§ 55-1-61. Defective corporate actions.

(a) A defective corporate action is not void or voidable if ratified in accordance with G.S. 55-1-62 or validated in accordance with G.S. 55-1-67.

(b) Ratification under G.S. 55-1-62 or validation under G.S. 55-1-67 is not the exclusive means of ratifying or validating any defective corporate action, and the absence or failure of ratification in accordance with this Part does not, of itself, affect the validity or effectiveness of any corporate action properly ratified under common law or otherwise, nor does it create a presumption that the corporate action is or was a defective corporate action or void or voidable.

(c) In the case of an over issue, putative shares shall be valid shares effective as of the date originally issued or purportedly issued upon either of the following:

(1) The effectiveness under this Part and under Article 10 of this Chapter of an amendment to the articles of incorporation authorizing, designating, or creating the shares.

(2) The effectiveness of any other corporate action under this Part ratifying the authorization, designation, or creation of the shares. (2018-45, s. 3.)