

April 3, 2001

S 795. REPEAL CHAPTER 78B/AMEND SECURITIES ACT. *TO REPEAL CHAPTER 78B OF THE GENERAL STATUTES, THE TENDER OFFER DISCLOSURES ACT, AND TO AMEND CHAPTER 78A OF THE GENERAL STATUTES, THE NORTH CAROLINA SECURITIES ACT, AND TO CLARIFY THAT THE ACT APPLIES TO BUSINESS FORMS IN ADDITION TO CORPORATIONS.* Repeals GS Chapter 78B as title indicates. Amends GS Chapter 78A to apply chapter to "entities" (rather than simply corporations), which are defined to include corporations, joint-stock companies, limited liability companies, unincorporated associations, business trusts, limited partnerships, other partnerships in which the interests of the beneficiaries are evidenced by a security, trusts in which the interests of the beneficiaries are evidenced by a security, any other unincorporated organizations in which "two or more persons are evidenced by a security" or in which two or more persons have a joint or common economic interest, and a government or a political subdivision of a government. Also applies chapter to transactions not only in stock but also in other equity interests in entities. Effective Oct. 1, 2001.

Intro. by Hartsell.

Ref. to Judiciary I	GS 78A, 78B
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April 23, 2001

S 795. REPEAL CHAPTER 78B/AMEND SECURITIES ACT. Intro. 4/3/01. Senate committee substitute makes the following changes to 1st edition. (1) Deletes the term "an unincorporated association" from the bill's definition of "entity" for purposes of the bill's scope of coverage. (2) Amends GS 78A-2(8) to delete from the definition of "purchase" for purposes of GS Ch. 78A (a) transactions incident to a class vote by security holders, pursuant to the certificate of incorporation or applicable corporation statute, on a merger, consolidation, reclassification of securities, or sale of corporate assets in consideration of the issuance of securities of another corporation and (b) any transaction incident to a judicially approved reorganization in which a security is issued in exchange for one or more outstanding securities, claims, or property interests. (2) Amends GS 78A-17(16) to add to the list of transactions exempt from the registration requirements (and related filing requirements) any transaction incident to a judicially or governmentally approved reorganization in which a security is issued in exchange for one or more outstanding securities, claims, or property interests. (3) Amends GS 78A-17(17) to add to the list of transactions exempt from the registration requirements (and related filing requirements) transactions incident to a class vote by security holders, pursuant to the certificate of incorporation or similar document or applicable corporation statute, on a merger, consolidation, reclassification of securities, or sale of an entity's assets in consideration of the issuance of securities of another entity.

June 12, 2001

S 795. REPEAL CHAPTER 78B/AMEND SECURITIES ACT. Intro. 4/03/01. House committee substitute makes the following changes to 2nd edition. Changes title to *AN ACT TO REPEAL CHAPTER 78B OF THE GENERAL STATUTES, THE TENDER OFFER DISCLOSURES ACT; TO AMEND CHAPTER 78A OF THE GENERAL STATUTES, THE NORTH CAROLINA SECURITIES ACT; AND TO AMEND CHAPTER 55 OF THE GENERAL STATUTES, THE NORTH CAROLINA BUSINESS CORPORATION ACT.* Amends GS 55-7-02(a) to provide that a corporation shall hold a special meeting of shareholders on call by its board of directors or by one or more officers of the corporation authorized to do so by the articles of incorporation or bylaws or, in the case of a corporation that is not a public corporation, by any other person authorized to do so by the articles of incorporation or bylaws. Amends GS 55-9A-01(b)(3) to exclude from definition of control share acquisition one made pursuant to a transaction effected in compliance with applicable law but only if the transaction is pursuant to an agreement to which the covered corporation is a party.

June 19, 2001

SL 2001-201 (S 795). REPEAL CHAPTER 78B/AMEND SECURITIES ACT. *AN ACT TO REPEAL CHAPTER 78B OF THE GENERAL STATUTES, THE TENDER OFFER*

DISCLOSURES ACT; TO AMEND CHAPTER 78A OF THE GENERAL STATUTES, THE NORTH CAROLINA SECURITIES ACT; AND TO AMEND CHAPTER 55 OF THE GENERAL STATUTES, THE NORTH CAROLINA BUSINESS CORPORATION ACT. Summarized in *Daily Bulletin* 4/3/01, 4/23/01, and 6/12/01. Enacted June 14, 2001. Sections 1-14 of act are effective Oct. 1, 2001. Remaining provisions are effective June 14, 2001. Section 15 of this act applies to any meetings of shareholders held or called to be held on or after June 14, 2001.