

February 10, 1964

SUBJECT: INSURANCE

CL4(1964)

TO ALL AUTHORIZED TITLE INSURANCE COMPANIES

Recent examinations have revealed instances of the investment or deposit at interest of agency and escrow cash by title insurers, for their own benefit.

The purpose of this letter is to direct your attention to the fact that General Counsel of this Department has deemed such investment or deposit to be improper, absent specific authorization in the underlying agreement of deposit that the escrow funds may be used for the benefit of the title company.

Please acknowledge receipt of this letter, stating whether or not your company presently holds such unauthorized investments and, if so, setting forth the steps you propose to take to terminate such practice.

Very truly yours,

(S)Matthew A. Campbell

Deputy Superintendent