

above as well as to difficulties resulting from lack of familiarity with the practice by the banking personnel involved.

9. In subsection 4-403(2), change the first sentence thereof to read: "Anything in this section to the contrary notwithstanding, any stop-payment order transmitted by telephone by a customer to an officer of a bank, *while such officer is on the premises thereof*, shall be accepted by such bank, upon such identification that will insure the order has been transmitted by such customer, as an effective order for a period of twenty-four hours, after which time it shall no longer be valid unless followed by a written order as provided in this section."

*Comment*

The part italicized above is a change (recommended by the law and legislative committee of the District of Columbia Bankers Association) in modification No. 7, proposed in this committee's report (November 1962 Journal of District of Columbia Bar Association, pp. 598, 602). This change is designed to avoid the hazards resulting from calls to an officer away from the bank when he may be without facilities for recording the data or when he may be ill or unable to communicate promptly with the bank.

10. Add the following paragraph to section 6-103:

"Public notice under subsection (6) or subsection (7) may be given by publishing once a week for two consecutive weeks in a newspaper of general circulation where the transferor had its principal place of business in this State an advertisement including the names and addresses of the transferor and transferee and the effective date of the transfer."

*Comment of the editorial board*

"The new paragraph at the end of the section, following a nonuniform section 6-106 enacted in Georgia, gives precision to the provision for 'public notice' found in subsections (6) and (7)."

The source of this change is Georgia.

11. Add the following sentence to subsection 6-104(2): "If the transferor is the obligor of an outstanding issue of bonds, debentures or the like as to which there is an indenture trustee, the list of creditors need include only the name and address of the indenture trustee and the aggregate outstanding principal amount of the issue."

*Comment of the editorial board*

"The new sentence at the end of subsection (2) clarifies the application of the section where there is an indenture trustee for bondholders or the like."

The source of this proposal is New York.

12. In subsections 6-107(3), 6-108(3)(b), and 7-210(2)(b), insert after "registered" the words "or certified" in order to make provision for notice by certified mail (recommended by the editorial board).

13. In section 8-102, delete subsection (2), and add the following additional subsections:

"(3) A 'clearing corporation' is a corporation all of the capital stock of which is held by or for a national securities exchange or association registered under a statute of the United States such as the Securities Exchange Act of 1934.

"(4) A 'custodian bank' is any bank or trust company which is supervised and examined by State or Federal authority having supervision over banks and which is acting as custodian for a clearing corporation."

*Comment of the editorial board*

"The definition of 'proper form' serves no useful purpose except under the 1958 text of section 8-208(1). It is believed the subject matter reflected by this term is more soundly dealt with by proposed amendment of section 8-208(1).

"The new definitions of 'clearing corporation' and 'custodian bank' are made necessary because of recommended new section 8-320."

The source of this proposal is New York.

14. Add the following new section 8-107:

"Section 8-107. Securities Deliverable; Action for Price.

"(1) Unless otherwise agreed and subject to any applicable law or regulation respecting short sales, a person obligated to delivery securities may deliver any security of the specified issue in bearer form or registered in the name of the transferee or indorsed to him or in blank.

"(2) When the buyer fails to pay the price as it comes due under a contract of sale the seller may recover the price

"(a) of securities accepted by the buyer; and