

NORTH CAROLINA GENERAL ASSEMBLY
1973 SESSION

CHAPTER 1087
SENATE BILL 1018

AN ACT TO MAKE TECHNICAL AMENDMENTS TO G.S. 55-31(a) AND (c) AND G.S. 55-50(1), THE BUSINESS CORPORATION ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 55-31(a), as the same appears in Volume 2B of the 1973 Cumulative Supplement to the General Statutes of North Carolina, is hereby amended on line eight by deleting the words "in the management of the corporation".

Sec. 2. G.S. 55-31(c), as the same appears in Volume 2B of the 1973 Cumulative Supplement to the General Statutes of North Carolina, is hereby amended to read as follows:

"(c) The designation of any such committee and the delegation thereto of authority shall not operate to relieve the board of directors, or any member thereof, of any responsibility or liability imposed on him by law; and any resolutions adopted or other action taken by any such committee within the scope of the authority delegated to it by the board of directors shall be deemed for all purposes to be adopted or taken by the board of directors."

Sec. 3. 55-50(1), as the same appears in Volume 2B of the 1973 Cumulative Supplement to the General Statutes of North Carolina, is hereby amended on lines 21 and 22 by deleting the words "insofar as" from the beginning of clauses (ii) and (iii).

Sec. 4. G.S. 55-50(1), as the same appears in Volume 2B of the 1973 Cumulative Supplement to the General Statutes of North Carolina, is hereby further amended on line 24 by deleting the word "reasonable" and inserting in lieu thereof the word "reasonably".

Sec. 5. G.S. 55-50(1), as the same appears in Volume 2B of the 1973 Cumulative Supplement to the General Statutes of North Carolina, is hereby further amended on line 22 by inserting immediately following the letters "(iii)" the words and letters "the payment of dividends would be a breach of a bona fide agreement between the corporation and its creditors restricting the payment of dividends, or (iv)".

Sec. 6. This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 2nd day of April, 1974.