

Troy Christensen, Jeff Dorrill, Matthew Schindel, Mary Claire Cranford, Christopher Neal in SMU Annual Texas Survey: Partnership Law

November 11, 2021 S. Troy Christensen, Jeff Dorrill, Matthew Schindel, Mary Claire Cranford, Christopher Neal

PRACTICES Real Estate, Investment Management, Tax, REITS and REMICS, Corporate, Fund Formation and Management, Joint Ventures

INTRODUCTION

During an unprecedented survey period defined by disruption, uncertainty, and adaptation, Texas courts remained committed to precedent. Despite necessary adjustments to court procedure in connection with the ongoing COVID-19 pandemic, the Texas judiciary continued to issue decisions that emphasize freedom of contract, the importance of maintaining good standing with the Texas Secretary of State, and that contributions to a formal partnership may come in the form of not only cash or physical assets but also services. If there is one collective takeaway from Texas partnership cases during the survey period, it is that the actual words in joint venture agreements and other legal documents are given tremendous deference. Courts stressed the continued importance of careful drafting, acute regard for the minutia in service of process, and scrupulous adherence to fiduciary duties. This article is divided into six sections that discuss cases concerning: (1) partnership formation; (2) the powers of a limited partner; (3) personal jurisdiction; (4) forfeiture and involuntary termination; (5) indemnification; and (6) transfer of a partnership interest.

Excerpted from the SMU Annual Texas Survey. To read the full article, click [here](#).