
Significant Amendments Proposed to Delaware General Corporation Law

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The Delaware State Bar Association has provided recommendations to the Delaware General Assembly for several amendments to the Delaware General Corporation Law ("DGCL") relating to the following topics (among others):

- Exculpation of executive officers – the proposed amendments would allow corporations to include a provision in their certificates of incorporation exculpating certain high-level officers from liability for certain breaches of fiduciary duty.
- Stock issuances – the proposed amendments would bring certain provisions of the DGCL relating to stock issuances in line with the corresponding provisions relating to option grants, particularly with respect to delegation of authority.
- Conversions – the proposed amendments would reduce the vote required to approve the conversion of a Delaware corporation into another type of entity.
- Domestication – the proposed amendments would simplify the domestication of non-U.S. entities into Delaware.
- Appraisal rights – the proposed amendments would entitle beneficial owners of stock to exercise appraisal rights directly and would extend appraisal rights to conversion transactions, subject to the "market out" exception.

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