

§8-1110. Applicability; choice of law**(CONTAINS TEXT WITH VARYING EFFECTIVE DATES)**

(1). The local law of the issuer's jurisdiction, as specified in subsection (4), governs:

(a). The validity of a security; [PL 1997, c. 429, Pt. B, §2 (NEW).]

(b). The rights and duties of the issuer with respect to registration of transfer; [PL 1997, c. 429, Pt. B, §2 (NEW).]

(c). The effectiveness of registration of transfer by the issuer; [PL 1997, c. 429, Pt. B, §2 (NEW).]

(d). Whether the issuer owes any duties to an adverse claimant to a security; and [PL 1997, c. 429, Pt. B, §2 (NEW).]

(e). Whether an adverse claim can be asserted against a person to whom transfer of a certificated or uncertificated security is registered or a person who obtains control of an uncertificated security. [PL 1997, c. 429, Pt. B, §2 (NEW).]

[PL 1997, c. 429, Pt. B, §2 (NEW).]

(2). The local law of the securities intermediary's jurisdiction, as specified in subsection (5), governs:

(a). Acquisition of a security entitlement from the securities intermediary; [PL 1997, c. 429, Pt. B, §2 (NEW).]

(b). The rights and duties of the securities intermediary and entitlement holder arising out of a security entitlement; [PL 1997, c. 429, Pt. B, §2 (NEW).]

(c). Whether the securities intermediary owes any duties to an adverse claimant to a security entitlement; and [PL 1997, c. 429, Pt. B, §2 (NEW).]

(d). 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. [PL 1997, c. 429, Pt. B, §2 (NEW).]

[PL 1997, c. 429, Pt. B, §2 (NEW).]

(3). 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.

[PL 1997, c. 429, Pt. B, §2 (NEW).]

(4). "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. 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 (1), paragraphs (b) to (e).

[PL 1997, c. 429, Pt. B, §2 (NEW).]

(5). The following rules determine a "securities intermediary's jurisdiction" for purposes of this section.

(a). If an agreement between the securities intermediary and its entitlement holder governing the securities account expressly provides that a particular jurisdiction is the securities intermediary's jurisdiction for purposes of this part, this Article or this Title, that jurisdiction is the securities intermediary's jurisdiction. [PL 1999, c. 699, Pt. B, §22 (AMD); PL 1999, c. 699, Pt. B, §28 (AFF).]

(a-1). If paragraph (a) does not apply and an agreement between the securities intermediary and its entitlement holder governing the securities account expressly provides that the agreement is

governed by the law of a particular jurisdiction, that jurisdiction is the securities intermediary's jurisdiction. [PL 1999, c. 699, Pt. B, §22 (NEW); PL 1999, c. 699, Pt. B, §28 (AFF).]

(b). If neither paragraph (a) nor (a-1) applies and an agreement between the securities intermediary and its entitlement holder governing the securities account expressly provides that the securities account is maintained at an office in a particular jurisdiction, that jurisdiction is the securities intermediary's jurisdiction. [PL 1999, c. 699, Pt. B, §22 (AMD); PL 1999, c. 699, Pt. B, §28 (AFF).]

(c). If none of the preceding paragraphs apply, the securities intermediary's jurisdiction is the jurisdiction in which the office identified in an account statement as the office serving the entitlement holder's account is located. [PL 1999, c. 699, Pt. B, §22 (AMD); PL 1999, c. 699, Pt. B, §28 (AFF).]

(d). If none of the preceding paragraphs apply, the securities intermediary's jurisdiction is the jurisdiction in which the chief executive office of the securities intermediary is located. [PL 1999, c. 699, Pt. B, §22 (AMD); PL 1999, c. 699, Pt. B, §28 (AFF).]
[PL 1999, c. 699, Pt. B, §22 (AMD); PL 1999, c. 699, Pt. B, §28 (AFF).]

(6). A securities intermediary's jurisdiction is not determined by the physical location of certificates representing financial assets or by the jurisdiction in which is organized the issuer of the financial asset with respect to which an entitlement holder has a security entitlement or by the location of facilities for data processing or other record keeping concerning the account.
[PL 1997, c. 429, Pt. B, §2 (NEW).]

(7). (TEXT EFFECTIVE 7/01/25) The local law of the issuer's jurisdiction or the securities intermediary's jurisdiction governs a matter or transaction specified in subsection (1) or (2) even if the matter or transaction does not bear any relation to the jurisdiction.
[PL 2023, c. 669, Pt. A, §63 (NEW); PL 2023, c. 669, Pt. E, §1 (AFF).]

SECTION HISTORY

PL 1997, c. 429, §B2 (NEW). PL 1999, c. 699, §B22 (AMD). PL 1999, c. 699, §B28 (AFF). PL 2023, c. 669, Pt. A, §63 (AMD). PL 2023, c. 669, Pt. E, §1 (AFF).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 131st Legislature and is current through October 15, 2024. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.