

(A) A PERSON ACQUIRES A SECURITY OR AN INTEREST IN A SECURITY, UNDER THIS TITLE, IF:

(1) THE PERSON IS A PURCHASER TO WHOM A SECURITY IS DELIVERED IN ACCORDANCE WITH § 8-301 OF THIS TITLE; OR

(2) THE PERSON ACQUIRES A SECURITY ENTITLEMENT TO THE SECURITY IN ACCORDANCE WITH § 8-501 OF THIS TITLE.

(B) A PERSON ACQUIRES A FINANCIAL ASSET, OTHER THAN A SECURITY, OR AN INTEREST IN A FINANCIAL ASSET, UNDER THIS TITLE, IF THE PERSON ACQUIRES A SECURITY ENTITLEMENT TO THE FINANCIAL ASSET.

(C) A PERSON WHO ACQUIRES A SECURITY ENTITLEMENT TO A SECURITY OR OTHER FINANCIAL ASSET HAS THE RIGHTS SPECIFIED IN SUBTITLE 5 OF THIS TITLE, BUT IS A PURCHASER OF ANY SECURITY, SECURITY ENTITLEMENT, OR OTHER FINANCIAL ASSET HELD BY THE SECURITIES INTERMEDIARY ONLY TO THE EXTENT PROVIDED IN § 8-503 OF THIS TITLE.

(D) UNLESS THE CONTEXT SHOWS THAT A DIFFERENT MEANING IS INTENDED, A PERSON WHO IS REQUIRED BY OTHER LAW, REGULATION, RULE, OR AGREEMENT TO TRANSFER, DELIVER, PRESENT, SURRENDER, EXCHANGE, OR OTHERWISE PUT IN THE POSSESSION OF ANOTHER PERSON A SECURITY OR FINANCIAL ASSET SATISFIES THAT REQUIREMENT BY CAUSING THE OTHER PERSON TO ACQUIRE AN INTEREST IN THE SECURITY OR FINANCIAL ASSET IN ACCORDANCE WITH SUBSECTION (A) OR (B) OF THIS SECTION.

8-105.

(A) A PERSON HAS NOTICE OF AN ADVERSE CLAIM IF:

(1) THE PERSON KNOWS OF THE ADVERSE CLAIM;

(2) THE PERSON IS AWARE OF FACTS SUFFICIENT TO INDICATE THAT THERE IS A SIGNIFICANT PROBABILITY THAT THE ADVERSE CLAIM EXISTS AND DELIBERATELY AVOIDS INFORMATION THAT WOULD ESTABLISH THE EXISTENCE OF THE ADVERSE CLAIM; OR

(3) THE PERSON HAS A DUTY, IMPOSED BY STATUTE OR REGULATION, TO INVESTIGATE WHETHER AN ADVERSE CLAIM EXISTS, AND THE INVESTIGATION SO REQUIRED WOULD ESTABLISH THE EXISTENCE OF THE ADVERSE CLAIM.

(B) HAVING KNOWLEDGE THAT A FINANCIAL ASSET OR INTEREST IN A FINANCIAL ASSET IS OR HAS BEEN TRANSFERRED BY A REPRESENTATIVE IMPOSES NO DUTY OF INQUIRY INTO THE RIGHTFULNESS OF A TRANSACTION AND IS NOT NOTICE OF AN ADVERSE CLAIM. HOWEVER, A PERSON WHO KNOWS THAT A REPRESENTATIVE HAS TRANSFERRED A FINANCIAL ASSET OR INTEREST IN A FINANCIAL ASSET IN A TRANSACTION THAT IS, OR WHOSE PROCEEDS ARE BEING USED, FOR THE INDIVIDUAL BENEFIT OF THE REPRESENTATIVE OR OTHERWISE IN BREACH OF DUTY HAS NOTICE OF AN ADVERSE CLAIM.