

425.126 Execution on transferable securities, security entitlements, or an option or right to acquire a security -- Requirements of the order -- Duty of corporate officials.

- (1) If any claim be made by attachment, garnishment, or other judicial order to a security or security entitlement, as defined in KRS 355.8-102(1), such order shall not be valid as against any securities intermediary, as defined in KRS 355.8-102(1), or any issuer, as defined in KRS 355.8-201, or nominee or agent of either having any interest in, custody of, or control over such security or security entitlement, unless such order specifies the following:
 - (a) For a security, the name of the issuer, the class or series of the security, or both, the number of shares or other units of interest represented by the security, the name of the debtor and the name of the person, if different from the debtor, having an account on the books of the securities intermediary or issuer in which such security is shown;
 - (b) For an option or right to acquire a security, the name of the issuer, the class or series of the security in which the option or right to acquire exists, the name of the debtor and the name of the person, if different from the debtor, having an account on the books of the securities intermediary or issuer in which such option or right is shown; or
 - (c) For a security entitlement, other than a security or an option or right to acquire a security, the name of the debtor and the name of the person, if different from the debtor, having an account on the books of the securities intermediary or issuer in which such security entitlement is shown.
- (2) An attachment, garnishment, or other judicial order of the kind described in subsection (1) of this section which does not set forth all the elements of identification required by subsection (1) of this section shall in no manner bind or give notice of such claim to any securities intermediary, as defined in KRS 355.8-102(1), or any issuer, as defined in KRS 355.8-201, or nominee or agent of either having an interest in, custody of, or control over such security, or option or right to acquire such security, or security entitlement, and such securities intermediary, issuer, nominee, or agent may transfer, pledge, or in any manner deal with such security or option, or right to acquire such security or security entitlement in disregard of such order or claim without liability to the claimant.
- (3) It shall be the duty of every person mentioned in subsections (1) and (2) of this section to whom any plaintiff or any judgment creditor shall apply therefor, in good faith and for a proper purpose stated in the request, to furnish him or her a written statement setting forth any reasonably requested information in such person's possession, custody, or control that concerns the ownership of or records concerning ownership of a security, an option or right to acquire a security, or a security entitlement concerning a specifically identified person. The statement shall be provided within ten (10) days of receipt of the written request and a failure to perform this duty may be punished by the court as a contempt.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 155, sec. 4, effective July 15, 2010. -- Created 1976 Ky. Acts ch. 91, sec. 25.

