## 554.8402 Assurance that indorsement or instruction is effective.

- 1. An issuer may require the following assurance that each necessary indorsement or each instruction is genuine and authorized:
- a. in all cases, a guaranty of the signature of the person making an indorsement or originating an instruction including, in the case of an instruction, reasonable assurance of identity:
- b. if the indorsement is made or the instruction is originated by an agent, appropriate assurance of actual authority to sign;
- c. if the indorsement is made or the instruction is originated by a fiduciary pursuant to section 554.8107, subsection 1, paragraph "d" or "e", appropriate evidence of appointment or incumbency;
- d. if there is more than one fiduciary, reasonable assurance that all who are required to sign have done so; and
- *e*. if the indorsement is made or the instruction is originated by a person not covered by another provision of this subsection, assurance appropriate to the case corresponding as nearly as may be to the provisions of this subsection.
- 2. An issuer may elect to require reasonable assurance beyond that specified in this section.
  - 3. In this section:
- a. "Guaranty of the signature" means a guaranty signed by or on behalf of a person reasonably believed by the issuer to be responsible. An issuer may adopt standards with respect to responsibility if they are not manifestly unreasonable.
  - b. "Appropriate evidence of appointment or incumbency" means:
- (1) in the case of a fiduciary appointed or qualified by a court, a certificate issued by or under the direction or supervision of the court or an officer thereof and dated within sixty days before the date of presentation for transfer; or
- (2) in any other case, a copy of a document showing the appointment or a certificate issued by or on behalf of a person reasonably believed by an issuer to be responsible or, in the absence of that document or certificate, other evidence the issuer reasonably considers appropriate.

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[C66, 71, 73, 75, 77, 79, 81, §554.8402]
86 Acts, ch 1047, §1; 89 Acts, ch 113, §38; 96 Acts, ch 1138, §42, 84
Referred to in §554.8401
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