

fungible bulk and may refer merely to a quantity of a particular security without reference to the name of the registered owner, certificate or bond number or the like and, in appropriate cases, may be on a net basis taking into account other transfers or pledges of the same security.

(3) A transfer or pledge under this section has the effect of a delivery of a security in bearer form or duly endorsed in blank (§ 8-301) representing the amount of the obligation or the number of shares or rights transferred or pledged. If a pledge or the creation of a security interest is intended, the making of the entries has the effect of a taking of delivery by the pledgee or a secured party (§§ 9-304 and 9-305). A transferee or a pledgee under this section is a holder.

(4) A transfer or pledge under this section does not constitute a registration of transfer under [part] SUBTITLE 4 of this [subtitle] TITLE.

(5) That entries made on the books of the clearing corporation as provided in subsection (1) are not appropriate, does not affect the validity or effect of the entries nor the liabilities or obligations of the clearing corporation to any person adversely affected thereby.

SUBTITLE 4. REGISTRATION.

8-401. Duty of issuer to register transfer.

(1) Where a security in registered form is presented to the issuer with a request to register transfer, the issuer is under a duty to register the transfer as requested if

(a) The security is indorsed by the appropriate person or persons (§ 8-308); and

(b) Reasonable assurance is given that those indorsements are genuine and effective (§ 8-402); and

(c) The issuer has no duty to inquire into adverse claims or has discharged any such duty (§ 8-403); and

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

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

(2) Where an issuer is under a duty to register a