

COURT OF CHANCERY OF THE STATE OF DELAWARE

GI DI Rushmore Parent, L.P. v. Donald E. Stoops, Jr.

GI DI Rushmore Parent, L.P. v. Stoops, C.A. No. 2026-0505-JTL (Del. Ch. June 10, 2026) · No. C.A. No. 2026-0505-JTL · Decided June 10, 2026

SUMMARY

The Delaware Court of Chancery denied GI DI Rushmore Parent L.P.'s application for a preliminary injunction against Donald E. Stoops, Jr. The court held that the plaintiff had not shown a reasonable likelihood that Delaware could exercise personal jurisdiction over Stoops based on a forum-selection clause incorporated from a Partnership Agreement that he had not received or reviewed. The court further concluded that Oklahoma law governed the employment-related provisions and rendered the forum-selection clause invalid, and that the clause would be unenforceable under Delaware law on the facts presented.

CASE DETAILS

COURT	Court of Chancery of the State of Delaware
WRITING FOR THE COURT	LASTER, V.C.
JURISDICTION	Court of Chancery of the State of Delaware
DECIDED	June 10, 2026
DOCKET	C.A. No. 2026-0505-JTL
DISPOSITION	denied
PROCEDURAL POSTURE	Plaintiff sought a preliminary injunction enforcing restrictive covenants against defendant. After expedited discovery and a preliminary-injunction hearing, the court denied the application because plaintiff had not shown a reasonable likelihood that the court could exercise personal jurisdiction over defendant. The court stated it would grant defendant's separate motion to dismiss for lack of personal jurisdiction.
STANDARD OF REVIEW	For a preliminary injunction, the plaintiff must demonstrate a reasonable probability of success on the merits, likely irreparable harm absent relief, and that the balance of harms favors relief. Personal jurisdiction is considered as part of the reasonable-likelihood-of-success inquiry.

PRECEDENTIAL VALUE

Published Delaware Court of Chancery opinion; precedential status is identified as published in the supplied metadata.

TOPICS

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QUESTIONS PRESENTED

1. Whether the Delaware forum-selection clause incorporated from Holdco's undisclosed partnership agreement was valid and enforceable against Stoops.
2. Whether Oklahoma law, rather than Delaware law, governed the employment-related restrictive covenants and the effectiveness of the Delaware forum-selection clause.
3. Whether the court could exercise personal jurisdiction over Stoops based on the incorporated Delaware forum-selection clause.
4. Whether Holdco established a reasonable likelihood of success on the merits sufficient to obtain a preliminary injunction.

HOLDINGS

1. Oklahoma law governs the employment-related features of the incentive-unit agreement and the extent to which the Delaware forum-selection clause can bind Stoops in an action concerning those features.
2. The Delaware forum-selection clause is invalid under Oklahoma law because it limits Stoops's access to Oklahoma courts in an employment-related dispute.
3. The Delaware Court of Chancery lacks personal jurisdiction over Stoops because the Delaware forum-selection clause cannot supply a valid basis for his consent to jurisdiction, and the parties agreed that he had no other relevant Delaware contacts.
4. Even assuming Delaware law governs, enforcing the Delaware forum-selection clause against Stoops would be unreasonable and the clause cannot support personal jurisdiction.
5. Holdco was not entitled to a preliminary injunction enforcing the restrictive covenants because it failed to establish a reasonable likelihood of success on the merits in light of the absence of personal jurisdiction.

KEY QUOTATIONS

“That application is denied because Holdco has not established a reasonable likelihood that this court can exercise personal jurisdiction over Stoops.” (2-3)

“Regardless of whether Oklahoma law or Delaware law applies, the Delaware Forum Clause cannot support the exercise of personal jurisdiction over Stoops.” (2-3)

“The dismissal does not mean Holdco cannot proceed with its claims. Holdco simply must do so under Oklahoma law and in a jurisdiction like Oklahoma where a court can exercise jurisdiction over Stoops.” (57)

FACTUAL BACKGROUND

Stoops, an Oklahoma resident and longtime telecommunications professional, joined Bluepeak after receiving a term sheet contemplating an equity award. Six weeks after he began work, Bluepeak presented him with a non-negotiable incentive-unit agreement containing restrictive covenants and a Delaware choice-of-law provision; the agreement incorporated Holdco's limited partnership agreement without providing Stoops a copy or explaining where to obtain it. The incorporated partnership agreement contained a Delaware forum-selection clause, which Stoops did not see until this litigation. After Stoops resigned and accepted a position with Bluepeak competitor Dobson, Holdco sued him in Delaware and sought to enjoin his employment and alleged covenant breaches.

PROCEDURAL HISTORY

Holdco filed the action on April 20, 2026, relying on a Delaware forum-selection clause contained in a limited partnership agreement incorporated by reference into defendant's incentive-unit agreement. The court issued a temporary restraining order on April 29, 2026, conducted expedited discovery, and held a preliminary-injunction hearing on May 22, 2026. The preliminary-injunction application was denied, and the court indicated that the action would be dismissed for lack of personal jurisdiction.

DISPOSITION

denied

CASES CITED

- Mills Acq. Co. v. Macmillan, Inc., 559 A.2d 1261, 1278-79 (Del. 1989)
- Cantor Fitzgerald, L.P. v. Cantor, 724 A.2d 571, 579 (Del. Ch. 1998)
- Next Level Ventures, LLC v. AVID USA Techs. LLC, 2023 WL 3141054, at *19 (Del. Ch. Mar. 16, 2023)
- NOLU Plastics, Inc. v. Ledingham, 2005 WL 5654418, at *2-3 (Del. Ch. Dec. 17, 2005)
- Benerofe v. Cha, 1996 WL 535405, at *3 (Del. Ch. Sept. 12, 1996)
- Ryan v. Gifford, 935 A.2d 258, 265 (Del. Ch. 2007)
- Burger King Corp. v. Rudzewicz, Burger King Corp. v. Rudzewicz, 471 U.S. 462, 472 n.14 (1985)
- Genuine Parts Co. v. Cepec, 137 A.3d 123, 130, 148 (Del. 2016)
- Nat'l Indus. Gp. (Hldg.) v. Carlyle Inv. Mgmt. L.L.C., 67 A.3d 373, 381 (Del. Ch. 2013)
- Sternberg v. O'Neil, 550 A.2d 1105, 1109 n.4 (Del. 1988)
- Certain Underwriters at Lloyds, Condon v. Chemtura Corp., 160 A.3d 457, 464-65 (Del. 2017)
- FP UC Hldgs., LLC v. Hamilton, 2020 WL 1492783, at *9 (Del. Ch. Mar. 27, 2020)
- Focus Fin. P'rs, LLC v. Holsopple, 241 A.3d 784, 806 (Del. Ch. 2020)
- CNH Am., LLC v. Am. Cas. Co. of Reading, Pa., 2014 WL 626030, at *7 (Del. Super. Jan. 6, 2014)

- Timoria LLC v. Anis, 346 A.3d 1166, 1180 (Del. Ch. 2025)
- CCSB Fin. Corp. v. Totta, 302 A.3d 387, 404 (Del. 2023)
- Deuley v. DynCorp Int'l, Inc., 8 A.3d 1156, 1162-65 (Del. 2010)
- Gemini Techs., Inc. v. Smith & Wesson Corp., 931 F.3d 911, 916 (9th Cir. 2019)
- Eads v. Woodmen of the World Life Ins. Soc., 785 P.2d 328, 330-32 (Okla. Civ. App. 1989)
- The Bremen v. Zapata Off-Shore Co., 407 U.S. 1, 9-20 (1972)
- Carnival Cruise Lines, Inc. v. Shute, 499 U.S. 585, 590, 595 (1991)
- UBEO Holdings, LLC v. Drakulic, 2021 WL 1716966, at *1, *7, *12 (Del. Ch. Apr. 30, 2021)
- Ingres Corp. v. CA, Inc., 8 A.3d 1143, 1146 (Del. 2010)
- Boilermakers Loc. 154 Ret. Fund v. Chevron Corp., 73 A.3d 934, 957-59 (Del. Ch. 2013)
- Graham v. State Farm Mut. Auto. Ins. Co., 565 A.2d 908, 909-13 (Del. 1989)

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