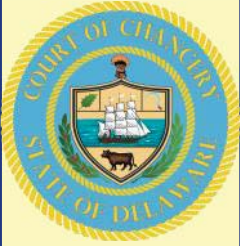


COURT OF CHANCERY



CHANCERY COURT

CHANCELLOR ANDRE G. BOUCHARD



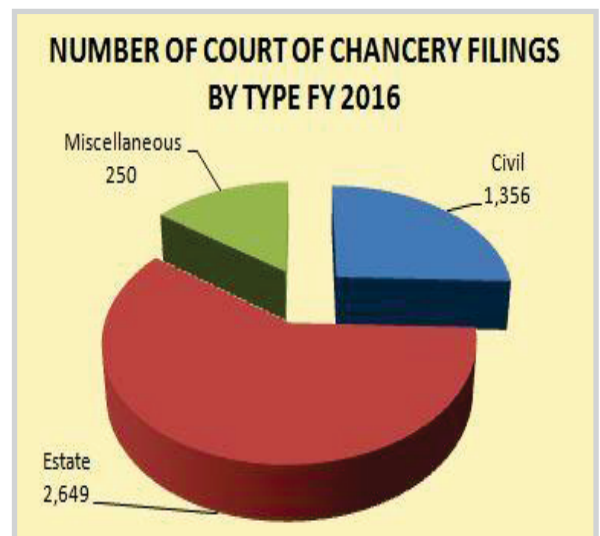
The mission of the Court of Chancery is to administer justice by providing fair, prompt and well-reasoned decisions in all causes in equity and other matters within the Court's jurisdiction.

Continuing a trend of the past several years, the Court experienced two more significant personnel changes during the 2016 fiscal year. In February 2016, Vice Chancellor John W. Noble retired after fifteen years of distinguished service to the Court. Vice Chancellor Noble was well known for his calm demeanor, dry wit, and inherent sense of equity. He relished the intellectual challenges of the job, and was unfailingly patient with those who appeared before him. We wish him all the best in the next phase of his career.

Also in February, Master in Chancery Abigail M. LeGrow left the Court after four years of exemplary service to become an Associate Judge on the Superior Court. During her tenure with us, Master LeGrow became a recognized expert in guardian-

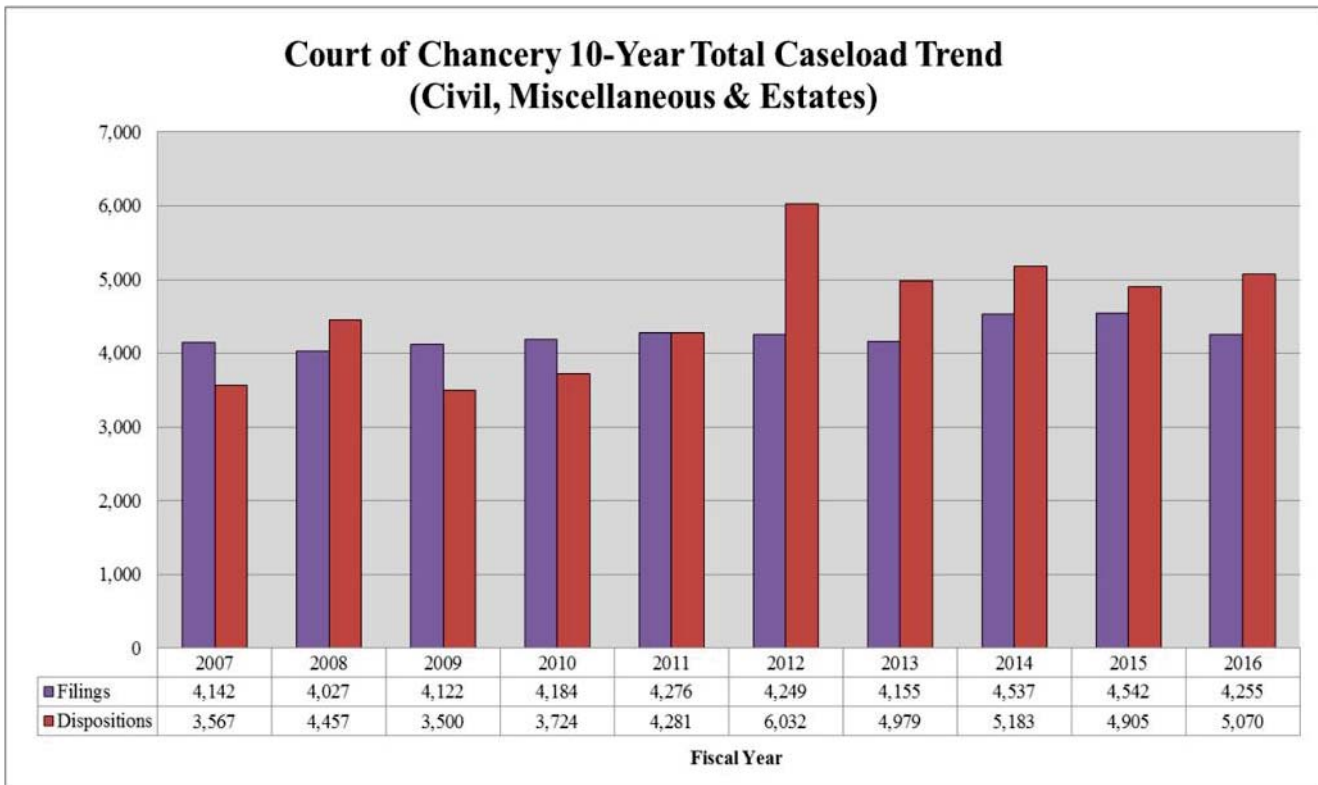
ship and trust matters, and quickly gained an overall reputation for excellence as a jurist. She was instrumental in overseeing a sweeping revision of the Court's rules and procedures governing guardianship, trust and estate matters. The Superior Court's gain is clearly our loss.

Joseph R. Slights III was selected to succeed Vice Chancellor Noble. Vice Chancellor Slights' appointment marks his re-



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TABLE 1



turn to the bench after serving a twelve year term on the Superior Court, from 2000 to 2012, where he played a prominent role in the launch of the Complex Commercial Litigation Division. He is the Court’s resident judge in Kent County.

In March 2016, Morgan Zurn was appointed as the Court’s newest Master in Chancery. Master Zurn comes to us from the Delaware Department of Justice, where she has worked since 2009 and most recently served as a Deputy Attorney General in the Appeals and the Consumer Protection Units.

In 2016, the Delaware Chapter of the American College of Trial Lawyers and the Delaware State Bar Association delivered the results of a jointly-conducted study of the Delaware court system based on interviews and surveys of practitioners and jurists. The study reported a number of favorable conclusions concerning the Court of Chancery’s man-

agement of its docket, willingness to accommodate the needs of litigants, and use of technology. The study also made several recommendations, including that the Court provide a written codification of e-filing requirements and guidelines to better explain the basis on which a filing may be rejected. This topic currently is addressed by the Register in Chancery’s Recommended Best Practices for electronic filing, which is posted on our website. In response to the joint study’s recommendation, a subcommittee of the Court’s Rules Committee has been established to undertake a thorough review of the Court’s current procedures.

In past annual reports, the Court has reported the number of filings and dispositions for the most recent ten-year period on an aggregated basis. Those data are depicted in **Table 1**. This year, we also have included charts depicting the number of filings and dispositions for the most recent ten-year period

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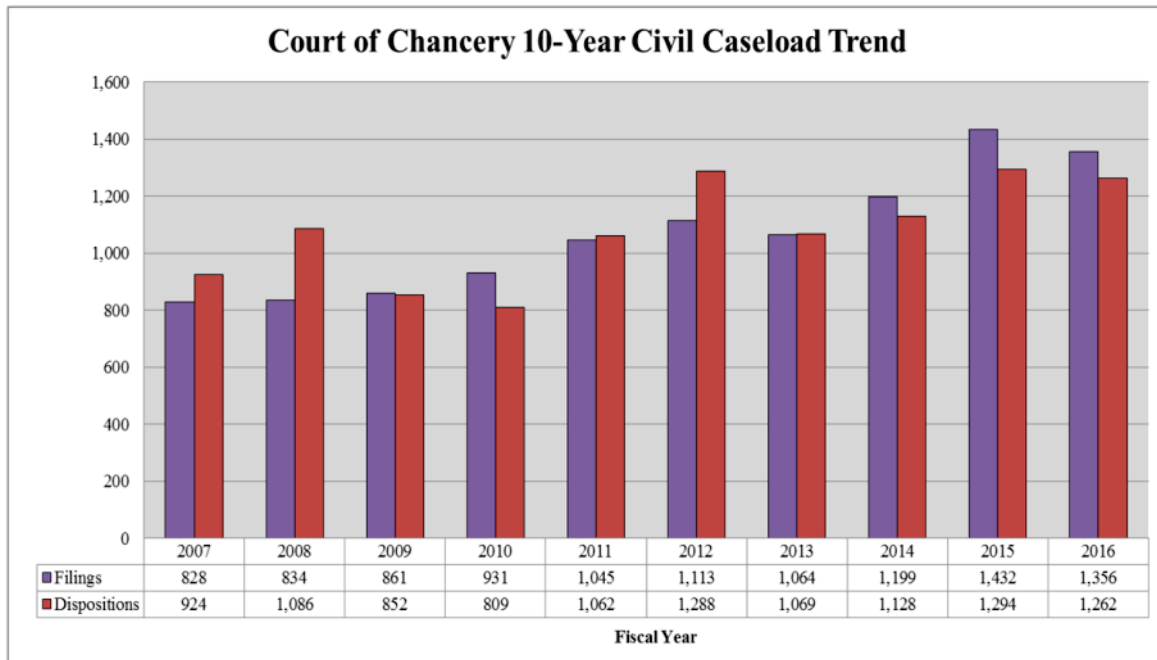
for each of the three categories that make up the totals: (1) civil actions, (2) civil miscellaneous matters, and (3) estate matters. These data are depicted in **Tables 2, 3 and 4**, respectively.

The civil actions principally consist of corporate and commercial cases, which are individually assigned to members of the Court. These cases, which often involve multiple parties and complex disputes, consume the vast majority of the time and attention of the Court’s judicial officers. The civil miscellaneous matters largely consist of guardianship proceedings involving adults and the property of adults and juveniles as well as some estate-related proceedings. Most of these matters are handled during routine calendars. Estate matters consist of probate proceedings that are initiated in one of the three county offices of the Register of Wills. The Register of Wills in each county serves as a clerk of the Court by statute (10 *Del. C.* § 2501) who initiate civil miscellaneous

matters as needed in connection with pending probate proceedings.

The break out of the data reveals some interesting trends. Over the past ten years, the Court has seen a significant increase in its annual civil action filings, which rose in a fairly steady fashion from 828 in FY 2007 to 1,356 in FY 2016, an increase of approximately 64% (**Table 2**). By contrast, the number of civil miscellaneous filings declined from 835 in FY 2007 to 250 in FY 2016, a decrease of approximately 70%, with the most significant reduction (from 733 to 341) occurring in FY 2015. This decline logically followed from the implementation of statutory changes adopted in 2014 to allow funds below a specified level to be placed in an account established under the Uniform Transfers to Minors Act account instead of establishing a Court-ordered guardianship, and to permit trust beneficiaries to opt out of filing accountings with the Court. ♦

TABLE 2



COURT OF CHANCERY

TABLE 3

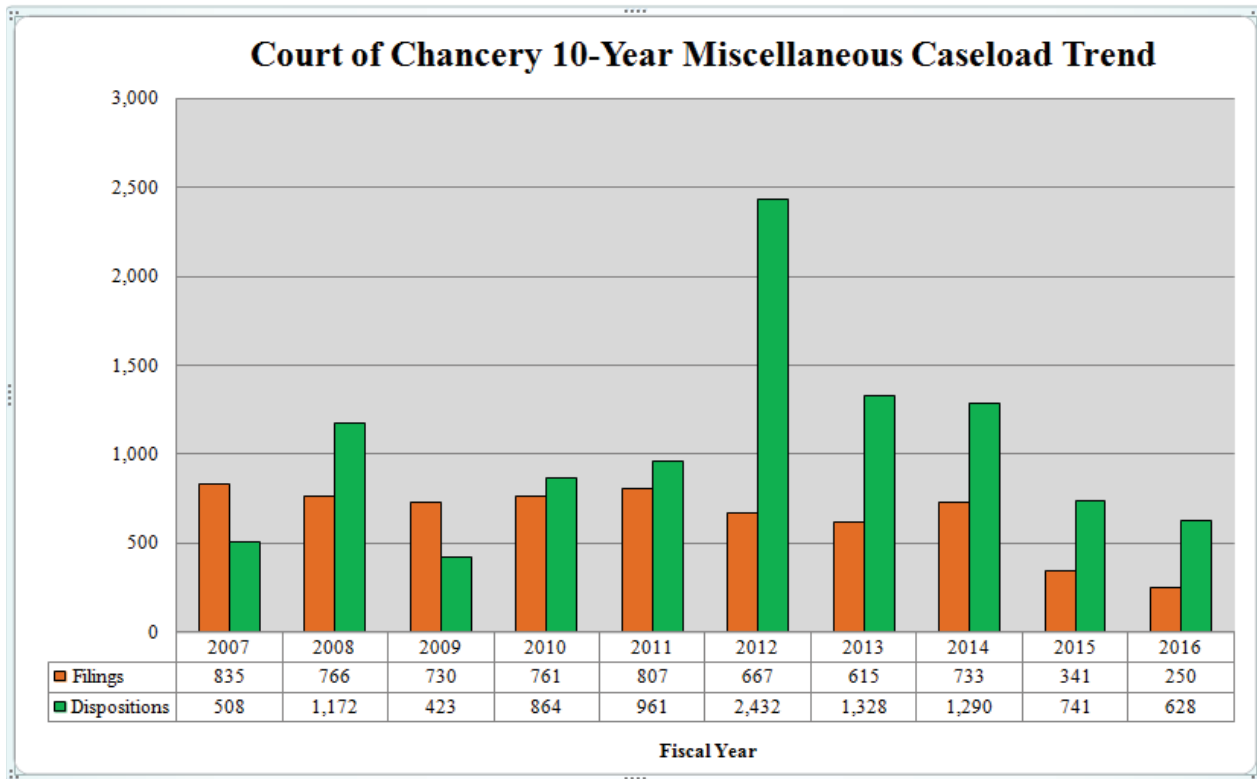
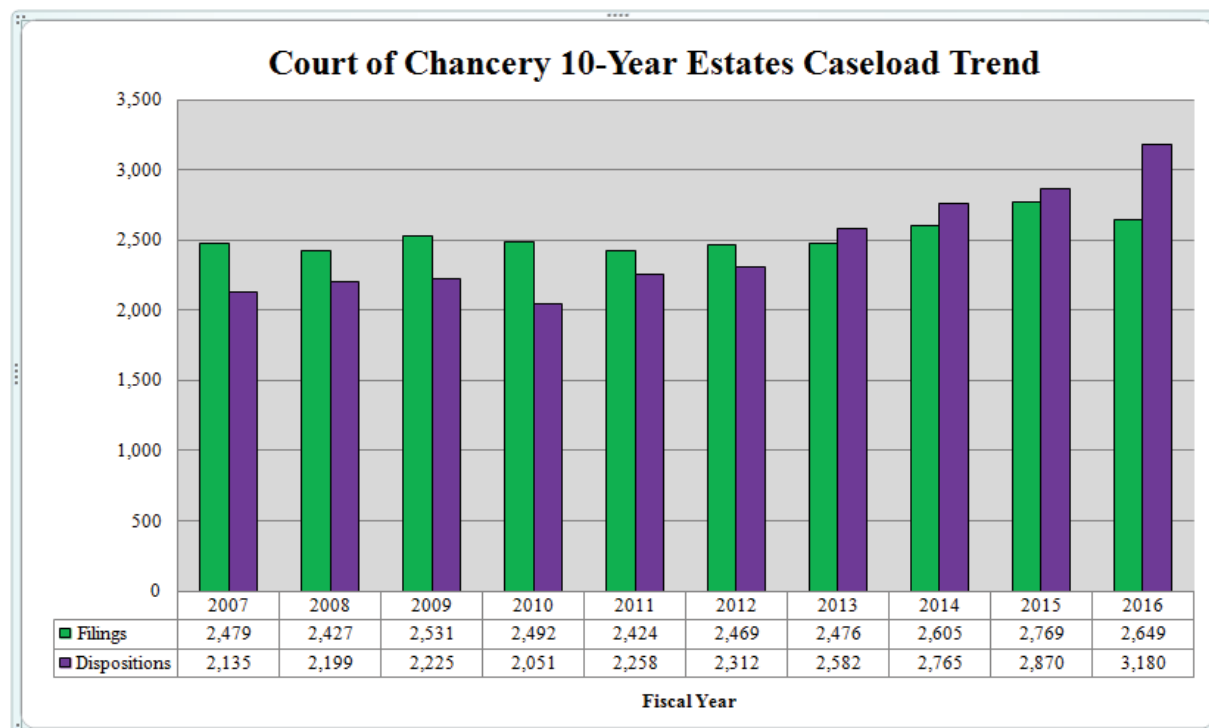


TABLE 4



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COURT OF CHANCERY



Court of Chancery

Standing left to right:

Vice Chancellor Tamika Montgomery-Reeves

Vice Chancellor Joseph R. Slights III

Sitting left to right:

Vice Chancellor J. Travis Laster

Chancellor Andre G. Bouchard

Vice Chancellor Sam Glasscock III

The **Honorable Joseph R. Slights III** was formally sworn in for his first term as a Vice Chancellor of the Delaware Court of Chancery on March 28, 2016. Prior to his appointment, Vice Chancellor Slights was a partner at Morris James LLP and was a Superior Court Judge. Vice Chancellor Slights replaced Vice Chancellor John W. Noble who retired from the bench.