

**BEFORE THE TAX APPEAL BOARD  
OF THE STATE OF DELAWARE**

ANDREW PAUL STEPHENS,	)	
	)	
Petitioner,	)	
	)	
v.	)	Dkt. No. 1821
	)	
STATE ESCHEATOR,	)	
	)	
Respondent.	)	

**DECISION AND ORDER**

This is an unclaimed property case involving 3102 shares of Aspen Technology, Inc. (“ATI”) common stock (the “Shares”) owned by petitioner Andrew Paul Stephens (“Petitioner”) that ATI escheated to respondent State Escheator (“Respondent”) on or about August 20, 2013, and that Respondent sold on the open market on February 6, 2014.

The parties have prepared a Stipulation of Facts (“SOF”) and submitted briefs regarding their dispute. The SOF states “[t]he issues to be determined are: a. Whether the Respondent sold the Shares in accordance with Delaware law; and, b. Whether the Respondent has a legal obligation under Delaware law to return 3,102 shares of common stock of Aspen Technologies, Inc. to Petitioner (or, in the alternative, return 1,302 shares of Aspen Technology, Inc. common stock plus \$272,014.38 to Petitioner).” SOF ¶6. Petitioner further contends that “Respondent did not take

reasonable steps to ensure that notice of the sale of the shares was received by the Petitioner.” Petitioner’s Opening Brief (“POB”) at 1.

For the reasons set forth below, the Board determines that Respondent sold the Shares in accordance with Delaware law, Petitioner is not entitled to any relief beyond what he has received, and Petitioner’s claim of inadequate notice fails because Delaware law at the time of the sale did not require Respondent to provide Petitioner with any pre-sale notice.

### STATEMENT OF FACTS

From 1997 to the present, Petitioner has resided at 54 Capell Road, Chorleywood, Herts, WD3 5HZ, UK. SOF ¶1. In 2001 and 2002, while Petitioner was employed by a subsidiary of ATI, Petitioner purchased the Shares in four transactions. *Id.* ¶3(a).

Purchase Date	Certificate #	# of Shares	Address on Certificate
6-29-01	AZ10595	209	1 Century Ct., Tolpits Lane, Watford England UK WD18 9PT
12-31-01	AZ11550	321	55 Capell Road, Chorleywood, Herts, England WD3 5HZ
6-28-02	AZ12125	705	55 Capell Road, Chorleywood, Herts, England UK WD3 5HZ
12-31-02	AZ12510	1,867	55 Capell Road, Chorleywood, Hertfordshire, UK WD3 5 HZ

SOF Ex. 1.

None of the addresses on the certificates matched the address of Petitioner's residence. The address on certificate AZ10595 is the address where Petitioner was employed. POB at 4. The addresses on certificates AZ11550, AZ12125 and AZ12510 "contain a clerical error in that they list [Petitioner's] address as 55 Capell Road, rather than 54 Capell Road." *Id.* at 3; SOF ¶3(e)(b). 55 Capell Road does not exist. SOF ¶3(e)(c).

Although Petitioner's Opening Brief admits that he received the original share certificates with the incorrect addresses and possessed those certificates at all relevant times, POB at 6, neither his briefs nor the Stipulation of Facts explains what steps, if any, he took to correct the addresses on the certificates.

On or about August 20, 2013, ATI remitted the Shares to Respondent as abandoned property. SOF ¶3(b).

On September 27, 2013, Respondent mailed two outreach letters to the Petitioner at the following addresses: 1 Century Ct., Tolpits Lane, Watford England UK WD18 9PT and 55 Capell Road, Chorleywood, Hertfordshire, DE. SOF ¶3(c). The first address was reported by ATI and corresponds to the address of Petitioner's former employer. The second address was not reported by ATI, references DE instead of England or UK and contains no zip code.

Petitioner did not receive either outreach letter. On December 16, 2013, the United States Post Office returned the letter sent to 55 Capell Road, Chorleywood, Hertfordshire, DE, as undelivered. SOF ¶3(d) and (e)(a).

On February 6, 2014, Respondent sold the Shares for net proceeds of \$137,744.

Although 55 Capell Road, Chorleywood, Herts, England WD3 5HZ does not exist, Petitioner “has previously received mail from Aspen Technologies, Inc. addressed to 55 Capell Road” and in 2022 he sent mail to himself at this address and received it. SOF ¶3(e)(d)-(e).

In February 2022, Petitioner filed a claim to the Shares with Respondent. SOF ¶3(h).

In May 2022, ATI merged with “Emerson.” SOF Ex. D. “As a result of the Merger, each ... share of Former AspenTech common stock ... were (sic) converted into the right to receive (i) \$87.69 in cash ... and (ii) 0.42 shares of New AspenTech common stock.” *Id.*

On August 11, 2022, Respondent issued a determination letter and check in the amount of \$137,744, the amount Respondent received when she sold the Shares in 2014. SOF ¶3(j). Respondent contends this is all Petitioner can recover under Delaware’s unclaimed property laws.

Petitioner timely appealed the determination. Before the Board, Petitioner seeks an award of 3,102 shares of (presumably) New AspenTech common stock or 1,302 shares of (presumably) New AspenTech common stock plus \$272,014.38. SOF ¶4. Neither the Stipulation of Facts nor Petitioner’s briefing address the impact of the Emerson merger on his requested relief or explain why the requested relief is the proper form of relief given ATI’s merger with Emerson.

### ANALYSIS

In *Bhuminathan v. State Escheator*, Dkt. 1793 (Tax Appeal Board Decision and Order Nov. 9, 2022), this Board summarized pertinent provisions of Delaware’s pre-2017 unclaimed property laws:

The pre-2017 statutes required “holders,” entities that hold securities for the benefit of another, to identify securities that constitute “abandoned property” and to deliver such securities to the State Escheator, who was required to sell those securities. *Id.* at 2-9. Beneficial owners of the pre-escheated securities were entitled to submit claims for their property, but all they could recover was the sale proceeds. *Id.* Delaware’s pre-2017 unclaimed property statutes did not require the State Escheator to notify beneficial owners that the State Escheator was holding securities they beneficially owned and did not give beneficial owners the ability to recover anything other than the proceeds arising from the sale of the securities.

*Bhuminathan*, slip op. at 5. *See also* 12 *Del. C.* §1204 (West 2014) (all abandoned property holders deliver to the State Escheator other than money shall be sold or disposed of in accordance with 12 *Del. C.* §1143(a)); 12 *Del. C.* §1143(a) (West 2014) (securities delivered to state escheator as abandoned property may be sold

through a broker or recognized security exchange); and 12 *Del. C.* §1143(b) (West 2014) (claimants can only recover the net proceeds that the escheator receives from sale of securities).

Given this framework, Respondent complied with Delaware law when the Shares were sold in 2014, and Petitioner is not entitled to anything more than the \$137,744 he has already recovered.

Under the then-applicable statutory scheme, Respondent had no obligation to mail pre-sale notice to any address, let alone an address Respondent did not receive from ATI. Respondent sent outreach letters to the Petitioner at 1 Century Ct., Tolpits Lane, Watford England UK WD18 9PT, one of the addresses provided by ATI, and at 55 Capell Road, Chorleywood, Hertfordshire, DE, an erroneous address in Delaware. Although Respondent's agent erred by mailing notice to Petitioner in Delaware, as Respondent had no obligation to send pre-sale notice, this error does not entitle Petitioner to relief here.

Petitioner cites more recent versions of Delaware's unclaimed property statutes to suggest that Respondent should have done more to locate his correct address and provide him pre-sale notice. But those statutory obligations do not apply here. Respondent had no obligation to comply with a statutory obligation that did not exist at the time of the escheatment or sale.

Respondent sold the Shares in accordance with Delaware law. Petitioner is not entitled to any relief beyond what he has received. Petitioner's claim of inadequate notice fails because Delaware law at the time of the sale did not require Respondent to provide Petitioner with any pre-sale notice.

For the foregoing reasons, the Board affirms Respondent's determination, and judgment is rendered in favor of Respondent.

Jarl C. St. J.

J. R. J. [Signature]

Joan M. Winters

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M. Lynn Fuller

SO ORDERED this 26th day of September, 2023.