



CHAPTER 66
ARTICLE 22 - DISCOUNT BUYING CLUBS

N.C.G.S. § 66-135.

Bond and trust account required.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	Ex. Sess., c. 24, s. 14(c) — fourth act in the lineage	21 September 2026, 01:27 UTC	0604a294c943d9164fb61774 - 8392a9f017ec520ebc23ea4f - e5dfc04d262063c9

§ 66-135(a) Every discount buying club shall obtain and maintain a bond from a surety company licensed to do business in North Carolina. Such bond shall be in an amount not less than one hundred times the one-time or annual membership fee, or fifty thousand dollars (\$50,000), whichever is greater.

§ 66-135(b) Every discount buying club shall hold advance payments for goods and services in trust in a separate account used solely for that purpose. The funds in such account shall be held free from all liens. Records of such account shall be kept by the buying club in the regular course of its business sufficient to identify the amount held for each customer, the dates of the receipt and withdrawal of funds, and the purpose of withdrawal. Such records must be retained for a period not less than four years following withdrawal. Funds may not be withdrawn from the trust account unless and until (i) the ordered goods have been actually delivered to the customer or consigned to a certified public carrier, or (ii) ordered services have been provided in full, or (iii) the buying club has refunded the customer's payment. Provided, the discount buying club shall not be required to comply with the foregoing trust account requirements if the discount buying club meets the requirements of G.S. 66-132(b), bills its customers through a credit card account and obtains and maintains an additional bond in the amount of fifty thousand dollars (\$50,000) from a surety company licensed to do business in North Carolina.

§ 66-135(c) Any person who is damaged by any violation of this Article, or by any breach by the discount buying club of its contract, may bring an action against the bond, provided that the aggregate liability of the surety shall not exceed the amount of the bond.

§ 66-135(d)

Violations of subsections (a) or (b) of this section shall constitute a Class I felony.

CLASS I FELONY

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
4 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

1981		1988		1994
TICK HEIGHT = ACTS IN THAT YEAR		DASHED = RECODIFICATION, NOT AMENDMENT		
Nº	YEAR	ACT	CHARACTER	
01	1981	c. 594, s. 1	ENACTED	
02	1989	c. 495, ss. 2, 3	AMENDED	
03	1993	c. 539, s. 1282	AMENDED	
04	1994	Ex. Sess., c. 24, s. 14(c)	AMENDED	

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. 66-132(b)	(b)	" <i>buying club meets the requirements of</i> "

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 66-135 (1994).

PINPOINT

N.C. Gen. Stat. § 66-135(a) (1994).

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.

COLOPHON

Provenance

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1981, c. 594, s. 1; 1989, c. 495, ss. 2, 3; 1993, c. 539, s. 1282; 1994, Ex. Sess., c. 24, s. 14(c).)

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