NORTH CAROLINA GENERAL ASSEMBLY
1971 SESSION

CHAPTER 752
HOUSE BILL 1095

AN ACT AMENDING GENERAL STATUTE 58-96 PERTAINING TO THE GUARANTY CAPITAL OF DOMESTIC MUTUAL INSURANCE COMPANIES AND THE DIVIDEND STOCKHOLDERS SHALL RECEIVE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-96 is hereby amended by rewriting the first two sentences thereof to read as follows:

"A mutual insurance company formed as provided in this chapter, in lieu of the contributed surplus required for the organization of mutual companies under the provisions of G.S. 58-77, or a mutual insurance company now existing, may establish a guaranty capital or surplus of not less than twenty-five thousand dollars ($25,000) nor more than one million dollars ($1,000,000), divided into shares of one hundred dollars ($100.00) each, which shall be invested in the same manner as is provided in this subchapter for the investment of the capital stock of insurance companies. The stockholders of the guaranty capital of a company or owners of guaranty surplus are entitled to an annual dividend of not more than ten per centum on their respective shares, if the net profits or unused premiums left after all expenses, losses, and liabilities then incurred, together with the reserve as provided for, are sufficient to pay the same."

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

In the General Assembly read three times and ratified, this the 5th day of July, 1971.