

UNIFORM COMMERCIAL CODE (EXCERPT)
Act 174 of 1962

440.8506 Duty of securities intermediary to exercise rights with respect to financial asset; conditions.

Sec. 8506.

A securities intermediary shall exercise rights with respect to a financial asset if directed to do so by an entitlement holder. The duty is satisfied if the securities intermediary does either of the following:

- (a) Acts with respect to the duty as agreed upon by the entitlement holder and the securities intermediary.
- (b) In the absence of agreement, either places the entitlement holder in a position to exercise the rights directly or exercises due care in accordance with reasonable commercial standards to follow the direction of the entitlement holder.

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