



Secretary of State
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North Carolina Secretary of State

IT

KB Website Manual

Telephonic Seller Registration

May 24, 2023

Version 1.0

About the Telephonic Seller Registration Manual

This manual gives an overview of all the pages and features of the **Telephonic Seller Registration** section of the new KB website.

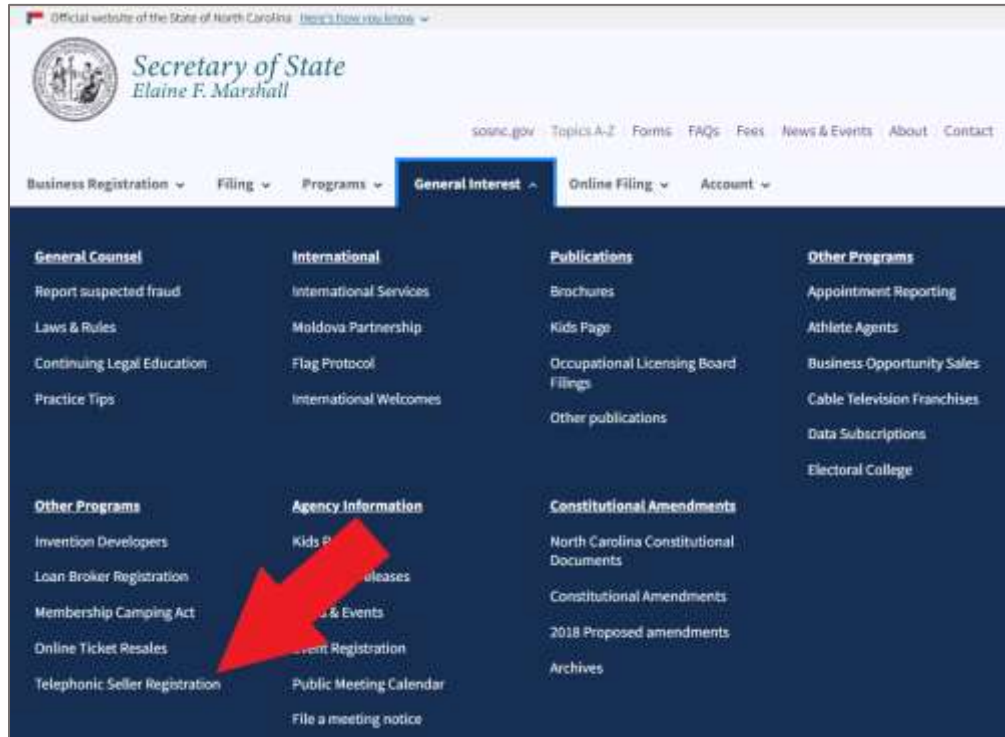


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Telephonic Seller Registration

The Telephonic Seller Registration information is under the **General Interest** section of the NC Secretary of State (SOS) website.

Go to the SOS website <https://test.sosnc.gov/>.

Select **General Interest > Telephonic Seller Registration**.

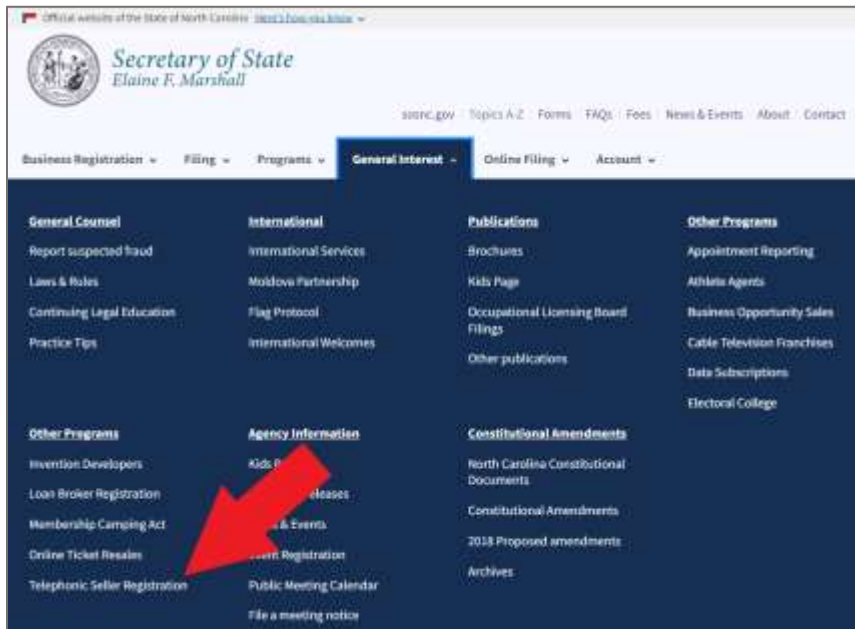


Figure 1. General Interest > Telephonic Seller Registration

This takes you to the main **Telephonic Seller Registration** page.



Figure 2. Telephonic Seller Registration page

Telephonic Seller Registration

This **Telephonic Seller Registration** page contains links and contact information for the Telephonic Seller Registration division.

The first thing you'll notice is a large stock photo at the top with a definition for Telephonic Seller Registration: *"The North Carolina Secretary of State's Office issues registrations to telephonic sellers to conduct sales calls in North Carolina. There are specific registration requirements, with some exemptions for registration, as well as promotion and bond requirements for each promotion."*

Browse Telephonic Seller Registration

You find eight box links under the **Browse Telephonic Seller Registration** section of the page.

These box links are:

- [Frequently Asked Questions](#)
- [Do you need to register?](#)
- [Forms](#)
- [General Information](#)
- [Enforcement](#)
- [Statutes](#)
- [Bond Requirements](#)
- [Consumer Guide to Surety Bonds](#)



Figure 3. Browse Telephonic Seller Registration

Frequently Asked Questions

The [Frequently Asked Questions](#) page has 12 questions and answers about Telephonic Seller Registration in North Carolina.

The screenshot shows a web page titled "Frequently Asked Questions" under the "Authentications" section. The breadcrumb trail is "Home > Authentications > Frequently Asked Questions". A disclaimer states: "We provide this for informational purposes only. It does not constitute legal advice." There are three dropdown menus: "Select the Division:" with "Telephonic Seller Registration" selected, "Topic:" with "All Topics" selected, and "Sub-Topic:" with "All Topics" selected. Below these are four expandable question cards with plus signs on the right: "Do I have to use the registration form that is provided by the Secretary of State?", "Are there forms available online?", "Where can I get a copy of the law for telephonic sellers?", and "I know I have to have a bond to be a registered telephone seller. Who should the bond be in favor of?". On the right side, there is a "Browse Authentications" menu with links to: "Frequently Asked Questions", "Apollite", "Authentication & Authority", "Are you Adopting?", "Cover Letter & Templates", "Fees", "View Turn-Around Times", "Getting Documents To and From Us", "See Courier Service Policies", "Quick Reference Guide", "Statutes", "Hague Member List", "US State Department Authentications Office", and "Make an Appointment".

Figure 4. Frequently Asked Questions page

The [Frequently Asked Questions](#) page has three dropdown entry fields: **Select the Division**, **Topic**, and **Sub-Topic**. Make sure to select “Telephonic Seller Registration” in the **Select the Division** field.

The 12 questions and answers are listed below.

Do I have to use the registration form that is provided by the Secretary of State?

Yes, when you’re registering as a telephone seller, you have to use our form. Call Wendy Haynes at 919-814-5408 or email her at whaynes@sosnc.gov to get copies of the forms.

Are there forms available online?

Yes, you can find the forms on the [Telephonic Seller Forms Page](#).

Where can I get a copy of the law for telephonic sellers?

The [Telephone Seller Act](#).

I know I have to have a bond to be a registered telephonic seller. Who should the bond be in favor of?

The bond has to be in favor of the State of North Carolina.

How long will my registration last?

Your registration is good for one year from the effective date on your registration certificate. You must renew the registration annually.

What is the fee for registering as a telephonic seller?

The registration fee is \$100.00.

How long will it take for you to process my application?

We normally process applications within 2 - 3 business days.

If I need to make changes (addendum) to my registration, is there a specific amount of time I have to do it?

You have 10 days from the time of the change to file an addendum with us. We call your change an addendum.

Is there a form to use to make changes (addendum) to my registration?

We don't have a form for you to use. You can make changes using a letter, e-mail, or fax with the following information in the list below.

- The name or names under which the telephonic seller is doing business in this state;
- The registration certificate number;
- A listing of the changes being made to the registration; and
- Must contain the notarized signatures of each principal of the telephonic seller.

Contact information can be found on the Telephonic Seller main web page.

How do I contact you or submit a document?**Mailing Address**

North Carolina Secretary of State
Telephonic Seller
Post Office Box 29622
Raleigh, North Carolina 27626-0622

Physical Address

North Carolina Secretary of State
Telephonic Seller
2 South Salisbury Street
Raleigh, North Carolina 27601-2903

What is the effective date of my registration?

The effective date will be the date we accept your application as complete and filed.

How will I know what the effective date is?

The effective date will be on the certificate of registration that is returned to you.

Do you need to register?

This takes you to the [Do you need to register as a telephonic seller](#) page.

Always consult an attorney to help you determine if you should file as a telephonic seller in North Carolina.

Telephonic seller **does not** include these activities:

- A securities "dealer" within the meaning of [G.S. 78A-2\(2\)](#) or a person excluded from the definition of "dealer" by that provision; a "salesman" within the meaning of [G.S. 78A-2\(9\)](#); an "investment adviser" within the meaning of G.S. 78C-2(1) or a person excluded from the definition of "investment adviser" by that provision; or an "investment adviser representative" within the meaning of [G.S. 78C-2\(3\)](#) provided that such persons shall be excluded from the terms "telephonic seller" and "seller" only with respect to activities regulated by Chapters [78A](#) and [78C](#).
- Any person conducting sales or solicitations on behalf of a licensee of the Federal Communications Commission or holder of a franchise or certificate of public convenience and necessity from the North Carolina Utilities Commission.
- Any insurance agent or broker who is properly licensed by the Department of Insurance and who is soliciting within the scope of the agent's or broker's license or any employee or independent contractor of an insurance company licensed by the Department of Insurance conducting sales or solicitations on behalf of that company.
- Any federally chartered bank, savings institution, or credit union or any bank, savings institution, or credit union properly licensed by the State or subject to federal regulating authorities.
- Any organization that is exempt under section [501\(c\)\(3\)](#) of the Internal Revenue Code of 1986 or any successor section, or that is organized exclusively for one or more of the purposes specified in section [501\(c\)\(3\)](#) of the Internal Revenue Code of 1986 or any successor section and that upon dissolution shall distribute its assets to an entity that is exempt under section [501\(c\)\(3\)](#) of the Internal Revenue Code of 1986 or any successor section, the United States, or a state; any "charitable solicitor" properly licensed under [Article 2 of Chapter 131F](#) of the General Statutes, or any person exempt from Chapter 131F of the General Statutes under [G.S. 131F-3](#).

- A person who periodically issues and delivers catalogs to potential purchasers and the catalog:
 - Includes a written description or illustration and the sales price of each item offered for sale;
 - Includes at least 24 full pages of written material or illustrations;
 - Is distributed in more than one state; and
 - Has an annual circulation of not less than 250,000 customers.
- A person engaging in a commercial telephone solicitation where the solicitation is an isolated transaction and not done in the course of a pattern of repeated transactions of a like nature.
- A person primarily soliciting the sale of a newspaper of general circulation, a publisher of a magazine or other periodical of general circulation, or an agent of such a publisher acting pursuant to a written agency agreement.
- A person soliciting the sale of services provided by a cable television system operating under the authority of a local franchise.
- Any passenger airline licensed by the Federal Aviation Administration.
- Any person holding a real estate broker's or sales agent's license under Chapter 93A of the General Statutes and who is soliciting within the scope of the broker's or agent's license.
- Any person soliciting a transaction regulated by the Commodities Futures Trading Commission, provided the person is registered or temporarily licensed by the Commodities Futures Trading Commission under the [Commodity Exchange Act, 7 U.S.C. § 1, et seq.](#)
- Any person soliciting a purchase from a business, provided the person soliciting makes reasonable efforts to ensure that the person solicited has actual authority to bind the business to a purchase agreement.
- A foreign corporation, limited liability company, or limited partnership that has obtained and maintained a certificate of authority to transact business or conduct affairs in this State pursuant to Chapter [55 55A](#) or [57D](#) or [Article 5 of Chapter 59](#) of the General Statutes and that only transacts business or conducts affairs in this State using the name set forth in the certificate of authority.
- An issuer or a subsidiary of an issuer that has a class of securities which is subject to section 12 of the Securities Exchange Act of 1934 ([15 U.S.C. § 781](#)) and which is either registered or exempt from registration under paragraph (A), paragraph (B), paragraph

(C), paragraph (E), paragraph (F), paragraph (G), or paragraph (H) of subsection (g)(2) of that section.

- A person soliciting the sale of food, seeds, or plants when a sale does not involve an amount in excess of one hundred dollars (\$100.00) directed to a single address.
- A person soliciting:
 - Without intent to complete or obtain provisional acceptance of a sale during the telephone solicitation;
 - Who does not make the major sales presentation during the telephone solicitation but arranges for the major sales presentation to be made at a later face-to-face meeting between the salesperson and the purchaser;
 - Who does not cause an individual to go to the prospective purchaser to collect payment for the purchase or to deliver any item purchased directly following the telephone solicitation; or
 - Who offers to send the purchaser descriptive literature and does not require payment prior to the purchaser's review of the descriptive literature.
- A person soliciting the purchase of contracts for the maintenance or repair of items previously purchased from the person making the solicitation or on whose behalf the solicitation is made.
- A book, video, recording, or multimedia club or contractual plan or arrangement:
 - Under which the seller provides the consumer with a form with which the consumer can instruct the seller not to ship the offered merchandise.
 - Which is regulated by the Federal Trade Commission trade regulation concerning "use of negative option plans by sellers in commerce".
 - Which provides for the sale of books, recordings, multimedia products or goods, or videos which are not covered under paragraphs 1. or 2. of this sub-subdivision, including continuity plans, subscription arrangements, standing order arrangements, supplements, and series arrangements under which the seller periodically ships merchandise to a consumer who has consented in advance to receive such merchandise on a periodic basis.
- A person who for at least two years has been operating under the same name as that used in connection with its telemarketing operations and retail establishment in North Carolina where consumer goods are displayed and offered for sale on a continuing basis if a majority of the person's business involves the buyers obtaining services or products at the person's retail establishment.

- A person:
 - Who provides telephone solicitation services under contract to sellers;
 - Who has been operating continuously for at least three years under the same business name; and
 - For whom at least seventy-five percent (75%) of the person's contracts are performed on behalf of other persons exempt under this section.
- A person soliciting political contributions in accordance with Article 22A of Chapter 163 of the General Statutes.
- The seller of a "business opportunity" as defined in [G.S. 66-94](#), while engaged in activities subject to regulation under [Article 19 of Chapter 66](#) of the General Statutes, provided that such seller has complied with the provisions of [G.S. 66-97](#).
- A "loan broker" as defined in [G.S. 66-106](#) while engaged in activities subject to regulation under [Article 20 of Chapter 66](#) of the General Statutes, provided that such loan broker has complied with the provisions of [G.S. 66-109](#).
- A "membership camping operator" as defined in G.S. 66-232(10) or a "salesperson" as defined in [G.S. 66-232\(16\)](#) while engaged in activities subject to regulation under [Article 31 of Chapter 66](#) of the General Statutes, provided that such persons have complied with the provisions of [G.S. 66-234](#) and [66-237](#) as applicable.

Forms

The Forms page has one downloadable [Registration form](#). The fee is \$100.

See **Figures 5 and 6**.



Figure 5. Telephonic Seller Registration Forms page

The screenshot shows the "TELEPHONIC SELLER REGISTRATION FORM". The form is divided into three main sections:

- 1. Registrant's Name(s):** A text input field for the registrant's name. Below the field, a note states: "(List all names, including any assumed names under which the telephonic seller intends to do business in North Carolina.)"
- 2. Organizational Form of Business:** A section with two columns of radio button options. The first column lists domestic business structures: Domestic Sole Proprietorship (selected), Domestic Corporation, Domestic Nonprofit Corporation, Domestic Limited Liability Company, Domestic General Partnership, Domestic Limited Partnership, and Domestic Limited Liability Partnership. The second column lists foreign business structures: Foreign Sole Proprietorship, Foreign Corporation, Foreign Nonprofit Corporation, Foreign Limited Liability Company, Foreign General Partnership, Foreign Limited Partnership, and Foreign Limited Liability Partnership.
- 3. List the registrant's principal place of business (Note: private mail service addresses are not acceptable in response to this item):** A section with two text input fields: "Street Address:" and "Suite/Apt:".

Additional instructions are provided below section 2: "If the seller is a corporation, attach a copy of its Articles of Incorporation, By-laws, and amendments." and "If the seller is a partnership, attach a copy of the partnership agreement."

Figure 6. Telephonic Seller Registration form

General Information

The [General Information](#) page has information about the required forms and fees for Telephonic Seller Registration. See **Figure 7**.

The top part of the page lists several commonly used terms and definitions in reference to Telephonic Seller Registration.

For a complete list of definitions, see [Chapter 55, Article 33 Telephonic Seller Registration and Bond Requirement](#).

Gift or Prize: Any premium, bonus, award, or any other thing of value.

Principal: An owner, an executive officer of a corporation, a general partner of a partnership, a sole proprietorship, a trustee of a trust, or any other individual with similar supervisory functions with respect to any person.

Purchaser or Prospective Purchaser: A person who is solicited to become obligated to a telephone seller or to make any donation or gift to any person represented by the telephonic seller.

Room Operator: Any principal, employee, or agent responsible for the operational management and supervision of facilities from which telephonic sales call are made or received.

Salesperson: Any individual employed, appointed, or authorized by a telephonic seller, whether referred to by the telephonic seller as an agency, representative, or independent contractor, who attempts to solicit or solicits a sale on behalf of the telephonic seller.

Telephone Solicitation or Attempted Telephone Solicitation: Any telephonic communication designed to persuade any person to purchase goods or services, to enter a contest, or to contribute to a charity or a person represented to be a charity, regardless of whether the telephone call initiating the solicitation is placed by the (i) telephonic seller or (ii) a person responding to any unsolicited notice or notices sent or provided by or on behalf of the seller, which notice or notices represent to the recipient that he or she has won a gift or prize, that the recipient may obtain or qualify for credit by contacting the seller, or that the seller has buyers interested in purchasing the recipient's property

Telephonic Seller or Seller: A person who, directly or through salespersons, causes a telephone solicitation or attempted telephone solicitation to occur. There are some exemptions for having to file as a telephonic seller.

[Home](#) > [Telephonic Seller Registration](#) > Telephonic Seller and Bond Requirements

Telephonic Seller and Bond Requirements

[Article 33, Chapter 66, North Carolina General Statutes](#)

Some Definitions

Additional definitions can be found in the actual [statute](#).

Gift or Prize
Any premium, bonus, award, or any other thing of value.

Principal
An owner, an executive officer of a corporation, a general partner of a partnership, a sole proprietorship, a trustee of a trust, or any other individual with similar supervisory functions with respect to any person.

Purchaser or Prospective Purchaser
A person who is solicited to become obligated to a telephone seller or to make any donation or gift to any person represented by the telephonic seller.

Room Operator
Any principal, employee, or agent responsible for the operational management and supervision of facilities from which telephonic sales call are made or

Browse Telephonic Seller Registration

- Home
- FAQs
- Do You Need to Register
- Download Forms
- General Information
- Enforcement
- Statute
- Bond Requirements
- Consumer Guide to Surety Bonds

Figure 7. Telephonic Seller Registration General Information page

Enforcement

The Attorney General, on behalf of any injured purchaser, or any purchaser who is injured by the bankruptcy of the telephonic seller or its breach of any agreement entered in its capacity as a telephonic seller, may initiate a civil action to recover against the bond.

You may contact the Attorney General's Office at:

[Consumer Protection Division](#)

Attorney General's Office
Mail Service Center 9001
Raleigh, NC 27699-9001

Toll-free within North Carolina: 1-877-5-NO-SCAM

From Outside North Carolina: (919) 716-6000

En Espanol: (919) 716-0058

Statutes

This takes you to the digital copy of the Telephonic Seller Registration and Bond Requirement ([Article 33](#)) statute.

You can view and download the statute here: [Chapter 66, Article 33](#).

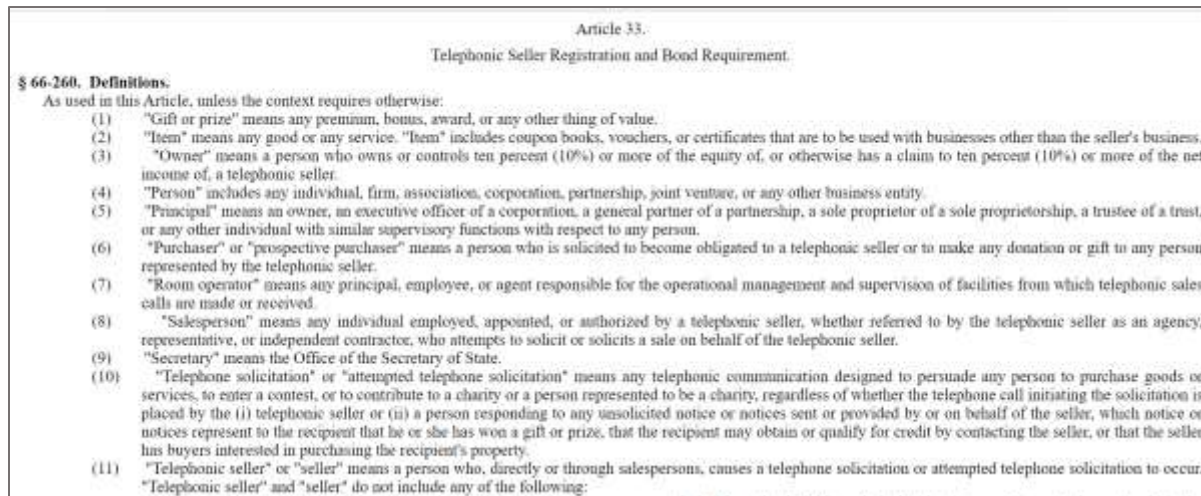


Figure 8. Article 33 page

Bond Requirements

Telephonic Seller Bond Requirements

At least ten (10) days before the commencement of any promotion offering any gift or prize with an actual or represented market value of five hundred dollars (\$500.00) or more, the telephonic seller is to notify the Secretary of State's Office in writing the details of the promotion. The details include:

- A full description, nature and number of all gifts or prizes and their current market value
- The seller's rules and regulations governing the promotion
- The date the gifts or prizes are to be awarded (All gifts and prizes shall be awarded)

A bond is to be posted with the Secretary of State's Office with notification of the promotion.

- Amount of the bond is to be the market value or the represented value, whichever is greater, of all gifts or prizes represented as available under the promotion.
- Bond must be issued by a surety company authorized to do business in North Carolina.
- Bond is to be in favor of the State of North Carolina and will benefit any person entitled to receive a gift or prize under the promotion who did not receive it within thirty (30) days of the specified date of award.

Within forty-five (45) days after the specified date of the award of the gift or prize, the seller needs to notify the Secretary of State, in writing, proof that the gifts or prizes have been awarded. The writing shall include:

- Name, address, and telephone number of all persons receiving awards or prizes

The bond shall be maintained until the Secretary receives reliable proof that the gifts or prizes have been delivered to the intended recipients.

The Attorney General, on behalf of any injured purchaser, or any purchaser who is injured by the bankruptcy of the telephonic seller or its breach of any agreement entered into in its capacity as a telephonic seller, may initiate a civil action to recover against the bond.

Consumer's Guide to Surety Bonds

The [Consumer's Guide to Surety Bonds](#) page is a digital copy of the Department of Insurance's guide about surety bonds. This brief guide contains a glossary of important terms related to surety bonds along with contact information and a complaint form.

Note: This guide is three pages in length.



Figure 9. Consumer's Guide to Surety Bonds

What We Do

The What We Do section has a description of what the Telephonic Seller Registration office does: *"We register telephonic sellers that fall within [Chapter 66, Article 33](#) of the North Carolina General Statutes and issue certificates of registration. We also maintain the Telephonic Seller promotional information and bond throughout the promotion until satisfied the recipients of the awards have received their gifts or prizes."*

What We Do

We register telephonic sellers that fall within [Chapter 66, Article 34](#) of the North Carolina General Statutes and issue certificates of registration. We also maintain the Telephonic Seller promotional information and bond throughout the promotion until satisfied the recipients of the awards have received their gifts or prizes.

Contact Telephonic Seller Registration

Email

whaynes@sosnc.gov

Telephone

919-814-5408

Mailing Address

North Carolina Secretary of State
Telephonic Seller
Post Office Box 29622
Raleigh, North Carolina 27626-0622

Physical Address

North Carolina Secretary of State
Telephonic Seller
2 South Salisbury Street
Raleigh, North Carolina 27601-2903

Figure 10. What We Do and Contact sections

Contact Telephonic Seller Registration

Telephone: 919-814-5408

Email: whaynes@sosnc.gov

Mailing Address

North Carolina Secretary of State
Telephonic Seller Registration
Post Office Box 29622
Raleigh, North Carolina 27626-0622

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