



SPONSOR: Sen. Townsend & Sen. Henry & Rep. Mitchell &
Rep. M. Smith
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DELAWARE STATE SENATE
149th GENERAL ASSEMBLY

SENATE BILL NO. 182

AN ACT TO AMEND CHAPTER 17, TITLE 6 OF THE DELAWARE CODE RELATING TO THE CREATION, REGULATION, OPERATION AND DISSOLUTION OF DOMESTIC LIMITED PARTNERSHIPS AND THE REGISTRATION AND REGULATION OF FOREIGN LIMITED PARTNERSHIPS.

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

1 Section 1. Amend § 17-102(3), Chapter 17, Title 6 of the Delaware Code by making deletions as shown by strike
2 through and insertions as shown by underline as follows:

3 (3) Must be such as to distinguish it upon the records in the office of the Secretary of State from the name on such
4 records of any corporation, partnership, limited partnership, statutory trust ~~or~~, limited liability company, or registered series
5 of a limited liability company reserved, registered, formed or organized under the laws of the State of Delaware or qualified
6 to do business or registered as a foreign corporation, foreign limited partnership, foreign statutory trust, foreign partnership
7 or foreign limited liability company in the State of Delaware; provided, however, that a limited partnership may register
8 under any name which is not such as to distinguish it upon the records in the office of the Secretary of State from the name
9 on such records of any domestic or foreign corporation, partnership, statutory trust, ~~or~~ limited liability company, registered
10 series of a limited liability company, or foreign limited partnership reserved, registered, formed or organized under the laws
11 of the State of Delaware with the written consent of the other corporation, partnership, statutory trust, limited liability
12 company, registered series of a limited liability company or foreign limited partnership, which written consent shall be filed
13 with the Secretary of State; provided further, that, if on July 31, 2011, a limited partnership is registered (with the consent
14 of another limited partnership) under a name which is not such as to distinguish it upon the records in the office of the
15 Secretary of State from the name on such records of such other domestic limited partnership, it shall not be necessary for
16 any such limited partnership to amend its certificate of limited partnership to comply with this subsection;

17 Section 2. Amend § 17-104(g), Chapter 17, Title 6 of the Delaware Code by making deletions as shown by strike
18 through and insertions as shown by underline as follows:

19 (g) Every domestic limited partnership and every foreign limited partnership qualified to do business in the State
20 of Delaware shall provide to its registered agent and update from time to time as necessary the name, business address and
21 business telephone number of a natural person who is a partner, officer, employee, or designated agent of the domestic or

foreign limited partnership who is then authorized to receive communications from the registered agent. Such person shall be deemed the communications contact for the domestic or foreign limited partnership. A domestic limited partnership, upon receipt of a request by the communications contact delivered in writing or by electronic transmission, shall provide the communications contact with the name, business address, and business telephone number of a natural person who has access to the record required to be maintained pursuant to § 17-305(g) of this title. Every registered agent shall retain (in paper or electronic form) the above information concerning the current communications contact for each domestic limited partnership and each foreign limited partnership for which he, she, or it serves as registered agent. If the domestic or foreign limited partnership fails to provide the registered agent with a current communications contact, the registered agent may resign as the registered agent for such domestic or foreign limited partnership pursuant to this section. For purposes of this subsection, the term "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.

Section 3. Amend § 17-213(b), Chapter 17, Title 6 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

(b) In lieu of filing a certificate of correction, a certificate may be corrected by filing with the Secretary of State a corrected certificate which shall be executed and filed as if the corrected certificate were the certificate being corrected, and a fee equal to the fee payable to the Secretary of State ~~if the certificate being corrected were then being filed~~ for a certificate of correction as prescribed by § 17-1107 of this title shall be paid to and collected by the Secretary of State for the use of the State of Delaware in connection with the filing of the corrected certificate. The corrected certificate shall be specifically designated as such in its heading, shall specify the inaccuracy or defect to be corrected and shall set forth the entire certificate in corrected form. A certificate corrected in accordance with this section shall be effective as of the date the original certificate was filed except as to those persons who are substantially and adversely affected by the correction and, as to those persons, the certificate as corrected shall be effective from the filing date.

Section 4. Amend § 17-302(e), Chapter 17, Title 6 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

(e) Unless otherwise provided in a partnership agreement, meetings of limited partners may be held by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this subsection shall constitute presence in person at the meeting. Unless otherwise provided in a partnership agreement, on any matter that is to be voted on, consented to or approved by

52 limited partners, the limited partners may take such action without a meeting, without prior notice and without a vote if
53 consented to or approved, in writing, by electronic transmission or by any other means permitted by law, by limited
54 partners having not less than the minimum number of votes that would be necessary to authorize or take such action at a
55 meeting at which all limited partners entitled to vote thereon were present and voted. Unless otherwise provided in a
56 partnership agreement, if a person (whether or not then a limited partner) consenting as a limited partner to any matter
57 provides that such consent will be effective at a future time (including a time determined upon the happening of an event),
58 then such person shall be deemed to have consented as a limited partner at such future time so long as such person is then a
59 limited partner. Unless otherwise provided in a partnership agreement, on any matter that is to be voted on by limited
60 partners, the limited partners may vote in person or by proxy, and such proxy may be granted in writing, by means of
61 electronic transmission or as otherwise permitted by applicable law. Unless otherwise provided in a partnership agreement,
62 a consent transmitted by electronic transmission by a limited partner or by a person or persons authorized to act for a
63 limited partner shall be deemed to be written and signed for purposes of this subsection. For purposes of this subsection, the
64 term "electronic transmission" means any form of communication not directly involving the physical transmission of paper,
65 including the use of, or participation in, 1 or more electronic networks or databases (including 1 or more distributed
66 electronic networks or databases), that creates a record that may be retained, retrieved and reviewed by a recipient thereof
67 and that may be directly reproduced in paper form by such a recipient through an automated process.

68 Section 5. Amend § 17-305(c) of Chapter 17, Title 6 of the Delaware Code by making deletions as shown by
69 strike through and insertions as shown by underline as follows:

70 (c) A limited partnership may maintain its records in other than a written form, including on, by means of, or in
71 the form of any information storage device, method, or 1 or more electronic networks or databases (including 1 or more
72 distributed electronic networks or databases), if such form is capable of conversion into written form within a reasonable
73 time.

74 Section 6. Amend § 17-405(d) of Chapter 17, Title 6 of the Delaware Code by making deletions as shown by
75 strike through and insertions as shown by underline as follows:

76 (d) Unless otherwise provided in a partnership agreement, meetings of general partners may be held by means of
77 conference telephone or other communications equipment by means of which all persons participating in the meeting can
78 hear each other, and participation in a meeting pursuant to this subsection shall constitute presence in person at the meeting.
79 Unless otherwise provided in a partnership agreement, on any matter that is to be voted on, consented to or approved by
80 general partners, the general partners may take such action without a meeting, without prior notice and without a vote if
81 consented to or approved, in writing, by electronic transmission or by any other means permitted by law, by general

82 partners having not less than the minimum number of votes that would be necessary to authorize or take such action at a
83 meeting at which all general partners entitled to vote thereon were present and voted. Unless otherwise provided in a
84 partnership agreement, if a person (whether or not then a general partner) consenting as a general partner to any matter
85 provides that such consent will be effective at a future time (including a time determined upon the happening of an event),
86 then such person shall be deemed to have consented as a general partner at such future time so long as such person is then a
87 general partner. Unless otherwise provided in a partnership agreement, on any matter that is to be voted on by general
88 partners, the general partners may vote in person or by proxy, and such proxy may be granted in writing, by means of
89 electronic transmission or as otherwise permitted by applicable law. Unless otherwise provided in a partnership agreement,
90 a consent transmitted by electronic transmission by a general partner or by a person or persons authorized to act for a
91 general partner shall be deemed to be written and signed for purposes of this subsection (d). For purposes of this subsection
92 (d), the term "electronic transmission" means any form of communication not directly involving the physical transmission
93 of paper, including the use of, or participation in, 1 or more electronic networks or databases (including 1 or more
94 distributed electronic networks or databases), that creates a record that may be retained, retrieved and reviewed by a
95 recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

96 Section 7. Section 1 of this Act shall become effective August 1, 2019. Sections 2 through 6 of this Act shall
97 become effective August 1, 2018.

SYNOPSIS

This bill continues the practice of amending periodically the Delaware Revised Uniform Limited 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 17-102(3) of the Act to provide that the name of a limited partnership must be such as to distinguish it from the name of any registered series of a limited liability company formed under the laws of the State of Delaware.

Sections 2 and 4 through 6. These sections amend Sections 17-104(g), 17-302(e), 17-305(c) and 17-405(d) of the Act to provide specific statutory authority for Delaware limited partnerships to use networks of electronic databases (examples of which are described currently as "distributed ledgers" or a "blockchain") for the creation and maintenance of limited partnership records and for certain "electronic transmissions."

Section 3. This section amends Section 17-213(b) of the Act relating to a corrected certificate to clarify that the fee payable to the Secretary of State for filing a certificate of correction pursuant to Section 17-1107 shall be paid with the filing of a corrected certificate pursuant to Section 17-213(b) of the Act.

Section 7. This section provides that the proposed amendments of Section 1 of the Act shall become effective August 1, 2019, and the proposed amendments of Sections 2 through 6 shall become effective August 1, 2018.

Author: Senator Townsend