

UNIFORM COMMERCIAL CODE (EXCERPT)
Act 174 of 1962

440.8505 Obtaining payment or distribution made by issuer of financial asset; duties and obligations of securities intermediary.

Sec. 8505.

(1) A securities intermediary shall take action to obtain a payment or distribution made by the issuer of a financial asset. This duty is satisfied if the securities intermediary does either of the following:

- (a) Acts with respect to the duty as agreed upon by the entitlement holder and the securities intermediary.
- (b) In the absence of agreement, exercise due care in accordance with reasonable commercial standards to attempt to obtain the payment or distribution.

(2) A securities intermediary is obligated to its entitlement holder for a payment or distribution made by the issuer of a financial asset if the payment or distribution is received by the securities intermediary.

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