**§8-1306. Effect of guaranteeing signature, indorsement or instruction**

**(1).**  A person who guarantees a signature of an indorser of a security certificate warrants that at the time of signing:

(a). The signature was genuine; [PL 1997, c. 429, Pt. B, §2 (NEW).]

(b). The signer was an appropriate person to indorse or, if the signature is by an agent, the agent had actual authority to act on behalf of the appropriate person; and [PL 1997, c. 429, Pt. B, §2 (NEW).]

(c). The signer had legal capacity to sign. [PL 1997, c. 429, Pt. B, §2 (NEW).]

[PL 1997, c. 429, Pt. B, §2 (NEW).]

**(2).**  A person who guarantees a signature of the originator of an instruction warrants that at the time of signing:

(a). The signature was genuine; [PL 1997, c. 429, Pt. B, §2 (NEW).]

(b). The signer was an appropriate person to originate the instruction or, if the signature is by an agent, the agent had actual authority to act on behalf of the appropriate person, if the person specified in the instruction as the registered owner was, in fact, the registered owner, as to which fact the signature guarantor does not make a warranty; and [PL 1997, c. 429, Pt. B, §2 (NEW).]

(c). The signer had legal capacity to sign. [PL 1997, c. 429, Pt. B, §2 (NEW).]

[PL 1997, c. 429, Pt. B, §2 (NEW).]

**(3).**  A person who specially guarantees the signature of an originator of an instruction makes the warranties of a signature guarantor under subsection (2) and also warrants that at the time the instruction is presented to the issuer:

(a). The person specified in the instruction as the registered owner of the uncertificated security will be the registered owner; and [PL 1997, c. 429, Pt. B, §2 (NEW).]

(b). The transfer of the uncertificated security requested in the instruction will be registered by the issuer free from all liens, security interests, restrictions and claims other than those specified in the instruction. [PL 1997, c. 429, Pt. B, §2 (NEW).]

[PL 1997, c. 429, Pt. B, §2 (NEW).]

**(4).**  A guarantor under subsections (1) and (2) or a special guarantor under subsection (3) does not otherwise warrant the rightfulness of the transfer.

[PL 1997, c. 429, Pt. B, §2 (NEW).]

**(5).**  A person who guarantees an indorsement of a security certificate makes the warranties of a signature guarantor under subsection (1) and also warrants the rightfulness of the transfer in all respects.

[PL 1997, c. 429, Pt. B, §2 (NEW).]

**(6).**  A person who guarantees an instruction requesting the transfer of an uncertificated security makes the warranties of a special signature guarantor under subsection (3) and also warrants the rightfulness of the transfer in all respects.

[PL 1997, c. 429, Pt. B, §2 (NEW).]

**(7).**  An issuer may not require a special guaranty of signature, a guaranty of indorsement or a guaranty of instruction as a condition to registration of transfer.

[PL 1997, c. 429, Pt. B, §2 (NEW).]

**(8).**  The warranties under this section are made to a person taking or dealing with the security in reliance on the guaranty and the guarantor is liable to the person for loss resulting from their breach. An indorser or originator of an instruction whose signature, indorsement or instruction has been guaranteed is liable to a guarantor for any loss suffered by the guarantor as a result of breach of the warranties of the guarantor.

[PL 1997, c. 429, Pt. B, §2 (NEW).]

SECTION HISTORY

PL 1997, c. 429, §B2 (NEW).

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.