

signing

(a) The signature was genuine; and

(b) The signer was an appropriate person to indorse (§ 8-308); and

(c) The signer had legal capacity to sign.

But the guarantor does not otherwise warrant the rightfulness of the particular transfer.

(2) Any person may guarantee an indorsement of a security and by so doing warrants not only the signature (subsection 1) but also the rightfulness of the particular transfer in all respects. But no issuer may require a guarantee of indorsement as a condition to registration of transfer.

(3) The foregoing warranties are made to any person taking or dealing with the security in reliance on the guarantee and the guarantor is liable to such person for any loss resulting from breach of the warranties.

8-313. When delivery to the purchaser occurs; purchaser's broker as holder.

(1) Delivery to a purchaser occurs when

(a) He or a person designated by him acquires possession of a security; or

(b) His broker acquires possession of a security specially indorsed to or issued in the name of the purchaser; or

(c) His broker sends him confirmation of the purchase and also by book entry or otherwise identifies a specific security in the broker's possession as belonging to the purchaser; or

(d) With respect to an identified security to be delivered while still in the possession of a third person when that person acknowledges that he holds for the purchaser; or

(e) Appropriate entries on the books of a clearing corporation are made under § 8-320.

(2) The purchaser is the owner of a security held for him by his broker, but is not the holder except as specified in subparagraphs (b), (c) and (e) of subsection (1). Where a security is part of a fungible bulk the purchaser is the owner of a proportionate property