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HOUSE OF REPRESENTATIVES
150th GENERAL ASSEMBLY

HOUSE BILL NO. 342

AN ACT TO AMEND CHAPTER 15, TITLE 6 OF THE DELAWARE CODE RELATING TO THE CREATION, REGULATION, OPERATION AND DISSOLUTION OF DOMESTIC PARTNERSHIPS AND THE REGISTRATION AND REGULATION OF FOREIGN LIMITED LIABILITY PARTNERSHIPS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend § 15-108, Chapter 15, Title 6 of the Delaware Code by making deletions as shown by strike
2 through and insertions as shown by underline as follows:

3 § 15-108 Name of partnership.

4 (c) The name of a partnership to be included in the statement of partnership existence, statement of qualification or
5 statement of foreign qualification filed by such partnership must be such as to distinguish it upon the records in the office of
6 the Secretary of State from the name on such records of any corporation, partnership (including a limited liability
7 partnership), limited partnership (including a limited liability limited partnership), statutory trust, limited liability company,
8 registered series of a limited liability company or registered series of a limited partnership organized under the laws of the
9 State of Delaware and reserved, registered, formed or organized with the Secretary of State or qualified to do business and
10 registered as a foreign corporation, foreign limited liability partnership, foreign limited partnership, foreign statutory trust
11 or foreign limited liability company in the State of Delaware; provided, however, that a domestic partnership may be
12 registered under any name which is not such as to distinguish it upon the records of the Secretary of State from the name on
13 such records of any domestic or foreign corporation, limited partnership (including a limited liability limited partnership),
14 statutory trust, limited liability company, registered series of a limited liability company, registered series of a limited
15 partnership, or foreign limited liability partnership reserved, registered, formed or organized under the laws of the State of
16 Delaware with the written consent of the other corporation, limited partnership (including a limited liability limited
17 partnership), statutory trust, limited liability company, registered series of a limited liability company, registered series of a
18 limited partnership, or foreign limited liability partnership which written consent shall be filed with the Secretary of State;
19 provided further, that, if on July 31, 2011, a domestic partnership is registered (with the consent of another domestic
20 partnership) under a name which is not such as to distinguish it upon the records in the office of the Secretary of State from

21 the name on such records of such other domestic partnership, it shall not be necessary for any such domestic partnership to
22 amend its statement of partnership existence or statement of qualification to comply with this subsection.

23 Section 2. Amend § 15-111, Chapter 15, Title 6 of the Delaware Code by making deletions as shown by strike
24 through and insertions as shown by underline as follows:

25 § 15-111 Registered office; registered agent.

26 (a) Each partnership that files a statement of partnership existence, a statement of qualification or a statement of
27 foreign qualification shall have and maintain in the State of Delaware:

28 (2) A registered agent for service of process on the partnership, having a business office identical with such
29 registered office, which agent may be any of

30 d. A foreign corporation, a foreign partnership (whether general (including a limited liability partnership)
31 ~~or, a foreign~~ limited partnership (including a foreign limited liability limited partnership)), a foreign limited
32 liability company, or a foreign statutory trust.

33 (b) A registered agent may change the address of the registered office of the partnership(s) for which it is
34 registered agent to another address in the State of Delaware by paying a fee as set forth in § 15-1207 of this title and filing
35 with the Secretary of State a certificate, executed by such registered agent, setting forth the address at which such registered
36 agent has maintained the registered office for each of the partnerships for which it is a registered agent, and further
37 certifying to the new address to which each such registered office will be changed on a given day, and at which new address
38 such registered agent will thereafter maintain the registered office for each of the partnerships for which it is a registered
39 agent. Upon the filing of such certificate, ~~the Secretary of State shall furnish to the registered agent a certified copy of the~~
40 ~~same under the Secretary's hand and seal of office, and thereafter, or until further change of address as authorized by law,~~
41 the registered office in the State of Delaware of each of the partnerships for which the agent is a registered agent shall be
42 located at the new address of the registered agent thereof as given in the certificate. In the event of a change of name of any
43 person acting as a registered agent of a partnership, such registered agent shall file with the Secretary of State a certificate,
44 executed by such registered agent, setting forth the new name of such registered agent, the name of such registered agent
45 before it was changed and the address at which such registered agent has maintained the registered office for each of the
46 partnerships for which it is a registered agent, and shall pay a fee as set forth in § 15-1207 of this title. ~~Upon the filing of~~
47 ~~such certificate, the Secretary of State shall furnish to the registered agent a certified copy of the certificate under his or her~~
48 ~~hand and seal of office.~~ A change of name of any person acting as a registered agent of a partnership as a result of (i) a
49 merger or consolidation of the registered agent, with or into another person which succeeds to its assets and liabilities by
50 operation of law, (ii) the conversion of the registered agent into another person, or (iii) a division of the registered agent in

51 which an identified resulting person succeeds to all of the assets and liabilities of the registered agent related to its
52 registered agent business pursuant to the plan of division, as set forth in the certificate of division, shall each be deemed a
53 change of name for purposes of this section. Filing a certificate under this section shall be deemed to be an amendment of
54 the statement of partnership existence, statement of qualification or statement of foreign qualification of each partnership
55 affected thereby and each such partnership shall not be required to take any further action, with respect thereto, to amend its
56 statement of partnership existence, statement of qualification or statement of foreign qualification under § 15-105(d) of this
57 title. Any registered agent filing a certificate under this section shall promptly, upon such filing, deliver a copy of any such
58 certificate to each partnership affected thereby.

59 (c) The registered agent of 1 or more partnerships may resign and appoint a successor registered agent by paying a
60 fee as set forth in § 15-1207 of this title and filing a certificate with the Secretary of State, stating the name and address of
61 the successor registered agent. There shall be attached to such certificate a statement of each affected partnership ratifying
62 and approving such change of registered agent. Upon such filing, the successor registered agent shall become the registered
63 agent of such partnerships as have ratified and approved such substitution and the successor registered agent's address, as
64 stated in such certificate, shall become the address of each such partnership's registered office in the State of Delaware. ~~The~~
65 ~~Secretary of State shall then issue a certificate that the successor registered agent has become the registered agent of the~~
66 ~~partnerships so ratifying and approving such change and setting out the names of such partnerships.~~ Filing of such
67 certificate of resignation shall be deemed to be an amendment of the statement of partnership existence, statement of
68 qualification or statement of foreign qualification of each partnership affected thereby and each such partnership shall not
69 be required to take any further action with respect thereto to amend its statement of partnership existence, statement of
70 qualification or statement of foreign qualification under § 15-105(d) of this title.

71 (f) Any registered agent who at any time serves as registered agent for more than 50 entities (a "commercial
72 registered agent"), whether domestic or foreign, shall satisfy and comply with the following qualifications.

73 (2) A domestic or foreign corporation, a domestic ~~or foreign~~ partnership (whether general (including a limited
74 liability partnership) or limited (including a limited liability limited partnership)), a foreign limited liability partnership,
75 a domestic or foreign limited liability company, or a domestic or foreign statutory trust serving as a commercial
76 registered agent shall:

77 Section 3. Amend § 15-120, Chapter 15, Title 6 of the Delaware Code by making deletions as shown by strike
78 through and insertions as shown by underline as follows:

79 § 15-120 ~~Contractual~~ No statutory appraisal rights.

80 A Unless otherwise provided in a partnership agreement or an agreement of merger or consolidation or a plan of
81 merger ~~may provide that contractual,~~ no appraisal rights shall be available with respect to a partnership interest or another

82 interest in a partnership ~~shall be available for any class or group of partners or partnership interests, including~~ in connection
83 with any amendment of a partnership agreement, any merger or consolidation in which the partnership is a constituent party
84 to the merger or consolidation, any conversion of the partnership to another business form, any transfer to or domestication
85 or continuance in any jurisdiction by the partnership, or the sale of all or substantially all of the partnership's assets. The
86 Court of Chancery shall have jurisdiction to hear and determine any matter relating to any ~~such~~ appraisal rights provided in
87 a partnership agreement or an agreement of merger or consolidation or a plan of merger.

88 Section 4. Amend § 15-124, Chapter 15, Title 6 of the Delaware Code by making deletions as shown by strike
89 through and insertions as shown by underline as follows:

90 § 15-124 Document form, signature and delivery.

91 (a) Except as provided in subsection (b) of this section, without limiting the manner in which any act or transaction
92 may be documented, or the manner in which a document may be signed or delivered:

93 (2) Whenever this chapter or the partnership agreement requires or permits a signature, the signature may be a
94 manual, facsimile, conformed or electronic signature. "Electronic signature" means an electronic symbol or process
95 that is attached to, or logically associated with, a document and executed or adopted by a person with an intent to
96 execute, authenticate or adopt the document. A person may execute a document with such person's signature.

97 Section 5. Amend § 15-403, Chapter 15, Title 6 of the Delaware Code by making deletions as shown by strike
98 through and insertions as shown by underline as follows:

99 § 15-403 Partner's rights and duties with respect to information.

100 (c) A partnership and its partners may maintain the books and records and other information concerning the
101 partnership in other than a ~~written paper~~ paper form, including on, by means of, or in the form of any information storage device,
102 method, or 1 or more electronic networks or databases (including 1 or more distributed electronic networks or databases), if
103 such form is capable of conversion into ~~written paper~~ paper form within a reasonable time.

104 Section 6. Amend § 15-903, Chapter 15, Title 6 of the Delaware Code by making deletions as shown by strike
105 through and insertions as shown by underline as follows:

106 § 15-903 Approval of conversion of a domestic partnership.

107 (f) Upon the filing in the office of the Secretary of State of the certificate of conversion to non-Delaware entity or
108 upon the future effective date or time of the certificate of conversion to non-Delaware entity and payment to the Secretary
109 of State of all fees prescribed in this chapter, ~~the Secretary of State shall certify that the partnership has filed all documents~~
110 ~~and paid all fees required by this chapter, and thereupon~~ the partnership shall cease to exist as a partnership of the State of
111 Delaware. ~~Such~~ A copy of the certificate of conversion to non-Delaware entity certified by ~~of~~ the Secretary of State shall be
112 prima facie evidence of the conversion by such partnership out of the State of Delaware.

113 Section 7. Amend § 15-905, Chapter 15, Title 6 of the Delaware Code by making deletions as shown by strike
114 through and insertions as shown by underline as follows:

115 § 15-905 Transfer or continuance of domestic partnerships.

116 (c) Upon the filing with the Secretary of State of the certificate of transfer or upon the future effective date or time
117 of the certificate of transfer and payment to the Secretary of State of all fees prescribed in this chapter, ~~the Secretary of~~
118 ~~State shall certify that the partnership has filed all documents and paid all fees required by this chapter, and thereupon the~~
119 partnership shall cease to exist as a partnership of the State. ~~Such~~ A copy of the certificate of transfer certified by the
120 Secretary of State shall be *prima facie* evidence of the transfer or domestication or continuance by such partnership out of
121 the State of Delaware. A copy of the certificate of transfer and domestic continuance certified by the Secretary of State
122 shall be prima facie evidence of such partnership's transfer to or domestication or continuance in another jurisdiction and
123 its continuance as a partnership in the State of Delaware.

124 Section 8. Amend § 15-1102, Chapter 15, Title 6 of the Delaware Code by making deletions as shown by strike
125 through and insertions as shown by underline as follows:

126 § 15-1102 Statement of foreign qualification.

127 (a) Before doing business in the State of Delaware, a foreign limited liability partnership shall register with the
128 Secretary of State by filing:

129 (1) A statement of foreign qualification which must contain:

130 a. The name of the foreign limited liability partnership which (i) satisfies the requirements of the state,
131 territory, possession or other jurisdiction or country under whose law it is formed ~~and~~, (ii) ends with the words
132 "Registered Limited Liability Partnership" or "Limited Liability Partnership," the abbreviation "R.L.L.P." or
133 "L.L.P." or the designation "RLLP" or "LLP" and (iii) complies with § 15-108(c) and (d) of this title;

134 Section 9. This Act shall become effective upon its enactment into law.

135

SYNOPSIS

This bill continues the practice of amending periodically the Delaware Revised Uniform Partnership Act (the "Act") to keep it current and to maintain its national preeminence. The following is a section-by-section review of the proposed amendments of the Act.

Section 1. This section amends Section 15-108(c) of the Act to clarify requirements regarding the name of a partnership in a statement of partnership existence, statement of qualification or statement of foreign qualification.

Section 2. This section amends Sections 15-111(a)(2)d. and 15-111(f)(2) of the Act to identify the types of foreign entities that may be a registered agent of a partnership. This section also amends Section 15-111(b) of the Act to eliminate the requirement that the Secretary of State issue a certified copy of any certificate filed by the registered agent changing the address of the registered office or the name of the registered agent. This section also amends Section 15-111(b) of the Act to provide that the conversion of the registered agent or a division of the registered agent in which a resulting person succeeds to all of the registered agent business of such registered agent shall be deemed to be a change of name for purposes of this Section of the Act. This section also amends Section 15-111(c) of the Act to eliminate the requirement that

the Secretary of State issue a certificate in connection with the resignation of the registered agent of a partnership and the appointment of the successor registered agent.

Section 3. This section amends Section 15-120 of the Act to confirm that no appraisal rights are available with respect to a partnership interest or another interest in a partnership, including in connection with the enumerated transactions unless otherwise provided in the enumerated documents.

Section 4. This section amends Section 15-124(a)(2) of the Act to clarify that a person may “execute” a document by using any type of signature contemplated by such Section.

Section 5. This section amends Section 15-403(c) of the Act to confirm that a partnership may maintain its books, records and other information in other than paper form (including electronic form) if such form is capable of conversion into paper form within a reasonable time.

Section 6 and 7. These sections amend Sections 15-903(f) and 15-905(c) of the Act with regard to certifications provided by the Secretary of State in connection with the filing of a certificate of conversion to non-Delaware entity, a certificate of transfer and a certificate of transfer and domestic continuance.

Section 8. This section amends Section 15-1102(a)(1)a. of the Act to confirm that the name of a foreign limited liability partnership set forth in its statement of foreign qualification must comply with the requirements of Section 15-108(c) and (d) of this title.

Section 9. This section provides that the proposed amendments to the Act shall become effective upon their enactment into law.