



Delaware Entity Law Compliance Checklist

August 2019 Update

To learn more about how we can help you better manage your compliance needs, contact a CT Service Representative: 855.316.8948.

I. CORPORATIONS

Below is a summary of the amendments to the Delaware General Corporation Law (Title 8, Chapter 1 of the Delaware Code). All amendments were enacted by Senate Bill 88 unless otherwise specified. Consult the full text of Senate Bill 88 and the relevant sections of the General Corporation Law for more information.

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
Organization Meeting Sec. 108	Sec. 108 was amended to clarify that notice of the organization meeting may be given by electronic transmission, to eliminate the requirement that a waiver of notice be signed, and to provide that any person may provide that a consent to action will be effective at a future time, no later than 60 days after such provision is made, and the consent will be considered effective at that time as long as the person was an incorporator or director and has not revoked the consent.	August 1, 2019

I. CORPORATIONS (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p><i>Electronic Documentation of Actions</i></p> <p>Sec. 116</p>	<p>New Sec. 116 is called “Document Form, Signature and Delivery”. It permits certain acts and transactions to be documented, signed, and delivered electronically.</p> <p>Sec. 116(a) provides that without limiting the manner in which any act or transaction may be documented or a document signed and delivered, that any act or transaction contemplated or governed by the GCL, certificate of incorporation or bylaws may be provided for in a document, and an electronic transmission shall be deemed the equivalent of a written document. “Document” is defined to include an electronic transmission in addition to handwritten, typed or printed instruments.</p> <p>Sec. 116(a) also provides that when the GCL, certificate of incorporation or bylaws require or permit a signature, the signature may be an electronic signature as well as a manual, facsimile, or conformed signature. “Electronic signature” is defined as an electronic symbol or process that is attached to, or logically associated with, a document and executed or adopted by a person with an intent to authenticate or adopt the document.</p> <p>An electronic transmission shall be deemed delivered to a person when it enters an information processing system designated by the person for receiving electronic transmissions of the type delivered.</p> <p>Sec. 116(b) lists actions and transactions to which Sec. 116(a) does not apply which include documents filed with the Secretary of State and other government bodies or courts of Delaware, certificates representing a security, documents comprising a stock ledger, ballots to vote on actions, and various notices and consents that are governed by other sections of the GCL.</p> <p>It is also provided that the no provision of the certificate of incorporation or bylaws shall limit the applicability of Sec. 116(a) unless it expressly restricts one or more of the means of documenting an act or transaction or of signing or delivering a document.</p> <p>Sec. 116(c) provides that if any provision of the GCL is deemed to modify, limit, or supersede the federal E-Sign Act, the GCL will control to the fullest extent permitted.</p>	<p>August 1, 2019</p> <p>Application of Sec. 116(a) is limited to the GCL, certificate of incorporation or bylaws and does not preempt any statute of frauds, or other law requiring actions to be documented, executed, or delivered in a particular form.</p> <p>In addition, Sec. 116(a) states that the GCL shall not prohibit a transaction from being conducted in accordance with UETA so long as the part or parts of the transaction that are governed by the GCL are documented, signed and delivered in accordance with the GCL.</p> <p>Similar sections to Sec. 116 were added to the LLC, LP, and Partnership laws.</p>
<p><i>Resignation of Registered Agent</i></p> <p>Sec. 136</p>	<p>Sec. 136 was amended to provide that the registered agent of a corporation that became void pursuant to Sec. 510 may resign as registered agent without appointing a successor.</p>	<p>August 1, 2019</p> <p>Sec. 510 provides for the voiding of charters for a failure to file a complete annual franchise tax report or pay the franchise tax.</p>

I. CORPORATIONS (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
Directors – Action By Consent Sec. 141	Sec. 141 was amended to clarify that action by unanimous consent of directors may be treated as taken before the consents relating to the action are filed in a minute book.	August 1, 2019
Notice of Redemption Sec. 160	Sec. 160 was amended to provide that a notice of redemption may be given and delivered in the manner permitted by Sec. 232.	August 1, 2019 See details about the amendments to Sec. 232 below.
Notice of Payment of Partly Paid Shares Sec. 163	Sec. 163 was amended to provide that a notice requiring payment on partly paid shares of capital stock may be given and delivered in the manner permitted by Sec. 232.	August 1, 2019 See details about the amendments to Sec. 232 below.
Proxies Sec. 212	Sec. 212 was amended to use the word “document” instead of “writing” when referring to the authorization of a proxy, to clarify that a proxy may be documented, executed and delivered in accordance with Sec. 116, and to eliminate references to telegrams and cablegrams which are now included in the broader term “electronic transmission”.	August 1, 2019
Notice of Stockholders’ Meeting Sec. 222	Sec. 222 was amended to delete the reference to the notice of a stockholders’ meeting having to be in writing and to delete provisions regarding delivery of notice as that is now provided for in Sec. 232.	August 1, 2019 See details about the amendments to Sec. 232 below.
Stockholders’ Consent Sec. 228	Sec. 228 was amended to provide that a stockholder consent given by electronic transmission is delivered upon the earliest of the time the consent enters an information processing system designated by the corporation for receiving consents, the time at which a paper reproduction of the consent is delivered to the corporation’s principal place of business or appropriate officer or agent, the time a paper reproduction is delivered by hand or certified or registered mail to the registered agent, or at a time it is delivered by any other manner authorized by the board.	August 1, 2019 As a result, it is no longer necessary to reduce the consents to paper form and deliver by hand or mail.
Notice by Email Sec. 230	Sec. 230 was amended to provide that if a corporation has an email address for a stockholder, and notice by email is permitted by Sec. 232, a corporation is not relieved of the obligation to send that stockholder notices pursuant to the returned mail exception in Sec. 230(b)(1)	August 1, 2019 Sec. 230(b)(1) provides that notice does not have to be given to stockholders to whom notice of two consecutive annual meetings and all other notices of meetings during that period have been returned as undeliverable.

I. CORPORATIONS (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p><i>Delivery of Notices to Stockholders</i></p> <p>Sec. 232</p>	<p>Sec. 232(a) as amended provides that any notice to stockholders given by a corporation under any provision of the GCL, certificate of incorporation or bylaws may be given in writing, by courier service, or by electronic transmission.</p> <p>Notice will be deemed delivered if mailed as of the time the notice is placed in the mail, if by courier, at the earlier of when the notice is received or left at the stockholder’s address, or if by email, when directed to the stockholder’s email address, unless the stockholder has notified the corporation of an objection to receiving notices by email. A notice by email must include a prominent legend that the communication is an important notice regarding the corporation.</p> <p>Sec. 232(d) includes definitions of “electronic mail” and “electronic mail address”.</p> <p>A notice may not be given by electronic transmission from and after the time the corporation is unable to deliver by such electronic transmission two consecutive notices and the inability is known to the person responsible for giving notice.</p>	<p>August 1, 2019</p> <p>Another major focus of S.B.88 was updating the provisions regarding notices to stockholders. To this end, Sec. 232 was significantly amended.</p> <p>This is a change to the default rule regarding notices sent to stockholders by email. Formerly, corporations could deliver notices to a stockholder’s email address only if the stockholder had affirmatively consented to receive notices at that email address.</p> <p>“Electronic mail” is an electronic transmission directed to a unique email address and includes attachments and information hyperlinked to a website if the email includes contact information of an officer or agent who can assist with accessing the files and information.</p>
<p><i>Merger or Consolidation of Domestic Corporation</i></p> <p>Sec. 251</p>	<p>Sec. 251 was amended to clarify that notices of stockholder meetings required by the section may be given in the form, and delivered in the manner permitted by Sec. 232.</p> <p>Sec. 251 was also amended to permit any authorized person to execute an agreement of merger or consolidation except that any agreement filed with the Secretary of State must be executed in accordance with Sec. 103.</p>	<p>August 1, 2019</p>
<p><i>Parent – Subsidiary Merger</i></p> <p>Sec. 253</p>	<p>Sec. 253 was amended to clarify that notices of stockholder meetings required by the section may be given in the form, and delivered in the manner permitted by Sec. 232.</p>	<p>August 1, 2019.</p>

I. CORPORATIONS (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<i>Merger or Consolidation of Domestic Nonstock Corporation</i> Sec. 255	Sec. 255 was amended to clarify that notices of stockholder meetings required by the section may be given in the form, and delivered in the manner permitted by Sec. 232. Sec. 255 was amended to permit any authorized person to execute an agreement of merger or consolidation except that any agreement filed with the Secretary of State must be executed in accordance with Sec. 103.	August 1, 2019
<i>Appraisal Rights</i> Sec. 262	Sec. 262 was amended to clarify that a corporation may deliver a notice of appraisal rights by email, courier, or mail, to permit a stockholder to deliver a demand for appraisal by electronic transmission but only if the corporation expressly designates, in the notice of appraisal rights, an information processing system for receipt of electronic delivery of demands, and to clarify that a request for a statement of number of shares and holders entitled to appraisal may be given by the corporation in any manner permitted by Sec. 232.	The amendments to Sec. 262 are effective with respect to mergers or consolidations consummated pursuant to an agreement of merger or consolidation entered into on or after August 1, 2019.
<i>Conversion</i> Sec. 266	Sec. 266 was amended to clarify that notices of stockholder meetings required by the section may be given in the form, and delivered in the manner permitted by Sec. 232.	August 1, 2019
<i>Dissolution</i> Sec. 275	Sec. 275 was amended to clarify that notices of stockholder meetings required by the section may be given in the form, and delivered in the manner permitted by Sec. 232.	August 1, 2019
<i>Revival of Exempt Corporation</i> Sec. 313	Sec. 313 was amended to provide for the revival of an exempt corporation whose certificate of incorporation was forfeited for failure to obtain a registered agent.	August 1, 2019
<i>Transfer, Domestication, and Continuance -</i> Sec. 390	Sec. 390 was amended to clarify that notices of stockholder meetings required by the section may be given in the form, and delivered in the manner permitted by Sec. 232.	August 1, 2019
<i>Fees</i> Sec. 391	Sec. 391 was amended to provide for the fee payable for certificates issued via the Secretary of State's online services and to increase the fee for a written report of a record search.	August 1, 2019

I. CORPORATIONS (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
Franchise Tax – Regulated Investment Company – Sec. 503 of the Franchise Tax Law	Sec. 503 of the Franchise Tax Law was amended to increase the maximum annual franchise tax payable by a regulated investment company from \$90,000 to \$100,000 and to increase the alternative minimum amount of annual franchise tax payment for a regulated investment company for each \$1 million or fraction thereof in excess of \$1 million of the company's average gross assets from \$350 to \$400.	Effective for the tax year beginning on January 1, 2019.

II. LIMITED LIABILITY COMPANIES

Below are amendments to the Delaware Limited Liability Company Act (Title 6, Chapter 18 of the Delaware Code). All amendments were enacted by Senate Bill 91. Consult the full text of Senate Bill 91 and the relevant sections of the Delaware Limited Liability Company Act for more information.

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
Definitions Sec. 18-101	Sec. 18-101 was amended to add definitions of “document” and “electronic transmission” and to amend the definitions of “manager” and “member” to confirm that those terms include a manager or member of the LLC generally and with a manager or member associated with a series.	August 1, 2019 “Electronic transmission” means any form of communication not directly involving the physical transmission of paper, including the use of, or participation in, 1 or more electronic networks or databases (including 1 or more distributed electronic networks or databases), that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.
Name Sec. 18-102	Sec. 18-102 was amended to provide that an LLC’s name must be distinguishable from the name of a registered series of an LLC or LP.	August 1, 2019
Resignation of Registered Agent Sec. 18-104	Sec. 18-104 was amended to provide that the registered agent of an LLC whose certificate of formation was cancelled pursuant to Sec. 18-1108 may resign as registered agent without appointing a successor.	August 1, 2019 Sec. 18-1108 provides for cancellation of LLCs for failure to pay the annual tax.

II. LIMITED LIABILITY COMPANIES (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p><i>Electronic Documentation of Actions</i></p> <p>Sec. 18-113</p>	<p>A new Sec. 18-113 was added called “Document Form, Signature and Delivery”.</p> <p>Sec. 18-113(a) provides that without limiting the manner in which any act or transaction may be documented or the manner in which a document may be signed and delivered, that any act or transaction contemplated or governed by the LLC Act or LLC agreement may be provided for in a document, and an electronic transmission shall be deemed the equivalent of a written document. In addition, when the LLC Act or LLC agreement requires or permits a signature, the signature may be an electronic signature as well as a manual, facsimile, or conformed signature.</p> <p>The terms “document”, “electronic transmission”, and “electronic signature” are defined in the same way as under the GCL.</p> <p>Sec. 18-113(a) does not apply to documents filed with or submitted to the Secretary of State or a court or other judicial or governmental body of Delaware, a certificate of LLC interest, or an act or transaction effected pursuant to Sec. 18-104 (registered office and agent), Secs. 18-105 and 18-109 (service of process), subchapter IX (foreign LLCs) and subchapter X (derivative actions).</p>	<p>August 1, 2019</p> <p>This is the LLC Act equivalent of new Sec. 116 of the GCL and addresses when certain acts and transactions may be documented, signed, and delivered electronically.</p> <p>The LLC agreement may not limit the applicability of Sec. 18-113(a) unless it restricts one or more of the means of documenting an act or transaction or signing or delivering a document.</p>
<p><i>Filings</i></p> <p>Sec. 18-206</p>	<p>Sec. 18-206 was amended to clarify the filings required to amend, correct or restate a certificate of formation or a certificate of registered series and to confirm that the certificate of registered series is canceled upon filing a certificate of conversion of the registered series to a protected series.</p>	<p>August 1, 2019</p>
<p><i>Contractual Appraisal Rights</i></p> <p>Sec. 18-210</p>	<p>Sec. 18-210 was amended to provide that a plan of division may provide for contractual appraisal rights and that contractual appraisal rights may be made available in connection with a merger or consolidation in which a registered series is a constituent party, a division of an LLC, a conversion of a protected series to a registered series, and a conversion of a registered series to a protected series.</p>	<p>August 1, 2019</p>
<p><i>Series LLCs</i></p> <p>Sec. 18-215</p>	<p>Sec. 18-215 was amended to provide that neither the LLC agreement nor the notice of limitation of liability of a protected series must use the term “protected series” when referring to the series or to Sec. 18-215.</p>	<p>August 1, 2019</p>
<p><i>Division of LLC</i></p> <p>Sec. 18-217</p>	<p>Sec. 18-217 was amended to (1) clarify that it is the obligations and liabilities of the dividing LLC that shall be allocated and vested in and valid and enforceable obligations or liabilities of the division LLC or LLCs to which obligations and liabilities have been allocated pursuant to the plan of division, (2) provide that the dividing LLC shall execute and file the certificate of division and certificate of formation for each resulting LLC, and (3) clarify and confirm the operation of Sec. 18-217(l)(4) regarding actions or proceedings pending against a division LLC.</p>	<p>August 1, 2019</p>

II. LIMITED LIABILITY COMPANIES (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<i>Filings</i> Secs. 18-218, 18-219, 18-220, 18-221, and 18-1110	Secs. 18-218, 18-219, 18-220, 18-221, and 18-1110 were amended to clarify that the formation, amendment, conversion, merger and consolidation, and revival filings referenced in those provisions referred to certificates filed with respect to registered series.	August 1, 2019
<i>Classes and Voting of Members</i> Sec. 18-302	Sec. 18-302 was amended to delete the definition of “electronic transmission” found in the section as the term is now defined in Sec. 18-101.	August 1, 2019
<i>Admission of Member of Division Company</i> Sec. 18-310	Sec. 18-310 was amended to provide that a person is admitted as a member of a division company pursuant to a division as provided in its LLC agreement or plan of division, with the plan of division controlling in case of an inconsistency, and in the case of a person admitted as a member of an LLC in which the LLC is not a division company in the division, as provided in the LLC agreement.	August 1, 2019
<i>Classes and Voting of Managers</i> Sec. 18-404	Sec. 18-404 was amended to delete the definition of “electronic transmission” found in the section as the term is now defined in Sec. 18-101.	August 1, 2019
<i>Annual Tax – Liability</i> Sec. 18-1107	Sec. 18-1107 was amended to confirm that a protected or registered series is not liable for the debts, obligations, or liabilities of the LLC or any other series solely by reason of the neglect, refusal, or failure of another series to pay an annual tax or by reason of another series ceasing to be in good standing.	August 1, 2019
<i>Fees</i> Sec. 18-1105	Sec. 18-1105 was amended to provide the fee payable when the Secretary of State provides copies of documents to be certified, to clarify the fee for copies not certified, to provide the fee for a written report of a record search, and to provide a fee for any certificate issued via the Secretary of State’s online services.	August 1, 2019

III. LIMITED PARTNERSHIPS

Below are amendments to the Delaware Revised Uniform Limited Partnership Act (Title 6, Chapter 17 of the Delaware Code). All amendments were enacted by Senate Bill 89. Consult with Senate Bill 89 and the relevant sections of the Delaware Revised Uniform Limited Partnership Act for more information.

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p>Definitions</p> <p>Sec. 17-101</p>	<p>Sec. 17-101 was amended to add definitions of “document”, “electronic transmission”, “series”, “protected series” and “registered series” and to revise the definitions of “general partner” and “limited partner” to confirm that these terms include a general partner and limited partner generally, and a general partner and limited partner associated with a series.</p>	<p>August 1, 2019</p> <p>“Electronic transmission” means any form of communication not directly involving the physical transmission of paper, including the use of, or participation in, 1 or more electronic networks or databases (including 1 or more distributed electronic networks or databases), that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.</p>
<p>LP Name</p> <p>Sec. 17-102</p>	<p>Sec. 17-102 was amended to provide that (1) an LP’s name must be distinguishable upon the records of the Secretary of State from the names of registered series of an LP and (2) may contain the words “Public Benefit”.</p>	<p>August 1, 2019</p>
<p>Resignation of Registered Agent</p> <p>Sec. 17-104</p>	<p>Sec. 17-104 was amended to provide that the registered agent of an LP whose certificate of limited partnership was cancelled pursuant to Sec. 17-1110 may resign as registered agent without appointing a successor.</p> <p>It was also amended to delete the definition of “electronic transmission” as that term is now defined by Sec. 17-101.</p>	<p>August 1, 2019</p> <p>Sec. 17-1110 provides for cancellation of LPs for failure to pay the annual tax.</p>

III. LIMITED PARTNERSHIPS (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p><i>Judicial Cancellation of Certificate of Limited Partnership</i> Sec. 17-112</p>	<p>Sec. 17-112 was added to provide that upon motion by the Attorney General the Chancery Court has jurisdiction to cancel the certificate of limited partnership of a domestic LP for abuse or misuse of its powers, privileges or existence and to make orders and decrees with respect thereto.</p>	<p>August 1, 2019</p>
<p><i>Electronic Documentation of Actions</i> Sec. 17-113</p>	<p>A new Sec. 17-113 was added called “Document Form, Signature, and Delivery”. Sec. 17-113 provides that without limiting the manner in which any act or transaction may be documented or the manner in which a document may be signed and delivered, that any act or transaction contemplated or governed by the LP Act or the partnership agreement may be provided for in a document, and an electronic transmission is the equivalent of a written document. In addition, when the LP Act or the partnership agreement requires or permits a signature, the signature may be an electronic signature as well as a manual, facsimile, or conformed signature. As in the GCL and LLC Act, there are certain exceptions. New Sec. 17-113 also, among other things, clarifies how its provisions operate in connection with a transaction conducted pursuant to UETA; address certain actions and documents that are not governed by Sec. 17-113(a); permit certain restrictions on the use of Sec. 17-113(a) in the partnership agreement; and address the interaction of the Act and the E-Sign Act.</p>	<p>August 1, 2019 It is the LP Act equivalent of new Sec. 116 of the GCL and new Sec. 18-113 of the LLC Act and addresses when certain acts and transactions may be documented, signed, and delivered electronically</p>
<p><i>Cancellation</i> Sec. 17-203</p>	<p>Sec. 17-203 was amended to provide that the certificate of limited partnership is canceled upon the filing of a certificate of division if the LP is a dividing LP that is not a survivor.</p>	<p>August 1, 2019 LP divisions are authorized by new Sec. 220 as detailed below.</p>
<p><i>Execution of Documents</i> Sec. 17-204</p>	<p>Sec. 17-204 was amended to clarify the execution of documents filed for transactions involving divisions and registered series.</p>	<p>August 1, 2019</p>
<p><i>Filing of Documents</i> Sec. 17-206</p>	<p>Sec. 17-206 was amended to simplify the language regarding the filing of documents with the Secretary of State and to include references to divisions and protected and registered series.</p>	<p>August 1, 2019</p>
<p><i>Liability for False Statement</i> Sec. 17-207</p>	<p>Sec. 17-207 was amended to clarify that the liability for filing a certificate containing a material false statement that may be imposed pursuant to the section applies to any general partner that filed the certificate.</p>	<p>August 1, 2019</p>

III. LIMITED PARTNERSHIPS (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p><i>Contractual Appraisal Rights</i> Sec. 17-212</p>	<p>Sec. 17-212 was amended to address contractual appraisal rights in connection with a division and a merger, consolidation or conversion involving registered and protected series.</p>	<p>August 1, 2019 LP divisions are authorized by new Sec. 220 as detailed below. Provisions regarding registered and protected series are also detailed below.</p>
<p><i>Protected Series of an LP</i> Sec. 17-218</p>	<p>Sec. 17-218 was amended to provide that a series in which the debts, liabilities, obligations, and expenses of the series will be enforceable only against the assets of such series and on the general partners associated with such series will be called a “protected” series. It was also amended to provide that for all purposes of Delaware law, a protected series is an association.</p>	<p>August 1, 2019 The term “protected” series distinguishes these series from those formed under Sec. 17-218 without a liability shield and from registered series formed under Sec. 17-221. The provision that a protected series is an association is intended to clarify that it is a person for UCC purposes.</p>
<p><i>Registered Series of an LP</i> Sec. 17-221</p>	<p>New Sec. 17-221 was added to provide for the formation of a registered series of limited partners, general partners, partnership interests or assets. For all purposes of Delaware law, a registered series is an association.</p> <p>A registered series is formed by filing a certificate of registered series with the Secretary of State. Notice of the limitation of liabilities of a registered series must be set forth in the Certificate of Limited Partnership. The records maintained for a registered series must account for the series assets separately from the assets of the LP or any other series, and, if so, the debts, liabilities, obligations, and expenses of the series shall be enforced against the assets of such series only.</p> <p>The certificate of registered series shall set forth the name of the LP, the name of the registered series, and the name and address of each general partner of the series. The name of a registered series shall begin with the name of the LP and must be distinguishable upon the records of the Secretary of State from the names of other registered series and the names of domestic and foreign corporations, partnerships, LPs, statutory trusts, and LLCs.</p>	<p>August 1, 2019 The provisions governing registered series of an LP are similar to those governing the registered series of an LLC, passed by the legislature last year, which also went into effect August 1, 2019. By requiring registration for formation, a registered series is intended to fit more clearly within the meaning of a registered organization under Art. 9 of the UCC.</p>

III. LIMITED PARTNERSHIPS (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p><i>Other Amendments Addressing Protected and Registered Series</i></p> <p>Secs. 17-103, 17-104, 17-105, 17-203, 17-208, 17-210, 17-222, 17-223, 17-224, 17-1105, 17-1109, 17-1110, 17-1111, 17-1112</p>	<p>Several sections in addition to those mentioned above were amended or added to address further issues related to protected and registered series. These include the following:</p> <ul style="list-style-type: none"> • Sec. 17-103 was amended to provide that the name of a registered series may be reserved. • Sec. 17-104 was amended to address the registered agent of an LP and a series thereof. • Sec. 17-105 was amended to address service of process on protected and registered series. • Sec. 17-203 was amended to provide that the Secretary of State shall not issue a certificate of good standing for a registered series that has been cancelled. • Sec. 17-208 was amended to provide that the fact that a certificate of registered series is on file is notice that the series was validly formed and off all facts therein. • Sec. 17-210 was amended to provide for the filing of a restated certificate of registered series. • Sec. 17-222 was added to provide that a protected series of a Delaware LP may convert to a registered series of that same LP. • Sec. 17-223 was added to provide that a registered series of a Delaware LP may convert to a protected series of that same LP. • Sec. 17-224 was added to provide that one or more registered series may merge or consolidate with one or more other registered series of that same LP. • Sec. 17-1105 was amended regarding the issuance of a certificate of good standing for a registered series. • Sec. 17-1109 was amended to provide that an annual tax, due and payable June 1, shall be paid by or on behalf of each registered series and to provide for penalties for a failure to pay. • Sec 17-1110 was amended to provide that a certificate of registered series will be cancelled if the annual tax is not paid for three years. • Secs. 17-1111 and 17-1112 were amended to provide for the revival of an LP with registered series and for the revival of a registered series. 	<p>August 1, 2019</p>

III. LIMITED PARTNERSHIPS (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p><i>LP Divisions</i></p> <p>Sec. 17-220</p>	<p>New Sec. 17-220 was added to authorize a domestic LP to divide into two or more domestic LPs with the dividing LP either continuing to exist or terminating as part of the division.</p> <p>The LP is required to adopt and approve a plan of division setting forth the terms and conditions. After approval a certificate of division and a certificate of limited partnership for each newly formed LP must be filed with the Secretary of State.</p> <p>Upon the division becoming effective all rights, privileges, powers, property and all other things belonging to the dividing LP shall be allocated to and vested in the surviving LP, if any, and each resulting LP as so provided in the plan of division.</p> <p>Each of the debts, liabilities, and duties of the dividing LP shall be allocated to the surviving LP, if any, and each resulting LP as specified in the plan and no other resulting LP or surviving LP, if any, shall be liable therefore so long as the plan does not constitute a fraudulent transfer.</p>	<p>August 1, 2019</p> <p>If a dividing LP formed before August 1, 2019 is a party to a contract, indenture or other agreement that restricts, conditions or prohibits a merger, consolidation or asset transfer by the dividing LP, such restriction, condition or prohibition shall be deemed to apply to a division.</p>
<p><i>Admission of Partners</i></p> <p>Sec. 17-301</p>	<p>Sec. 17-301 was amended to provide that a person will be admitted as a partner of a division LP as provided in the partnership agreement of the division LP and in the case of a person admitted as a partner of an LP pursuant to a division in which the LP is not a division LP, as provided in the partnership agreement.</p>	<p>August 1, 2019</p>
<p><i>Classes and Voting – Limited Partners</i></p> <p>Sec. 17-302</p>	<p>Sec. 17-302 was amended to remove the provisions defining “electronic transmissions” as that term is now defined in Sec. 17-101.</p>	<p>August 1, 2019</p>
<p><i>Classes and Voting – General Partners</i></p> <p>Sec. 17-405</p>	<p>Sec. 17-405 was amended to remove the provisions defining “electronic transmissions” as that term is now defined in Sec. 17-101.</p>	<p>August 1, 2019</p>
<p><i>Fees</i></p> <p>Sec. 17-1107</p>	<p>Sec. 17-1107 was amended to provide the fees for filing various certificates for registered series and for filing a certificate of division, to provide the fee where the Secretary of State provides copies of documents to be certified, to clarify the fee for copies not to be certified, to provide the fee for a written report of a record search, the fee for issuing a certificate of good standing for a registered series, and for any certificate issued via Secretary of State’s online services.</p>	<p>August 1, 2019</p>

III. LIMITED PARTNERSHIPS (CONT.)

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p><i>Statutory Public Benefit Limited Partnership</i></p> <p>Secs. 17-1201 through 17-1208</p>	<p>A new subchapter XII, Sec. 17-1201 et seq. was added to authorize the creation of a statutory public benefit LP.</p> <p>Sec. 17-1202 provides that a statutory public benefit LP is defined as a for-profit LP that is intended to produce a public benefit and operate in a responsible and sustainable manner. A statutory public benefit LP shall be managed in a manner that balances the partners' pecuniary interests with the public benefit to be promoted as set forth in the certificate of limited partnership and the best interests of those materially affected by the statutory public benefit LP's conduct.</p> <p>A statutory public benefit LP's certificate of limited partnership shall state in its heading that it is a statutory public benefit LP and shall set forth one or more specific public benefits to be promoted.</p> <p>Sec. 17-1205 provides that a statutory public benefit LP shall, no less than biennially, provide its limited partners with a statement as to the LP's promotion of the public benefit or benefits set forth in its certificate of limited partnership and as to the best interests of those materially affected by the LP's conduct.</p>	<p>August 1, 2019</p> <p>Subchapter XII does not limit the formation or operation of an LP operated for a public benefit that is not a statutory public benefit LP.</p> <p>In 2018 Delaware authorized statutory public benefit LLCs.</p>

IV. PARTNERSHIPS

Senate Bill 90 enacted amendments to the Delaware Revised Uniform Partnership Act (Title 6, Sec. 15-101 et seq.) Consult with Senate Bill 90 and the relevant provisions of the Delaware Revised Uniform Partnership Act for more information.

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
Definitions Sec. 15-101	Sec. 15-101 was amended to add definitions of “document” and “electronic transmission”.	August 1, 2019
Name Sec. 15-108	Sec. 15-108 was amended to provide that the name of a partnership in its statement of partnership existence, statement of qualification or statement of foreign qualification must be distinguishable upon the records of the Secretary of State from the names of registered series of an LP.	August 1, 2019
Resignation of Registered Agent Sec. 15-111	Sec. 15-111 was amended to provide that the registered agent of a partnership whose statement of partnership existence was canceled pursuant to Sec. 15-1209 or statement of qualification was revoked pursuant to Sec. 15-1003 may resign as registered agent without appointing a successor.	August 1, 2019 Sec. 15-1209 provides for cancellation for failure to pay the annual tax and Sec. 15-1003 provides for revocation for failure to file an annual report.
Electronic Documentation of Actions Sec. 15-124	A new Sec. 15-124 was added called “Document Form, Signature and Delivery”. It is the RUPA equivalent of new Sec. 116 of the GCL, new Sec. 18-113 of the LLC Act and new Sec. 17-113 of the LP Act and addresses when certain acts and transactions may be documented, signed, and delivered electronically.	August 1, 2019 See the relevant sections of the GCL, LLC Act and LP Act for more information.
Recordkeeping Sec. 15-403	Sec. 15-403 was amended to provide statutory authority for a partnership and its partners to use electronic networks or databases including distributed electronic networks or databases to create and maintain records.	August 1, 2019
Classes and Voting Sec. 15-407	Sec. 15-407 was amended to delete the definition of “electronic transmission” as that term is now defined in Sec. 15-101.	August 1, 2019
Fees Sec. 15-1207	Sec. 15-1207 was amended to provide the fee where the Secretary of State provides copies of documents to be certified, to clarify the fee for copies not to be certified, to provide the fee for a written report of a record search, and for any certificate issued via Secretary of State’s online services.	August 1, 2019

V. AMENDMENTS TO LLC LAW REGARDING PROTECTED AND REGISTERED SERIES

Below are amendments to the Delaware Limited Liability Company Act enacted in 2018 by Senate Bill 183 but that are effective August 1, 2019. Consult the full text of Senate Bill 183 and the relevant sections of the Delaware Limited Liability Company Act for more information.

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p><i>Series LLCs – Registered Series</i></p> <p>Sec. 18-218</p>	<p>New Sec. 18-218 was added to provide that if an LLC agreement provides for the establishment or formation of one or more series, a registered series may be formed by complying with this section.</p> <p>For all purposes of Delaware law, a registered series is an association, regardless of the number of members or managers, if any.</p> <p>A registered series is formed by filing a certificate of registered series with the Secretary of State, setting forth the name of the LLC and the name of the registered series. Filings may also be made to amend the certificate of registered series and to cancel the certificate of registered series.</p> <p>The name of a registered series shall begin with the name of the LLC, may contain the name of a member or manager and must be distinguishable upon the records of the Secretary of State from the names of other registered series and the names of domestic and foreign corporations, partnerships, LPs, statutory trusts, and LLCs.</p>	<p>August 1, 2019</p> <p>The concept of a registered series is intended to clarify issues arising under Art. 9 of the UCC and thus facilitate the use of series in secured financing transactions.</p> <p>A registered series is intended to be a registered organization under UCC Sec. 9-102(71). The amendment is also intended to clarify the name and location of a registered series as a debtor under UCC Sec. 9-307(e).</p>

V. AMENDMENTS TO LLC LAW REGARDING PROTECTED AND REGISTERED SERIES

TOPIC AREA	SUMMARY OF CHANGES	EFFECTIVE DATE/COMMENTS
<p><i>Series LLCs – Other Amendments Addressing Protected and Registered Series</i></p> <p>Secs. 18-101, 18-102, 18-103, 18-104, 18-105, 18-207, 18-208, 18-219, 18-220, 18-221, 18-1105, 18-1107, 18-1109, 18-1110</p>	<p>Several other sections were amended or added to address further issues related to protected and registered series.</p> <p>Sec. 18-101 was amended to add definitions of the terms “protected series”, “series”, and “registered series.”</p> <p>Sec. 18-102 was amended to provide that an LLC’s name must be distinguishable from the names of registered series.</p> <p>Sec. 18-103 was amended to allow the reservation of a name of a registered series.</p> <p>Secs. 18-104 and 18-105 were amended regarding registered agents and service of process on registered series.</p> <p>Sec. 18-207 was amended to provide that the filing of a certificate of registered series provides notice of the series formation and facts stated within.</p> <p>Sec. 18-208 was amended to provide for the filing of restated certificates of registered series.</p> <p>Sec. 18-219 was added to provide that a protected series of a Delaware LLC may convert to a registered series of that same LLC. A certificate of conversion to a registered series and a certificate of registered series must be filed.</p> <p>Sec. 18-220 was added to provide that a registered series of a Delaware LLC may convert to a protected series of that same LLC. A certificate of conversion to a protected series must be filed.</p> <p>Sec. 18-221 was added to provide that one or more registered series may merge or consolidate with one or more other registered series of that same LLC. The surviving or resulting series must file a certificate of merger or consolidation.</p> <p>Sec. 18-1105 was amended regarding the issuance of a certificate of good standing for a registered series.</p> <p>Sec. 18-1107 was amended to provide that an annual tax, due and payable June 1, shall be paid by or on behalf of each registered series and to provide for penalties for a failure to pay</p> <p>Sec 18-1108 was amended to provide that a certificate of registered series will be cancelled if the annual tax is not paid for three years.</p> <p>Secs. 18-1109 and 18-1110 were amended to provide for the revival of an LLC with registered series and for the revival of a registered series.</p>	<p>August 1, 2019</p>

This chart is not intended to provide legal advice or serve as a substitute for legal research to address specific situations.

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