

**TITLE 5: UNIFORM COMMERCIAL CODE**  
**DIVISION 8: INVESTMENT SECURITIES**

**§ 8401. Duty of Issuer to Register Transfer, Pledge, or Release.**

(1) If a certificated security in registered form is presented to the issuer with a request to register transfer or an instruction is presented to the issuer with a request to register transfer, pledge, or release, the issuer shall register the transfer, pledge, or release as requested if:

(a) The security is indorsed or the instruction was originated by the appropriate person or persons (5 CMC § 8308);

(b) Reasonable assurance is given that those indorsements or instructions are genuine and effective (5 CMC § 8402);

(c) The issuer has no duty as to adverse claims or has discharged the duty (5 CMC § 8403);

(d) Any applicable law relating to the collection of taxes has been complied with; and

(e) The transfer, pledge, or release is in fact rightful or is to a bona fide purchaser.

(2) If an issuer is under a duty to register a transfer, pledge, or release of a security, the issuer is also liable to the person presenting a certificated security or an instruction for registration or his principal for loss resulting from any unreasonable delay in registration or from failure or refusal to register the transfer, pledge, or release.

**Source:** PL 3-56, § 1 (§ 8401).