

American Association of Title Men BULLETIN



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No. 1

From a circular letter, you see, has blossomed this our first Bulletin. You know, frankly and candidly, so much has been stirring in your President's office—so much has been going on that has come to his knowledge which he thought valuable, through the hundreds of letters received—and not being able to write all interested and affected, I am undertaking this Bulletin No. 1 for The American Association of Title Men. The question of the Federal Farm Land Banks—Torrens System agitation by committees and Legislatures—State meetings—Farm Land Bank contracts with Surety Companies—special matters relating to Title Guarantee Insurance Companies—all matters that are interesting and of vital importance to us as abstracters, so much so that I am hoping this, the first issue of the Bulletin, and the one early in September, will be so valuable that you will keep it in your files with your copies of the proceedings of our Association. I am, also, hoping that it will show you more than ever the future and present importance of the American Associa-

tion of Title Men, and that you cannot afford, even under present conditions, to fail to attend the St. Louis Convention. If this little Bulletin is valuable to you, then, more than ever, it should be continued by a future paid secretary of our Association, and you should be present at St. Louis and request this of your officers. For this issue, I am sole editor and censor and trust each member promptly receives his copy. If you do not, or need any extra and have suggestions as to the questions brought out, or anything comes to your mind, I am devoting three-fourths of my time between now and the St. Louis Convention to the American Association of Title Men, and if you will write, I will try to serve you in every way possible.

Let me remind you again that the Twelfth Annual Meeting of the American Association of Title Men will be held September 25th, 26th and 27th, 1918, at Hotel Statler, St. Louis, Mo. Since circular letter No. 4 of May 23rd, the program has been completed with the exception of three of four more addresses by abstracters, and

is printed herein. War conditions have caused three or four whom we hoped to have present and speak to us to be unable to attend. The complete program will show in full in Bulletin No. 2. One of the interesting features will be the Committee Reports and discussions. This program, understand, is not complete and is subject to change. It looks like matters are of such vital importance and that there are so many matters now before the Association, that no progressive title man can fail to attend this meeting. The items of principal interest that have occurred in the last few weeks have been the meetings of the various State Associations and the Title Men's Section of Rotary at Kansas City. I want to report here briefly the various State meetings.

THE ARKANSAS LAND TITLE ASSOCIATION met at Little Rock, on June 4th, in the Board of Commerce Building. Secretary Holt reports a good meeting. A number of attorneys and real estate men, living in Little Rock, were invited to attend, the Little Rock Exchange had a representative, and President Carson introduced George Vaughan, who delivered an address of welcome. He was followed by Senator W. R. Taylor, of Kalamazoo, Mich., who delivered a splendid address on the Torrens System. It was said by those who heard Senator Taylor make this talk, that he handled the subject in a better way than ever before and that his address was replete with splendid information pertaining to the Torrens System of Land Title Registration.

Mr. Holt invited the members to be his guests at the Marion Hotel at the weekly luncheon of the Board of Commerce, where several of the title men were called on for talks. Mr. M. B. Brewer, Chairman of the Executive Committee of the American Association of Title Men, spoke before the convention on "What an Arkansas Abstract Should Contain." Mr. Brewer's paper was

an able document, and, after he had finished, the members indulged in a general discussion and regrets were expressed that all abstracters in the State could not have been present. Mr. Brewer was also present as a representative of the American Association of Title Men. He outlined the policies of the present administration, which are briefly referred to hereafter, and the Arkansas Association went on record endorsing and favoring all of these policies.

Arkansas has not had a State meeting for two or three years, and considerable interest was revived in this meeting owing to the untiring work of their good secretary, W. S. Holt, of Little Rock. This meeting was held just prior to the State Constitutional Convention, and I feel sure will result in great good for the Arkansas Association.

Mr. Chas. E. George, Editor of the Lawyer and Banker of New Orleans, who was in Little Rock attending the National Editorial Association, delivered an interesting address to the Arkansas Title Men.

The question of assisting the Alien Enemy Property Custodian was taken up and a resolution was adopted, pledging the support of all members of the State Associations to assist the Alien Enemy Property Custodian in every way possible.

THE ILLINOIS ABSTRACTERS ASSOCIATION met in their annual convention at Hotel Sherman, Chicago, June 5th and 6th, with a good attendance. Mr. J. R. Morgan, of Kokomo, was present as a representative of the American Association of Title Men. Mr. Morgan writes concerning this meeting as follows:

"The Illinois Abstracters turned out well to the Convention, there being present some 60 to 75 people, and they had a splendid convention, most excellent papers and profitable discussions.

As the representative of the American Association, and of yourself as president

thereof, and personally, I was given a most hearty welcome to all the meetings and functions of the Society, all of which I most heartily enjoyed, I assure you. I presented to the Convention your communication and message and added to it one of my own on behalf of the co-operation of the State and National Societies and the benefits to be derived from such affiliation, all of which fell upon willing ears and good ground and will bring forth fruit in abundance and of good quality.

The Illinois Association is a live one, without a fossil in it, age and experience of its members having only ripened them into most valuable factors and broadened their powers, strengthened their bulwarks until they have become the real thing. This was, I think, a most profitable meeting. I am sure that everyone who came got something worth taking to his own use. I know that I did.

The social features of this meeting were fine, indeed, and we were most excellently entertained by the local Abstracters, the people of the Chicago Title & Trust Company. I believe that the Illinois Abstracters are awake to the value of co-operation with the National Society and the advantages to be derived from attending the coming St. Louis Convention, and I feel sure that the Illinois delegation to that convention will be equal to, if not surpassing in numbers that of any other state. Personally, I am expecting that convention to prove the most largely attended and most interesting that we have ever had."

Mr. Edward Filson, the live secretary of the Illinois Abstracters Association, also reports that this was one of the best meetings that they have held.

THE KANSAS ABSTRACTERS ASSOCIATION held their annual meeting at Topeka, Kansas, on June 10th and 11th. Mr. Jessie P. Crump, Vice President of the Kansas City Title and Trust Company, attended this meeting, representing the Na-

tional Association, and writes me as follows:

"At your request, I attended the Twelfth Annual Convention of the Kansas Abstracters Association, held at Topeka, June tenth and eleventh. Said meeting was not well attended in point of numbers, but in the interest manifested and the discussions concerning abstract and title problems brought out at said meeting, it may well be considered as a success.

Addresses were delivered and papers read by several of the prominent title men of the state, including an able address by Mr. W. P. Z. German, Registrar and Attorney for the Federal Land Bank at Wichita, Kansas, his subject being "A Well Prepared Abstract."

The Convention adopted a new form of Abstracters' Certificate which was recommended to the members of the State Association. This form of certificate met with the approval of the Federal Land Bank representative, and will no doubt be acceptable to the members of the State Association.

The naming of the time and place of meeting of the Thirteenth Annual Convention was left to the Executive Committee of the Association."

I have been informed by other members that the Convention especially appreciated the representative from the National Association of Title men and agrees to cooperate and assist in every way possible.

The question of assisting the Alien Enemy Property Custodian was also taken up here, and a resolution adopted pledging the support of all members in every way possible.

THE OKLAHOMA ASSOCIATION OF TITLE MEN held their annual Convention at Enid on June 17th and 18th. This Convention I had the good fortune to attend on my trip, representing the National Association. The meeting, while small in numbers, made up in enthusiasm. The

president of their Association, Mr. M. B. Brewer, ran things in splendid style. I have never attended a convention, I think, where as much work on such important matters was done in as little time. Every one worked and worked all the time.

Several very interesting papers, pertaining to local problems, were read. Mr. D. E. Stoner, of the Deming Investment Company of Kansas City, was present and enlivened the proceedings by his splendid talk and witty remarks from time to time.

One of the most interesting features of the Oklahoma Association was the adoption of a Bill to be presented by their Legislative Committee to their State Legislature, regulating the title business. They have adopted unanimously a Bill very similar to the former Texas Association Bill and wish to put it in force and effect in their State, having a Title Commissioner, having all plans examined and kept up to date and by doing all they can to improve the title business.

I am indeed indebted to this Association for their many acts of kindness and courtesies extended to me while attending their convention. They promised to have a good representation at the National Meeting in St. Louis.

Here also the question of the Alien Enemy Property Custodian was taken up, and a resolution was adopted, pledging support and assistance in every way possible.

THE IOWA ABSTRACTERS ASSOCIATION met in Des Moines, Iowa, June 20th and 21st. I had the good fortune to attend this meeting, going to Des Moines from Enid, Oklahoma. One of the features of the Iowa meeting was the patriotic opening address delivered by President Kepler. He referred to the present times and conditions and urged especially all title men to do their duty and assist in war measures. His address is well worth reading and was listened to very attentively by all those

present, whom I trust will profit thereby.

Mr. Chas. E. George, of the Lawyer and Banker, of New Orleans, was present and delivered a very interesting talk before the Iowa Association. A representative from the Omaha Land Bank was present and took up with the Iowa Abstracters the various problems that they are meeting in connection with titles for the land banks.

Iowa has a unique and interesting feature in that they have a large loving cup owned by the Association which is given each year for the best abstract presented before the convention. All members are urged to bring a sample abstract. At this convention, they are examined and graded. The winner is allowed to keep the cup, then, in his office showing he has won the prize for the best abstract in Iowa for the year. He brings it back to the next convention, where it is passed on to the next winner. It keeps up and creates a great deal of interest, and I mention this, hoping that some of the other title men will profit thereby. Iowa is one of the leaders in title work, and the Association always has been progressive and in the lead of all others.

I had the pleasure of talking to them concerning the work of the American Association of Title Men, all of which is endorsed by them. There will be no question about Iowa having a good attendance at the meeting in St. Louis. The question of assisting the Alien Enemy Property Custodian was taken up and a resolution was adopted, pledging the support of all members of the State Association and assistance in every way possible.

THE TITLE MEN'S SECTION OF ROTARY met in Kansas City, Wednesday, June 26th during the Rotary Convention. I presided over this gathering as chairman, with Rotarian W. E. Glenn, treasurer of the Kansas City Title & Trust Company acting as secretary. Through the kindness and courtesy of the Kansas City Title &

Trust Company, we met for a luncheon as their guests. After this luncheon, about three hours was spent in a very pleasant and profitable discussion from each member present, telling what of interest was going on in his state. Of particular interest was the report of Sam Mason, of Louisiana, who was asked to describe the duties of a Notary Public in Louisiana.

Mr. Gamble, of the Potter Title & Trust Company of Pittsburg, was also listened to with a great deal of interest, as well as Mr. Williams, of Waterbury, Conn., who told the members present something of the title troubles in Connecticut.

Mr. P. W. Allen, of Greeley, Colorado, was present and told of the problems of the title men of Colorado. I am glad to report that as a result of this meeting, Mr. Allen and others are going to undertake to organize a title men's association in Colorado. I feel sure that this made the meeting more than worth while, and I expect to report something interesting along this line in a future communication to the members of the National Association.

The name of the section of Rotary, prior to this, has been Abstracters' Section of Rotary, and by a resolution, this was changed to the Title Men's Section of Rotary, so as to include insurance men as well as abstracters.

A resolution of thanks was adopted, thanking the Kansas City Title and Trust Company for their courtesies, and also pledging to the Alien Enemy Property Custodian the assistance of all members present.

Sam W. Mason, of Shreveport, was elected chairman of the Section for the following year, and Fred T. Wilkin, of Independence, Kansas, as secretary. All Rotarians who are in the title business, should write to Rotarian Wilkin and see that their name is properly listed for there is going to be some interesting proceedings reported to the Rotarians later.

FOUR STATES MEETING

At St. Paul, Minnesota, on June 21st and 22nd, in the St. Paul Hotel, there was held a joint meeting of Abstracters from the states of Wisconsin, Minnesota, North Dakota and Michigan. These four states comprise the same Land Bank district.

There had not been held a meeting of the Wisconsin or Minnesota State Associations for several years, and a desire was expressed to get together and revive interest in the work for these two states. Michigan has been having its State meetings regularly, but its members were notified to attend this joint conference. Several came over for the meeting, including President Brown, of the State Association, and Senator Taylor. A large crowd was not present, because Michigan will have its State meeting in Detroit August 1st. Those that were present from Michigan thoroughly enjoyed the conference, which was very profitable.

North Dakota does not have a State Association at this time. There were present at this meeting several abstracters from various points in the State of North Dakota. A meeting of these abstracters was held and plans formulated by which they hope to call together all the abstracters of North Dakota and form a State Organization and join in with the American Association of Title Men. This will be a big boost for titles in North Dakota, and will be a big help to their members to be connected with the National Association, when so many matters of such importance to title men, more than ever before, are before the public these days.

Minnesota held their regular State Meeting after the sessions of the joint assembly. A good crowd was present from Minnesota, interest revived, new officers elected, and Minnesota will push more than ever titles and their co-operation with the National Association of Title Men. Mrs. W. N. Thompson was elected President, and Will H. Pryor, Duluth, Minnesota, was re-

elected Secretary-Treasurer.

The Minnesota abstracters held a meeting after the sessions of the regular assembly, and also had a good crowd present. Their old officers were re-elected, certain forms for abstracting were adopted, and considerable enthusiasm and spirit was revived in this meeting. The thought of the American Association of Title men originated and was brought out by the Wisconsin Abstracters, and was a great pleasure to the present President before the National Organization to see interest revived in their State Association.

The first day of the joint sessions of the four States was devoted almost entirely to the different members of the St. Paul Federal Land Bank. Every courtesy was shown to the different members present by the Officials of the St. Paul Bank, and the addresses made by the different members were indeed interesting. Mr. Scott, the registrar of the Bank agreed to answer all questions asked him about titles and problems affecting the Bank. He was kept upon the floor for a considerable length of time, and the questions asked brought forward a great deal of interest.

On Friday night all the members present were guests of the St. Paul Bank at the theatre.

Saturday was devoted to addresses and various problems before the different states.

It was a happy thought that brought these four states together, especially in these times, so that expenses could be saved and one meeting could be held for those in the same Land Bank District.

THE TEXAS ABSTRACTERS ASSOCIATION held their annual Convention at San Antonio on July 8th and 9th. Texas has one of the largest abstracters associations in the United States, but, owing to various causes which are not mainly attributable to the war, there was only a small crowd of between twenty-five to thirty members in good standing, present. Some very interesting short discussions were held, Presi-

dent Sutton using as many of the abstracters for short talks on subjects pertaining to their business, as possible. This caused many present, who were not usually in the habit of taking part, to become interested and, also, furnished some very valuable information for the title men as to essential things needed in their business. The San Antonio Express, a daily paper of San Antonio, published July 9, 1918, has the following heading for the mention of the Abstracters Convention:

"Abstracters not in Favor of Law Licensing Work." This article reporting the proceedings, which has been verified by letters to me, goes on to state then, as follows:

"The State Legislature of Texas will not be asked to adopt a Bill regulating the business of abstracting land titles, nor making it compulsory for a man entering the abstract business to stand an examination to show that he is qualified. This was the very important work of the members of the Texas Abstracters Convention at their meeting yesterday when they passed a resolution rescinding the action favorable to such a legislative bill, passed at their last meeting at Fort Worth. The matter of rescinding the action of the Fort Worth Assembly took place by the adoption of the following resolution:

"Resolved that the action of the last Convention in approving and adopting a bill regulating the business of abstracting land titles, and appointing and empowering a committee to present such a bill to the Legislature, be rescinded and that said Committee be discharged."

This action, undoing the past good work of the Texas Abstracters Association by a small minority of non-progressives, was very disappointing to the abstracters of the State at large, and to those who are interested in improving the standing of the title men in the State of Texas. The question has been asked the officers of the Texas Association, after this action, what they will do if a bill is presented before

the State Legislature harmful to the abstract profession. The only reply they can give, under their Constitution and By-laws and previous resolutions passed, is that they are compelled, either as individuals or members of the State Association, not to do anything whatsoever. If they were to go to Austin and make a defense of the Bill, or were to make a defense of an unreasonable fee bill, under the present standing, caused by the non-progressives, such member so doing would be guilty of treason to his State Association and liable to such punishment as the Association might inflict upon him by virtue of said resolution. There is, however, something more to this action of the Texas Convention than now appears on the surface of things. Interesting developments are expected during the next few months concerning the Texas situation. There are several title men in Texas who have written me that they have too large an interest at stake to sit quietly by and suffer a financial loss and to be regulated by others. Whatever they do, however, will be done in the open and after public notice.

The Torrens bill has already been prepared and will be introduced early in the next session of the State Legislature in January. A fee bill will also be presented to the next Legislature while the Abstracters Association and its members sit helplessly by.

The San Antonio abstracters entertained the Convention in the usual San Antonio way.

THE FLORIDA ASSOCIATION OF TITLE MEN held their Seventh Annual Convention at Gainesville, Florida, June 27th and 28th, 1918. They had some of the most interesting subjects that I have seen on a program in some time, and which I understand were replete with good things. Some of the things discussed were "Business on a War Basis;" "Reasons for the Extension of our Profession;" "Retrospect and Prospect;" "Alien Property and How

the Abstracter Can Help to Locate It;" "Office Management;" "Farm Land Abstracts;" "The Trend of Our Business;" and "How Shall We Meet Present Conditions?"

Mr. R. B. Colson reports a splendid meeting, and Mr. J. W. Mason, Vice President of the American Association of Title Men, expected to attend, but was unavoidably detained at the last minute and could not be present. The officers of the National Association are sorry not to have had a representative present at the Florida Association, but hope to make up for this next year by helping them with a good, big rousing meeting.

VISIT TO STATE ASSOCIATIONS. It has been a hobby of mine to see that a representative was present from the National Association at each of the State meetings. In a few instances where the meetings have come too close together or were too far away, this has failed. There has only been one or two instances of this, however, and I am glad to state that the results of these visits have been very satisfactory indeed. My last trip, while hard and strenuous, was very pleasant indeed, and I feel it brought into closer touch the State and National organizations and will be felt more along the line of co-operation. After all, the differences between the states is not so very great.

In speaking before the State Organizations, I referred especially to some of the work that has been taken up by the present officers. I will not go into these matters in detail now, but they will be reported completely at the St. Louis Convention. Among some of the matters especially discussed by me were the following:-

OFFICIAL PUBLICATION. I think it of material importance that the American Association of Title Men have an official publication. On account of the growth of the National and State Associations, and also the growth of the title business, we must have some way by which reliable news can

be sent to the abstracters and title men over the United States. We will have to either issue regularly a bulletin which will contain more than a circular letter, or adopt some paper that we now have as an official organ and use its columns.

PAID SECRETARY. To my mind, one of the most important changes to be made by the American Association of Title Men is the question of a paid secretary. I do not believe all our members realize the immense amount of work done by the Association. We have reached a point where we need one man to help in work of this kind, giving his entire time to title matters. In any state, if there is a Torrens agitation, this secretary could go to this state and assist in a legislative way. He could attend the various state meetings, help advertise them and the National Association, he could edit the official news for the publication adopted by the National Association, or edit the Bulletin, he could find out the needs in different local territories, keep a directory or list of our members and Association continually before the public. I am going to strongly recommend along some definite line, this matter at the St. Louis meeting.

FINANCES. If our Association is to continue to grow and carry out the plans of the "publication" and "paid secretary" it will mean that we have to have more finances. We are now running on a pitifully small amount and are not in debt, but have kept our heads above water. The members of the different State Associations only pay \$1.00 per member for membership in the National Association. All of the states that I visited seem to think that this amount is too small, and something will doubtless be done in reference to dues at the National Meeting. I have been urging all states to change their fiscal year to January 1st, and am hoping and trusting that the National Organization will do this also.

MEMBERSHIP REQUIREMENTS. We must be very careful in our membership requirements for the State and National Associations, and see that when a man's name appears on our list, that he is a regular title man with a complete set of books and the good will of the people in his community and a loyal American citizen.

DIRECTORY. We must see that our directory is kept up to date; is furnished to loan companies and the Federal Land Banks and thereby insure our members of work from time to time.

FEDERAL LAND BANK conditions were referred to, and I find that our work has been of great assistance over the country in securing co-operation between the State and National Associations. I will not at this time refer more to matters now under way, but hope to have several definite suggestions to make at the St. Louis meeting. It is going to be necessary if these matters are carried out, that certain changes be made in our constitution and by-laws, and in the next Bulletin, before the St. Louis meeting, I will set out these amendments for you to study over and be prepared to act upon at St. Louis.

The question of Titles, and of Farm Land Banks is assuming, however, such importance that I am referring to certain contracts in this Bulletin made by the different Land Banks over the county.

FARM LAND BANK CONTRACTS. On my recent trip, visiting the various Associations and Title Officers, I had a great many inquiries and found so much misunderstanding in regard to contracts made, or supposed to be made, by the different Farm Land Banks with certain Surety Companies in regard to guaranteeing titles for loans on what is known as "A Short Term Abstract." On my return home, I wrote direct to Washington to find out about these contracts. The Board at Washington re-

ferred me to the different Land Banks, and I wrote to the President of each Bank. From some of them, I have received replies, and from others I have gathered reliable information for abstracters and feel that these matters are of such vital importance that I am copying fully from these letters, because they may vitally affect the abstract and title insurance business of the future. A great many understood that the title man was to be put out of business, others, that it would help, and some, that the title men were having their business infringed upon, and others, that it would be helpful and that it opened a new field. Title Insurance men and abstracters should look after their business in a progressive, up-to-date way for their benefit and the benefit of the public, just in the same way that the Farm Land Banks are looking after their clients. I find contracts have been made with the Land Banks at St. Paul, Columbia, Louisville, New Orleans and Baltimore. If others have been made, I have no reliable information thereon.

THE ST. PAUL LAND BANK. The St. Paul Land Bank District consists of the States of Michigan, Wisconsin, Minnesota and North Dakota. Judge Cleary, an honorary member of our Association, informs me that they have a contract with a Surety Company, affecting titles in North Dakota only. North Dakota has a law known as the "Seed Law," which gives a lien against the property for seed purchased to raise crops thereon. The Surety Company charges \$2.50 per \$1,000.00, guaranteeing and indemnifying the Federal Land Bank against any loss that they might sustain by taking a mortgage on a piece of property, when there was a chance to have a prior lien on account of this Seed Law. If this had not been done, they would have had to retire from the State of North Dakota. It simply means that every party in North Dakota who borrows money through the Land Bank, whether there is a lien against his property on account of the

seed purchase or not, is compelled to pay \$2.50 per \$1,000.00 borrowed, for the purpose of protecting the Land Bank against any lien that might occur.

LOUISVILLE LAND BANK. In my letter to the Presidents of the different Banks, I stated that "I have been receiving numerous inquiries from abstracters and title insurance men as to contracts made by your Bank with Surety Companies, in reference to titles. There have been so many statements as to just what was done, to answer these questions and for the benefit of the abstracters * * * * if it is not too much trouble, I would appreciate very much your writing me about these contracts * * * *. I do not wish to ask for information that is not pertinent to the title business, nor do I wish to be too inquisitive, but our title men are trying to co-operate wherever possible, and I would appreciate hearing from you." The President of the Louisville Land Bank very courteously replied to me on July 19th, and I feel that I am violating no trust in repeating for your benefit in reference to this contract, from his letter as follows:

"In response to yours of the 15th instant, this bank has a contract with a group of surety companies, headed by the United States Fidelity and Guaranty Company, which contract permits us, under certain conditions, to use what we call "short-term abstracts in the various states in which we do business. These abstracts must commence with a deed, will or other conveyance recorded not less than one year beyond the statute of limitation in the respective states. The contract or bond guarantees us against loss by reason of any defect in the title of the mortgagor to the mortgaged property; any conveyance or lease of coal, oil, gas, mineral or other surface or subsurface right, right of way, or other right or privilege affecting the mortgaged property; any defect in said title, whether shown or disclosed by the official records or not, as well as errors or

omissions in the original abstract of title, or any information subsequently furnished or supplied by an approved abstracter which subsequent information shall be deemed a part of said abstract of title, when attached thereto; any mistake, misjudgment or misconstruction of law, as well as any mistake or error of any kind on the part of any member of the Legal Department of said Bank.

During the last days of the New York Legislature, an act was passed permitting surety companies whose home offices were in New York or surety companies who did business in the state of New York to write this bond. I understand it was stated in the act that this bond could only be written for Federal Land Banks.

This bond does not guarantee the title to the land, but simply indemnifies the bank against any loss by reason of defective titles."

COLUMBIA LAND BANK. In reply to a letter written the Federal Land Bank of Columbia and through their General Counsel, Mr. R. H. Welch, I received sample abstracts from each of the States in which the Columbia Land Bank does business, and also, a little booklet of information for each abstracter in each State. These are very valuable little documents, and show that this Bank has given a great deal of thought and attention to these questions. To best describe what a "short-term" abstract is, and to answer about their contract, I am copying from his letter as follows:

Responding to your request for information concerning what we term "Short Term Abstract," I beg to enclose you herewith our booklet entitled "Supplemental Instructions to Abstracters," and you will observe that pages one, two and three are devoted to an explanation of the Short Term Abstract. I do not think I can add very much to what is there stated.

Our Short Term Abstract is nothing in the world but the ordinary abstract cut off

at twenty-one years and the first stopping point—will, conveyance, or other method of acquisition of title next preceding that period. In other words, instead of carrying the title back to the State or to the Federal Government, we arbitrarily fixed the period of twenty-one years and the first stopping point beyond.

Our bond guarantees us against loss by reason of any defect whatsoever in the title beyond the period of the abstract; in fact it guarantees the accuracy of the record, of the abstract and of the attorneys for the period covered by the abstract. I quote you from the bond the following provisions:

"A—Any defect of any kind in the title of the mortgager to the mortgaged property.

B—Any conveyance or lease of coal oil, gas, mineral, or other surface or sub-surface right, right of way, or of other right or privilege affecting the mortgaged property.

C—Any defect in said title, whether shown or disclosed by the official records or not, as well as errors or omissions in said official records.

D—Any error, omission misstatement of fact in the original abstract of title, or any information subsequently furnished or supplied by an approved abstracter, which subsequent information shall be deemed a part of said abstract of title, when attached thereto.

E—Any mistake, misjudgment or misconstruction of law, as well as any mistake or error of any kind on the part of any member of the Legal Department of said Bank."

I regret that I haven't an extra copy of our bond, but I think the booklet and the above explanation, together with the excerpt, will give you all the information that is necessary to enable you to under-

stand it. The remaining portion is a mere matter of detail.

The need of such a bond in order that we might accept such an abstract as our Short Term Abstracts became manifest to me soon after this institution opened its doors for business. In the past the ordinary abstract was ample to meet the needs of those borrowing from the old line mortgage companies and insurance companies—our local people rarely ever requiring an abstract, the local history of the title being known by all and deemed sufficient. The volume of business at that time was such that the lawyers and abstract companies easily got out the abstracts. However, with the advent of this institution, with millions applied for and millions ready to be loaned, the question of securing the abstract at once became vital.

The machinery in the Eastern States for preparing these abstracts was thoroughly inadequate to meet the needs of the applicants. Our title conditions to begin with were bad; our records had been poorly kept; and abstract companies worthy of the name were to be found in but few States. In this District, the Third, composed of the States of North Carolina, South Carolina, Georgia and Florida, we have abstract companies in Florida; and among these, there are abstract companies and abstract companies, some good, some poor and some poorer; in fact, just the reverse to the Irishman's idea of liquor.

The need, therefore, of something that would expedite the preparation of the abstracts so as to enable this Bank to meet the needs of the people became so urgent as to cause us to begin to look about for relief. I went to Baltimore and together with the Baltimore Bank collaborated with the United States Fidelity & Guaranty Company and the Fidelity & Deposit Company of Maryland, and after about three weeks effort, and with the assistance of the Federal Farm Loan Board, we evolved a title guarantee bond which was signed by the two companies above named. This

Bank accepted that bond, and immediately began to operate under it.

We were the only Bank until recently that availed ourselves of this new system of abstracting. The cause of the delay of the other Banks in taking up the matter, it is not necessary to go into now. All the Eastern Banks have now accepted the title guarantee bond and are operating under it, except the Springfield Bank and I understand they now have it under consideration. The demand upon that Bank is not very great at the present time.

I have before me now a bond proposed by the same companies that are on our present bond to which have been added the following surety companies:

Maryland Casualty Company.
Globe Indemnity Company.
American Surety Company of New York.
Royal Indemnity Company.
Hartford Accident and Indemnity Company.

This makes a very, very strong bond indeed. We have not as yet accepted it because we want to make one or two suggestions in the line of improving it. We will, however, accept it in a very short time.

I am also sending you a copy of our booklet on abstracts covering each of the states. The conditions and laws in each State varies just enough to require a separate booklet for each. I shall be very glad to have you look it over. I also enclose you a copy of the abstract forms for each of the States. I should like to know what you think about these matters as an abstracter.

I regret very much that your Association meets so far away that I cannot have the pleasure of being with you all at one of your meetings and discussing our title situation in the East with you, thereby getting the benefit of experienced abstracters, which the members of your Association I know are.

Trusting that the above information may be of some little service to you in un-

derstanding the matter of the Title Guarantee Bond, I am, etc.

NEW ORLEANS LAND BANK. In writing to the New Orleans Land Bank, they "did not feel at liberty to give you the desired information relative to our title guarantee contract." I do not understand just why this information should be denied to abstracters when a circular letter was issued by the New Orleans Federal Land Bank, which is of so much interest, that I am copying it in full. It is addressed to the Secretaries and Local Attorneys and reads as follows:

This Bank has been in operation about one year.

Although we have approved loans for twenty millions of dollars, we have succeeded in closing only eight millions.

The greatest obstacle to the prompt completion of loans is the matter of abstracts. In accordance with business precedent, we have required that these run back to the original grant. The great delay and expense incident to this method have caused us the gravest concern, and for many months the Farm Loan Board and ourselves have given constant thought and time to the devising of some remedy for the trouble.

I am glad to state that our efforts have met with success, as follows:

We have made a contract with Guaranty Companies of the highest standing, whereby, for a charge of only one-quarter of one per cent (25c on each \$100.00 of the loan) they will guarantee our titles upon our obtaining abstracts covering only eleven years back, the abstracts to begin with the last conveyance (or other method of acquisition) prior to said period of eleven years.

For example, eleven years back from 1918 is 1907. Now suppose there have been transfers of the property in 1895, 1901, 1906, 1912 and 1916; the abstract will begin with the transfer in 1906.

The above-named charge will be deducted from the loan, and is paid ONLY ONCE.

The advantages of this system are obvious. It will result in a tremendous saving of trouble, delay and expense. The question of Government patents will be eliminated. Very many abstracts will contain only one or two transfers, hence very many more can be prepared and examined in a given time than has been done under the old system. With very many it would almost be a question of "While you wait." Thus the question of delay is practically eliminated.

In the matter of expense, the time and work in making an abstract being far less, the cost of same should and must be correspondingly less, and hence, even with the payment of the above-named fee, the total cost to the borrower will be much less than under the old system. This should not cause demur from our attorneys, since, while their fee per abstract will be less, yet they can make many more in a given time.

We ask and expect the hearty co-operation of attorneys and abstracters in the new system, which will be in operation on and after July 1, 1918.

(Signed) FEDERAL LAND BANK,
OF NEW ORLEANS.

New Orleans, La., June 26, 1918.

This circular letter was sent to me by a prominent title man of Alabama. Portions of his letter I am copying here without comment. Understand, I am making no comments pro or con, at present nor is the Executive Committee of your Association, in reference to these contracts, but I am simply putting before you information for you to read and study and think over, and my advice to you is to attend the St. Louis Convention. Amending our Constitution and By-laws, an official publication, paid secretary, Federal Land Banks, splendid addresses, etc., why if you are any title man at all. I do not see how in the world you can fail to attend—instead of Con-

vention, let's say Post Graduate Course or School of Instruction and Information to be held in St. Louis. Extracts, then, from this letter are as follows:

I am enclosing you a copy of circular letter issued by the Federal Land Bank of New Orleans. It seems to me that the position taken is untenable and should be combatted in some way. The statements are erroneous and not in accordance with the facts.

I will admit that in the small Counties where there are no Abstract plants, the matter of Abstracts is difficult, but in most of the towns of Alabama, of any size, there are well conducted Abstract plants, and there is no complaint to be justly made on this score, therefore, I must deny:

1st: That the obstacle as to the matter of Abstracts. We have found in practice that only from one to three days is sufficient to get out ordinary Abstracts; that the local Attorney can complete his review within three days; then the matter lies in the hands of the officials of the Bank often times as long as six months.

2nd: The statement that it is in accordance with business precedent to run back to the Government is erroneous, as it is not a question of business, but a question of title. We find that in many instances the titles are defective, and it requires time to take the necessary curative measures.

3rd: It is a distinct infringement upon the territory and rights of the title men of Alabama, Mississippi and Louisiana to have a foreign corporation formed for the purpose of insuring these titles without proper investigation of the record facts. It is folly to say that an examination of eleven years back gives any assurance of an indefeasible title. For instance the longest Statute of limitation is twenty years, to which if we add the Statutory right of bringing an action of two to three years in certain cases, makes it necessary to go back at least twenty-three years, and then

if title has not been divested out of the United States, the Statute does not begin to run until it is so divested. There are of course cases in which the right of action does not accrue until a longer period than even twenty years. Power cannot be asserted until after the death of the husband, which may be perhaps as long as sixty years after the date of the transaction. We find also that there are frequently mortgages made running a period of twenty years, therefore an extension of eleven years would not disclose such mortgage.

In addition mortgages are often renewed by private arrangements from term to term, running over even a longer period than twenty years. Besides it makes it necessary for an Attorney to properly pass upon a title to have the history back of this eleven year period in order to determine whether or not there are no possibilities of suit or latent equities.

4th: The very principle involved in the Federal Loan system is that the members of the Societies endorse the notes and mortgages of all borrowers of the society. It is evident therefore, that the endorser has the right to know whether or not the title of the principal involved is good, and this method of passing title is a distinct invasion of his rights.

5th: The Federal Land Bank business is in some way not desirable for reason that they are undertaking to make conditions, some of which we must decline to meet, and some of which require extra labor and care. In addition to this we find that the Abstracter is largely the instructor, and is called upon to spend a great deal of time and patience in complying with the provisions of the Government loans and of persuading the borrowers to exercise patience while the loans are held up in New Orleans.

Viewing it from a personal standpoint, if the circular is followed in the transaction of business, I should prefer to decline the business, as it is unsatisfactory

both from the standpoint of time and of revenue, etc.

BALTIMORE LAND BANK. No reply has been received to my letter addressed to the Baltimore Land Bank, and I am unable to give any definite information as to their contracts.

TORRENS LAW REPORT. In a former circular letter, I stated that when the Farm Loan Bureau at Washington had printed the report on the various State Torrens Laws, prepared by Mr. Burrell G. White, that it would be mailed from Washington to each member, I am in receipt of a letter from Mr. Geo. W. Norris, chairman of the Farm Loan Bureau, which, in regard to this report, reads as follows:

"This report went to the Government printing office two months and more ago. The proof was submitted and corrected some weeks ago and delivery of the printed pamphlets was promised us about a month ago. The printing office is, however, very much behind in its work, and has stopped making promises. We hope to receive them any day, and copies will be mailed to the members of your Association."

WAR ACTIVITIES. There has not been a circular letter issued in which I have not urged all title men to put war before business, and to assist our Government in every way possible. There seems to be quite an opening in connection with the Alien Property Custodian for every title man to assist in some way. From letters received, and from clippings in the Red Cross and other papers, I know that all title men are doing their duty. About two weeks ago, I received a letter from Mr. M. B. Brewer, chairman of the Executive Committee, telling me that he had resigned his position as title examiner and had gone to help win this war. The following clipping from an Oklahoma paper, I am sure, will be interesting to the many friends of the live chairman of our Executive Committee:

"Company I, Third Oklahoma National Guard, was mustered in service Saturday night. The Company when mustered, numbered 120 men and was officered by Capt. M. B. Brewer, who was a leading factor in its organization. Capt. Brewer served as Captain with the Second Arkansas Infantry in the Spanish-American War, and, in 1906, was Major of the Second Battalion, Indian Territory Militia. Company I was raised in record time, the entire troop being brought in in eleven days."

The good wishes. I am sure, of all members go with Capt. Brewer in his new duties. He hopes to be able to continue his work for the present as chairman of the Executive Committee, and, unless called out of the country, hopes to attend the St. Louis Convention.

THE LOUISIANA ASSOCIATION OF TITLE MEN through its President, M. P. Bouslog, of New Orleans, has been busy protecting the title men of that state. The Torrens bill was introduced before the State Legislature. Mr. Bouslog writes me on July 13th as follows:

"For the past ten days, I have done scarcely nothing but watch the Legislature and have remained on the ground at Baton Rouge, with the result that on Thursday, the Torrens Bill received its final death blow upon the re-consideration of the vote by which it had failed to pass on the preceding day. The advocates died hard, but, nevertheless, they are out of business for the next two years. Also out of the ten bills which we introduced to simplify land title laws and remove impediments in the land laws which retard the transfer of property, we were successful in passing eight, and among these, were accomplished the bill by which the section of our Code which we had sought to have repealed for more than twenty years, passed. I hope that in view of this report, you will know that, while I have neglected some matters, neverthe-

less, my time has been spent for the good of the cause."

If there is an abstractor in the State of Louisiana who is not a member of the State Association and who is doing this work through its president for his benefit, he ought to be ashamed of himself and either get in the State Association or get out of business.

THE UTAH TITLE MEN are undertaking to form a State Association, mainly through the efforts of Mr. A. E. Carr, 45 South Main Street, Salt Lake City, assisted by Mr. Geo. Overcamp, Utah Savings and Trust Company, and Mr. O. Sorenson, Jr., of the Emery County Abstract Company, Castle Dale, Utah. All abstractors in Utah are earnestly requested to communicate with these parties and see if a State Association cannot be formed. We hope before the National Association meets that Utah will have a State Association.

THE MICHIGAN ABSTRACTERS ASSOCIATION will hold their Eighteenth Annual Convention at Detroit, Michigan, August 1st and 2nd, 1918, at Hotel Tuller. An interesting program has been arranged and this meeting will be reported in the next Bulletin.

STATE DUES. Secretary Anderson reports the following states are delinquent for their 1918 dues: Florida, Kansas, Louisiana, Minnesota, Nebraska and Wisconsin. It is hoped that these states will pay their dues before the St. Louis Convention. If there is any mistake in this list, please write to Secretary Anderson and let's get the matter arranged.

THE SOUTH DAKOTA ABSTRACTERS ASSOCIATION will hold their annual convention at Woonsocket, S. D., August 27th and 28th, 1918. An interesting program is assured, and all members of the South

Dakota Association are urged to be present. A representative of the American Association of Title Men will appear on the program.

THE ALIEN PROPERTY CUSTODIAN at Washington, Mr. A. Mitchell Palmer, writes in reference to the work of the American Association of Title Men as follows:

"I received your letter of July 6th, and wish to thank you for the work of the American Association of Title Men in behalf of this office. I am sure that your patriotic action will be of great benefit to us in our efforts. Assuring you that we are deeply appreciative of what you are doing, I am

Sincerely yours,

(Signed) A. Mitchell Palmer."

THE JUDICIARY COMMITTEE of which Mr. E. J. Carroll, of Davenport, Iowa, is chairman, has before it the question of whether the American Association of Title Men should be incorporated or not, and will report on this matter at the St. Louis meeting. The Judiciary Committee is heartily in favor of and approves the action of the Executive Committee looking towards having for the American Association of Title Men a General Counsel.

At the last meeting of the Montana Association of Title Men, the Legislative Committee, of which Mr. C. C. Johnson, of Plentywood, Montana, is chairman, was appointed to secure all available data in regard to the operation of the Torrens System in certain states. Different members of this committee were allotted various states, and I understand are gathering some very valuable data along this line.

I want to call your special attention to North Dakota. Watch for the announcement of the formation of their State Association after the St. Paul meeting. I feel sure, from the interest aroused there, that it will not be long until they have a state association. If anyone from North Dakota is in-

terested, write Mr. R. A. Watkins of the Northern Abstract Company, Fargo, N. D.

THE ORGANIZATION AND MEMBERSHIP COMMITTEE has not been as active as it should be, probably, the last few weeks, but look out for their report at the

St. Louis Convention. There is no reason in the world why there should not be between four and five thousand members of the American Association of Title Men. There will be before another five years are passed. A progressive abstracter cannot afford not to have membership in this association.



PROGRAM FOR ST. LOUIS CONVENTION.

The following is the Program for the St. Louis Convention as arranged to this date.

WEDNESDAY, SEPTEMBER 25, 1918.

OPENING SESSION.

10:00 A. M.—Call to order by the President, T. M. Scott, Paris, Texas.

Invocation—Dr. W. Erving Carroll, Pastor Compton Avenue Presbyterian Church, St. Louis, Missouri.

Address of Welcome—Hon. Isaac Hedges, Chairman of the Convention Bureau of the Chamber of Commerce, St. Louis, Missouri. Mr. J. C. Van Ripir, President Title Guaranty Trust Company, St. Louis, Mo.

Responses by—Mr. W. E. Forgy, Archer County Abstract Co., Archer City, Texas.
Mr. J. R. Morgan, The Johnson Abstract Co., Kokomo, Indiana.

ROLL CALL AND READING OF MINUTES.

(Five Minutes recess will be taken at this time to allow every one present to get acquainted. These recesses will be taken during each Session of the Convention.)

Report of Organization and Membership Committee—Mr. H. B. Baldwin, Corpus Christi, Texas, Chairman.

Election of New Members.

Report of Secretary-Treasurer—Mr. Mark M. Anderson, St. Louis, Missouri.

(Adjournment for luncheon, at which time the Executive Committee will lunch together for the discussion of business pertaining to the work of the Convention.)

AFTERNOON SESSION.

2:00 P. M.—Call to order.

CHEER UP—Patriotic Addresses by—Past-President H. L. Burgoyne, Union Central Life Insurance Co., Cincinnati, Ohio.

President's Address—Mr. T. M. Scott, Paris, Texas.

(Recess and get acquainted, five minute session.)

DISCUSSION.

Report of Judiciary Committee—Mr. E. J. Carroll, Chairman, Davenport, Iowa.

Report of Committee on Co-operation—Mr. W. E. Crittenden, Cleveland, Ohio.

Report of Committee on Legislation—Mr. T. M. Scott, President, Chairman, Paris, Texas.

Report of Committee on Code of Ethics—Mr. Will H. Pryor, Chairman, Duluth, Minn.

(After the adjournment of the regular Convention, an informal session of the different officers of the different State Organizations will be held.)

THURSDAY, SEPTEMBER 26, 1918.

9:30 A. M.—Call to order.

Invocation—Rev. John A. Rice, D. D., Pastor St. John's Methodist Episcopal Church, St. Louis, Missouri.

Address—Real Estate and Title Man—Hon. William E. Giraldin, President of Real

Estate Exchange, of St. Louis, representing the Real Estate Board.

Address—The Federal Farm Loan Bank—Judge W. W. Fry, Attorney, St. Louis Farm Land Bank, St. Louis, Missouri.

Report of the Executive Committee—Mr. M. B. Brewer, Oklahoma City, Oklahoma.

Report of Farm Land Bank Committee—Mr. M. P. Bosloug, Chairman, New Orleans, Louisiana.

(Recess and get acquainted, five minute session.)

Address—The Torrens Title Law as Operated in California by Mr. J. L. Mack, President of Pioneer Title Insurance Company of San Bernadino, Cal.

Special Committee Reports.

TITLE EXAMINERS' SECTION.

A business meeting of the Title Examiners' Section will be held at this time, and will take up Committee Reports and other business, presided over by Mr. Hugo Sonnenschein, President Title Examiners' Section. Chicago.

AFTERNOON SESSION.

2:00 P. M.—Call to order.

Patriotic Address—Speaker to be selected by the National League to Enforce Peace.

Address—National Title Insurance—Mr. H. A. Kahler, New York Title & Mortgage Co., New York City.

Address—Titles of Today—Hon. Chas. E. Norris, Chairman, Federal Farm Loan Bureau, Washington, D. C.

Address—Speaker to be announced.

(Recess and get acquainted, five minute session.)

Address—Speaker to be announced.

Special Business, or New Business.

TITLE INSURANCE SECTION.

A business meeting of the Title Insurance Section will be held at this time, and will take up Committee Reports and other business, presided over by Mr. M. P. Bosloug, Louisiana Title & Guaranty Co., New Orleans, La., President.

Entertainment will be arranged for the second afternoon befitting the times at which we meet, and special sight-seeing and entertainment for the ladies will be arranged for the afternoon.

FRIDAY, SEPTEMBER 27, 1918.

9:30 A. M.—Call to order.

Invocation—Dr. W. C. Bitting, Pastor Second Baptist Church, "King's Highway," St. Louis, Missouri.

Address—Mr. E. D. Chassell, Secretary, Farm Mortgage Bankers Association, of Chicago. "A Few Points of Mutual Interest."

Address—An interesting subject pertaining to Abstracts—Past-President W. R. Taylor, Kalamazoo, Michigan.

(Recess, five minute session.)

Address—Mr. McCune Gill, Assistant Secretary, Guaranty Trust Co., St. Louis, Mo.

Address—Speaker to be announced.

AFTERNOON SESSION.

1:30 P. M.—Call to order.

Roll Call of States.

Brief Responses by representative of different State Associations and Members.

Report of Executive Committee.

New Business.

Report of Committee on Constitution and By-laws.

Report of Resolutions Committee.

Report of Committee on Nominations and Elections of Officers.

Session of 1919 Convention City.

Adjournment.

(Immediately following the afternoon session will be an auto ride through the City, ending with a dinner at the Sunset Inn, a very attractive country resort, about fifteen miles from the City. This will take the place of the usual Banquet, on account of the times and conditions, and will furnish a final afternoon of pleasure and social-ability for the members and ladies.)

The next issue of the Bulletin will be early in September. It will give more complete plans for the St. Louis Convention, and also, the proposed amendment of the Constitution and By-laws.

The American Title Association

is the national association of those individuals and companies engaged in title work.

Its membership is composed of responsible and established Abstracters, Title Insurance Companies and Attorneys specializing in title law and the examination of land titles.

The evidencing of Land Titles is a highly important matter and calls for skill, efficiency and facilities for rendering prompt, dependable service.

*This Kind of Service
Can Be Secured by Patronizing
Members of the American
Title Association.*

“THE TITLE’S THE THING”

“When real estate is bought, the purchaser should be more interested in the title than in the land itself. The land only represents so much dirt that may be bought at a dollar the load. The title represents the right to occupy without molestation, and the right to sell, alienate and devise by will—in short, the right to possession and enjoyment.”

“If the purchaser will not look to the character of title by virtue of which he enters and improves land, but will close his eye and recklessly act on the presumption that anyone who will sign a deed has valid title, he has no one to blame but himself.”