

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 664
HOUSE BILL 1009

AN ACT TO AMEND G.S. 58-79(A) PERTAINING TO LIFE INSURANCE
COMPANY INVESTMENTS IN FUTURES CONTRACTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-79(a) is amended by adding a new subdivision to read as follows:

"(16) Notwithstanding any expressed or implied prohibitions, a company may effect or maintain bona fide hedging transactions pertaining to securities otherwise eligible for investment under this section, including, but not limited to, (i) financial futures contracts, warrants, options, calls and other rights to purchase; and (ii) puts and other rights to require another person to purchase such securities. Such contracts, options, calls, puts and rights shall be traded on a securities exchange or board of trade regulated under the laws of the United States. For purposes of this section, a 'bona fide hedging transaction' means a purchase or sale of such contract, warrant, option, call, put or right, as the case may be, entered into for the purpose of offsetting changes in the market value of a security held by the company."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 1st day of July, 1983.