



2025-2026 General Assembly

# HOUSE BILL 388: Amend Business Corporations Act, Part III: Clarify Provisions for Selection of Exclusive Forum.

**Analysis of:** S.L. 2025-33, Part III

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Part III of S.L. 2025-33 (House Bill 388) allows articles of incorporation to require internal corporate claims to be brought exclusively in any specified court or courts of this State and any additional courts in this State or in any other jurisdiction with which the corporation has a reasonable relationship, provided that personal and subject matter jurisdiction exist. This Part also invalidates any provision in the articles of incorporation or bylaws that prohibit bringing an internal corporate claim in the courts of the State or requires the claims to be determined by arbitration.

As used in this Part, "internal corporate claim" is defined to include:

- A claim based on a violation of a duty under State law by a current or former director, officer, or shareholder in such capacity.
- A derivative proceeding brought on behalf of the corporation.
- An action asserting a claim arising pursuant to any provision of the North Carolina Business Corporation Act, the articles of incorporation, or the bylaws.
- An action asserting a claim governed by the internal affairs doctrine that is not otherwise included in the definition of "internal corporate claim."

This Part became effective October 1, 2025.

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