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Business Associations and Professions; Corporations

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**Business Associations and Professions; service stations—
physically handicapped persons**

NEV. REV. STAT. § 426.____ (new).
SB 282 (O'Donnell); 1987 STAT. Ch 251

Existing law provides that all persons are entitled to full enjoyment of a place of public accomodation¹ without segregation because of physical handicap.² Chapter 251 provides that any person operating a service station³ or retail store⁴ that sells motor vehicle⁵ fuels⁶ to the public, must⁷ refuel a vehicle for a driver who is physically handicapped.⁸ Furthermore, Chapter 251 requires that the price for the fuel must not be greater than the price charged if that person had personally refueled the vehicle.⁹ Finally, any person who violates any provision of Chapter 251 is guilty of a misdemeanor.¹⁰

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1. NEV. REV. STAT. § 651.050 (definition of place of public accomodation).
 2. *Id.* § 651.070.
 3. *Id.* § 598.650 2 (definition of service station).
 4. *Id.* § 372.055 (definition of retailer).
 5. *Id.* § 484.217 (definition of motor vehicle).
 6. *Id.* § 590.070 (definition of gasoline); *id.* § 590.075 (definition of diesel fuel).
 7. 1987 Nev. Stat. ch. 251, sec. 1, at ____ (enacting NEV. REV. STAT. § 426.____) (upon request by the customer). Chapter 426 does not apply to a service station or retail store that sells fuel but does not provide a person to refuel the motor vehicles of its customers. *Id.*
 8. 1987 Nev. Stat. ch. 251, sec. 1, at ____ (enacting NEV. REV. STAT. § 426.____).
 9. *Id.*
 10. *Id.*; NEV. REV. STAT. § 193.120 3 (definition of misdemeanor).

Business Associations and Professions; corporations

NEV. REV. STAT. §§ 78.____, 80.____, (new); §§ 78.035, 78.070, 78.115, 78.195, 78.210, 78.235, 78.250, 78.265, 78.320, 78.330, 78.365, 78.470, 78.486, 78.520, 89.040, 159.101, 520.130, 661.085, 666.035 (amended).

AB 336 (Committee on Judiciary); 1987 STAT. Ch 269

Prior law established a minimum number of directors¹ for a corporation when all the shares of the corporation were owned by

1. 1965 Nev. Stat. ch. 389, sec. 1, at 1012 (less than three but not less than the number of stockholders). See NEV. REV. STAT. § 78.010 1(b) ("directors" and "trustees" are synonymous terms).

one or two stockholders.² Chapter 269 requires that a corporation have at least one director,³ but allows the corporation to provide⁴ for a fixed or variable number of directors.⁵ Prior law required the election of directors to be taken in a stockholders' meeting.⁶ Chapter 269 allows elections of directors to be taken without a stockholders' meeting if written consent of a majority is obtained.⁷

Chapter 269 enables corporations to provide for the issuance of uncertificated shares of stock.⁸ Within a reasonable time after issuing or transferring uncertificated shares, however, a corporation must send the shareholder a written statement containing the information required on stock certificates.⁹ Moreover, a corporation must provide its shareholders of record with annual written confirmation of the information contained in the statements.¹⁰

Chapter 269 expands the power of corporations to deal in or with the securities, bonds or financial obligations of others.¹¹ Chapter 269 also allows a corporation to provide¹² that nonstockholder obligors¹³

2. 1965 Nev. Stat. ch. 389, sec. 1, at 1012.

3. See 1987 Nev. Stat. ch. 269, sec. 17, at ___ (amending NEV. REV. STAT. § 89.040) (Chapter 269 deletes the requirement that a professional corporation of fewer than four stockholders have a board of directors consisting of at least one member). See also *Berman v. Riverside Casino Corp.*, 247 F. Supp. 243, 245 (D. Nev. 1964), *aff'd* 354 F.2d 43, (9th Cir. 1965) (management and control of the affairs of private corporations are vested in the board of directors, stockholders exercise their powers through the elections of directors).

4. 1987 Nev. Stat. ch. 269, sec. 4, at ___ (amending NEV. REV. STAT. § 78.115) (either in the corporation's articles of incorporation, an amendment, or in the bylaws).

5. *Id.* (Chapter 269 also allows a corporation to provide for the manner in which the number of directors may be changed).

6. 1943 Nev. Comp. Laws Supp. § 1628.01, at 84 (written consent of stockholders holding at least a majority of the voting power was not authorized).

7. *Id.* (unless the directors are so elected, every corporation's directors must be chosen at a stockholders meeting).

8. 1987 Nev. Stat. ch. 269, sec. 7, at ___ (amending NEV. REV. STAT. § 78.235) (holders of uncertificated stocks have the same rights and obligations as holders of certificated stocks). See generally *OP. ATT'Y GEN.* 26 (June 6, 1921) (stock certificates are not stocks themselves but are merely papers indicative of ownership of an amount of stock named therein).

9. 1987 Nev. Stat. ch. 269, sec. 7, at ___ (amending NEV. REV. STAT. § 78.235).

10. *Id.*

11. Chapter 269 expands the list of corporations' specific powers. 1987 Nev. Stat. ch. 269, sec. 3, at ___ (amending NEV. REV. STAT. § 78.070 2). Existing law allows corporations to guarantee, purchase, or hold the financial obligations of others. Prior law allowed corporations to transfer or dispose of the financial obligations of others. NEV. REV. STAT. § 78.070 2 (amended by 1987 Nev. Stat. ch. 269, sec. 3, at ___). The obligations include bonds, shares, securities or interests in or issued by any person, government, governmental agency or political subdivision of government. *Id.* Chapter 269 allows corporations, subject to limitations that may be contained in their articles of incorporation, to take, obtain, receive, subscribe for, own, use, exchange, lease, lend, acquire, and deal with financial obligations. 1987 Nev. Stat. ch. 269, sec. 3, at ___ (amending NEV. REV. STAT. § 78.070 2).

12. 1987 Nev. Stat. ch. 269, sec. 1, at ___ (enacting NEV. REV. STAT. § 78.____) (provision may be in the articles of incorporation or an amendment).

13. *Id.* (includes holders of a bond, debenture, or other obligation of the corporation).

to the corporation may have the rights of its stockholders.¹⁴ Additionally, Chapter 269 broadens the scope of shares to which shareholders do not have preemptive rights.¹⁵ Existing law provides that a merger or consolidation agreement must be submitted for shareholder approval.¹⁶ Chapter 269 requires that the secretary¹⁷ of each corporation involved in the merger agreement certify the shareholder approval of the agreement.¹⁸ Finally, Chapter 269 requires foreign corporations to comply with bankruptcy petition provisions,¹⁹ applications for appointment of receiver or trustee,²⁰ and applications for dissolution of corporation²¹ notice requirements.²²

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14. *Id.* See *State ex rel. Rankin v. Leete*, 16 Nev. 242, 254 (1881) (one who holds shares of stock as well as one who owns them is recognized as a stockholder).

15. Existing law provides that shareholders do not have preemptive rights to acquire any shares registered pursuant to section 12 of the Securities Exchange Act of 1934. Chapter 269 expands the list of interests that cannot be acquired to include treasury shares or specified convertible securities. NEV. REV. STAT. § 78.265 2(a)(5) (amended by 1987 Nev. Stat. ch. 269, sec. 9, at ___).

16. *Id.* § 78.470 (approval by a majority of the shares of each class required).

17. 1987 Nev. Stat. ch. 269, sec. 13, at ___ (amending NEV. REV. STAT. § 78.470) (or assistant secretary).

18. *Id.*

19. *Id.* § 78.626 (notice required for bankruptcy petitions).

20. *Id.* § 78.627 (notice required for applications for appointment of receiver or trustee).

21. *Id.* § 78.628 (notice required for dissolution of corporation).

22. Nev. Stat. ch. 269, sec. 16, at ___ (enacting NEV. REV. STAT. § 80.____).

Business Professions and Associations; corporation voting rights

NEV. REV. STAT. § 78.____ (new).

AB 748 (Committee on Judiciary) 1987 STAT. Ch 327

Existing law requires corporation voting rights to be determined by the articles of incorporation or a board of directors' resolution.¹ Under Chapter 327, a person² who has acquired a controlling interest³

1. NEV. REV. STAT. § 78.195

2. 1987 Nev. Stat. ch. 327, sec. 4, at ___ (enacting NEV. REV. STAT. § 78.____) (definition of an acquiring person).

3. *Id.* sec. 6, at ___ (enacting NEV. REV. STAT. § 78.____). A controlling interest is the ownership of outstanding shares sufficient to enable the acquiring persons to exercise, but for the provisions of Chapter 327; (1) one fifth or more but less than one third, (2) one third or