

CHAPTER 8  
FORMERLY  
HOUSE BILL NO. 49

AN ACT TO AMEND TITLE 10 OF THE DELAWARE CODE RELATING TO THE RESOLUTION  
OF DISPUTES IN THE COURT OF CHANCERY.

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

Section 1. Amend Chapter 3, Title 10 to add new §§ 349-351 to read as follows:

“§ 349. Arbitration proceedings for business disputes.

(a) The Court of Chancery shall have the power to arbitrate business disputes when the parties request a member of the Court of Chancery, or such other person as may be authorized under rules of the Court, to arbitrate a dispute. For a dispute to be eligible for arbitration under this section, the eligibility criteria set forth in subsections (a) and (b) of § 347 of this chapter must be satisfied, except that the parties must have consented to arbitration rather than mediation.

(b) Arbitration proceedings shall be considered confidential and not of public record until such time, if any, as the proceedings are the subject of an appeal. In the case of an appeal, the record shall be filed by the parties with the Supreme Court in accordance with its Rules, and to the extent applicable, the Rules of this Court.

(c) Any application to vacate, stay, or enforce an order of the Court of Chancery issued in an arbitration proceeding under this section shall be filed with the Supreme Court of this State, which shall exercise its authority in conformity with the Federal Arbitration Act, and such general principles of law and equity as are not inconsistent with that Act.

§ 350. Voluntary final adjudications before a Master in Chancery.

The parties in any matter may stipulate to a final adjudication of the matter by a Master of the Court of Chancery. In such a stipulation, the parties shall consent that the decision of the Master shall have the same effect as a decision of a member of the Court of Chancery. Appeals from decisions of the Master in a matter governed by such a stipulation shall be determined in all respects by the same procedural and substantive standards as are applicable to appeals from decisions of members of the Court of Chancery.

§ 351. Voluntary waiver of appeal by parties

The parties in any matter may stipulate that the decision of the Court of Chancery, or a Master of the Court of Chancery if they so choose, shall be final and binding and not subject to appeal.”

Section 2. Amend § 5702(a) of Title 10 to strike the words “providing for arbitration in this State” and to substitute in their place the words “specifically referencing the Delaware Uniform Arbitration Act and the parties’ desire to have it apply to their agreement.”

Section 3. Amend § 5702(c) of Title 10 to strike it in its entirety and to substitute in its place a new subsection (c) to read as follows:

“(c) Court of Chancery jurisdiction over arbitration-related disputes in cases not governed by the Delaware Uniform Arbitration Act -- Unless an arbitration agreement complies with the standard set forth in subsection (a) for the applicability of the Delaware Uniform Arbitration Act, any application to the Court of Chancery to enjoin or stay an arbitration, obtain an order requiring arbitration, or to vacate or enforce an arbitrator’s award shall be decided by the Court of Chancery in conformity with the Federal Arbitration Act, and such general principles of law and equity as are not inconsistent with that Act. In such cases, the other provisions of this Delaware Uniform Arbitration Act are without standing and cases shall be adjudicated in accordance with the Court of Chancery’s Rules of Procedure.”

Section 4. Amend § 5703(a) of Title 10 to strike a comma “,” after the words “complied with” in the second sentence and to strike the words “and the claims sought to be arbitrated is not barred by limitation under § 5702(c)” and to strike a comma “,” after the words “under § 5702(c).”

Section 5. Amend § 5703(b) of Title 10 to insert a period “.” after the words “complied with” in the first sentence and to strike the words “or that the claim sought to be arbitrated is barred by limitation of § 5702(c).”

Section 6. Amend § 5703(c) of Title 10 to insert a period “.” after the words “complied with” in the first sentence and to strike the words “and from asserting in Court the bar of a limitation of time.”

Section 7. Amend § 5714(a)(5) of Title 10 to strike the words “under § 5702(c), and the issue was not adversely determined in proceedings under § 5703.”

Section 8. Amend § 5721 of Title 10 to insert the word “Delaware” after the words “as the.”

Section 9. Sections 2 - 8 of this bill shall become effective three months after enactment into law; the rest of the bill shall become effective upon enactment.

Approved April 02, 2009