

SOUTH JERSEY INDUSTRIES INC
Form DEF 14A
March 20, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant x
Filed by a party other than the Registrant o

Check the appropriate box:

- o Preliminary Proxy Statement
- o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material under Rule 14a-12

South Jersey Industries, Inc.
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
- (5) Total fee paid:

o Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of filing.

- (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:
-
-

2014 Proxy Statement and
Notice of Annual Meeting of Shareholders

1 South Jersey Plaza, Folsom, New Jersey 08037
Tel. (609) 561-9000 | Fax (609) 561-8225 | TDD ONLY 1-800-547-9085

Notice of Annual Meeting of Shareholders
April 24, 2014

NOTICE IS HEREBY GIVEN that South Jersey Industries, Inc.'s ("Company" or "SJI") Annual Meeting of Shareholders will be held at Stockton Seaview Hotel and Golf Club, Bayview Room, 401 South New York Road, Galloway, New Jersey, on April 24, 2014, at 9:15 a.m., Eastern Time for a continental breakfast and at 10:00 a.m., Eastern Time, for the following purposes:

1. To elect 11 director nominees who are named in the accompanying proxy statement (term expiring 2015).
2. To hold an advisory vote to approve executive compensation.
3. To ratify the appointment of Deloitte & Touche LLP as the independent registered public accounting firm for 2014.
4. To approve an amendment to the Certificate of Incorporation to make the provisions of Section 14A:3-6.1 to 14A:3-6.9 of the New Jersey Business Corporation Act relating to derivative proceedings and shareholder class actions, applicable to the Company.
5. To transact other business that may properly come before the meeting.

The Board of Directors has fixed the close of business on February 24, 2014 as the record date for determining shareholders entitled to notice of, and to vote at, the Annual Meeting. Accordingly, only shareholders of record on that date are entitled to notice of, and to vote at, the meeting.

You are cordially invited to attend the meeting. Attendance at the Annual Meeting will be limited to shareholders as of the record date, their authorized representatives and guests of SJI. If you plan to attend the meeting in person, you will need an admission ticket and a valid government issued photo ID to enter the meeting. For shareholders of record, an admission ticket is attached to your proxy card. If your shares are held in the name of a bank, broker or other holder of record, please bring your account statement as that will serve as your ticket.

Whether or not you expect to attend the meeting, we urge you to vote your shares now. Please complete and sign the enclosed proxy card and promptly return it in the envelope provided or, if you prefer, you may vote by telephone or on the Internet. Please refer to the enclosed proxy card for instructions on how to use these options. Should you attend the meeting, you may revoke your proxy and vote in person.

By Order of the Board of Directors,
Gina Merritt-Epps

General Counsel & Corporate Secretary

Folsom, NJ
March 24, 2014

YOUR VOTE IS IMPORTANT

PLEASE VOTE, SIGN, DATE, AND PROMPTLY RETURN YOUR PROXY IN THE ENCLOSED ENVELOPE OR VOTE BY TELEPHONE OR ON THE INTERNET.

Important Notice Regarding the Availability of Proxy Materials for the Shareholders Meeting to be Held on April 24, 2014
The Proxy Statement, the Proxy Card and the Annual Report to Shareholders are available at www.sjindustries.com click on Investors > Financial Reporting

TABLE OF CONTENTS

<u>PROXY STATEMENT SUMMARY</u>	1
GENERAL INFORMATION	
<u>Information about the Annual Meeting and Voting</u>	6
PROPOSALS TO BE VOTED ON	
<u>Proposal 1 - Director Elections</u>	7
<u>Proposal 2 - Advisory Vote to Approve Executive Compensation</u>	12
<u>Proposal 3 - Ratification of Independent Accountants</u>	13
<u>Proposal 4 - Restated Certificate of Incorporation</u>	14
SECURITY OWNERSHIP	
<u>Directors and Management</u>	15
CORPORATE GOVERNANCE	
<u>The Board of Directors</u>	17
<u>Meetings of the Board of Directors and its Committees</u>	18
<u>Audit Committee Report</u>	20
<u>Compensation of Directors</u>	21
<u>Certain Relationships</u>	24
EXECUTIVE OFFICERS	
<u>Compensation Discussion & Analysis</u>	24
<u>Executive Compensation Tables</u>	37
FINANCIAL	
<u>Stock Performance</u>	46
<u>Annual Report and Financial Information</u>	46

Table of Contents

SOUTH JERSEY INDUSTRIES, INC.

1 South Jersey Plaza, Folsom, New Jersey 08037

PROXY STATEMENT SUMMARY

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information you should consider, and you should read the entire proxy statement carefully before voting.

Annual Meeting of Shareholders

Date: April 24, 2014

Time: 9:15 a.m. - doors will open to the public for continental breakfast
10:00 a.m. - meeting begins
11:00 a.m. - meeting adjourns

Place: Stockton Seaview Hotel and Golf Club, Bayview Room
401 South New York Road
Galloway, New Jersey
Please see the back of the Proxy for parking instructions.

Admission to the meeting: Attendance at the Annual Meeting will be limited to shareholders as of the record date, their authorized representatives and guests of SJI. If you plan to attend the meeting in person, you will need an admission ticket and a valid government issued photo ID to enter the meeting. For shareholders of record, an admission ticket is attached to your proxy card. If your shares are held in the name of a bank, broker or other holder of record, please bring your account statement as that will serve as your ticket.

Record Date: February 24, 2014

Election of 11 directors each to serve a term of one year

Approval, on an advisory basis, of our executive compensation

Agenda: Ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2014

Approval of the amendment to the Certificate of Incorporation relating to derivative proceedings and shareholder class actions

Transaction of any other business that may properly come before the meeting

Voting: Shareholders as of the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the proposals to be voted on.

Table of Contents

Voting Matters and the Board's Recommendation

The following table summarizes the items that will be brought for a vote of our stockholders at the meeting, along with the Board's recommendation as to how shareholders should vote on each of them.

Proposal No.	Description of Proposal	Board's Recommendation
1	Election of eleven director candidates nominated by the Board, each to serve a one-year term	FOR
2	Approval, on an advisory basis, of our executive compensation	FOR
3	Ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2014	FOR
4	Approval of the amendment to the Certificate of Incorporation to make the provisions of Section 14A:3-6.1 to 14A:3-6.9 of the New Jersey Business Corporation Act applicable to SJI. When implemented, the new statute will assist SJI in avoiding frivolous derivative lawsuits and the associated expenses.	FOR
2		

Table of Contents

In addition to these matters, shareholders may be asked to vote on such other business as may properly be brought before the meeting or any adjournment or postponement of the meeting.

Votes Required for Approval

The table below summarizes the votes required for approval of each matter to be brought before the annual meeting, as well as the treatment of abstentions and broker non-votes.

Proposal No. Description of Proposal Vote Required for Approval Abstentions