

14A:6-3
LEGISLATIVE HISTORY CHECKLIST
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LAWS OF: 2009 **CHAPTER:** 9

NJSA: 14A:6-3 (Allows director of corporation to provide notice of resignation, which resignation is only effective upon occurrence of certain event)

BILL NO: A2881 (Substituted for S2284)

SPONSOR(S): Vas and others

DATE INTRODUCED: June 5, 2008

COMMITTEE: **ASSEMBLY:** Commerce and Economic Development
 SENATE: Commerce

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** September 25, 2008
 SENATE: December 15, 2008

DATE OF APPROVAL: January 27, 2009

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Corrected copy of introduced bill enacted)

A2881

<u>SPONSOR'S STATEMENT:</u> (Begins on page 2 of original bill)	Yes
<u>COMMITTEE STATEMENT:</u> <u>ASSEMBLY:</u>	Yes
<u>SENATE:</u>	Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	No
LEGISLATIVE FISCAL ESTIMATE:	No
 S2284	
<u>SPONSOR'S STATEMENT:</u> (Begins on page 2 of original bill)	Yes
<u>COMMITTEE STATEMENT:</u> <u>ASSEMBLY:</u>	No
<u>SENATE:</u>	Yes
 FLOOR AMENDMENT STATEMENT:	No
LEGISLATIVE FISCAL ESTIMATE:	No

(continued)

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VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

LAW

P.L. 2009, CHAPTER 9, *approved January 27, 2009*

Assembly, No. 2881

(CORRECTED COPY)

1 AN ACT concerning the resignation of corporate directors and
2 amending N.J.S.14A:6-3.

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:6-3 is amended to read as follows:

8 14A:6-3. Term of directors; resignation

9 (1) The directors named in the certificate of incorporation shall
10 hold office until the first annual meeting of shareholders, and until
11 their successors shall have been elected and qualified. At the first
12 annual meeting of shareholders and at each annual meeting
13 thereafter the shareholders shall elect directors to hold office until
14 the next succeeding annual meeting, except in case of the
15 classification of directors pursuant to subsection (1) of N.J.S.14A:6-
16 4[(1)] and in the case of directors whose terms expire as provided
17 for in subsection (2) of N.J.S.14A:6-4[(2)]. Each director shall
18 hold office for the term for which he is elected and until his
19 successor shall have been elected and qualified.

20 (2) A director may resign by written notice to the corporation.
21 The resignation shall be effective upon receipt thereof by the
22 corporation of that notice, or at such subsequent time as shall be
23 specified in the notice of resignation, or upon the occurrence of a
24 certain event or events specified in the notice of resignation. Any
25 resignation which is contingent upon a director failing to receive a
26 specified vote for re-election shall provide that the resignation is
27 irrevocable.

28 (cf: P.L.1988, c.94, s.25)

29

30 2. This act shall take effect immediately.

31

32

33

STATEMENT

34

35 This bill provides that a director may provide a notice of
36 resignation to the corporation that is only effective upon the
37 occurrence of a certain event or events.

38 This bill provides New Jersey corporations greater flexibility in
39 adopting majority voting provisions, or other voting schemes,
40 regarding the election of directors. For example, a director may
41 provide a notice of resignation to the board which is effective if the

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.

A2881

2

1 director does not receive votes constituting a majority of shares
2 voted at a shareholder's meeting.

3

4

5

6

7 _____
8 Allows director of corporation to provide notice of resignation,
9 which resignation is only effective upon occurrence of certain
event.

[Corrected Copy]

ASSEMBLY, No. 2881

STATE OF NEW JERSEY
213th LEGISLATURE

INTRODUCED JUNE 5, 2008

Sponsored by:

Assemblyman JOSEPH VAS

District 19 (Middlesex)

Assemblyman ALBERT COUTINHO

District 29 (Essex and Union)

Assemblyman PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Assemblywoman BONNIE WATSON COLEMAN

District 15 (Mercer)

Assemblywoman PAMELA R. LAMPITT

District 6 (Camden)

Co-Sponsored by:

**Assemblywoman Rodriguez, Assemblymen Wisniewski, Moriarty,
Assemblywoman Pou and Senator Van Drew**

SYNOPSIS

Allows director of corporation to provide notice of resignation, which resignation is only effective upon occurrence of certain event.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 12/16/2008)

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43 voted at a shareholder's meeting.

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Matter underlined thus is new matter.

ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2881

STATE OF NEW JERSEY

DATED: SEPTEMBER 15, 2008

The Assembly Commerce and Economic Development Committee reports favorably Assembly Bill No. 2881.

This bill provides that a director may provide a notice of resignation to the corporation that is only effective upon the occurrence of a certain event or events.

This bill provides New Jersey corporations greater flexibility in adopting majority voting provisions, or other voting schemes, regarding the election of directors. For example, a director may provide a notice of resignation to the board which is effective if the director does not receive votes constituting a majority of shares voted at a shareholder's meeting.

SENATE COMMERCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2881

STATE OF NEW JERSEY

DATED: NOVEMBER 13, 2008

The Senate Commerce Committee reports favorably Assembly Bill No. 2881.

This bill provides that a director may provide a notice of resignation to the corporation that is only effective upon the occurrence of a certain event or events.

This bill provides New Jersey corporations greater flexibility in adopting majority voting provisions, or other voting schemes, regarding the election of directors. For example, a director may provide a notice of resignation to the board which is effective if the director does not receive votes constituting a majority of shares voted at a shareholder's meeting.

This bill is identical to Senate Bill No. 2284, also reported by the committee today.

SENATE, No. 2284

STATE OF NEW JERSEY

213th LEGISLATURE

INTRODUCED OCTOBER 20, 2008

Sponsored by:

Senator JEFF VAN DREW

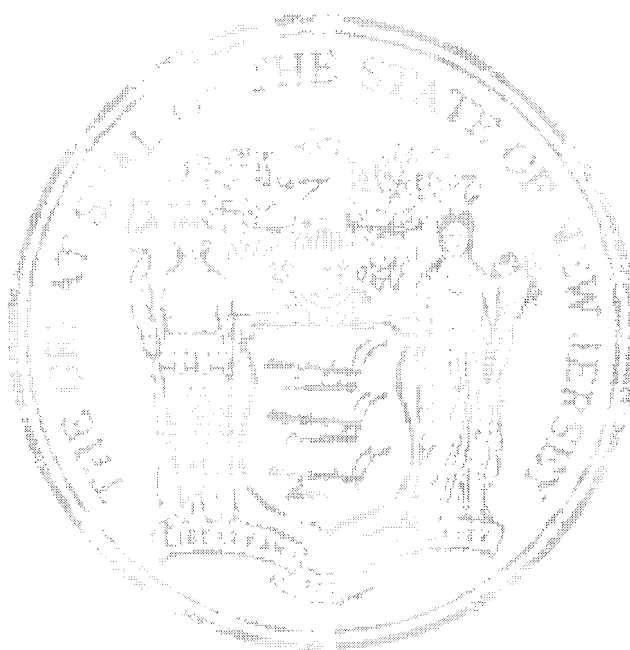
District 1 (Cape May, Atlantic and Cumberland)

SYNOPSIS

Allows director of corporation to provide notice of resignation, which resignation is only effective upon occurrence of certain event.

CURRENT VERSION OF TEXT

As introduced.



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2 amending N.J.S.14A:6-3.

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SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 2284

STATE OF NEW JERSEY

DATED: NOVEMBER 13, 2008

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