

355.8-401 Duty of issuer to register transfer.

- (1) If a certificated security in registered form is presented to an issuer with a request to register transfer or an instruction is presented to an issuer with a request to register transfer of an uncertificated security, the issuer shall register the transfer as requested if:
 - (a) Under the terms of the security the person seeking registration of transfer is eligible to have the security registered in its name;
 - (b) The indorsement or instruction is made by the appropriate person or by an agent who has actual authority to act on behalf of the appropriate person;
 - (c) Reasonable assurance is given that the indorsement or instruction is genuine and authorized (KRS 355.8-402);
 - (d) Any applicable law relating to the collection of taxes has been complied with;
 - (e) The transfer does not violate any restriction on transfer imposed by the issuer in accordance with KRS 355.8-204;
 - (f) A demand that the issuer not register transfer has not become effective under KRS 355.8-403, or the issuer has complied with KRS 355.8-403(2) but no legal process or indemnity bond is obtained as provided in KRS 355.8-403(4); and
 - (g) The transfer is in fact rightful or is to a protected purchaser.
- (2) If an issuer is under a duty to register a transfer of a security, the issuer is liable to a person presenting a certificated security or an instruction for registration or to the person's principal for loss resulting from unreasonable delay in registration or failure or refusal to register the transfer.

Effective: January 1, 1997

History: Repealed and reenacted 1996 Ky. Acts ch. 130, sec. 147, effective January 1, 1997. -- Amended 1986 Ky. Acts ch. 118, sec. 46, effective July 1, 1987. -- Created 1958 Ky. Acts ch. 77, sec. 8-401, effective July 1, 1960.