

registration would result in overissue, in which event the issuer's liability is governed by § 8-104. In addition to any rights on the indemnity bond, the issuer may recover the new CERTIFICATED security from the person to whom it was issued or any person taking under him except a bona fide purchaser, OR MAY CANCEL THE UNCERTIFICATED SECURITY UNLESS A BONA FIDE PURCHASER OR ANY PERSON TAKING UNDER A BONA FIDE PURCHASER IS THEN THE REGISTERED OWNER OR REGISTERED PLEDGEE THEREOF.

8-406.

(1) [Where] IF a person acts as authenticating trustee, transfer agent, registrar, or other agent for an issuer in the registration of transfers of its CERTIFICATED securities OR IN THE REGISTRATION OF TRANSFERS, PLEDGES AND RELEASES OF ITS UNCERTIFICATED SECURITIES, [or] in the issue of new securities, or in the cancellation of surrendered securities:

(a) He is under a duty to the issuer to exercise good faith and due diligence in performing his functions; and

(b) [He has with] WITH regard to the particular functions he performs, HE HAS the same obligation to the holder or owner of [the] A CERTIFICATED security OR TO THE OWNER OR PLEDGEE OF AN UNCERTIFICATED SECURITY and has the same rights and privileges as the issuer has in regard to those functions.

(2) Notice to an authenticating trustee, transfer agent, registrar or other [such] agent is notice to the issuer with respect to the functions performed by the agent.

8-407.

(1) NO ISSUER IS SUBJECT TO THE REQUIREMENTS OF THIS SECTION UNLESS IT REGULARLY MAINTAINS A SYSTEM FOR ISSUING THE CLASS OF SECURITIES INVOLVED UNDER WHICH BOTH CERTIFICATED AND UNCERTIFICATED SECURITIES ARE REGULARLY ISSUED TO THE CATEGORY OF OWNERS, WHICH INCLUDES THE PERSON IN WHOSE NAME THE NEW SECURITY IS TO BE REGISTERED.

(2) ON SURRENDER OF A CERTIFICATED SECURITY WITH ALL NECESSARY INDORSEMENTS AND PRESENTATION OF A WRITTEN REQUEST BY THE PERSON SURRENDERING THE SECURITY, THE ISSUER, IF HE HAS NO DUTY AS TO ADVERSE CLAIMS OR HAS DISCHARGED THE DUTY (§ 8-403), SHALL ISSUE TO THE PERSON OR A PERSON DESIGNATED BY HIM AN EQUIVALENT UNCERTIFICATED SECURITY SUBJECT TO ALL LIENS, RESTRICTIONS AND CLAIMS THAT WERE NOTED ON THE CERTIFICATED SECURITY.

(3) ON RECEIPT OF A TRANSFER INSTRUCTION ORIGINATED BY AN APPROPRIATE PERSON WHO SO REQUESTS, THE ISSUER OF AN UNCERTIFICATED SECURITY SHALL CANCEL THE UNCERTIFICATED SECURITY AND ISSUE AN EQUIVALENT CERTIFICATED SECURITY ON WHICH MUST BE NOTED CONSPICUOUSLY ANY LIENS AND RESTRICTIONS OF THE ISSUER AND ANY ADVERSE CLAIMS (AS TO WHICH THE ISSUER HAS A DUTY UNDER §