



CHAPTER 78D
ARTICLE 1 - SCOPE

N.C.G.S. § 78D-7.

Liability of principals, controlling persons
and others.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	c. 634, s. 1 — first act in the lineage	21 September 2026, 04:01 UTC	04ea4e9a65d3546453adb4e4 - 3d71719e2f2a399cdbcce2fb - 1bd3b8d68a122c7f

§ 78D-7(a) The act, omission, or failure of any official, agent, or other person acting for any individual, association, partnership, corporation, or trust within the scope of his employment or office shall be deemed the act, omission, or failure of such individual, association, partnership, corporation, or trust, as well as of such official, agent, or other person.

§ 78D-7(b)
BURDEN OF PROOF Every person who directly or indirectly controls another person liable under any provision of this Chapter, every partner, officer, or director of such other person, every person occupying a similar status or performing similar functions, every employee of such other person who materially aids in the violation is also liable jointly and severally with and to the same extent as such other person, unless the person who is also liable by virtue of this provision sustains the burden of proof that he did not know, and in exercise of reasonable care could not have known, of the existence of the facts by reason of which the liability is alleged to exist.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
1 ACT

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.

1989			1990
TICK HEIGHT = ACTS IN THAT YEAR			DASHED = RECODIFICATION, NOT AMENDMENT
Nº	YEAR	ACT	CHARACTER
01	1989	c. 634, s. 1	ENACTED

APPARATUS III

Citation

FULL SECTION
N.C. Gen. Stat. § 78D-7 (1989).

PINPOINT
N.C. Gen. Stat. § 78D-7(a) (1989).

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
(1989, c. 634, s. 1.)

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NORTH CAROLINA LAW — STATUTE EXPORT, FORMAT V1

