



## ***LEGISLATIVE HISTORY CHECKLIST***

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**LAWS OF:** 1998

**CHAPTER:**144

**NJSA:** 14A:5-19

"Proxy voting"

**BILL NO:** S1424 (Substituted for A2485)

**SPONSOR(S):**Bassano

**DATE INTRODUCED:** October 15, 1998

**COMMITTEE:**

***ASSEMBLY:*** ~~~~

***SENATE:*** Commerce

**AMENDED DURING PASSAGE:**No

**DATE OF PASSAGE:**

***ASSEMBLY:*** December 17, 1998

***SENATE:*** December 10, 1998

**DATE OF APPROVAL:** December 23, 1998

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### **THE FOLLOWING ARE ATTACHED IF AVAILABLE:**

**FINAL TEXT OF BILL:** Original

**S1424**

**SPONSORS STATEMENT:** *Yes* (Begins on page 3 of original bill)

**COMMITTEE STATEMENT:**

***ASSEMBLY:****No*

**SENATE:***Yes*

**FLOOR AMENDMENT STATEMENTS:** *No*

**LEGISLATIVE FISCAL ESTIMATE:** *No*

**A2485**

**SPONSORS STATEMENT:** *Yes* (Begins on page 3 of original bill)

(Bill and Sponsors Statement identical to S1424)

**COMMITTEE STATEMENT:**

**ASSEMBLY:** *Yes*

**SENATE:** *No*

**FLOOR AMENDMENT STATEMENTS:** *No*

**LEGISLATIVE FISCAL ESTIMATE:** *No*

**VETO MESSAGE:** *No*

**GOVERNOR'S PRESS RELEASE ON SIGNING:** *No*

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**THE FOLLOWING WERE PRINTED:**

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**REPORTS:** *No*

**HEARINGS:** *No*

**NEWSPAPER ARTICLES:** *No*

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**SENATE, No. 1424**

**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

INTRODUCED OCTOBER 15, 1998

**Sponsored by:**

**Senator C. LOUIS BASSANO**

**District 21 (Essex and Union)**

**Co-Sponsored by:**

**Assemblymen Cohen, Asselta and Assemblywoman Murphy**

**SYNOPSIS**

Allows telephonic voting for corporate proxy voting.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 12/18/1998)**

S1424 BASSANO

2

1 AN ACT concerning proxy voting of corporations and amending N.J.S.  
2 14A:5-19.

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. N.J.S. 14A:5-19 is amended to read as follows:  
8 14A:5-19. Proxy voting.

9 (1) Every shareholder entitled to vote at a meeting of shareholders  
10 or to express consent without a meeting may authorize another person  
11 or persons to act for him by proxy. Every proxy shall be executed in  
12 writing by the shareholder or his agent, except that a proxy may be  
13 given by a shareholder or his agent by telegram **[or]**  ~~, cable,~~  
14 telephonic transmission or by any other means of electronic  
15 communication **[which results in a writing]** so long as that telegram,  
16 cable, telephonic transmission or other means of electronic  
17 communication either sets forth or is submitted with information from  
18 which it can be determined that the proxy was authorized by the  
19 shareholder or his agent. No proxy shall be valid for more than 11  
20 months, unless a longer time is expressly provided therein. Unless it  
21 is irrevocable as provided in subsection 14A:5-19(3), a proxy shall be  
22 revocable at will. The grant of a later proxy revokes any earlier proxy  
23 unless the earlier proxy is irrevocable. A proxy shall not be revoked  
24 by the death or incapacity of the shareholder, but the proxy shall  
25 continue to be in force until revoked by the personal representative or  
26 guardian of the shareholder. The presence at any meeting of any  
27 shareholder who has given a proxy does not revoke the proxy unless  
28 the shareholder files written notice of the revocation with the secretary  
29 of the meeting prior to the voting of the proxy or votes the shares  
30 subject to the proxy by written ballot.

31 (2) A person named in a proxy as the attorney or agent of a  
32 shareholder may, if the proxy so provides, substitute another person  
33 to act in his place, including any other person named as an attorney or  
34 agent in the same proxy. The substitution shall not be effective until an  
35 instrument effecting it is filed with the secretary of the corporation.

36 (3) A proxy which states that it is irrevocable is irrevocable if  
37 coupled with an interest either in the stock itself or in the corporation  
38 and, in particular and without limitation, if it is held by any of the  
39 following or a nominee of any of the following:

40 (a) A pledgee;

41 (b) A person who has purchased or agreed to purchase the  
42 shares;

43 (c) A creditor of the corporation who has extended credit

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 or has agreed to continue to extend credit to the corporation if  
2 the proxy is given in consideration of the extension or  
3 continuation;

4 (d) A person who has agreed to perform services as an  
5 employee of the corporation if the proxy is given in  
6 consideration of the agreement; or

7 (e) A person designated pursuant to the terms of an  
8 agreement as to voting between two or more shareholders.

9 An irrevocable proxy becomes revocable when the interest  
10 which supports the proxy has terminated.

11 (4) Unless noted conspicuously on the share certificate, an  
12 otherwise irrevocable proxy may be revoked by a person who becomes  
13 the holder of the shares without actual knowledge of the restriction.  
14 (cf: P.L.1988, c.94, s.20)

15

16 2. This act shall take effect immediately.

17

18

19

STATEMENT

20

21 This bill provides for telephonic voting in regard to corporate proxy  
22 voting.

**SENATE, No. 1424**

**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

INTRODUCED OCTOBER 15, 1998

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SENATE COMMERCE COMMITTEE

STATEMENT TO

**SENATE, No. 1424**

**STATE OF NEW JERSEY**

DATED: OCTOBER 19,1998

The Senate Commerce Committee reports favorably Senate Bill No. 1424.

This bill provides for telephonic corporate proxy voting so long as the transmission contains information from which it can be determined that the proxy was authorized by the shareholder or his agent.

# ASSEMBLY, No. 2485

## STATE OF NEW JERSEY 208th LEGISLATURE

INTRODUCED OCTOBER 5, 1998

**Sponsored by:**

**Assemblyman NEIL M. COHEN**

**District 20 (Union)**

**Assemblyman NICHOLAS ASSELTA**

**District 1 (Cape May, Atlantic and Cumberland)**

**Co-Sponsored by:**

**Assemblywoman Murphy**

**SYNOPSIS**

Allows telephonic voting for corporate proxy voting.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 12/18/1998)

A2485 COHEN, ASSELTA

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2 N.J.S.14A:5-19.

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40 (b) A person who has purchased or agreed to purchase the shares;

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43 given in consideration of the extension or continuation;

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

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#### STATEMENT

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18 This bill provides for telephonic voting in regard to corporate proxy  
19 voting.

ASSEMBLY COMMERCE, TOURISM, GAMING AND  
MILITARY AND VETERANS' AFFAIRS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 2485**

**STATE OF NEW JERSEY**

DATED: NOVEMBER 9, 1998

The Assembly Commerce, Tourism, Gaming and Military and Veterans' Affairs Committee reports favorably Assembly Bill No. 2485.

As reported, this bill provides for telephonic voting in regard to corporate proxy voting.