IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

NEIL LUTHRA and VANN AVEDISIAN,	)	
Plaintiffs,	)	
v.	)	C.A. No. 2025-1122-LM **PUBLIC VERSION**[1]
HIR HOLDINGS LP,	)	
Defendant.	)	

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POST-TRIAL FINAL REPORT

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MITCHELL, M.

[1] This is the public version of the Court's May 28, 2026 decision, which was initially filed under seal. Redactions reflect confidential information identified by the parties.

I. INTRODUCTION

This action arises from a Demand for books and records under Section 17-305 of the Delaware Revised Limited Partnership Act. Plaintiffs Neil Luthra and Vann Avedisian are Limited Partners of Defendant HIR Holdings LP. Before their respective departures in 2020 and 2021, Mr. Luthra served as an employee of HIR and Mr. Avedisian served as a consultant to Highgate, an affiliated entity.

Plaintiffs seek information to value their investments, understand changes in ownership and capitalization, and investigate potential misconduct in the management of HIR and its affiliated investment ventures. HIR contends that the governing agreements substantially restrict Plaintiffs' post-separation access to information, particularly to confidential, proprietary, and sensitive materials.

The Court evaluates whether the Limited Partnership Agreement, the individualized Investment Schedules, and, as to Mr. Luthra, the Separation Agreement define and constrain the Plaintiffs' continuing rights to obtain information from HIR. For the reasons that follow, Plaintiffs' request for books and records is **GRANTED IN PART** and **DENIED IN PART**.

This is my Final Report.

II. BACKGROUND FACTS

A. Formation of the Partnership[2]

Defendant HIR Holdings LP ("HIR," the "Partnership," or "Defendant") is a Delaware Limited Partnership affiliated with entities referred to as Highgate.[3] HIR is a holding company for real estate and technology ventures, including hospitality management businesses, hotel properties, and related technology companies.[4] HIR is governed by a Limited Partnership Agreement (the "LPA," "LP Agreement," or "Agreement") under which HIR Holdings GP LLC ("HIR GP" or "General Partner") serves as General Partner, and manages the business and affairs of HIR, while the limited partners hold economic interests in the Partnership's investments.[5]

B. Plaintiffs' Role as Limited Partners

Plaintiffs Neil Luthra and Vann Avedisian ("Plaintiffs" or the "Limited Partners") became Limited Partners of HIR in September 2014 after working with Highgate Hotels, L.P., an affiliate of HIR, as employee and consultant respectively since January 2010.[6] In connection with their roles at Highgate, Plaintiffs acquired

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[2] The facts in this report reflect my findings based on the record developed at the one-day trial held on January 7, 2026. I grant the evidence the weight and credibility I find it deserves. Citations to the Docket are cited in the form of "D.I. __". The parties submitted joint exhibits numbered 1–46. Citations to the joint exhibits are in the form of "JX __."

[3] D.I. 1 at 2; D.I. 19 at 1; D.I. 24 at 1.

[4] D.I. 19 at 1.

[5] D.I. 1 at 2.

[6] D.I. 19 at 7–8; D.I. 43 at 2–3.

significant economic interests in multiple ventures administered through HIR's investment structure. Mr. Luthra received carried interests and partnership participation across multiple Highgate ventures and invested capital across a broad portfolio of hospitality and technology-related investments.[7] His participation in HIR was tied both to his employment relationship and to his role as an investor in the Partnership's ventures. Mr. Avedisian, by contrast, participated in HIR through a consulting and investment relationship with Highgate and received a pro-rata interest in the General Partnership structure.[8]

The Parties' rights and obligations as investors were governed by the LPA and by the individualized Investment Schedules ("Investment Schedule(s)" or "Schedule(s)") appended to the Agreement.[9] Those Investment Schedules identified the specific investments in which Plaintiffs participated and defined the economic terms applicable to those interests.[10]

C. Plaintiffs' Termination of Employment

Mr. Luthra's employment ended in August 2020.[11] On March 8, 2021, he entered into a Separation and General Release Agreement ("Separation Agreement")

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[7] D.I. 1 at 2, 8; D.I. 19 at 9.

[8] D.I. 1 at 8–9; D.I. 19 at 7.

[9] *See generally* D.I. 1; D.I. 9, D.I. 10; D.I. 24 at 7–9.

[10] *See generally* D.I. 9; D.I. 10.

[11] D.I. 43 at 2.

with HIR and its affiliate Highgate Capital Investments LP ("HCI") that restructured his interests into Retained Investments and Non-Retained Investments.[12] Retained Investments included 10% equity interest and a 10% carried interest in [redacted].[13] He also retained a 20% interest in the [redacted], which consisted of hospitality properties owned through [redacted], a Delaware limited partnership through which HIR owned and managed hotel property investments.[14] Mr. Luthra's remaining HIR interests were converted into a contractual right to receive a "Preferred Distribution," a [redacted] cash payment, together with accruing interest, payable by HIR on March 18, 2026.[15] The Separation Agreement altered the structure of Mr. Luthra's investment interests but did not eliminate his continuing economic stake in HIR.[16] It also imposed ongoing reporting and cooperation obligations relating to Mr. Luthra's investments, tax treatment, and capital accounts.[17]

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12 *See* D.I. 19 at 8–9.

13 *Id*. at 9.

14 D.I. 1 at 2; D.I. 19 at 9.

15 D.I. 19 at 9.

16 *See generally* JX 3.

17 *See id*.

Mr. Avedisian's consulting relationship with Highgate ended in February 2021.[18] Unlike Mr. Luthra, Mr. Avedisian did not enter into a separate post-termination agreement and retained continuing investment interests in several Highgate ventures, including [redacted].[19] Although Mr. Avedisian's consulting relationship with Highgate ended in 2021, he remained a Limited Partner of HIR.[20]

Following the Plaintiffs' separation from Highgate, disputes arose concerning the scope of information to which Plaintiffs remained entitled as Limited Partners and investors in HIR's underlying ventures. Those disputes ultimately culminated in the formal demand for books and records that shape the basis of this Action.

D. The Formal Demand

On August 22, 2025, Plaintiffs served a demand ("Demand") for books and records under the Delaware Revised Uniform Partnership Act ("DRULPA") Section 17-305, LPA Sections 7.3 and 7.4, and as to Mr. Luthra, Separation Agreement Sections 3(e) and 4(b).[21]

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[18] D.I. 43 at 2.

[19] D.I. 19 at 9–10.

[20] *Id*. at 10.

[21] JX 4 at 1–2.

The written Demand articulated multiple purposes for inspection. First, Plaintiffs sought information to understand changes in ownership, potential dilution of their interests through recapitalizations, transfers, or other transactions affecting HIR's investments.[22] The Demand identified several transactions giving rise to those concerns, including Highgate's alleged acquisition of its [redacted] joint venture partners' interests in [redacted], and potential changes affecting [redacted] and [redacted].[23] Plaintiffs asserted that those transactions may have diluted Plaintiffs' ownership interests or altered the priority and value of their economic rights in the affected investments.[24]

Second, the Demand explained that Highgate had refused to comply with Mr. Luthra's prior requests for information.[25] It stated that, in addition to the joint-venture investments described in the Demand letter, Howard Landsberg, who is Mr. Luthra's tax advisor, had been seeking information regarding Mr. Luthra's investments and interests in HIR and HCI following Mr. Luthra's separation from the Partnership.[26] Specifically, Plaintiffs' Demand asserted that the monthly information Highgate provided was insufficient to allow Mr. Landsberg to fully

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[22] *Id*. at 3.

[23] *Id*.

[24] *Id*. at 3–4.

[25] *Id*. at 4.

[26] *Id*..

evaluate the effect of the [redacted] sale or verify the financial information requested.[27] The Demand also stated that Highgate had failed to provide the Investment Project Agreements that Mr. Luthra was allegedly entitled to receive under Section 4(b) of the Separation Agreement, notwithstanding multiple prior requests for those documents.[28] The Demand characterized some of those alleged failures as breaches of both the governing agreements and Highgate's obligations under Delaware law.[29]

Third, Plaintiffs alleged that Highgate improperly allowed [redacted] to convert its Series A Preferred Units into Common Units in [redacted], despite Mr. Luthra's [redacted] Preferred Distribution interest under the Separation Agreement.[30] The Demand claimed that this conversion triggered an "Early Preferred Distribution Event," which allegedly required Highgate to compensate Mr. Luthra.[31] Plaintiffs assert the conversion may have improperly reduced or subordinated Mr. Luthra's interests while benefiting Highgate and its principals through continued equity

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[27] *Id.*

[28] *Id.*

[29] *Id.* at 5.

[30] *Id.* at 4.

[31] *Id.*

interests and additional compensation.[32] Plaintiffs contend that Highgate lacked the authority to approve the conversion without compensating or notifying Mr. Luthra.[33]

Additionally, Schedule A to the Demand requested information relating to [redacted], and documents reflecting modifications to Plaintiffs' partnership, equity, and carried-interest rights.[34] Plaintiffs also sought financial statements, and capital account records reflecting the financial condition of HIR.[35] Finally, the Demand sought organizational and structural documents, including information sufficient to understand the relationship between HIR and Highgate's downstream entities and other affiliated investment vehicles.[36]

E. Defendants' Response

On August 29, 2025, HIR responded, asserting that Section 17-305(f) permits partnership agreements to restrict statutory inspection rights and argued that the LPA and the individualized Investment Schedules validly limited Plaintiffs' post-separation access to the information, particularly to confidential or sensitive

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32 *Id*.

33 *Id*. at 4–5.

34 *Id*. at 7–8.

35 *Id*. at 2.

36 *Id*. at 7–8.

materials.[37] HIR asserted that those provisions, entitled Plaintiffs only to information that has been shared with other limited partners who were not affiliated with Highgate as employees or consultants.[38]

Plaintiffs followed up with a September 4, 2025, letter pressing for production and HIR issued a further response on September 10, 2025, maintaining its former position, that Plaintiffs were entitled only to information provided to other non-employee, non-founder limited partners and that HIR did not generally maintain balance sheets or income statements in the requested form.[39]

HIR did not produce the categories of documents requested in the Demand. Rather, HIR asserted that it had satisfied any such obligations, and that Plaintiffs were not entitled to additional materials beyond what had already been provided.[40] Defendants consistently maintained that Plaintiffs' information rights were limited by the governing agreements and that the requested materials exceeded the scope of any continuing entitlement following the Plaintiffs' separation from Highgate.[41]

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[37] JX 5 at 1–2.

[38] *Id*. at 2 ("[T]he provisions contained in Messrs. Luthra and Avedisian's investment schedules . . . consistent with DRULPA § 17-305(f), explicitly restrict Messrs. Luthra and Avedisian's rights to obtain information from Highgate following their separation from the partnership.").

[39] *See* JX 6; JX 7.

[40] JX 7 at 1 ("Messrs. Luthra and Avedisian are entitled only to information from Highgate 'to the extent' this information 'is provided to any other partner of the Partnership that is not a Founder Partner Entity or an employee or consultant of a Founder Partner Entity.'").

[41] *See* JX 5 at 2–3; JX 7 at 1–4.

F. Procedural Posture

Plaintiffs filed a Verified Complaint to Compel Inspection of Books and Records on October 2, 2025.[42] The Complaint sought to enforce Plaintiffs' inspection rights under Section 17-305, the LPA, Investment Schedules, and as to Mr. Luthra, the Separation Agreement.

HIR answered the Complaint on October 24, 2025, taking issue on both entitlement and scope.[43] The parties briefed the issues in November and December 2025 and submitted a Pre-Trial Stipulation and Proposed Order setting forth certain undisputed facts and the issues for this decision.[44] The Court held a paper record trial on January 7, 2026, and took this matter under advisement.[45]

III. ANALYSIS

A. Plaintiffs' Statutory Entitlement Under Section 17-305

1. Threshold Entitlement under DRULPA

Under Section 17-305 of DRULPA, a limited partner may obtain information "regarding the status of the business and financial condition of the limited partnership," and "[o]ther information regarding the affairs of the limited partnership as is just and reasonable," upon reasonable demand for "any purpose reasonably

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[42] *See* D.I. 1.

[43] *See* D.I. 13.

[44] *See* D.I. 43.

[45] *See* D.I. 47.

related to the limited partner's interest as a limited partner."[46] Inspection rights under Section 17-305 attach to a person's *status* as a limited partner.[47]

Here, the threshold inquiry is straightforward. Plaintiffs are, and at all relevant times have been, Limited Partners of HIR.[48] Their ownership status is undisputed. Although Defendants attempt to shift the focus away from ownership and toward Plaintiffs' former roles within Highgate, that shift is unpersuasive.[49] Section 17-305 does not condition inspection rights on employment.[50] To be clear, Plaintiffs' termination and separation in 2021 had practical consequences related to their inspection rights. They no longer had access to certain information by virtue of their roles. But Delaware law draws a clear distinction between access derived from employment and rights arising from ownership. Here, Plaintiffs' status as

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[46] 6 Del. C. § 17-305(a).

[47] *See generally* 6 Del. C. § 17-305.

[48] D.I. 19, Affidavit of Neil Luthra in Support of Plaintiffs' Pre-Trial Brief; Affidavit of Vann Avedisian in Support of Plaintiffs' Pre-Trial Brief.

[49] *See generally* JX 5; D.I. 24 at 5–6.

[50] *Gotham Partners, L.P. v. Hallwood Realty Partners, L.P.*, 714 A.2d 96, 100–01 (Del. Ch. 1998) ("Section 17–305 uses language much closer to and grants conditional rights much similar to those granted by § 220."); id. at 101 ("The legislative history of § 17–305, though scant, reinforces what the statute's language suggests—that the current § 17–305 is patterned after § 220."); *Greenhouse v. Polychain Fund I LP*, 2019 WL 2290245, at *5 (Del. Ch. May 29, 2019) ("[A]s a predicate to inspection, stockholder plaintiffs must prove they own stock in the corporation whose records they wish to inspect, and former directors are not entitled to inspect books and records of a corporation on whose board of directors they no longer serve.").

current Limited Partners of HIR triggers their right to seek inspection under Section 17-305.

2. Burden and Standard of Review

Under Section 17-305, a limited partner may inspect books and records for any purpose reasonably related to their interests as a limited partner, subject to reasonable standards in the partnership agreement.[51] "In determining whether a specific purpose is 'reasonably related to the limited partner's interest' under 6 *Del. C.* § 17-305, this Court has sought guidance from the case law considering a 'proper purpose' under 8 *Del. C.* § 220, the Delaware General Corporation Law's analogue to Section 17-305."[52] Plaintiffs, as Limited Partners, bear the initial burden to show a proper purpose; once established, inspection is limited to documents necessary and essential to accomplish that purpose, and the burden shifts to the defendant to justify any refusals or limitations.[53]

Therefore, the scope of Plaintiffs' entitlement depends not only on Section 17-305, but also on the contractual framework governing the Parties' investment interests.

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[51] 6 Del. C. § 17-305(a); *Madison Ave. Inv. Partners, LLC v. Am. First Real Est. Inv. Partners, L.P.*, 806 A.2d 165, 174 (Del. Ch. 2002) ("[T]he burden to prove a proper purpose is on the plaintiff and more than a general statement is required in order for the court to determine the propriety of the demand.").

[52] *See Holman v. Nw. Broad., L.P.*, 2007 WL 1074770, at *2 (Del. Ch. Mar. 29, 2007).

[53] 6 Del. C. § 17-305(e).

3. Contractual Framework and Burden Shift

"Under Section 17-305(a) of the DRULPA, the right to obtain books and records from the general partner is expressly made subject to 'such reasonable standards ... as may be set forth in the partnership agreement or otherwise established by the general partner[ ].' In addition, such standards may 'govern[ ] what information and documents are to be furnished....'"[54] As Section 17-305 makes inspection rights subject to reasonable standards in the LPA, the Court interprets and applies those contractual provisions according to ordinary principles of contract law.[55] Accordingly, the analysis proceeds in three steps: (1) whether Plaintiffs have established a proper purpose; (2) whether the documents requested are necessary and essential to that purpose; and (3) the extent to which the LPA and Investment Schedules, and as to Mr. Luthra, the Separation Agreement, limit or otherwise affect Plaintiffs' entitlement to those documents.

4. Plaintiffs Have Established a "Proper Purpose" to Inspect the Books and Records.

Plaintiffs' Demand identifies three purposes for inspection. They seek records "first, to establish the value of their Highgate investments; second, to investigate Highgate's mistreatment of its Limited Partners in connection with these

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[54] *Madison Ave. Inv. Partners*, 806 A.2d at 172.

[55] *See Arbor Place, L.P. v. Encore Opportunity Fund, L.L.C.*, 2002 WL 205681, at *3, (Del. Ch. Jan. 29, 2002).

investments; and third, to investigate Highgate's wrongdoing in the management of the investments."[56] Those purposes are tied to Plaintiffs' continuing status as Limited Partners.

The Demand explains that Plaintiffs seek information concerning investments in which they participate, including financial information, business records, and records concerning modifications to Mr. Luthra's interests.[57] As previously stated, Schedule A, identifies the categories of documents sought, including accounting records, financial statements, governance documents, documents reflecting ownership and entity relationships.[58]

The first stated purpose—valuation—is directly connected to Plaintiffs' financial interests in HIR. The Demand specifically explains that documents concerning downstream investments are necessary because Plaintiffs "cannot begin to value their ownership interest" in those investments without the requested records.[59] The second and third stated purposes concern Plaintiffs' treatment as Limited Partners and the management of their investments. As discussed, the Demand identifies several factual bases for those concerns, including the [redacted] involving [redacted], alleged changes to Mr. Luthra's

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[56] JX 4 at 3.

[57] *Id*. at 2–3.

[58] JX 4 at 7–8.

[59] *Id*. at 6.

[redacted], and alleged failures to provide information requested by Mr. Luthra's tax advisor.[60] Plaintiffs have articulated purposes reasonably related to their interests as Limited Partners.

HIR's response focuses on the scope of Plaintiffs' entitlement and the effect of the governing agreements on the production of documents.[61] HIR asserts that Plaintiffs' information rights are contractually limited by their Investment Schedules and that any statutory rights under DRULPA have been restricted or superseded by those agreements.[62] Defendants further contend that "Highgate has already satisfied any obligations it may have under the investment schedules, and it does not, as a general matter, maintain balance sheets or income statements."[63]

The Court is not persuaded that those arguments negate Plaintiffs stated purposes or otherwise foreclose inspection at this stage. The proper purpose inquiry focuses on whether Plaintiffs have articulated purposes *reasonably* related to their interests as Limited Partners, and not on whether the requested documents ultimately must be produced in whole or in part. Here, Plaintiffs have satisfied their initial burden under Section 17-305.

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[60] *See generally* JX 4.

[61] *See generally* JX 7.

[62] *Id*. at 2–3.

[63] JX 7 at 1.

5. The "Necessary and Essential" Limitation

A Limited Partner who establishes a proper purpose is not automatically entitled to unrestricted inspection of partnership records. Inspection under Section 17-305 is limited to documents that are "necessary and essential" to accomplish those purposes.[64]

Delaware courts have consistently applied the "necessary and essential" limitation in interpreting inspection rights under the analogous provisions, including Section 220, and have extended that framework to Limited Partnership contexts.[65] This limitation serves an important gatekeeping function. It ensures that inspection rights remain tailored to their underlying purpose and do not become a vehicle for

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[64] *See*, *e.g.*, *Madison Ave. Inv. P'rs, LLC*, 806 A.2d at 176 (identifying that for limited partnerships, inspection rights are "limited to those documents that are necessary, essential and sufficient for the shareholder's purpose.").

[65] *Murfey v. WHC Ventures, LLC*, 236 A.3d 337, 344 (Del. 2020) ("The Court of Chancery has interpreted this language in the same way that it has interpreted 8 *Del. C.* § 220, holding that, like Section 220, Section 17-305 requires both a proper purpose and that the documents sought be necessary and essential to achieving that purpose."); *Forsythe v. CIBC Emp. Priv. Equity Fund (U.S.) I, L.P.*, 2005 WL 1653963, at *4 (Del. Ch. July 7, 2005) ("In determining whether a specific purpose is 'reasonably related to the limited partner's interest' under 6 Del. C. § 17-305, this court has referred to whether that purpose has been deemed a 'proper purpose' under 8 Del. C. § 220, which is the corporate analogue to section 17-305."); *see also id.* ("'It is well established that investigation of mismanagement is a proper purpose for a[ ] books and records inspection' once a limited partner establishes 'a credible basis to find probable wrongdoing on the part of' the general partner. 'While [limited partners] have the burden of coming forward with specific and credible allegations sufficient to warrant a suspicion of waste and mismanagement, they are not required to prove by a preponderance of the evidence that waste and mismanagement are actually occurring.' 'All that the [books and records] plaintiff must show is a credible basis for claiming that 'there are legitimate issues of wrongdoing.'").

broad discovery, similar to discovery in plenary litigation.[66] Rather, the plaintiff must prove that the requested materials are essential to fulfilling the identified purpose. Delaware law does not permit inspection rights to become "indiscriminate fishing expeditions."[67]

The Demand in this case illustrates the importance of that limitation. Plaintiffs seek a wide range of documents.[68] Schedule A to the Demand, requests materials relating to multiple investments and entities, including documents concerning acquisitions, corporate structures, changes in ownership among others.[69] While these categories are tied to Plaintiffs' stated purposes, their breadth requires careful review under the "necessary and essential" standard.

The LPA provides Plaintiffs with rights to obtain information concerning the Partnership and its investments, but those rights are structured and defined by the Agreement, including the Investment Schedules.[70] In practice, this means that the

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[66] As discussed, Delaware courts interpret Section 17-305 consistently with the framework developed under Section 220, including the principle that inspection rights do not authorize broad-ranging discovery untethered to a proper purpose and the documents necessary to accomplish that purpose. *Highland Select Equity Fund, L.P.*, 906 A.2d 156, 165 (Del. Ch. 2006) ("Section 220 is also not a way to circumvent discovery proceedings, and is certainly not meant to be a forum for the kinds of wide-ranging document requests permissible under Rule 34.").

[67] *Security First Corp. v. U.S. Die Casting & Dev. Co.,* 687 A.2d 563, 571 (Del.1997).

[68] *See generally* JX 4.

[69] JX 4 at 7–8.

[70] *See generally* JX 2; JX 9; JX 10.

Court's inquiry is not whether the requested documents are relevant in a general sense, but whether they are necessary to accomplish the specific purposes Plaintiffs have identified.

B. Plaintiffs' Specific Inspection Rights Under the Partnership's LPA, Investment Schedules, and the Separation Agreement.

1. LPA Sections 7.3-7.4

Section 17-305(f) permits a limited partnership agreement to expand, restrict, or eliminate the default inspection rights otherwise supplied by DRULPA. Here, the LPA affirmatively grants Limited Partners certain rights to obtain investment-level information and inspect related records.[71]

Section 7.3 of the LPA addresses financial reporting.[72] It provides that a Limited Partner may request balance sheets and income statements for each investment in which the Partner participates, to the extent those materials are prepared in connection with the Partnership's tax returns.[73] The provision thus contemplates that Limited Partners are entitled to receive core financial information concerning the investments underlying their interests.[74] The Plaintiffs' Demand

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[71] *See* JX 2.

[72] JX 2 at 21.

[73] *See* JX 2.

[74] *Id*. at 21.

specifically invokes this category of information in seeking financial records and tax-related materials necessary to value their interests as Limited Partners.[75]

Section 7.4, separately, also grants inspection rights.[76] Under this provision, a Limited Partner may "inspect, review, make copies of, and audit" documents relating to each investment in which the partner participates, subject to reasonable notice requirements and conditions imposed by the General Partner.[77] The language of Section 7.4 is affirmative and broad. It expressly contemplates access not merely to summary financial information, but to underlying investment-related documents. Plaintiffs' requested categories of transaction records, governance materials, and ownership documents relating to their investments track the types of materials contemplated by Section 7.4.[78]

The same contractual structure that preserves limited inspection and reporting rights under the LPA and Investment Schedules also extends to tax-related financial information concerning investments in which Plaintiffs continue to hold economic interests. Section 7.3 of the LPA expressly contemplates the production of investment-level financial information prepared in connection with the Partnership's tax reporting obligations, including balance sheets and income statements for

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75 JX 4 at 4.

76 JX 2 at 21.

77 *Id.*

78 *See generally* JX 2; JX 4; JX 6.

investments in which a limited partner participates.[79] Read together, that provision preserves an ongoing reporting channel for core financial and tax-related information notwithstanding the Schedules' confidentiality limitations.[80]

The Demand specifically seeks tax returns and related tax materials concerning investments in which Plaintiffs continue to hold economic interests.[81] Those requests are directly tied to Plaintiffs' stated purposes of valuing their investments and understanding the financial performance and structure of the underlying entities. In its September 10, 2025 response letter, Defendants discuss the ongoing monthly capital reporting and communications with Mr. Luthra's tax advisor concerning investment-related matters.[82] Defendants further represent that its "practice of providing monthly capital files to Messrs. Luthra and Avedisian has not been terminated."[83] Those representations are consistent with the continued reporting obligations preserved under the Parties' contractual frameworks. The LPA recognizes legitimate confidentiality concerns and permits reasonable limitations on

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[79] JX 2 at 21.

[80] *See* JX 9 § B1-3.6; JX 10 § B2-3.4.

[81] *See* JX 4.

[82] JX 7 at 3.

[83] *Id*. n.2.

the disclosure of sensitive information beyond core financial reporting and investment-related records.[84]

This reflects a balance between investor access and the protection of confidential information. When read with the Investment Schedules, the Agreement does not eliminate Plaintiffs' status-based rights as Limited Partners, nor does it foreclose access to core financial and tax-related information necessary to value their investments. Instead, the contractual framework preserves Plaintiffs' continuing entitlement to core financial, tax, and investment-related information reasonably tied to their ongoing economic interests, while permitting HIR to protect confidential operational, strategic, and proprietary materials.

2. Investment Schedules

The Investment Schedules are not standalone agreements independent of the LPA. They are partner-specific attachments incorporated into the broader contractual framework governing HIR and its Limited Partners.[85] Under Section 4.6 of the LPA, an Investment Schedule controls *only* to the extent it conflicts with the general provisions of the Agreement.[86] This structure matters. The Court does not read the Investment Schedules in isolation or as silently displacing the reporting and

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[84] JX 2 at 34–35.

[85] *See generally* JX 2; JX 9; JX 10.

[86] JX 2.

inspection rights otherwise granted in Sections 7.3 and 7.4. of the Agreement. Instead, any limitation imposed through the Investment Schedules must be identified through *clear* conflicting language.[87]

The operative provisions of the Investment Schedules focus primarily on post-separation access to information.[88] For example, for Mr. Luthra, the Investment Schedule states that the Partnership need not provide confidential, proprietary or sensitive information except to the extent such information is provided to another partner who is not a founder-entity or its employee or consultant.[89] Importantly, the Investment Schedules do not eliminate inspection rights. To the contrary, they expressly contemplate the continuation of certain reporting obligations owed to Plaintiffs after their departure from Highgate.[90] The Investment Schedules preserve the ongoing access to at least a core category of financial and investment-related information.

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[87] *See Bond Purchase, L.L.C. v. Patriot Tax Credit Props., L.P.*, 746 A.2d 842, 855 (Del. Ch. 1999) ("[W]here a provision in a partnership agreement appears on its face to create a right separate and independent from a statutory right or a right granted in another section of the partnership agreement, the partnership agreement must explicitly state that the provision is merely clarifying or placing additional conditions on the other statutory or contractual right if in fact that is the provision's intended purpose. Otherwise, this Court will conclude that the parties intended the provision to create the separate and independent contractual right that the provision on its face purports to create.").

[88] *See* JX 9; JX 10.

[89] *See* JX 9 at 5–6.

[90] JX 9 § B1-3.6; JX 10 § B2-3.4.

Because the Investment Schedules regulate confidential categories and delivery format, there is no direct conflict. Section 4.6 therefore leaves Sections 7.3-7.4 in effect. The contractual limitations in the Investment Schedules are directed primarily at protecting sensitive business information, not extinguishing investor-level rights altogether.[91] Those concerns may be addressed through redaction, sanitization, or limitations on dissemination of sensitive information.[92] Indeed, HIR's own correspondence contemplates providing "roughly equivalent information" where documents are not maintained in the precise form requested.[93]

3. Parity Carve-Out in Investment Schedules

The confidentiality restrictions in Plaintiffs' Investment Schedules are also not absolute. Both schedules contain what the parties describe as a "parity carve-out:" the restriction on access to confidential information does not apply if the same information is provided to another limited partner who is not a founder-partner entity and is not an employee or consultant of such an entity.[94] As Plaintiffs explained in their pre-trial brief, "[t]he provision in question is only focused on the treatment of confidential information, and in no way limits what Plaintiffs are entitled to."[95]

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[91] *Id*.

[92] *Id*.

[93] JX 7 at 1.

[94] *See* JX 9 § B1-3.6; JX 10 § B2-3.4.

[95] D.I. 19 at 41.

I agree on this issue with the Plaintiffs. That carve-out is significant because it ties Plaintiffs' post-separation information rights to the treatment of similarly situated outside investors. In its September 10, 2025 response letter, Defendants highlighted that Plaintiffs are entitled only to information "provided to any other partner of the Partnership that is not a Founder Partner Entity or an employee or consultant of a Founder Partner Entity."[96] Defendants further represent that Plaintiffs "Messrs. Luthra and Avedisian have received all of the information that has been provided to other non-employee limited partners of HIR Holdings."[97]

The effect of this provision is straightforward. To the extent HIR is providing confidential, proprietary, or sensitive information to qualifying outside limited partners, the parity clause requires that Plaintiffs receive the same category of information. The confidentiality provisions therefore do not operate as a *categorical* bar to disclosure.

The present record does not clearly establish the precise scope of information currently being provided to qualifying partners outside the Limited Partners. But that uncertainty does not alter the contractual structure and analysis here. Although, the Court cannot determine whether the parity carve-out is triggered with respect to every category of requested material, nevertheless, read together with Sections 7.3

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[96] JX 7 at 1.

[97] *Id*.

and 7.4 of the LPA, the parity carve-out confirms that the Investment Schedules regulate the comparative scope of disclosure, and do not wholly extinguish Plaintiffs' inspection rights.[98]

4. Mr. Luthra's Separation Agreement

Mr. Luthra possesses additional contractual rights arising under the Separation and General Release Agreement executed on March 18, 2021.[99] The agreement imposes continuing affirmative obligations relating to Mr. Luthra's investment interests.[100] Section 4(b) provides that HIR, and its affiliates, must "cooperate in good faith to promptly respond to reasonable inquiries from [Mr.] Luthra and/or his tax advisers or accountants regarding any such Investment Projects."[101] Separately, Section 3(e) requires prompt written notice and cooperation concerning tax matters that may affect the intended tax treatment of Mr. Luthra's investment interests.[102]

The Separation Agreement also contemplates continued investment-level reporting concerning retained investments and distributions from those

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98 JX 2 at 21.

99 *See* JX 3.

100 *Id*.

101 JX 3 ¶ 4(b).

102 *Id*. ¶ 3(e).

investments.[103] Accordingly, where the Separation Agreement affirmatively requires the provision of information or cooperation concerning investment projects, HIR must comply. Any production must remain consistent with the confidentiality framework established by the LPA and the Investment Schedules. Those obligations may be satisfied through redaction, sanitization, summary reporting, or the production of non-confidential financial materials, including capital account statements, balance sheets, income statements, and tax-related records. Therefore, only where compliance would be impossible without disclosing confidential or proprietary information beyond the scope permitted by the governing agreements may those confidentiality limitations restrict production.

The Separation Agreement also independently supports the production of tax-related information. Section 3(e) requires cooperation concerning tax matters arising from revisions to Mr. Luthra's interests, while Section 4(b) compels Highgate to cooperate in good faith in responding to reasonable inquiries from Mr. Luthra and his tax advisors concerning his investment projects.[104] Although HIR disputes the breadth of those provisions, the Agreement confirms that a continuing obligation exists with respect to tax and investment-related information following Mr. Luthra's separation.

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[103] *See id.* ¶ 3(a).

[104] *See* JX 3 ¶¶ 3–4.

C. Summary of Plaintiffs' Individual Entitlement to Books and Records[105]

1. Mr. Luthra

Mr. Luthra's Investment Schedule became operative in its post-employment form once his employment relationship with Highgate ended. Under the Investment Schedule, Mr. Luthra's departure triggered limitations on his access to certain categories of information, particularly confidential, proprietary or sensitive information.[106] The Schedule does not expressly waive books-and-records rights, disclaim Sections 7.3 or 7.4 of the LPA, or terminate the Partnership's continuing reporting obligations.[107] As previously noted, the Schedule preserves the parity carve-out. The confidentiality limitation does not apply to information provided to qualifying non-employee, non-founders outside the Limited Partners.

To the extent HIR provides confidential or investment-level information to similarly situated outside investors, the same category of information must also be made available to Mr. Luthra. Consistent with the structure of the LPA and Investment Schedule, those obligations may be satisfied through sanitization,

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[105] Although the Court has previously analyzed the relevant LPA sections, Investment Schedule provisions, and other related agreements, the issues are revisited here in a more discrete manner for purposes of clarity. Because Plaintiffs' entitlement arguments ultimately turn on individualized contractual language, the Court addresses those provisions separately for each Plaintiff.

[106] *See generally* JX 7; JX 9.

[107] *See* JX 2.

redaction, or other reasonable confidentiality protections, together with the production of balance sheets, income statements, tax returns, and comparable investment-level financial information.[108]

Summary of Production Ordered to Mr. Luthra

1. Mr. Luthra is entitled to receive balance sheets and income statements for each investment in which he participates, to the extent those materials were prepared in connection with the Partnership's federal income tax reporting obligations.[109]
2. He is entitled to federal, state, and local tax returns relating to those investments because those materials are directly tied to his continuing interests as a Limited Partner.
3. He is entitled to receive monthly capital account statements reflecting balances, contributions, and distributions relating to each investment project in which he participated.[110]
4. He is entitled to non-confidential or appropriately sanitized information reasonably necessary to verify contributions and distributions, reconcile

[108] *See id.*

[109] JX 2 ¶¶ 7.3–7.4.

[110] *See* JX 3 §§ 3(a), 4(b).

capital account balances, and evaluate tax positions associated with those investments.

5. He is entitled to any confidential or sensitive categories concurrently provided to qualifying non-employee, non-founder limited partners, with reasonable redactions and confidentiality protections.
6. He is not entitled to internal strategy documents, forward-looking projections, proprietary analyses, competitive business materials, or confidential internal communications unrelated to capital account reporting, tax matters, or the financial information necessary to accomplish his proper purposes.[111]
7. He is not entitled to broad operational discovery concerning the affiliated entities merely because those entities exist within the broader Highgate investment structure.[112]

2. Mr. Avedisian

The analysis governing Mr. Avedisian's contractual inspection rights largely parallels the analysis applicable to Mr. Luthra's Investment Schedule, but without the overlay of a separate post-departure agreement. The Investment Schedules continue to permit access to core investment-level financial information, including

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[111] *See* JX 5 at 2–4.

[112] *See id*.

balance sheets, income statements, tax returns, and comparable financial reporting materials. HIR may satisfy its continuing reporting obligations through the production of non-confidential or appropriately sanitized information, including redacted balance sheets, income statements, capital reporting, and tax-related materials sufficient to permit Mr. Avedisian to value his continuing investment interests.

Summary of Production Ordered to Mr. Avedisian

1. Mr. Avedisian is entitled to balance sheets and income statements for each investment in which he participates, to the extent those materials were prepared in connection with the Partnership's federal income tax reporting obligations.[113]
2. He is entitled to federal, state, and local tax returns relating to those investments because those materials are directly connected to his stated purposes of valuing his investments and evaluating the financial performance and tax treatment of the underlying entities.[114]
3. He is entitled to receive non-confidential or appropriately sanitized documents reasonably related to investments in which he participates to

[113] JX 2 ¶¶ 7.3–7.4.

[114] *Id.*

the extent inspection of those materials is necessary and essential to accomplish his stated proper purposes under Section 17-305.

4. He is entitled to any confidential and sensitive categories concurrently provided to qualifying non-employee, non-founder limited partners, with reasonable redactions and confidentiality protections.
5. He is not entitled to confidential, proprietary, or sensitive internal materials beyond the scope of the preserved reporting obligations recognized under the LPA and the Investment Schedule.[115]
6. He is not entitled to strategic business materials, competitive analyses, forward-looking projections, or employee-level operational information unrelated to investment reporting or financial performance.

IV. CONCLUSION

For the reasons set forth above, Plaintiffs have established proper purposes under Section 17-305 of DRULPA. As current Limited Partners, they are entitled to books and records necessary and essential to those purposes as tailored by LPA Sections 7.3-7.4, the Investment Schedules, confidentiality and parity provisions, and, for Mr. Luthra, the Separation Agreement. The contractual framework preserves continuing rights to obtain core investment-level financial information, tax-related materials, and related records necessary and essential to Plaintiffs' proper

[115] *See generally* JX 2; JX 10.

purposes, subject to reasonable confidentiality protections and any parity-based disclosure obligations contained in the Investment Schedules. As to Mr. Luthra specifically, the Separation Agreement independently imposes ongoing reporting and cooperation obligations concerning tax and investment-related matters.

Accordingly, the Plaintiffs' request is **GRANTED IN PART** and **DENIED IN PART**. To the extent Plaintiffs seek materials falling outside the limits specified herein, the requested relief is **DENIED**.

This is my Final Report. Any exceptions to this Report shall be filed within three days. If no exceptions are taken, the parties shall submit a stipulated implementing order consistent with this decision within one week thereafter.

Respectfully submitted,

/s/ Loren Mitchell

Magistrate in Chancery