

NORTH CAROLINA GENERAL ASSEMBLY
1961 SESSION

CHAPTER 823
HOUSE BILL 993

1 AN ACT TO DEFINE "TWISTING" WITH RESPECT TO INSURANCE POLICIES AND
2 TO PROVIDE PENALTIES IN THE EVENT OF TWISTING.

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4 The General Assembly of North Carolina do enact:

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6 **Section 1.** Chapter 58 of the General Statutes of North Carolina entitled "The
7 Insurance Law" is hereby amended by adding a new Section following Section 58-42, as
8 follows:

9 "**Section 58-42.1.** Any insurer, or any agent of any insurer, who shall engage in twisting, as
10 defined in this Section, shall be subject to the provisions of Section 58-37, Section 58-38 or
11 Section 58-44.4 and Section 58-44.6. As used in this Section "twisting" shall mean the willful,
12 material misrepresentation of an insurance contract, whereby an insured is deceived and
13 induced to cancel or terminate insurance in force to such insured's detriment."

14 **Sec. 2.** All laws and clauses of laws in conflict with this Act are hereby repealed.

15 **Sec. 3.** This Act shall become effective upon its ratification.

16 In the General Assembly read three times and ratified, this the 14th day of June,
17 1961.