

CHAPTER 263 LAWS OF N. J. 1968

APPROVED 9/4/68

SENATE, No. 662

STATE OF NEW JERSEY

INTRODUCED APRIL 18, 1968

By Senator KAY

Referred to Committee on Revision and Amendments of Laws

AN ACT concerning corporations and amending sections 14:2-1,
14:7-1 and 14:7-7 of the Revised Statutes.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 14:2-1 of the Revised Statutes is amended to read as
2 follows:

3 14:2-1. Any **[3]** *one* or more persons may associate to form a
4 corporation for any lawful purpose or purposes whatever, except
5 as hereinafter in this section stated or as otherwise provided by
6 law, by executing, recording and filing a certificate of incorporation
7 in the manner hereinafter provided.

8 There shall not be formed under this Title:

9 a. Any savings bank, building and loan association, insurance or
10 surety company; or

11 b. Except as provided in section 14:2-2 of this Title, any railroad,
12 telegraph, telephone, canal or turnpike company, or other company
13 which shall need to possess the right of taking and condemning
14 lands in this State; or

15 c. Any corporation provided for by chapter 4 of the Title
16 Corporations and Institutions for Finance and Insurance (§ 17:4-1
17 et seq.); or

18 d. Any corporation provided for by chapter 14 of the Title
19 Corporations and Institutions for Finance and Insurance (§ 17:14-1
20 et seq.).

1 2. Section 14:7-1 of the Revised Statutes is amended to read as
2 follows:

3 14:7-1. The business of every corporation shall be managed by
4 its board of directors, not less than 3 in number, *except that in cases*
5 *where all the shares with voting powers of a corporation are owned*

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

6 *beneficially and of record by either one or 2 shareholders, the*
7 *number of directors may be less than 3 but not less than the number*
8 *of holders of shares with voting powers. Directors shall be chosen*
9 *annually by the stockholders, at the time and place provided in*
10 *the by-laws, and shall hold office for one year and until others are*
11 *chosen and qualified in their stead.*

1 3. Section 14:7-7 of the Revised Statutes is amended to read as
2 follows:

3 14:7-7. Any vacancy occurring among the directors or in the
4 office of president, secretary or treasurer, however caused, shall be
5 filled in the manner provided in the by-laws. In the absence of such
6 provision any vacancy shall be filled by the board of directors. *If*
7 *by reason of death, resignation or other cause a corporation has no*
8 *directors in office, any shareholder or the executor or administrator*
9 *of a deceased shareholder may call a special meeting of share-*
10 *holders for the election of directors. Written notice of the time,*
11 *place and purpose of the meeting shall be given not less than 10*
12 *days before the date of the meeting personally or by mail to each*
13 *shareholder of record entitled to vote at the meeting. If all such*
14 *shareholders shall, in writing, waive notice and fix a time and place*
15 *of meeting, no notice shall be required.*

1 4. This act shall take effect immediately.