



CHAPTER 78A

ARTICLE 4 - REGISTRATION AND NOTICE FILING PROCEDURES OF SECURITIES

N.C.G.S. § 78A-30.

Application to exchange securities.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2001-201, s. 14 — fifth act in the lineage	21 September 2026, 04:15 UTC	fea10a05e5d0e12706f5ac0d - 65ced83d64dad6c7b3cf8a09 - 2fd4493be632570b

§ 78A-30(a)

When application is made for approval to issue securities or to deliver other consideration (whether or not the security or transaction is exempt from registration or qualification other than by the provisions of G.S. 78A-17(16) or not required to be qualified) in exchange for one or more bona fide securities, claims, or property interests, or partly in such exchange and partly in cash, the Administrator is expressly authorized to approve the terms and conditions of such issuance and exchange or such delivery and exchange and the fairness of such terms and conditions, and is expressly authorized to hold a hearing upon the fairness of such terms and conditions, at which all persons to whom it is proposed to issue securities or to deliver such other consideration in such exchange have the right to appear. Notice of such hearing shall be mailed by United States Mail, Postage Prepaid, to all persons to whom it is proposed to issue securities or to deliver such other consideration in such exchange, not less than 10 days prior to such hearing, and such notice shall be effective upon mailing. The application for approval to issue securities or to deliver other consideration shall be in such form, contain such information and be accompanied by such documents as shall be required by rule or order of the Administrator.

§ 78A-30(b)

The Administrator shall be required to hold a hearing on an application for approval within 30 days after the filing of the application and supporting documents required by rule of the Administrator. Provided, however, if the securities or the transaction regarding which the fairness hearing is sought are otherwise exempt from the registration provisions of this Chapter: (1) the Administrator shall have until 45 days after the filing of the application and supporting documents to hold a hearing on the

application for approval; and (2) the hearing on the application shall not be held until at least 10 business days after the filing of the application.

§ 78A-30(c)

Within 10 business days after holding the hearing under subsection (a), the Administrator shall issue his approval or a statement that his approval will not be forthcoming.

§ 78A-30(d)

The Administrator's authority under this section shall extend to the issuance or the delivery of securities or other consideration:

- (1) By any entity organized under the laws of this State; or
- (2) In any transaction which is subject to the registration or qualification requirements of this Chapter or which would be so subject except for the availability of an exemption under G.S. 78A-16 or G.S. 78A-17, or by reason that the security is a security covered under federal law.

§ 78A-30(e)

The provisions of this section shall be permissive only and no request for approval, failure to request approval, withdrawal of a request for approval, or denial of approval by the Administrator shall affect the availability of any exemption from the registration or qualification requirements other than the exemption available under G.S. 78A-17(16), and shall not be admissible as evidence in any legal or administrative proceeding.

§ 78A-30(f)

This section is intended to provide for a fairness hearing before the Administrator with respect to transactions which, if approved by the Administrator, would be exempt from the registration requirements of the federal securities laws under section 3(a)(10) of the Securities Act of 1933, or any section comparable thereto which may subsequently be enacted.

§ 78A-30(g)

The Administrator shall charge a fee for a fairness hearing that the Administrator holds under this section. The Administrator shall set the fee based upon the time and expenses incurred by the Administrator. The fee may not be less than five hundred dollars (\$500.00), and it may not exceed five thousand dollars (\$5,000).

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

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.

1979		1990		2001
TICK HEIGHT = ACTS IN THAT YEAR		DASHED = RECODIFICATION, NOT AMENDMENT		
Nº	YEAR	ACT	CHARACTER	
01	1979	c. 647, ss. 2, 3	ENACTED	
02	1987	c. 849, s. 8	AMENDED	
03	1997	S.L. 1997-419, s. 8	AMENDED	
04	1998	S.L. 1998-212, s. 29A.9(c)	AMENDED	
05	2001	S.L. 2001-201, s. 14	AMENDED	

APPARATUS II
3 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-17(16)	(a)	<i>"other than by the provisions of"</i>
G.S. 78A-16	(d)(2)	<i>"the availability of an exemption under"</i>
G.S. 78A-17	(d)(2)	<i>"an exemption under G.S. 78A-16 or"</i>

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 78A-30 (2001).

PINPOINT

N.C. Gen. Stat. § 78A-30(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

(1979, c. 647, ss. 2, 3; 1987, c. 849, s. 8; 1997-419, s. 8; 1998-212, s. 29A.9(c); 2001-201, s. 14.)

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