

UNIFORM COMMERCIAL CODE (EXCERPT)
Act 174 of 1962

440.8115 Transferring or dealing with financial asset; liability of securities intermediary, broker, or agent.

Sec. 8115.

A securities intermediary that has transferred a financial asset pursuant to an effective entitlement order, or a broker or other agent or bailee that has dealt with a financial asset at the direction of its customer or principal, is not liable to a person having an adverse claim to the financial asset, unless the securities intermediary, or broker or other agent or bailee did 1 or more of the following:

(a) Took the action after it had been served with an injunction, restraining order, or other legal process enjoining it from doing so, issued by a court of competent jurisdiction, and had a reasonable opportunity to act on the injunction, restraining order, or other legal process.

(b) Acted in collusion with the wrongdoer in violating the rights of the adverse claimant.

(c) In the case of a security certificate that has been stolen, acted with notice of the adverse claim.

History: Add. 1998, Act 278, Imd. Eff. July 27, 1998