

Securities Regulation Daily Wrap Up, PUBLIC COMPANY REPORTING AND DISCLOSURE—N.D. Ill.: Court dismisses investor complaint against Boeing, says assignee lacked standing to assert fraud claims, (Feb. 18, 2026)

Securities Regulation Daily Wrap Up

By Suzanne

Plaintiffs alleged that Boeing and its CEO misled investors about the October 2018 and March 2019 crashes of two 737 MAX airplanes.

The U.S. District Court for the Northern District of Illinois' Eastern Division this week sided with The Boeing Co., dismissing allegations by Value Recapture Partners, which charged that Boeing violated Section 10(b) of the Securities Exchange Act and other offenses ([*Value Recapture Partners LLC v. The Boeing Co.*](#), No. 23 C 16550 (N.D. Ill. Feb. 17, 2026)).

The plaintiffs had alleged that Boeing and its former CEO, Dennis Muilenburg, made false and misleading statements about the October 2018 and March 2019 crashes of two 737 MAX airplanes, the subsequent Federal Aviation Administration grounding, and the recertification and return to service of the 737 MAX fleet.

Boeing moved for summary judgment on three general grounds: 1) that Value Recapture Partners, as an assignee, lacks standing to assert securities-fraud claims; 2) that Value Recapture Partners' claims are time-barred by the two-year statute of limitations and the five-year statute of repose; and 3) that Value Recapture Partners failed to state a claim for securities fraud on the merits.

Because the Court disposes of this action on the first argument, the other two contentions were not addressed in its opinion.

Case similarities. Value Recapture Partners filed its action on December 6, 2023. Its allegations largely mirror those in a putative federal securities class action, *In re the Boeing Company Aircraft Securities Litigation*, 1:19-cv-02394, filed April 19, 2019. That case is still pending.

On July 21, 2020, investment funds Valinor Capital Partners, L.P. and Valinor Capital Partners Offshore Master Fund, L.P. (collectively called assignors, or Valinor, in the filing) purportedly assigned their federal securities fraud claims to Value Recapture Partners.

Value Recapture Partners is a Delaware limited liability company, with its principal place of business in Massachusetts. Boeing contended that Value Recapture Partners lacked standing because it has never purchased or sold any Boeing stock -- thus, its attempt to sue as the purported assignee of unrelated parties' securities-fraud claims is invalid, the company said.

IA-managed purchases. According to the court filing, the assignors purchased Boeing common stock on and/or after June 28, 2019, and held Boeing common stock through and after July 24, 2019, and were managed by Valinor, a New York-based investment advisor, during the relevant period.

Value Recapture Partners alleges that had Valinor known the truth about the 737 MAX, including its original certification, safety and reliability, flight systems, safety investigation, re-certification and return-to-service timeline, it would not have caused the assignors to purchase Boeing common stock or, if it had done so, would not have caused

the assignors to purchase at the prices they did.

Leave to refile granted. The amended complaint is dismissed with leave to refile on or before March 6, 2026, in accordance with the court's order. If Value Recapture Partners does not refile by that date, the court said it will dismiss the complaint with prejudice.

The case is [No. 23 C 16550](#).

Judge: Kendall, V.

Attorneys: Jordan Aaron Finfer (Patzik, Frank & Samotny Ltd.) for Value Recapture Partners LLC. John F. Hartmann (Kirkland & Ellis LLP) for The Boeing Co.

Companies: Value Recapture Partners LLC; The Boeing Co.

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