ARTICLE 8: INVESTMENT SECURITIES

SECTION 8-101. Investment Securities

Le Savoy Industries v. Pennsylvania General Paper Corp., 404 Pa. 161, 171 A.2d 148 (1961).

Under a Pennsylvania statute permitting extraterritorial service of process if the subject matter is within the jurisdiction of the court, stock of the corporation has its situs where the stock certificate is situated. Although there is no express Code provision as to the situs of stock, the court reaches its decision by reference to the Uniform Stock Transfer Act, which was law in Pennsylvania prior to the Code and which was repealed by the Code. It declares that the Uniform Stock Transfer Act and its policy in making the stock certificate represent the shares of stock (a change from the common law rule) are embodied in the Code. Hence, there was no Pennsylvania jurisdiction over a New York shareholder served in New York when the stock certificates representing his shares were also in that state.

[Annotator's Comment: The decision is borne out by language in the Code itself which seems to regard the stock certificate as representing the shares of stock. The Code's definition of a security in Section 8-102 is "an instrument which evidences a share, participation or other interest in property or in an enterprise or evidences an obligation of the issuer." Under Section 8-301, upon delivery of a security, the transferee acquires the rights of the transferor in the security. Furthermore, in a situation which is analogous to the service of process issue in the instant case, the Code requires, under Section 8-317, actual seizure of the security for a valid levy or attachment.]

ARTICLE 9: SECURED TRANSACTIONS; SALES OF ACCOUNTS, CONTRACT RIGHTS AND CHATTEL PAPER

SECTION 9-103. Accounts, Contract Rights, General Intangibles and Equipment Relating to Another Jurisdiction; and Incoming Goods Already Subject to a Security Interest

(3) If the security interest was already perfected under the law of the jurisdiction where the property was when the security interest attached and before being brought into this state, the security interest continues perfected in this state for four months . . .

Casterline v. General Motors Acceptance Company, 171 A.2d 813 (Pa. 1961).

Where the assignee of a conditional sales contract in New York protects his security interest by filing within the ten-day period allowed

(Where a cited case interprets only a portion of a Code section only that portion is set out)