



SPONSOR: Sen. Sharp

DELAWARE STATE SENATE

138TH GENERAL ASSEMBLY

SENATE BILL NO. 272 JAN 10 1996

AN ACT TO AMEND TITLE 8 OF THE DELAWARE CODE RELATING TO THE GENERAL CORPORATION LAW.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Two-thirds of all members elected to each house thereof concurring therein):

1 Section 1. Amend Section 253(a), Title 8, Delaware Code, by inserting "(other than a corporation  
2 which has in its certificate of incorporation the provision required by subsection (g)(7)(i) of Section 251 of  
3 this title)" in the first sentence immediately following the words "corporation or corporations" the first time  
4 said words appear in said sentence.

5 Section 2. Amend Section 262(b), Title 8, Delaware Code, by inserting "(other than a merger  
6 effected pursuant to subsection (g) of §251)" in the first sentence immediately following the number "251"  
7 the first time said number appears in said sentence.

8 Section 3. Amend Section 262(b)(1) by deleting the words "subsections (f) or (g)" and inserting  
9 in lieu thereof the words "subsection (f)".

10 Section 4. Amend Section 281(a), Title 8, Delaware Code, by deleting "§280(a)(2)" in the next to  
11 last sentence and inserting in lieu thereof "§280(a)(3)".

#### SYNOPSIS

Sections 1-3. Section 251(g), enacted in 1995, authorizes a corporation to engage in a holding company reorganization, without stockholder approval, subject to compliance with the conditions specified in Section 251(g). The amendment to Section 253(a) prevents circumvention of the protections accorded by subsection (g)(7)(1) of Section 251 through a short-form merger with an intermediate parent corporation. The amendments to Section 262(b) and Section 262(b)(1) correct certain oversights in the 1995 amendment to Section 262(b)(1) and implement the stated objective of the 1995 amendment that appraisal rights not be available for the shares of a constituent corporation to a merger effected in accordance with Section 251(g).

Section 4. The amendment to Section 281(a) corrects the subsection cross reference in light of the 1994 amendments to Section 280.

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