

(2) *Where an issuer is under a duty to register a transfer of a security the issuer is also liable to the person presenting it for registration or his principal for loss resulting from any unreasonable delay in registration or from failure or refusal to register the transfer.*

8—402. *Assurance That Indorsements Are Effective.*

(1) *The issuer may require the following assurance that each necessary endorsement (Section 8—308) is genuine and effective*

(a) *in all cases, a guarantee of the signature (subsection (1) of Section 8—312) of the person indorsing; and*

(b) *where the indorsement is by an agent, appropriate assurance of authority to sign;*

(c) *where the indorsement is by a fiduciary, appropriate evidence of appointment or incumbency;*

(d) *where there is more than one fiduciary, reasonable assurance that all who are required to sign have done so;*

(e) *where the indorsement is by a person not covered by any of the foregoing, assurance appropriate to the case corresponding as nearly as may be to the foregoing.*

(2) *A “guarantee of the signature” in subsection (1) means a guarantee signed by or on behalf of a person reasonably believed by the issuer to be responsible. The issuer may adopt standards with respect to responsibility provided such standards are not manifestly unreasonable.*

(3) *“Appropriate evidence of appointment or incumbency” in subsection (1) means*

(a) *in the case of a fiduciary appointed or qualified by a court, a certificate issued by or under the direction or supervision of that court or an officer thereof and dated within sixty days before the date of presentation for transfer; or*

(b) *in any other case, a copy of a document showing the appointment or a certificate issued by or on behalf of a person reasonably believed by the issuer to be responsible or, in the absence of such a document or certificate, other evidence reasonably deemed by the issuer to be appropriate. The issuer may adopt standards with respect to such evidence provided such standards are not manifestly unreasonable. The issuer is not charged with notice of the contents of any document obtained pursuant to this paragraph (b) except to the extent that the contents relate directly to the appointment or incumbency.*

(4) *The issuer may elect to require reasonable assurance beyond that specified in this section but if it does so and for a purpose other than that specified in subsection 3 (b) both requires and obtains a copy of a will, trust, indenture, articles of co-partnership, by-laws or other controlling instrument it is charged with notice of all matters contained therein affecting the transfer.*

8—403. *Limited Duty of Inquiry.*

(1) *An issuer to whom a security is presented for registration is under a duty to inquire into adverse claims if*