NOT FOR PUBLICATION

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MOLLY C. DWYER, CLERK
U.S. COURT OF APPEALS

UNITED STATES COURT OF APPEALS

FOR THE NINTH CIRCUIT

CMB INFRASTRUCTURE INVESTMENT GROUP IX, LP; et al., Plaintiffs - Appellants, v. COBRA ENERGY INVESTMENT FINANCE, LLC; et al., Defendants - Appellees.	No. 25-4430 D.C. No. 2:21-cv-00214-CDS-DJA MEMORANDUM*

Appeal from the United States District Court
for the District of Nevada
Cristina D. Silva, District Judge, Presiding

Argued and Submitted August 10, 2026
Reno, Nevada

Before: OWENS, FORREST, and VANDYKE, Circuit Judges.

CMB Infrastructure Investment Group IX, LP; CMB Infrastructure Investment Group XI, LP; and CMB Export, LLC (Plaintiffs) sued several related corporations[1] over loans extended to fund the construction of a solar-themed power

* This disposition is not appropriate for publication and is not precedent except as provided by Ninth Circuit Rule 36-3.

[1] As relevant here, the Defendant corporations included Cobra Energy Investment Finance, LLC (Cobra Finance); Cobra Energy Investment, LLC; Cobra

plant in Tonopah, Nevada. Defendants moved to compel arbitration under an arbitration provision in the loan contract issued by Group 11, which the district court granted. After the arbitrator resolved several of Plaintiffs' claims in favor of Defendants, Plaintiffs moved to vacate the arbitral award, and Defendants first moved to confirm the award and then for entry of partial judgment. The district court denied Plaintiffs' motion to vacate and granted both of Defendants' motions. Plaintiffs appeal the district court's orders compelling arbitration and upholding the arbitrator's decision. We have jurisdiction under 28 U.S.C. § 1291, and we affirm.

Plaintiffs' argument turns on their assertion that the district court erred in compelling arbitration when it determined that two estoppel theories apply such that nonsignatories to the relevant loan contract could compel arbitration of a claim brought by other nonsignatories to that contract. We review a district court's decision to grant a motion to compel arbitration de novo and the underlying factual findings for clear error. *Stover v. Experian Holdings, Inc.*, 978 F.3d 1082, 1085 (9th Cir. 2020).

Traditional principles of state law determine whether an arbitration agreement may be enforced by or against nonparties to the agreement. *See Arthur Andersen LLP v. Carlisle*, 556 U.S. 624, 630–31 (2009). These common-law contract

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Industrial Services, Inc.; Cobra Thermosolar Plants, Inc.; and Cobra Instalaciones y Servicios, SA.

principles permit arbitration agreements to be enforced against nonsignatories through equitable theories including assumption, corporate-veil piercing, alter-ego, incorporation by reference, third-party beneficiary, waiver, and estoppel. *Id.* at 631.

New York law, which the parties agree governs here, recognizes direct-benefits estoppel. *See Belzberg v. Verus Invs. Holdings Inc.*, 999 N.E.2d 1130, 1133–34 (N.Y. 2013). Under this doctrine, a nonsignatory to an arbitration agreement may be estopped from avoiding arbitration where the nonsignatory (1) knowingly exploited the benefits of an agreement with an arbitration clause and (2) received benefits flowing directly from that agreement. *See id.* at 1134; *MAG Portfolio Consult, GMBH v. Merlin Biomed Grp. LLC*, 268 F.3d 58, 61 (2d Cir. 2001).

Here, Claims 2–5 are premised on Cobra Finance's disclosure obligations imposed under the Group 11 Loan Agreement, which included the arbitration provision. That is, the Group 11 Loan Agreement is the "direct source of the benefit" upon which these claims rely. *Belzberg*, 999 N.E.2d at 1134. Plaintiffs do not dispute that they "knowingly exploit[ed] the benefits of" the Group 11 Loan Agreement, and because Plaintiffs claimed they "receive[d] benefits flowing directly from" that contract, we conclude that they are estopped under New York law from disclaiming the arbitrability of Claims 2–5. *Id.* (quotation marks omitted).

Additionally, a plaintiff that sues on an alter-ego theory is estopped from arguing that signatory and nonsignatory defendants are distinct for the purpose of avoiding arbitration. *See Smith/Enron Cogeneration Ltd. P'ship, Inc. v. Smith Cogeneration Int'l, Inc.*, 198 F.3d 88, 97–98 (2d Cir. 1999), *abrogated on other grounds by Granite Rock Co. v. Int'l Bhd. of Teamsters*, 561 U.S. 287 (2010). Here, Plaintiffs' First Amended Complaint advanced an alter-ego theory, alleging that "at all material times . . . Defendants . . . acted in concert to accomplish a common purpose, agreement[,] or plan, and were the agents . . . [,] co-conspirators[,] or alter egos of one or more of the other Defendants." Because Cobra Finance, an alleged alter-ego of the nonsignatory Defendants, was a signatory to the Group 11 Loan Agreement and could have compelled arbitration against the nonsignatory Plaintiffs under a direct-benefits estoppel theory, each of the nonsignatory Defendants is permitted to compel arbitration to the same extent as Cobra Finance.

Accordingly, the district court did not err in concluding that the nonsignatory Plaintiffs could be compelled to arbitrate their claims, including those brought against the nonsignatory Defendants. Because Plaintiffs do not challenge the district court's rulings enforcing the arbitrator's decision on any other basis, we do not separately address them.

AFFIRMED.