

NORTH CAROLINA GENERAL ASSEMBLY  
1977 SESSION

CHAPTER 185  
HOUSE BILL 273

AN ACT TO AMEND CHAPTER 58 SO AS TO EXEMPT WARRANTIES OFFERED BY  
FOREIGN CAR DISTRIBUTORS FROM BEING CONTRACTS OF INSURANCE.

The General Assembly of North Carolina enacts:

**Section 1.** G.S. 58-3.1 is rewritten to read as follows:

"§ 58-3.1. **Motor vehicle warranties.** — Any motor vehicle warranty issued by a person as defined in this Article, other than a warranty made solely by the manufacturer or seller without charge or an extended warranty offered as an option by a manufacturer or seller or authorized distributor of foreign manufactured automobiles for charge, guaranteeing indemnity for defective parts, mechanical breakdown and labor shall be a contract of insurance, provided that a product guaranty or warranty which accompanies the sale of a product used in the maintenance or operation of a motor vehicle shall not be a contract of insurance under this Chapter."

**Sec. 2.** This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 12th day of April,  
1977.