

Delaware LLC and Partnership Law Update

June 11, 2024

2024 Amendments to Delaware's LLC and Partnership Acts Enacted

Delaware has recently adopted legislation amending the Delaware Limited Liability Company Act (LLC Act), the Delaware Revised Uniform Limited Partnership Act (LP Act), and the Delaware Revised Uniform Partnership Act (GP Act) (collectively, the LLC and Partnership Acts). The following is a brief summary of some of the more significant amendments that affect Delaware limited liability companies, Delaware limited partnerships, and Delaware general partnerships, including amendments that will (i) expand the ability of a certificate of merger to amend a surviving entity's formation documents, and (ii) confirm and clarify the approval required to revoke dissolution or termination. The amendments will become effective on August 1, 2024.

Amendments Effected by Certificates of Merger

Prior to the adoption of the recent amendments, the LLC and Partnership Acts expressly provided that a certificate of merger may amend (i) a surviving entity's certificate of limited partnership, certificate of formation, statement of partnership existence, or statement of qualification, as applicable, to change such surviving entity's name, registered office, or registered agent; and (ii) the certificate of registered series of a registered series surviving a merger, to change the name of such surviving registered series. The amendments to the LLC and Partnership Acts will permit a certificate of merger to amend a surviving entity's (or surviving registered series') certificate of limited partnership, certificate of formation, statement of partnership existence, statement of qualification, or certificate of registered series, as applicable, for any desired purpose in connection with a merger. This new mechanism will provide for greater efficiency by eliminating the need to file separate post-merger amendments to filed organizational documents. For example, if the general partner of a surviving Delaware limited partnership changes in connection with a merger, the amendments will permit a certificate of merger to amend the certificate of limited partnership to reflect such change. If a certificate of merger amends a certificate of limited partnership to reflect the admission of a new general partner, then the new general partner must sign the certificate of merger.

Further, to streamline the process of amending certificates of limited partnership, certificates of formation, statements of partnership existence, and certificates of registered series in connection with a merger, the amendments will also provide greater flexibility by permitting certificates of merger to fully amend and restate certificates of limited partnership, certificates of formation, statements of partnership existence, and certificates of registered series in their entirety. This approach is consistent with how certificates of merger may amend and restate certificates of incorporation of Delaware corporations under the General Corporation Law of the State of Delaware.



Revocation of Dissolution Approval

As a general matter, the LLC Act and the LP Act provide that if a Delaware limited partnership, limited liability company, or registered series thereof is dissolved, or a protected series thereof is terminated, by a vote or consent, then that same vote or consent is needed to revoke such dissolution or termination. In this context, the amendments will confirm and clarify that the vote or consent of “other persons” to revoke dissolution or termination is determined by reference to the vote to dissolve or terminate in the partnership agreement or limited liability company agreement, as applicable, rather than by reference to any non-organizational document.

The amendments reflect Delaware’s continuing commitment to maintaining statutes governing Delaware LLCs, LPs, and GPs that effectively serve the business needs of the national and international business communities. The amendments to the LLC Act, the LP Act, and the GP Act are contained in House Bill Nos. 336, 337, and 339, respectively.

If you have any questions about this Delaware LLC & Partnership Law Update or other legal issues, please contact a Richards, Layton & Finger, P.A. attorney.

Related Files

- [Read House Bill No. 336](#) (LLC Act Amendments)
- [Read House Bill No. 337](#) (LP Act Amendments)
- [Read House Bill No. 339](#) (GP Act Amendments)