

Delaware Court Rules Federal Forum Selection Provision Covering Securities Act Claims Invalid

WRITTEN BY

Stanley Keller

The Delaware Court of Chancery today ruled that a provision in the certificate of incorporation requiring any claim under the Securities Act of 1933 to be filed in federal court is invalid. This type of federal forum selection provision has been added by a number of Delaware corporations when they went public in order to avoid exposure to multiple lawsuits in federal and state courts, including by Blue Apron, Stitch Fix and Roku, whose provisions were the subject of this lawsuit. Vice Chancellor Laster reasoned that the claims being addressed were matters external to the relationship with the corporation and only matters related to the corporation's internal affairs could be governed by provisions in the certificate of incorporation or bylaws.

The decision is *Sciabacucchi v. Salzberg, et al.*, C.A. No. 2017-0931-JTL (Dec. 19, 2018), which can be found at <https://courts.delaware.gov/Opinions/Download.aspx?id=282830>.

RELATED INDUSTRIES + PRACTICES

- [Capital Markets](#)