

Delaware Senate Passes Bill Prohibiting Bylaws on Fee Shifting



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Yesterday, the Delaware Senate passed legislation prohibiting publicly-traded corporations from adopting bylaws that force shareholders to pay legal fees if they bring internal corporate claims against the company in court and do not win. The legislation also allows Delaware corporations to designate Delaware – but not any other state – as the exclusive forum for internal corporate claims. The bill passed on a 16-5 vote and now heads to the Delaware House of Representatives.

[Click here to view a copy of the legislation](#), which was passed as introduced.

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