



CHAPTER 78A
ARTICLE 3 - EXEMPTIONS

N.C.G.S. § 78A-18.

Denial and revocation of exemptions.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT S.L. 2001-149, s. 2 — eighth act in the lineage	RETRIEVED 21 September 2026, 03:38 UTC	SOURCE FINGERPRINT 72e6f86ef338230b9b6a7673 - 264504d8d451b2dff31a49bf - e47584a89bdb79b5
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§ 78A-18(a)

BURDEN OF PROOF

The Administrator may by order deny or revoke any exemption specified in subdivision (9), (11), or (15) of G.S. 78A-16 or in 78A-17 with respect to a specific security or transaction. No such order may be entered without appropriate prior notice to all interested parties, opportunity for hearing, and written findings of fact and conclusions of law, except that the Administrator may by order summarily deny or revoke any of the specified exemptions pending final determination of any proceeding under this section. Upon the entry of a summary order, the Administrator shall promptly notify all interested parties that it has been entered and of the reasons therefor and that within 20 days of the receipt of a written request the matter will be scheduled for hearing in accordance with Chapter 150B of the General Statutes. If no hearing is requested and none is ordered by the Administrator, the order will remain in effect until it is modified or vacated by the Administrator. If a hearing is requested or ordered, the Administrator, after notice of an opportunity for hearing to all interested persons, may not modify or vacate the order or extend it until final determination. No order under this subsection may operate retroactively. No person may be considered to have violated G.S. 78A-24 or 78A-49(d) by reason of any offer or sale effected after the entry of an order under this subsection if he sustains the burden of proof that he did not know, and in the exercise of reasonable care could not have known, of the order.

§ 78A-18(b)

In a civil or administrative proceeding brought under this Chapter, the burden of proving an exemption or an exception from a definition is upon the person claiming it. In a criminal proceeding brought under this Chapter, the State has no initial burden of producing evidence to show that the defendant's actions do not fall within the

exemption or exception; however, once the defendant introduces evidence to show that his conduct is within the exemption or exception, the burden of persuading the trier of fact that the exemption or exception does not apply falls upon the State.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
8 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.

	1925		1963		2001
	TICK HEIGHT = ACTS IN THAT YEAR DASHED = RECODIFICATION, NOT AMENDMENT				
Nº	YEAR	ACT	CHARACTER		
01	1925	c. 190, ss. 5, 11	ENACTED		
02	1927	c. 149, ss. 5, 11	AMENDED		
03	1973	c. 1380	AMENDED		
04	1975	c. 19, s. 20	AMENDED		
05	1987	c. 849, s. 2	AMENDED		
06	1987	1989 (Reg. Sess., 1990), c. 803, s. 2	AMENDED		
07	2001	S.L. 2001-126, s. 1	AMENDED		
08	2001	S.L. 2001-149, s. 2	AMENDED		

APPARATUS II
2 AUTHORITIES

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. 78A-16	(a)	"subdivision (9), (11), or (15) of"
G.S. 78A-24	(a)	"may be considered to have violated"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 78A-18 (2001).

PINPOINT

N.C. Gen. Stat. § 78A-18(a) (2001).

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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This is not the official text. The official text is published by the General Assembly of North Carolina.

HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1925, c. 190, ss. 5, 11; 1927, c. 149, ss. 5, 11; 1973, c. 1380; 1975, c. 19, s. 20; 1987, c. 849, s. 2; 1989 (Reg. Sess., 1990), c. 803, s. 2; 2001-126, s. 1; 2001-149, s. 2.)

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