§ 55-1-67. Judicial proceedings regarding validity of corporate actions.

(a) Upon application to the Superior Court Division of the General Court of Justice by the corporation, any successor entity to the corporation, a director of the corporation, any shareholder, beneficial shareholder, or unrestricted voting trust beneficial owner of the corporation, including any shareholder, beneficial shareholder, or unrestricted voting trust beneficial owner as of the date of the defective corporate action ratified under G.S. 55-1-62, or any other person claiming to be substantially and adversely affected by a ratification under G.S. 55-1-62, the appropriate court of the county where the corporation's principal office, or, if none, its registered office, in this State is located, or, if the legal action is designated a mandatory complex business case pursuant to G.S. 7A-45.4, the Business Court, may do all of the following:

(1) Determine the validity and effectiveness of any corporate action or defective corporate action.

(2) Determine the validity and effectiveness of any ratification under G.S. 55-1-62.

(3) Determine the validity of any putative shares.

(b) In connection with an action under this section, the court may make findings or orders and take into account any factors or considerations that it deems proper under the circumstances.

(c) Service of process of the application under subsection (a) of this section on the corporation may be made in any manner provided by State law or by rule of the applicable court for service on the corporation, and no other party need be joined in order for the court to adjudicate the matter. In an action filed by the corporation, the court may require that notice of the action be provided to other persons specified by the court and permit the other persons to intervene in the action.

(d) Notwithstanding any other provision of this section or otherwise under applicable law, any action asserting that the ratification of any defective corporate action and any putative shares issued as a result of the defective corporate action should not be effective, or should be effective only on certain conditions, shall be brought within 120 days of the validation effective time. (2018-45, s. 3.)