich was a member and director. The Court concluded the claims were not brought "by reason of" his service as a director and therefore fell outside the advancement provision in the company agreement.

*What Happened*

Daskevich was both a member and a director of Gage Western, a Texas LLC governed by a series of amended company agreements. The Third Amended Company Agreement provided for advancement of defense costs incurred by directors "by reason of" their service, conditioned on a written undertaking to repay if indemnification was ultimately not owed and a board determination that the director had the financial means to repay if required.

The dispute stemmed from a drag-along sale of Gage Western in September 2024. Two of the three directors approved the transaction, but Daskevich voted against it, and disagreements emerged about what Daskevich was required to do next. Energy Founders Fund sued Daskevich and his wife, alleging he refused or failed to take the steps necessary to transfer their membership units as required by the drag-along provision. Plaintiff later amended its pleading to seek a declaration that the units were automatically transferred upon the issuance of the drag-along notice.

The same day the suit was filed, Gage Western adopted its Fourth Amended Company Agreement, eliminating the board of directors and removing the advancement and indemnification provisions. After Gage Western refused Daskevich's request to advance his defense costs under the Third Agreement, Daskevich moved to compel advancement.

The Court analyzed three questions: (1) which company agreement governed Daskevich's right to advancement — the one in effect when the underlying conduct occurred, or the amended version in place when the suit was filed; (2) whether Daskevich satisfied or was excused from the conditions precedent to advancement; and (3) whether the claims against Daskevich were brought by reason of his service as a director.

*Which Agreement Governs*

The Court held the Third Agreement controlled, not the Fourth Agreement adopted on the date the suit was filed, because advancement rights arise from the agreement in effect when the director performed his services. Applying a later amendment to retroactively eliminate those rights would alter the parties' bargain after the fact — something Texas courts are reluctant to do, particularly where it would result in forfeiture of a bargained-for right.

*Conditions Precedent to Advancement*

It was undisputed that Daskevich satisfied the first condition precedent by providing a written undertaking to repay the advancement if required. The Court excused the second condition — a board determination of his financial ability to repay—because Gage Western had eliminated its board, removing the only mechanism for making the determination. The Court reasoned that under well-established Texas law, "a party who prevents or makes impossible the occurrence of a condition precedent upon which its liability under a contract depends cannot rely on the nonoccurrence to escape liability."

*By Reason of Service as a Director*

Though the Court agreed with Daskevich on the first two questions, the third was dispositive. In determining whether the dispute arose "by reason of" Daskevich's service as a director, the Court adopted an "eight corners" review — deciding the issue solely on the company agreement and the live pleadings. This approach, the Court explained, best preserved the summary nature of an

  

advancement proceeding, promoted predictability and speed, and avoided "premature entanglement with the merits."

Based on the eight corners of the company agreement and live pleadings, the Court held that the claims were not brought "by reason of" Daskevich's service as a director. They instead arose from his alleged refusal, solely in his capacity as a *member*, to transfer his membership interests under the drag-along sale. Every allegation focused on owner provisions of the company agreement — none turned on the exercise of board authority or director-level duties. The Court therefore denied the motion to compel advancement, finding no meaningful nexus between the pleaded claims and Daskevich's service as a director.

The decision came fromJudge Brian Stagner of the Texas Business Court, Eleventh Division.

Energy Founders Fund was represented by Matthew Allen and K. Knox Nunnally of Allen & Nunnally. Defendants Chris Curnutt Daskevich and Phillip Daskevich were represented by Craig Dillard, Michael Rahmn and Brittany Rupple of Nelson Mullins.

**Energy Founders Fund v. Daskevich, 2026 Tex. Bus. 18 (11th Div.)**

*The Decision*

In a companion opinion issued the next day, the Court granted partial summary judgment to plaintiff and to third-party defendant John Donovan Jr., a former Gage Western director, and denied the Daskevichs' cross-motions, finding that a transfer of membership units under the company agreement required only a simple majority board vote.

*What Happened*

The dispute, arising from the same facts as the preceding opinion, turned on a narrow but consequential question of contract interpretation. Energy Founders Fund and Donovan Jr. asserted that a transfer of membership units required only a majority vote of the board under Section 9.2 of Gage Western's company agreement, which governed transfers of membership units and contained the drag-along provision. The defendants in turn argued the drag-along sale also required special director approval under Section 7.2(c)(ii), which required that any "material agreement" involving a member receive approval from both Donovan Jr. and Daskevich.

Applying Texas principles of contract interpretation focused on the parties' intent as expressed in the plain language of the agreement, the Court found that any transfer of membership units — even a 100 percent transfer — required only a simple majority vote under Section 9.2. Section 9.2 contained the complete standard for transfers; Section 7.2(c)(ii) instead regulated company actions and assigned a different approval regime: "Different actors. Different conduct. Different rules." The September 2024 board approval of the drag-along sale was therefore valid and effective.

The decision came fromJudge Brian Stagner of the Texas Business Court, Eleventh Division.

Energy Founders Fund was represented by Matthew Allen and K. Knox Nunnally of Allen & Nunnally. Defendants Chris Curnutt Daskevich and Phillip Daskevich were represented by Craig Dillard, Michael Rahmn and Brittany Rupple of Nelson Mullins.

**Enosis Investments LLC, et. al v. Jensen, et. al, 2026 Tex. Bus. 19 (3d Div.)**

*The Decision*

Pursuant to Texas Rule of Civil Procedure 166(g), the Court ruled on an early legal issue jointly identified by the parties, holding that the fiduciary duties alleged by plaintiffs did not exist under Texas law on the facts pleaded. The Court held that the pleadings did not support the existence of a joint venture because they failed to allege an agreement to share profits and losses, and the LLC agreements expressly disclaimed any

  

joint venture. The Court further held that a non-managing member generally does not owe fiduciary duties to an LLC, and that a corporate manager's fiduciary duty does not pass through to its individual officers and owners absent a piercing of the corporate veil.

*What Happened*

The dispute arose from the acquisition and management of the Reserve at Lake Travis, a mixed-use development in Travis County. In 2021, George Lake and Brett Jensen formed multiple LLCs to acquire, own and manage different components of the Reserve. The LLCs were manager-managed, with Enosis (owned by Lake) and Braverman Management (owned by Jensen) serving as co-managers. Enosis held the tie-breaking vote in any deadlock. After disputes arose over management, Enosis and Lake sued Jensen, Braverman and Southfork Development Partners, alleging breaches of fiduciary duties owed to the individual plaintiffs and the LLCs. Pursuant to the parties' Joint Advisory on Early Legal Issues, the Court took up whether those fiduciary duties existed as a threshold question of law.

*No Joint Venture*

The plaintiffs alleged that Jensen, Braverman, and Southfork agreed to act as joint venturers with Enosis and Lake to acquire and profit from the Reserve. The Court disagreed. A joint venture requires an agreement to share profits and losses under Texas law, and the petition did not allege that any defendant agreed to share losses, nor did it explain how profits would be shared. The LLC agreements reinforced the result: each unambiguously disclaimed the creation of a joint venture or partnership. Parties who structure their enterprise as a series of separate LLCs, "repeatedly and explicitly disclaiming any joint venture," cannot successfully assert that they orally agreed to the very thing their written agreements disavowed.

*No Fiduciary Duties Owed from Southfork or Jensen*

The plaintiffs further alleged that Jensen, Braverman and Southfork owed fiduciary duties to the LLCs "by virtue of managerial positions, or control, or both." The Court held that Southfork and Jensen owed no duties under Texas law. Southfork is a member of each LLC but not a manager; because the LLCs are manager-managed and plaintiffs identified no authority imposing a fiduciary duty on non-managing members, Southfork owed none. Jensen is neither a manager nor a member of any of the LLCs. The plaintiffs' theory was that Jensen's role as president and controlling shareholder of Braverman should make him personally liable for Braverman's fiduciary obligations — in effect, a pass-through fiduciary duty. The Court declined to create one. Without a viable veil-piercing theory — which plaintiffs neither pleaded nor argued — Texas's longstanding rule shields corporate officers from liability for corporate obligations.

The decision came from Judge Melissa Andrews of the Texas Business Court, Third Division.

Plaintiffs were represented by Justin Strother of Diamond McCarthy. Eugene Zilberman, Jarod Stewart and Brent Hanson of Steptoe represented the defendants.

*Zack Ewing is a litigation partner at Kirkland & Ellis in Austin. He regularly appears in the Texas Business Court, in addition to serving as trial counsel in state and federal courts across the country.*

*Michael Patton is a litigation associate at Kirkland & Ellis in Austin.*

  