DISCLAIMER

The South Carolina Legislative Council is offering access to the South Carolina Code of Laws on the Internet as a service to the public. The South Carolina Code on the General Assembly's website is now current through the 2015 session. The South Carolina Code, consisting only of Code text, numbering, history, and Effect of Amendment, Editor’s, and Code Commissioner’s notes may be copied from this website at the reader's expense and effort without need for permission.

The Legislative Council is unable to assist users of this service with legal questions. Also, legislative staff cannot respond to requests for legal advice or the application of the law to specific facts. Therefore, to understand and protect your legal rights, you should consult your own private lawyer regarding all legal questions.

While every effort was made to ensure the accuracy and completeness of the South Carolina Code available on the South Carolina General Assembly's website, this version of the South Carolina Code is not official, and the state agencies preparing this website and the General Assembly are not responsible for any errors or omissions which may occur in these files. Only the current published volumes of the South Carolina Code of Laws Annotated and any pertinent acts and joint resolutions contain the official version.

Please note that the Legislative Council is not able to respond to individual inquiries regarding research or the features, format, or use of this website. However, you may notify the Legislative Services Agency at LSA@scstatehouse.gov regarding any apparent errors or omissions in content of Code sections on this website, in which case LSA will relay the information to appropriate staff members of the South Carolina Legislative Council for investigation.

CHAPTER 27

Transfer of Stock in Custody of Clearing Corporations

**SECTION 33‑27‑10.** Definitions.

 For the purposes of this chapter:

 “Clearing corporation” means a corporation, all of the capital stock of which is held by or for a national securities exchange registered under the Securities Exchange Act of 1934, as amended.

 “Custodian” means a national bank, or a bank or trust company organized under or subject to the banking law, acting as custodian for a clearing corporation.

HISTORY: 1962 Code Section 12‑17.31; 1965 (54) 550.

**SECTION 33‑27‑20.** Transfer of title to stock or rights.

 Notwithstanding any other provision of law, if a certificate or instrument evidencing shares of stock, or rights to purchase or subscribe to shares of stock, is in the custody of a clearing corporation or of a custodian subject to the instructions of a clearing corporation, title to any such certificate or instrument or to any interest therein and to the shares or rights evidenced by such certificate, instrument or interest may be transferred by making entries on the books of the clearing corporation reducing the account of the transferor by the number of shares or rights transferred and increasing the account of the transferee by such number of shares or rights. A transfer of title so made shall have the same effect as if the transferor had delivered to the transferee a certificate or instrument evidencing the shares or rights transferred, duly indorsed in blank.

HISTORY: 1962 Code Section 12‑17.32; 1965 (54) 550.

**SECTION 33‑27‑30.** Pledge of stock or rights.

 A valid pledge may be made of any such certificate or instrument or of any interest therein and of the shares or rights evidenced by such certificate, instrument or interest by

 (a) The giving by the pledgor to the clearing corporation notice of the pledge and instructions that, until receipt by the clearing corporation of notice to the contrary from the pledgee, such certificate, instrument or interest therein and the shares or rights evidenced by such certificate, instrument or interest, shall be held by the clearing corporation (either directly or through the custodian) for the account of the pledgee, and

 (b) By the making of entries on the books of the clearing corporation reducing the account of the pledgor by the number of shares or rights pledged and increasing the account of the pledgee by such number of shares or rights. A pledge so made shall for all purposes be as valid and effective as one made by transfer of actual possession of a certificate or instrument evidencing the shares or rights pledged from the pledgor to the pledgee.

HISTORY: 1962 Code Section 12‑17.33; 1965 (54) 550.

**SECTION 33‑27‑40.** Provisions of chapter shall be controlling.

 The provisions of this chapter shall be applicable although the charter or articles of incorporation or bylaws of the corporation, any shares or rights which are transferred or pledged as herein provided, and any certificate or instrument evidencing such shares or rights, in whole or in part, provide that such shares or rights, shall be transferable only on the books of the corporation or shall be registered by a registrar or transferred by a transfer agent.

HISTORY: 1962 Code Section 12‑17.34; 1965 (54) 550.