(5) IF THE ISSUER OF AN UNCERTIFICATED SECURITY IS UNDER A DUTY AS TO AN ADVERSE CLAIM, HE DISCHARGES THAT DUTY BY:

(A) INCLUDING A NOTATION OF THE CLAIM IN ANY STATEMENTS SENT WITH RESPECT TO THE SECURITY UNDER § 8-408(3), (6), AND (7); AND

(B) REFUSING TO REGISTER THE TRANSFER OR PLEDGE OF THE SECURITY UNLESS THE NATURE OF THE CLAIM DOES NOT PRECLUDE TRANSFER OR PLEDGE SUBJECT THERETO.

(6) IF THE TRANSFER OR PLEDGE OF THE SECURITY IS REGISTERED SUBJECT TO AN ADVERSE CLAIM, A NOTATION OF THE CLAIM MUST BE INCLUDED IN THE INITIAL TRANSACTION STATEMENT AND ALL SUBSEQUENT STATEMENTS SENT TO THE TRANSFEREE AND PLEDGEE UNDER § 8-408.

(7) NOTWITHSTANDING SUBSECTIONS (4) AND (5), IF AN UNCERTIFICATED SECURITY WAS SUBJECT TO A REGISTERED PLEDGE AT THE TIME THE ISSUER FIRST CAME UNDER A DUTY AS TO A PARTICULAR ADVERSE CLAIM, THE ISSUER HAS NO DUTY AS TO THAT CLAIM IF TRANSFER OF THE SECURITY IS REQUESTED BY THE REGISTERED PLEDGEE OR AN APPROPRIATE PERSON ACTING FOR THE REGISTERED PLEDGEE UNLESS:

(A) THE CLAIM WAS EMBODIED IN LEGAL PROCESS WHICH EXPRESSLY PROVIDES OTHERWISE;

(B) THE CLAIM WAS ASSERTED IN A WRITTEN NOTIFICATION FROM THE REGISTERED PLEDGEE;

(C) THE CLAIM WAS ONE AS TO WHICH THE ISSUER WAS CHARGED WITH NOTICE FROM A CONTROLLING INSTRUMENT IT REQUIRED UNDER § 8-402(4) IN CONNECTION WITH THE PLEDGEE'S REQUEST FOR TRANSFER; OR

(D) THE TRANSFER REQUESTED IS TO THE REGISTERED OWNER.

8-404.

(1) Except as [otherwise] provided in any law relating to the collection of taxes, the issuer is not liable to the owner, PLEDGEE or any other person suffering loss as a result of the registration of a transfer, PLEDGE OR RELEASE of a security if:

(a) There were on or with [the] A CERTIFICATED security the necessary indorsements OR THE ISSUER HAD RECEIVED AN INSTRUCTION ORIGINATED BY AN APPROPRIATE PERSON (§ 8-308); and

(b) The issuer had no duty [to inquire into] AS TO adverse claims or has discharged [any such] THE duty (§ 8-403).

(2) [Where] IF an issuer has registered a transfer of a CERTIFICATED security to a person not entitled to it the issuer