COURT OF CHANCERY OF THE STATE OF DELAWARE

Joseph M. Miller v. Twenty Lake Holdings LLC et al.

C.A. No. 2025-0010-LWW (Del. Ch. Aug. 3, 2026) · No. C.A. No. 2025-0010-LWW · Decided August 3, 2026

SUMMARY

The Delaware Court of Chancery denied defendants' request for leave to file a motion for partial summary judgment. The court determined that disputed valuation methodologies, contractual interpretation, and credibility issues required factual development at trial, and that summary judgment would not meaningfully streamline the proceedings because the implied covenant claim involved the same factual nucleus.

CASE DETAILS

COURT	Court of Chancery of the State of Delaware
WRITING FOR THE COURT	Lori W. Will
JURISDICTION	Delaware Court of Chancery
DECIDED	August 3, 2026
DOCKET	C.A. No. 2025-0010-LWW
DISPOSITION	other
PROCEDURAL POSTURE	The defendants sought leave to file a motion for partial summary judgment. The Court of Chancery denied the request and directed the parties to proceed to the scheduled trial.
STANDARD OF REVIEW	Summary judgment is discretionary, and the court may deny it when a preliminary examination indicates that further factual development at trial would clarify the law or its application. Summary judgment is inappropriate when resolution depends materially on credibility determinations.
PRECEDENTIAL VALUE	persuasive
PARTIES	Joseph M. Miller v. Twenty Lake Holdings LLC et al.

TOPICS

summary judgment · contract interpretation · implied covenant of good faith · limited liability companies · commercial litigation

PRACTICE AREAS

civil procedure · contracts · commercial litigation · limited liability companies

QUESTIONS PRESENTED

1. Whether the defendants should be granted leave to file a motion for partial summary judgment on the alleged breach of the limited liability company agreements.
2. Whether the proposed summary-judgment issues were suitable for resolution on the papers where they involved disputed valuation evidence, competing factual accounts, and credibility determinations.

HOLDINGS

1. The court denied defendants' request for leave to file a motion for partial summary judgment because the proposed issues were unsuitable for resolution on the papers and required further factual development at trial.

KEY QUOTATIONS

> *"There is no 'right' to a summary judgment."* (at 1)

> *"[T]he court may, in its discretion, deny summary judgment if it decides upon a preliminary examination of the facts presented that it is desirable to inquire into and develop the facts more thoroughly at trial in order to clarify the law or its application."* (at 1)

> *"Proceeding with summary judgment briefing is "apt to waste, rather than conserve, the resources of the parties and the court.""* (at 3)

FACTUAL BACKGROUND

The parties disputed whether defendants breached limited liability company agreements when calculating the "Book Value" of Miller's equity. Miller contended that the managing member's discretion to determine mark-to-market value was constrained by the contractual requirement to use currently utilized valuation processes and that defendants applied portfolio "haircuts" to depress his buyout price. Defendants maintained that their process used objective market factors consistent with historical practice and necessarily involved subjective valuation judgment. The court also noted that Miller's implied-covenant claim, arising from the same factual nucleus, was scheduled for trial.

PROCEDURAL HISTORY

The defendants submitted a letter requesting leave to file a motion for partial summary judgment, and the plaintiff opposed the request by letter. The court denied leave because the proposed motion presented disputed valuation and credibility issues unsuitable for resolution on summary judgment and would not meaningfully streamline the upcoming trial.

DISPOSITION

other

REMAND INSTRUCTIONS

None. The parties were directed to proceed to trial as scheduled.

CASES CITED

- Telxon Corp. v. Meyerson, 802 A.2d 257, 262 (Del. 2002)
- In re El Paso Pipeline Partners, L.P. Derivative Litigation, 2014 WL 2768782, at *9 (Del. Ch. June 12, 2014)
- Cerberus International, Ltd. v. Apollo Management, L.P., 794 A.2d 1141, 1150 (Del. 2002)
- Orloff v. Shulman, 2007 WL 1862742, at *1 (Del. Ch. June 20, 2007)

OPINION

PER CURIAM.

COURT OF CHANCERY OF THE STATE OF DELAWARE LORI W. WILL LEONARD L. WILLIAMS JUSTICE CENTER VICE CHANCELLOR 500 N. KING STREET, SUITE 11400 WILMINGTON, DELAWARE 19801-3734 August 3, 2026 Kurt M. Heyman, Esquire Matthew F. Davis, Esquire Emily A. Letcher, Esquire Ellis H. Huff, Esquire Heyman Enerio Gattuso & Hirzel LLP Nina N. Monzack, Esquire 222 Delaware Avenue, Suite 900 Potter Anderson & Corroon LLP Wilmington, Delaware 19801 1313 North Market Street, 6th Floor Wilmington, Delaware 19801 RE: Joseph M. Miller v. Twenty Lake Holdings LLC et al., C.A.

No. 2025-0010-LWW Dear Counsel: I have reviewed the defendants' letter seeking leave to file a motion for partial summary judgment, along with the plaintiff's response letter.1 The defendants' request is denied. "There is no 'right' to a summary judgment."2 "[T]he court may, in its discretion, deny summary judgment if it decides upon a preliminary examination of the facts presented that it is desirable to inquire into and develop the facts more thoroughly at trial in order to clarify the law or its application."3 That is the case 1 Letter Regarding Leave to File Summ.

J. Mot. (Dkt. 134) ("Defs.' Request"); Letter in Opp'n to Defs.' Request for Leave to File Mot. for Summ. J. (Dkt. 136) ("Pl.'s Response"). 2 Telxon Corp. v. Meyerson, 802 A.2d 257, 262 (Del. 2002) (citation omitted). 3 In re El Paso Pipeline P'rs, L.P. Deriv. Litig., 2014 WL 2768782, at *9 (Del. Ch. June 12, 2014). C.A. No. 2025-0010-LWW August 3, 2026 Page 2 of 3 here because the matters on which the defendants wish to move for summary judgment are unsuitable for resolution on the papers.

The parties dispute whether the defendants breached certain limited liability company agreements when calculating the "Book Value" of the plaintiff's equity. The defendants assert that the contractual definition of Book Value gives the managing member absolute discretion to set the mark-to-market value.4 The plaintiff contends that this discretion is constrained by the requirement that the mark be set "in accordance with [the] valuation processes currently utilized."5 The plaintiff points to record evidence—including deposition testimony and the application of "haircuts" across the portfolio—suggesting that the managing member abandoned ordinary-course methodologies in favor of an approach designed to depress the plaintiff's buyout price.6 The defendants counter that their process incorporated objective market factors consistent with the managing member's historical approach, and that the valuation process inherently involved subjective judgment.7 Resolving these issues will require the court to assess 4 Defs.' Request 2-3.

5 Pl.'s Response 4. 6 Id. at 3-5. 7 Defs.' Request 4. C.A. No. 2025-0010-LWW August 3, 2026 Page 3 of 3 credibility and weigh competing valuation evidence, which cannot be done on summary judgment. 8 Furthermore, the plaintiff's claim for breach of the implied covenant of good faith and fair dealing is set to be tried in September.

Because the implied covenant claim arises from the same factual nucleus as the express contract claim, permitting the defendants to move for partial summary judgment will not meaningfully streamline the presentation of evidence. Proceeding with summary judgment briefing is "apt to waste, rather than conserve, the resources of the parties and the court."9 Accordingly, it is most efficient to proceed to trial as scheduled.

IT IS SO ORDERED. Sincerely yours, /s/ Lori W. Will Lori W. Will Vice Chancellor 8 See Cerberus Int'l, Ltd. v. Apollo Mgmt., L.P., 794 A.2d 1141, 1150 (Del. 2002) (explaining that summary judgment is "inappropriate" when a "matter depends to any material extent upon a determination of credibility"). 9 Orloff v. Shulman, 2007 WL 1862742, at *1 (Del. Ch. June 20, 2007).