

(1) ACQUISITION OF A SECURITY ENTITLEMENT FROM THE SECURITIES INTERMEDIARY;

(2) THE RIGHTS AND DUTIES OF THE SECURITIES INTERMEDIARY AND ENTITLEMENT HOLDER ARISING OUT OF A SECURITY ENTITLEMENT;

(3) WHETHER THE SECURITIES INTERMEDIARY OWES ANY DUTIES TO AN ADVERSE CLAIMANT TO A SECURITY ENTITLEMENT; AND

(4) WHETHER AN ADVERSE CLAIM CAN BE ASSERTED AGAINST A PERSON WHO ACQUIRES A SECURITY ENTITLEMENT FROM THE SECURITIES INTERMEDIARY OR A PERSON WHO PURCHASES A SECURITY ENTITLEMENT OR INTEREST IN A SECURITY ENTITLEMENT FROM AN ENTITLEMENT HOLDER.

(C) THE LOCAL LAW OF THE JURISDICTION IN WHICH A SECURITY CERTIFICATE IS LOCATED AT THE TIME OF DELIVERY GOVERNS WHETHER AN ADVERSE CLAIM CAN BE ASSERTED AGAINST A PERSON TO WHOM THE SECURITY CERTIFICATE IS DELIVERED.

(D) (1) "ISSUER'S JURISDICTION" MEANS THE JURISDICTION UNDER WHICH THE ISSUER OF THE SECURITY IS ORGANIZED OR, IF PERMITTED BY THE LAW OF THAT JURISDICTION, THE LAW OF ANOTHER JURISDICTION SPECIFIED BY THE ISSUER.

(2) AN ISSUER ORGANIZED UNDER THE LAW OF THIS STATE MAY SPECIFY THE LAW OF ANOTHER JURISDICTION AS THE LAW GOVERNING THE MATTERS SPECIFIED IN SUBSECTION (A)(2) THROUGH (5) OF THIS SECTION.

(E) THE FOLLOWING RULES DETERMINE A "SECURITIES INTERMEDIARY'S JURISDICTION" FOR PURPOSES OF THIS SECTION:

(1) IF AN AGREEMENT BETWEEN THE SECURITIES INTERMEDIARY AND ITS ENTITLEMENT HOLDER SPECIFIES THAT THE AGREEMENT IS GOVERNED BY THE LAW OF A PARTICULAR JURISDICTION, THAT JURISDICTION IS THE SECURITIES INTERMEDIARY'S JURISDICTION.

(2) IF AN AGREEMENT BETWEEN THE SECURITIES INTERMEDIARY AND ITS ENTITLEMENT HOLDER DOES NOT SPECIFY THE GOVERNING LAW AS PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION, BUT EXPRESSLY SPECIFIES THAT THE SECURITIES ACCOUNT IS MAINTAINED AT AN OFFICE IN A PARTICULAR JURISDICTION, THAT JURISDICTION IS THE SECURITIES INTERMEDIARY'S JURISDICTION.

(3) IF AN AGREEMENT BETWEEN THE SECURITIES INTERMEDIARY AND ITS ENTITLEMENT HOLDER DOES NOT SPECIFY A JURISDICTION AS PROVIDED IN PARAGRAPH (1) OR (2) OF THIS SUBSECTION, THE SECURITIES INTERMEDIARY'S JURISDICTION IS THE JURISDICTION IN WHICH IS LOCATED THE OFFICE IDENTIFIED IN AN ACCOUNT STATEMENT AS THE OFFICE SERVING THE ENTITLEMENT HOLDER'S ACCOUNT.

(4) IF AN AGREEMENT BETWEEN THE SECURITIES INTERMEDIARY AND ITS ENTITLEMENT HOLDER DOES NOT SPECIFY A JURISDICTION AS PROVIDED IN