



CHAPTER 39

ARTICLE 3A - UNIFORM VOIDABLE TRANSACTIONS ACT

N.C.G.S. § 39-23.1.

Definitions.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 02:48 UTC	d6a9966b2273c127da8d3404 - 696aa50ac834da78ef41aecc - c470b173dcae3898

In this Article, the following definitions apply:

Affiliate. - Any of the following:

a.A person that directly or indirectly owns, controls, or holds with power to vote, twenty percent (20%) or more of the outstanding voting securities of the debtor, other than a person that holds the securities:

- 1.As a fiduciary or agent without sole discretionary power to vote the securities; or
- 2.Solely to secure a debt, if the person has not in fact exercised the power to vote.

b.A corporation twenty percent (20%) or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the debtor or a person that directly or indirectly owns, controls, or holds, with power to vote, twenty percent (20%) or more of the outstanding voting securities of the debtor, other than a person that holds the securities:

- 1.As a fiduciary or agent without sole discretionary power to vote the securities; or
- 2.Solely to secure a debt, if the person has not in fact exercised the power to vote.

c.A person whose business is operated by the debtor under a lease or other agreement, or a person substantially all of whose assets are controlled by the debtor.

d.A person that operates the debtor's business under a lease or other agreement or controls substantially all of the debtor's assets.

Asset. - Property of a debtor, but the term does not include any of the following:

- a.Property to the extent it is encumbered by a valid lien.
- b.Property to the extent it is generally exempt under nonbankruptcy law.

c. An interest in property held in tenancy by the entireties to the extent it is not subject to process by a creditor holding a claim against only one tenant.

Claim. - Except as used in "claim for relief," a right to payment, whether or not the right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured.

Creditor. - A person that has a claim.

Debt. - Liability on a claim.

Debtor. - A person that is liable on a claim.

Electronic. - Relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

Insider. - Includes any of the following:

a. If the debtor is an individual, any of the following:

1. A relative of the debtor or of a general partner of the debtor.
2. A partnership in which the debtor is a general partner.
3. A general partner in a partnership in which the debtor is a general partner.
4. A corporation of which the debtor is a director, officer, or person in control.

b. If the debtor is a corporation, any of the following:

1. A director of the debtor.
2. An officer of the debtor.
3. A person in control of the debtor.
4. A partnership in which the debtor is a general partner.
5. A general partner in a partnership in which the debtor is a general partner.
6. A relative of a general partner, director, officer, or person in control of the debtor.

c. If the debtor is a partnership, any of the following:

1. A general partner in the debtor.
2. A relative of a general partner in, a general partner of, or a person in control of the debtor.
3. Another partnership in which the debtor is a general partner.

4.A general partner in a partnership in which the debtor is a general partner.

5.A person in control of the debtor.

d.An affiliate, or an insider of an affiliate as if the affiliate were the debtor.

e.A managing agent of the debtor.

Lien. - A charge against or an interest in property to secure payment of a debt or performance of an obligation and includes a security interest created by agreement, a judicial lien obtained by legal or equitable process or proceedings, a common-law lien, or a statutory lien.

Organization. - A person other than an individual.

Person. - An individual, partnership, corporation, association, organization, government or governmental subdivision or agency, business trust, estate, trust, or any other legal or commercial entity.

Property. - Anything that may be the subject of ownership.

Record. - Information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

Relative. - An individual related by consanguinity within the third degree as determined in accordance with G.S. 104A-1, a spouse, or an individual related to a spouse within the third degree as so determined, and includes an individual in an adoptive relationship within the third degree.

Sign. - With present intent to authenticate or adopt a record, to do any of the following:

a.Execute or adopt a tangible symbol.

b.Attach to or logically associate with the record an electronic symbol, sound, or process.

Transfer. - Every mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with an asset or an interest in an asset and includes payment of money, release, lease, license, and creation of a lien or other encumbrance.

Valid lien. - A lien that is effective against the holder of a judicial lien subsequently obtained by legal or equitable process or proceedings.

Repealed by Session Laws 2018-142, s. 7(a), effective December 14, 2018. (1997-291, s. 2; 2015-23, s. 1; 2017-204, s. 3.3(a); 2018-142, s. 7(a).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
1 AUTHORITY

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 104A-1	(null)(11)	<i>"degree as determined in accordance with"</i>

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 39-23.1 (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

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