

UNIFORM COMMERCIAL CODE (EXCERPT)
Act 174 of 1962

440.8114 Action on certificated security against issuer; rules.

Sec. 8114.

The following rules apply in an action on a certificated security against the issuer:

- (a) Unless specifically denied in the pleadings, each signature on a security certificate or in a necessary indorsement is admitted.
- (b) If the effectiveness of a signature is put in issue, the burden of establishing effectiveness is on the party claiming under the signature, but the signature is presumed to be genuine or authorized.
- (c) If signatures on a security certificate are admitted or established, production of the certificate entitles a holder to recover on it unless the defendant establishes a defense or a defect going to the validity of the security.
- (d) If it is shown that a defense or defect exists, the plaintiff has the burden of establishing that the plaintiff or some person under whom the plaintiff claims is a person against whom the defense or defect cannot be asserted.

History: Add. 1998, Act 278, Imd. Eff. July 27, 1998