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Code of Ethics

The American Title Association

The foundation of the American heritage of personal Freedom is the widely allocated ownership and use of the land. Upon the furtherance of that heritage, depends the survival and growth of free institutions and of our civilization. The Land Title Profession is the instrumentality through which titles to land reach their highest accuracy and attain the widest distribution.

The Title Profession having become such a vital and integral part of our Country's economy, there are imposed on each member of the American Title Association obligations above and beyond those customarily required of participants in ordinary commercial pursuits and a code of ethics higher and purer than ordinarily considered acceptable in the market-place, to the fulfillment of which the Title Profession is dedicated. Each member of the American Title Association shall be ever zealous to maintain and improve the quality of service in his chosen calling, and shall assume personal responsibility for maintaining the highest possible standards of business practices, and to those purposes shall pledge observance and furtherance of the letter and spirit of the following Code of Ethics.

First

Governed by the laws, customs and usages of the respective Communities they serve, and with the realization that ready transferability results from accuracy and perfection of titles, members shall issue abstracts of title or policies of title insurance only after a complete and thorough investigation, founded on adequate records and learned examination thereof, and shall otherwise so conduct their business that the needs of their customers shall be of paramount importance.

Second

Every member shall obtain and justifiably hold a reputation for honesty and integrity, always standing sponsor for his work intellectually and financially.

Third

Ever striving to serve the owners of interests in real estate, members shall endeavor (a) to facilitate transfers of title, by elimination of delays and unnecessary exceptions and (b) to make their services available in a manner which will encourage transferability of title, provide adequately for obligations which they assume in connection therewith and afford a fair return on the value of services rendered and capital employed.

Fourth

Members shall support legislation throughout the country which is in the public interest and will unburden real estate from unnecessary restrictions and restraints on alienation.

Fifth

Members shall not engage in any practices detrimental to the public interest or to the continuing stability of the Title Profession.

Sixth

Members shall support the organization and development of affiliated state title associations founded and maintained upon the Principles set forth in this Code of Ethics.

Seventh

Any matter of an alleged violation of the principles set forth in this Code of Ethics may be submitted to the Grievance Committee of the American Title Association.

On motion, duly seconded and carried unanimously, the Code was given approval by delegates attending the annual convention of 1953.

Officers 1953-54

<i>President</i> —	GEORGE E. HARBERT President, DeKalb County Abstract Company	Sycamore, Ill.
<i>Vice-President</i> —	LAWRENCE R. ZERFING President, Land Title Insurance Co.	Philadelphia, Pa.
<i>Treasurer</i> —	WILLIAM GILL President, American-First Title & Trust Company	Oklahoma City, Okla.
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<i>Exec. Vice-President</i> —	JAMES E. SHERIDAN 3608 Guardian Bldg.	Detroit, Mich.
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TITLE INSURANCE AND ITS BACKGROUND

LAWRENCE R. ZERFING, *Vice President American Title Association
President, Land Title Insurance Company, Philadelphia, Pennsylvania*

The following paper was delivered by Mr. Zerfing before the 63rd Annual Convention of the California Savings & Loan League on September 18, 1953.—Ed.

As your chairman stated, we of The American Title Association just held our annual convention and were greatly impressed by the hospitality extended by California . . . it was most gratifying.

It is a privilege to talk to a group such as this, and one with which we in the Title industry have such a common interest . . . although the approach is from different directions, we are both interested in Real Estate. Real Estate is one of the most valuable of assets to the American people. It has been the cause of much strife and trouble and on the other hand, the source of a great deal of happiness, prosperity and success. We have read the history of the California Gold Rush of 1849, but after looking at your statements of the amount of money you have received from your shareholders and invested for their benefit, it looks to me as though the gold rush is still on, only this time, it is not done with a pick and shovel, but rather with a ball-point pen and an IBM machine.

Real and Personal

There has been a great deal of difference between the method of handling transfers of real estate and the handling of transfers of personal property. On the face of it there would seem to be no good reason for such distinction but a close examination shows us that there are basic differences between the two. It is not at all a question of value, since a diamond ring worth \$10,000 will be transferred across the counter (as-

suming the presence of the \$10,000), while a transfer of title to a \$1,000 lot must undergo a careful title examination. One of the distinguishing features of real estate is the fact that it is immovable, it is permanent, cannot be carried away, concealed or destroyed. Sure, if you own a piece of real estate you can dig out the soil, cart it away and sell it (having become personal property by that time), but you still own the hole in the ground and can again fill it up and build on it or use it as you want, having due regard for the police power affecting the use of property. Some other commodities are subject to state registration or supervision, such as automobiles, airplanes and other moving vehicles, and although some of the reasons for such control relate to ownership, I believe the basic reason for control is that they are so readily movable and, therefore, there must be a check on public liability for damages as well as control for tax and license purposes. With real estate, that kind of control is not needed or desirable, because the real estate is always there to carry its share of the taxes and assume responsibility for damages and we know it carries its share of both.

Real Estate Transfers

There have been on occasions, agitation to simplify the laws and procedures relating to real estate transfers, and while I believe that modifications are necessary to keep up with changing conditions, still care must be taken not to carry it to such

an extreme that the protection which property owners now have will be limited or destroyed. Our present system of land ownership really puts no positive burden on the purchaser except to record his deed, while lienors, creditors and those attempting to fasten claims on another's property must, in addition to the recording requirements, follow strictly the provisions relating to the establishment of liens, and see to their revival or renewals at appropriate times. This is as it should be for strictness in this regard protects not only the landowner, but also assures the lender or other creditor his rightful position if he will follow the law in all respects. A Justice of the Pennsylvania Supreme Court commented in 1800, "It is of importance that the rules of property should be certain and known and unless they are so, no country can prosper."

Some Strictness Necessary

That is as sound today as then. Rules relating to property should be strict as well as certain, because the ownership of real estate is too basic a part of the American system to be treated lightly. You could not possibly afford to place your funds in real estate investments unless you knew you had good, valid liens on the property securing these obligations. Too much simplicity in handling of real estate transactions may well result in the creation of avenues which will make theft easier.

Bible Reference

Naturally, changes in methods evolved from changes in social conditions, development of areas, changes in population and concentration of population.

In order to fully understand any title we should take that title back to its source, and with that in mind, I turned to the generally recognized authority on all law . . . Blackstone . . . and in Book II, citing Genesis 1:28, he states, "the Creator gave to man 'dominion over all the earth, and over the fish of the sea, and over the fowl of the air, and over every living thing that moveth upon the earth'." Having great respect for Blackstone,

but still being a cautious individual, I checked the source and, much to my amazement, found that the quotation was incorrect. That verse, according to my edition of the Bible, states that God, after having created man, told him to "replenish the earth, and subdue it; and have dominion over the fish of the sea, and over the fowl of the air, and over every living thing that moveth upon the earth." It does not say "have dominion over the earth." You will see, therefore, there is no passage of title from the Creator to mankind, as stated by Blackstone—but no title company has ever raised a question because of that gap. It may be of interest to mention that the earliest known historical reference to land transfer is set out in the 23rd Chapter of Genesis.

Absolute Freedom

Of course, in the earliest times, and even down to a late date where lands were not heavily populated, transfer of title was no problem. Each person took what he wanted if it was not occupied by someone else, and when so inclined he abandoned it. That was true recently and may still be true in some areas in which land is available for the asking; but at least in this country, as far as I know, there is legal ownership somewhere, if in no individual, then probably in the State. Although I have not too carefully studied this phase, I believe that only in the United States is there absolute freedom to own and sell title to land . . . elsewhere generally land is held—not owned—at the pleasure of some sovereign.

Ancient Deeds

Later on, we find apparent ownership vesting in tribes, such as the Indian tribes, and this I understand is still the case in some areas. For instance, when Penn settled Pennsylvania, he did not rely on the grant from the English Crown alone, but he made his peace with the various settlers and especially with the Indians from whom he acquired deeds. Those deeds are matters of public record and it is to be noted that the Indians signed the deeds not as in-

dividuals, but as leaders of the tribe. While I recognize that your land titles trace through Mexican and Spanish land grants as well as from the U. S. Government and not through English grants, still the English background is such a part of our basic real estate law that its history deserves mention.

A Clod of Earth

The early English transfers of land were accomplished by having the buyer and seller go on the land to be transferred and then the seller would hand the buyer a clod of earth or a twig of a tree as a symbol of the transfer. This was done in the presence of witnesses and if at any time later, title was questioned, the witnesses were supposed to be summoned to testify to the fact of transfer. Those methods worked in the early days, but would you today try, through witnesses, to prove title to property acquired 20 years ago? You would be very lucky to find any of them.

Recording System

A later but necessary step was the development of the enrollment or recording system, and while this was developed in England, it has practically always been part of our American system of land records. This does not mean that it was or is even now compulsory to record evidences of title, but it does mean that failure to follow the requirements of the recording systems subjects the purchaser to considerable risk of having his title taken away from him or at least impaired by someone else who, in reliance on the record, purports to acquire title to a particular piece of real estate. In 1627, it was the practice in New England to record deeds, and the Massachusetts Colony Statute of 1640, provided that no mortgage, sale or grant of land shall be of force against any other person except the grantor and his heirs unless the same is recorded. The laws agreed upon by William Penn in his Charter in 1682, provide that all deeds of land within the Province shall be enrolled within six months after making or else be void against all persons.

"Trunk Titles"

For the most part, today, the recording acts are fairly strictly observed, although there are some instances in which the handling of titles are still crude.

For example, in one part of the country there are what are known as "trunk titles." The name is easy enough to explain, the family has all the documents pertaining to a piece of real estate kept in the family trunk in the cellar or attic. When a transfer is to be made, a new deed will be written and that will likewise be placed in the purchaser's trunk with all the old deeds which are handed over to him, that is, unless some attorney or title insurance company gets into the deal in which case, all will be recorded. We in Pennsylvania, have encountered numerous instances in the country areas in which we were unable to find the deeds of record and upon inquiry found that the purchaser had the new deed safely locked up in the china closet, unrecorded, while the old deeds, also unrecorded, were in one instance, actually found in a barrel in the barn. The owner knew that when he acquired the new deed he should take good care of it but the old ones didn't count. In one case I have in mind, a recording bill of over \$200 was involved in the recording of all the deeds in the chain of title much to the disgust of the then prospective seller. I might also say that any affection that the seller might have had for title companies or title examiners was completely dissipated when he saw the recording bill.

Just One Bad Title

Perhaps this is some kind of evidence that most people are honest or that there is a guardian angel who looks after the negligent, because there are so many opportunities for fraud due to careless handling of real estate. However, no investor can afford to be too complacent and rely on the honesty of people. More titles are defective through ignorance and neglect than through dishonesty, and it takes merely that one bad title to destroy the lifesavings of an individ-

ual, especially since the purchase of a home is generally the one great investment of his lifetime.

Volume Increases

Well, now to get back to our history . . . as areas became more congested, people were less well acquainted, title examinations became more difficult because of the volume of transfers, mortgages, liens and for other reasons. Therefore, examination of titles even 75 years ago in developed areas, centered in persons who became recognized as experts in that field. In some areas, they were estate and in others, they operated under varied designations. In Pennsylvania, for instance, the early title examiners were known as Conveyancers. They were a highly respected group, thoroughly experienced in real estate title examinations and their duty was to examine the records, prepare an abstract of title to be turned over to the purchaser to show the state of the record title. This abstract was then turned over to an attorney for an opinion on the state of title.

Complete Chain

Now an abstract to be a good one, should show as part of the chain, every instrument or lien of record which could have any bearing on the title and show the title back to a recognized source. In an endeavor to be complete, however, it need not be the kind of title required by an examiner attorneys who specialized in real for a firm of attorneys concerning land in Louisiana. The Louisiana attorney prepared the abstract and sent it to the New York attorneys who examined it and then advised the Louisiana attorney that the title appeared satisfactory to 1803, but that the prior title had not been covered. The Louisiana attorney replied as follows:

"There are no records or archives available which concern the title to the above described land any further back than the United States Government."

Enlightenment

"However, I believe from a historical standpoint, I can enlighten you as to the title in such a way that the

objections you have pointed out will be waived."

"This land was acquired by the United States Government in 1803 by purchase from France under what we now refer to as the Louisiana Purchase."

"France acquired possession of the land by conquest as the result of a successful war with Spain."

"Spain acquired possession of the land by virtue of the fact that a young Genoese sailor in her service by the name of Christopher Columbus, on the 12th day of October, 1492, discovered it and claimed it for Spain."

"Columbus obtained his authority for making the voyage and discovery from Ferdinand and Isabella, the King and Queen of Spain."

"Ferdinand and Isabella received their authority for sponsoring the voyage from his Holiness, the Pope of Rome."

"The Pope of Rome got his authority by virtue of the fact that he is said to be the Vicar of Christ on Earth."

"Christ received his authority by reason of the fact he was the Son and Heir apparent of God . . . and God made Louisiana."

"Since this addenda extends the muniments of title back to the very date of the creation of the universe, I sincerely trust that the period of title search will be considered of sufficient length for all practical purposes."

Only the Necessary

This is, of course, a complete abstract of title, but I assure you, title insurance companies temper care with common sense and discretion. In these days of high costs, title companies cannot afford to do more work than necessary to make a proper and careful examination . . . their rates will not permit them to make less than a careful examination.

Cumbersome

The practice of having attorneys and conveyancers make title examinations was one which continued for many years, and even today, there are many places in which most of the

title examinations are made by attorneys. However, experience has shown that as the records become more cumbersome and active, the actual labor involved in making examinations becomes burdensome and considerably more hazardous than it was under former and less active conditions.

More Protection

In Philadelphia in 1868, an event happened which brought out very forcefully the necessity of having some further type of protection than mere examination of the records, and to this event may be traced the actual coming into existence of title insurance as we know it today. That event is reported in the Pennsylvania Supreme Court case of *Watson vs. Muirhead*, 5S Pa. 160. The facts are that a conveyancer made a title search and disclosed the existence of a judgment lien which, however, was of a peculiar or unusual type. He noted the judgment and turned the abstract over a well qualified attorney for a legal opinion as to the effect of the judgment. The attorney advised that the judgment was not a valid lien on the property, and based on that advice, the purchaser made the investment. Shortly afterward, the judgment creditor issued execution and sold the property at Sheriff's sale. In the litigation which ensued the Court held that the judgment was a valid one and the Sheriff's sale therefore, good. The purchaser having lost his investment thereupon sued the conveyancer for the loss suffered because of the improper advice. It was held that the conveyancer was not negligent, he had taken all reasonable precautions and even though his advice was incorrect there was no liability. The Court stated—"The rule of liability for errors of judgment as applied to them (conveyancers) ought to be the same as in the case of gentlemen in the practice of law or medicine . . ." ". . . every man is liable to error and I should be very sorry that it should be taken for granted that an attorney is answerable for every error or mistake."

Another Method

As a result of this loss, caused

entirely without fault on anyone's part and without any negligence, several of the outstanding individuals interested in the law of real estate, concluded there must be some means of providing against such and other like hazards. In consequence after appropriate legislation, a title insurance company was formed on March 28, 1876, which is functioning down to this date and is recognized as the "World's Oldest Title Insurance Company." It is worthy of note that what really stirred up the action in this case was not fraud, deception or anything of that character. It was something which arose entirely because of difference of opinion and this will exist as long as human beings own real estate. No two humans act alike . . . their methods of living are not alike and naturally, the effect on their titles is influenced by their conduct in life. After all, what is a chain of title to a piece of real estate except the history of some phases of the lives of the individual owners. One individual acquires title to real estate, keeps the property a long time, pays his taxes, has no judgments or other debts entered against him, pays his bills promptly, has no car accidents which result in judgments, has no more than the usual trouble with his wife, in fact, lives a quiet, peaceful life. The examination of his title is a simple one . . . no liens or proceedings to check, there is a deed into him and one out, there are a minimum of references to check. The chap next door is different . . . he buys a property without sufficient down payment, files his bills in the waste basket, has a couple of accidents and has suits entered against him, has trouble with his wife and she gets a divorce, and finally one of you fellows, holding his mortgage, get tired of dunning him for the mortgage payments and you sell him out at judicial sale. You can immediately recognize the work required in an examination of this kind . . . all because of different conduct of people. The properties are alike and further, don't lose sight of the fact that in each one of these incidents, there exists an opportunity for error. Multiply this several times

to take care of the various transfers which exist in the chain of title and see how many opportunities there are for mistake, not only in the performance of the work, but in the exercise of judgment as well.

Developed Fast

From this beginning in 1876, title insurance has developed rapidly and title insurance service is now available practically everywhere in the United States. In fact, the American Title Association has title insurance members in 46 states of the Union, the District of Columbia, Puerto Rico and Alaska. The assets of these companies are in the tens of millions of dollars.

Perhaps I should have earlier defined title insurance, but I know of no better explanation than that of the Supreme Court of Pennsylvania in the case of German-American Title and Trust Company vs. Fohrenbach (217 Pa. 331), in which it is stated—

“The sole object of title insurance is to cover possibilities of loss through defects that may cloud or invalidate titles. It is for the assumption of whatever risk there may be, in such connection, that the premium is paid to, and accepted by, the company which issues the policy. Title insurance is not mere guesswork, nor is it a wager. It is based upon careful examination of the muniments of title, and the exercise of judgment by skilled conveyancers.”

“The quality of a title is a matter of opinion, as to which even men learned in the law of real estate may differ. A policy of title insurance means the opinion of the company which issues it, as to validity of the title, backed by an agreement to make that opinion good, in case it should prove to be mistaken, and loss should result in consequence to the insured.”

A Duty

No attorney knows all the answers, neither do title companies, but when a title company is wrong or makes an error, its duty is to pay and it invariably does so promptly. The lack of suits against title companies

throughout the United States is definite evidence of the fact that they don't need to be compelled to pay. They do so voluntarily if the claim is a just one. On the other hand, if there is an attempted “hold-up” and that has happened a number of times, title companies are well advised if they litigate. Once a title company becomes recognized as an easy mark in paying claims which are unwarranted and founded entirely on technicalities, the claims will increase rapidly . . . not large ones, but small nuisance claims which in sum total will be substantial.

Many Changes

In looking over the certificates or reports issued in the early days, it is very interesting to note the many changes which have occurred. The coverage is considerably broader and the services rendered by title companies are far more extensive than previously, while a check of an old rate schedule in Philadelphia shows an increase in net rates since 1886 of 51%. I don't believe you can find another service organization whose rates have shown so little increase and which, at the same time, have so expanded their services and coverage.

Prepay Claims

While we in the title business don't want to be too boastful, still we are not shrinking violets either. We believe firmly that the care exercised by us has corrected many flaws which are created from time to time and has also prevented or reduced the flaws and defects. I believe, even if no losses were incurred, the services rendered by title companies are well worth the money paid. Actually, we prepay claims by exhaustive compilations of all records which affect title to land and making a legal examination of those records.

Cooperation

There has long been the closest cooperation between title companies, savings and loan associations, life insurance companies and other investors in endeavoring to encourage and foster legislation for the general good as well as rendering every proper

assistance in discouraging legislation which would be harmful. Since your shareholders are from all walks of life, what is harmful to such organizations as are here represented would certainly be harmful to the general public. We have constantly cooperated in an endeavor to assist in the simplifying and clarifying of real property laws, streamline forms and procedure, eliminate or reduce hidden liens, simplify clearance of inheritance tax procedures and the like. Low cost comprehensive coverage has been provided to lenders, standard form policies and endorsements all tend to give the lender the utmost in protection and relieve him from detail work in the servicing of loans.

Correcting Flaws

The insurability of a title has in practice made titles transferrable which otherwise under strict interpretation are not actually marketable ones. In some states there are decisions, the practical effect of which is to make insurable titles marketable ones, others do not go quite that far, but still if a title is insurable, it can generally be sold except to someone who is looking for some technical ground to avoid an agreement of sale.

Looking Ahead

Although we think we are doing a

fairly good job, we are not in any sense complacent. We recognize there is always room for improvement. Our endeavor for years has been to give the service our customers want consistent with sound practices, and that is important—we are not casualty companies and our rates will not justify our doing a casualty business even if we wanted to. Prudent insuring of titles, in my judgment, must always continue to be based upon careful and complete examination of the public records or the equivalent in the form of a title plant in which appear all recordings and filings of documents which affect title to land; all arranged in geographical fashion at large expense, by skilled professionals.

Our Aim

We in the title industry will continue to improve our services where possible and we will always be on the alert and adjust to changing conditions or even anticipate the changes, if possible, so that we may not only have, but fully deserve, the complete confidence of our policy holders. In the rendering of title service, our conduct is unlike that of good little girls . . . we never say no if we can possibly say yes.

COMPOSING THE CERTIFICATE

ZEB H. FITZGERALD

President, Hays County Abstract Co., San Marcos, Texas

When I was asked to discuss the subject of "Composing the Certificate," I went back and re-read Jim Sheridan's article on "Titles to Real Property" in the September 1947 issue of Title News. Quoting from Jim's article: "The abstractor closes his work with an instrument labeled The Abstractor's Certificate. Upon his certificate he rests his case. It is his most important asset—and always his greatest liability."

Findings

I do not presume to tell this group

anything it doesn't already know about the Abstractor's Certificate, but I would like to pass on to you a few findings which I have made. Some years ago The Texas Title Association approved and adopted a uniform abstractor's certificate which, according to the ideas of the association assembled in convention, contained the coverage which every abstractor should give. This certificate was recommended by the Association, but of course this recommendation was not binding on the members.

Strong Tendency

During the last few weeks, I have studied the certificates from ten abstract companies. These certificates were submitted to me at my request and came from companies over the entire state. While no two of these certificates were identical, I think it significant that there is a strong tendency toward uniformity. It seems that the certificate adopted by the association some years ago has been altered to meet local requirements, due to certain local conditions, customs and practices. Almost without exception the ten certificates followed this pattern:

1. They referred to the foregoing (number) of pages, numbered from 1 toinclusive.
2. Listed the records which had been searched as those on record or on file in the office of the County Clerk, District Clerk, and in a county where a Federal Court is located, the office of the Federal District Clerk.
3. Made direct reference to the description of property covered.
4. Definitely stated that no tax search was made and that the abstract did not certify to taxes.
5. Stated the name of the Abstract Company.
6. Stated the period of time covered.

I was a little surprised that only three of the ten certificates certified that the abstract company owned a complete abstract plant. Of course all ten of the certificates came from companies owning complete plants, but only three so stated.

Most Essential

I think that the items which I have listed are the most essential to the certificate. To illustrate, let me use a personal experience. A year or so ago one of our supplemental abstracts was brought back to us by a local attorney who said we had failed to show an abstract of judgment which was on record. On examining the supplement, I found that the

judgment was missing, and when I checked the judgment records, I found the judgment. I was a little worried, but on closer examination, I found that our certificate referred to the foregoing ten pages numbered from 1 to 10 inclusive, but the supplement had only nine pages. From our files I pulled the carbon copy and showed the attorney that the judgment was in the supplement when we delivered it. It developed that the owner had tried to find a short cut for satisfying judgments—just tear them out of your abstract.

I would like to read a sample certificate which covers the essential items which I have already listed.

THE STATE OF TEXAS COUNTY OF HAYS

THE AMERICAN COUNTY ABSTRACT COMPANY, a private corporation, duly incorporated under the laws of the State of Texas, does hereby certify that the foregoing pages numbered consecutively from 1 to 20 inclusive, are a true and correct abstract of all instruments of record or on file in the offices of the Clerks of the County and District Courts of Hays County, Texas, and in the office of the Clerk of the United States District Court located in said county affecting the title to the property described in the Caption on page No. 1 hereof, SINCE January 1st, 1953, at 5:00 P.M.

This Certificate does not cover any taxes assessed against said property.

The undersigned hereby certifies that it is the owner of a complete abstract plant covering the above named records to the titles to all real estate situated in said county from the sovereignty of the soil.

This Certificate is issued for the use of and shall inure to the benefit of JOHN DOE and his wife MARY DOE, their heirs and assigns.

WITNESS our signature and seal at San Marcos, Texas, this the 2nd day of May, 1953, at 10:00 A.M.

THE AMERICAN COUNTY
ABSTRACT COMPANY

VACATION OF MARGINAL STREETS

HERMAN BROWN

Assistant Title Officer, Puget Sound Title Insurance Company, Seattle, Washington

When the owner of a tract files a plat and dedicates a street along the margin thereof, and the owner of the contiguous land contributes no portion of his land to the street, and the street is subsequently vacated, who is the owner of the vacated street under the law of this State?

The answer to this question requires consideration of certain well-established principles, our statutes and the decisions of the courts.

At common law the dedication of a street or alley passed to the municipality merely an easement. The dedicator still continued to own the fee subject to the easement. A deed of an abutting lot passed the title to the center of the street—or included the entire street—as the case may be, burdened, of course, with the easement. If the street was abandoned or vacated by the municipality the abutting owner continued to hold his title to the center of the street—just as he held it before, but now freed from the easement.¹

Legislatures Prescribe

Of course, it is entirely competent for the legislature to prescribe by statute the legal effect of a voluntary dedication of streets and to prescribe the quantity of interest in the streets the dedicator parts with as well as that taken by the public.² The legislature may require that the dedicator by his dedication convey or vest in the city a fee in trust for the public, a base or determinable fee, or a fee simple absolute. But in the State of Washington the statutes relating to the filing of plats³ do not define the nature of the estate created by the dedication, and although there is one early case holding that "in platted additions to a Town, when streets are laid out thereon, the fee belongs to the public"⁴ this was repudiated in *Schwede v. Hemrich Bros. Brewing Co.*⁵ in 1902 and in all cases subsequent on this point, it has been held

uniformly that a city of this state acquires only an easement in a street in consequence of a dedication.⁶ The dedication, although made under a statute, is in fact no more than a common law dedication insofar as title is concerned.

Reservations

After acceptance of the plat and the platlor conveys according to the plat, two rules are recognized by our cases. First: If he is the owner of the lots on both sides of the street and his conveyance is made without words of exception or reservation or any language expressing a contrary intention the deed falls within the general rule that a conveyance of the land abutting upon a public highway carries with it the fee to the center of the street as a part and parcel of the land conveyed subject to the easement.⁷ Second: If the street is a marginal one and he conveys according to the plat without reservation, exception or limitation on his grant, the fee to the **entire** street adjacent to the lot described passes to his grantee, subject, of course, to the public easement.⁸

General Rule

The intention of the platlor to pass such title as he has in the street to his grantee "is always presumed and before it will be held that it was the intention of the grantor to withhold his interest in the highway, such declaration of intent must clearly appear"⁹ from his conveyance. Deeds may expressly exclude the street but unless they do the implication is that the street is included. This presumption that it is the intent of the platlor to pass title to the center of the street—or to the full width, as the case may be—is based on the general rule that the street is a monument and when the monument is expressed or impliedly used as a part of the description the conveyance includes all of the monument owned by the

grantor. However, where the lot is conveyed by a metes and bounds description and the street line is described as delineating one of the boundary lines, there are cases to the effect that no part of the street is included in the description either expressly or by implication, but in fact the street is thereby expressly excluded. (Annotation—ALR Vol. 18 pp. 1017-1020.) Of course, I am talking here about conveyances made by the platlor or his successors in interest before vacation; after vacation the rule is quite contrary. Then the vacated street is considered a separate entity from the platted lot and there is no implication from the conveyance of the lot according to the plat that the vacated street is included. The elementary maxim of real estate law that "land is not appurtenant to land" is here applied.⁹

"Revert—Reversion"

Let us now turn our attention to the legal effect of a vacation proceeding in the State of Washington. But before doing so, may I first point out that much of the confusion existing on the question of vacation may be due to the inaccurate use of the words "revert" and "reversion" in many of the cases where the city has an easement only. As the Court said in **Brown v. Weare** (Mo.) 152 SW 649:

"Of course the word "revert" in its technical sense as dealing exclusively with titles should not be used in conjunction with an easement. It is a primary rule that in the grant of an easement no title passes but the title rests and continues in the holder of the servient estate, so that when the easement ceases there can be no such thing as a reversion of title. In such event the servient estate is merely freed from the burden of the use and any reversion is merely that of the use."

Just and Proper

Prior to 1901 the vacation of streets and alleys in both incorporated and unincorporated towns was provided for by statutes which are found in the Code of 1881. As to both types of towns the legal effect was the same.

The statutes¹⁰ provided that "upon vacation, the street or alley shall be attached to the lot or ground bordering on such street or alley and all right or title thereto shall vest in the person or persons owning the property on each side thereof in equal proportions; **provided** the lots or grounds so bordering on such street or alley have been sold by the original owner or owners of the soil; if, however, said original owner or owners possess such title to the lots or ground bordering on said street or alley on one side only to the title to the same shall vest in said owner or owners, if the said court (that is, the body granting the vacation) shall judge the same to be just and proper."

Statute Not Clear

This statute is not too clear but it seems to lay down two rules: **First:** If the original owner or owners of the abutting lots have sold them then the title shall vest in the abutting owners. **Second:** If the original owner or owners still possess the abutting lots on one side only, then upon vacation the quantity of the street vesting in said original owner or owners is left to the discretion of the body granting the vacation. It is this last provision that raises doubts as to its meaning. If it has reference to a marginal street situation wherein the platlor is still in title, it is a recognition at least that the platlor might be entitled to more than one-half of the street. If it has reference to the situation where the platlor owns both sides and has sold all the lots on one side, but retains the others, then it would seem that the platlor is entitled to the land to the center of the street and the vacating body should have no discretion. It is possible that the Legislature had another alternative in mind. For example, suppose A and B file a plat and dedicate a street. A contributes 20 feet to the street and B contributes 40 feet. Then upon vacation B still possessing title to the lots on his side may be given his full 40 feet at the discretion of the vacating body. However, this statute as to incorporated towns only was repealed in 1901 and a new statute was passed (RRS

9299-9300; RCW 35.79.040-050) which, after prescribing the method of vacation of city streets and alleys, provided that upon vacation the vacated street shall belong to abutting owners one-half to each. The last section of the Act reads: "No vested rights shall be affected by the provisions of this act." Just why the Legislature changed the statute as to vacation of streets in cities and not elsewhere is not disclosed. But apparently it recognized that the prior statute was ambiguous and it wished to lay down a clean-cut rule. However, it also seems apparent that it recognized that there might be a question of title involved, and rather than attempt to elaborate rules as to vesting of title, it attempted to cover the question by the addition of the section that no vested rights shall be affected by the statute. You will also note that the form of this last section does not purport to limit the saving clause to rights held under previous statutes, but broad language is used to protect vested rights then held or thereafter acquired. But no change has been made in the statutes relating to vacation outside of cities. (RCW 58.12.110; RRS 9303.)

One Case

So far as I have been able to find there is but one case in this state wherein the vacation of a marginal street has been considered, namely, **Rowe v. James, 71 Wash. 267**, but a study of the Court's decision and briefs of the parties filed in the Supreme Court has convinced me that the decision gives a complete and satisfactory answer to the question under consideration, although the answer may not be spelled out in as great detail as perhaps might be preferred.

In this case the facts were that one George Werrett filed the plat of Werrett's Addition in 1882. You will observe that the plat was filed after the provisions relating to vacation as set forth in the Code of 1881 were in force and effect and, of course, Mr. Werrett was charged with knowledge of said provisions, as were his successors in interest. I point out this fact as bearing on the question of whether

he or they were bound by said statutory provisions.

Co-Tenants

By his plat he dedicated a marginal street 30 feet wide on the east side of the plat. Some years after the passage of the 1901 Act above referred to the plaintiffs, Rowe, Jones and Gidner, became owners as co-tenants of the lot adjacent to the street on the west and as we have seen from the principles discussed thereby acquired title to the marginal street subject to the public easement. The street was vacated in 1911 on their petition joined in by the defendants who owned the land on the east side of the street. When the defendants asserted ownership by the east half of the street the plaintiffs filed this suit to quiet title to the entire street. The lower Court found for the defendants and plaintiffs appealed. In their briefs on appeal the defendants contended:

1. That the plaintiffs, as successors in title to the plat, did not have title.

2. That under the Code of 1881 not even the original owner, had he been in title, would have received more than one-half of the street unless the Court (that is, the body granting the vacation) had adjudged the same to be just and proper.

3. That, notwithstanding the section in the 1901 act saving vested rights, the plaintiffs had waived them by joining in the petition for vacation, and not asking for any particular distribution from the body granting the vacation, and

4. That plaintiffs' right to title upon vacation was not a substantive one but was a remedy only, and that a statute affecting a remedy may be retrospective and not unconstitutional.

An Easement Only

The Supreme Court rejected all these contentions. It held that plaintiffs as successors to Werrett got title to the entire fee of the street. It set forth many of the principles we have discussed, stressing in particular that upon dedication the city received only an easement, and it quoted from a Kansas case that the "vacation leaves the property of the

individuals just as though no road had ever been established."¹¹ And as to the effect of the 1901 act purporting to grant the vacated street to the owners on each side it pointed out that this act contained a section that no vested rights should be affected by any of its provisions.

You will note that, although Werrett has filed his plat in 1882, the Court in this case did not give effect either to the provisions of the Code of 1881 or those of the Act of 1901. It seems a fair conclusion that what the Court held was simply this: Werrett by his dedication gave the city only an easement; he passed on to the plaintiffs through successive conveyances in the chain of title his fee title to the street; this fee title was a vested right; that this vested right was not affected by the provisions of the vacation statutes in force when he filed his plat, nor by the change made in 1901.

Equitably Estopped

Before leaving the ROWE case, I should add parenthetically that the Court did award the defendants a two-thirds interest in the east half of the street, but this was because two of the three plaintiffs had induced the defendants to sign the vacation petition by representing that if they did so they would receive title to the east half. These two plaintiffs were held equitably estopped to deny defendants title, but Rowe, having made no such representations, was awarded his one-third interest in the full width of the street.

Vested Rights

But, you may ask: What would be the result if the platlor had dedicated the marginal street in a city after the 1901 vacation statute became effective? Apparently the same. Since the Supreme Court in the ROWE case ignored both the vacation statutes of the Code of 1881 and as enacted in 1901 and held that the ownership followed the title, and since the 1901 act contains an express statement that no vested rights should be affected by its provisions it seems a fair conclusion that the Court would not give effect to the statute if the

effect was to divest the owner of his title; for that would affect vested rights. I might interject here the observation that the section about vested rights was not necessary as our Court pointed out in the case of Taft v. Washington Mutual Savings Bank,¹² but the fact that it was expressly incorporated in the Statute emphasized the importance of giving it full consideration and suggests that the legislature had in mind that the proceeding section might be unconstitutional in some respects. Obviously, it needs no citation of authority to support the statement that a fee simple title is a vested right.

Missouri Case

The exact situation posed by this last question as to dedication after 1901 Vacation Statute was before the Supreme Court of Missouri in 1927 and since the case is a leading one, I shall call your attention to **Neil v. Independent Realty Company**, 317 Mo. 1235; 298 SW 363; 70 ALR 550.

In 1909 the State of Missouri had a dedication statute under which, according to the Court, the city acquired only an easement. By charter which Kansas City had adopted pursuant to state law it was provided that upon vacation of a street the same should vest in the owners of the property on each side.

The Facts

While these were in force one Wood who owned the north half of a platted block filed a replat thereof and dedicated a street along the south margin 25 feet in width. Later this street was vacated and a new plat was filed which included the former street as a part of three lots. This action was brought by the plaintiff to quiet title since the defendant company claimed ownership of the south 12½ feet of the lots by reason of the prior vacation of the former street which had been platted to the north of defendant's property.

Court's Opinion

In a lengthy and learned opinion the Court held that the defendant had no interest in the south half of the former street which had been in-

cluded in the new plat. The reasoning and ruling of the Court is well summarized in the last four paragraphs of the case, and rather than attempt to review the case in detail, may I quote from these paragraphs in part: "The Constitution says:

"That no private property can be taken for private use, with or without compensation unless by the consent of the owner, except for private ways of necessity . . ."

(Of course, we have a similar provision in the Washington State Constitution.)

"This is the public policy of the state as expressed in its organic law. No other public policy can change this constitutional declaration of state public policy . . . These statutes (Sections 8615 and 9287 of R.S. 1919) and ordinances and charter provisions, passed in pursuance thereof, are laws in *pari materia*, and must be construed together and given a construction which violates no constitutional provision, if possible. By the weight of our Missouri cases a dedication made in conformity to section 9287 *supra*, only gives the city an easement. A valuable property right was left in the dedication in the streets indicated . . . The rights conferred upon city and dedicator were as at common law. Vacation of the street whether by non user or by ordinance, should leave these common-law rights of the dedicator undisturbed. If at common law the dedicator became entitled to all of the street, released of the easement, then the statute (Section 8615) or a charter provision like it, which says some other party shall have half of the vacated street, is one taking the private property of the dedicator and devoting it to private use, in violation of Section 20 of Article 2 of the Constitution. It says to A., 'We will give your interest in this strip of land to B, in fee simple for him to use for his private purposes.' This cannot be done under the Constitution and Section 8615 R.S. 1919 should not be given such a construction. It should not be construed so as to make it unconstitutional, if any other construction can be given it.

When it is considered that Section 9287, *supra*, only confers an easement upon the city, such as is conferred by a common law dedication, and when it is considered that at common law the whole street reverted to the dedicator, if he gave the whole street in the first instance, and, when it is considered that the general rule at common law was that the adjoining owners owned to the center of the street, and when it is further considered that even the courts often speak of the general rule, without noting the exception, as in the case of one party giving all the street, we should say that the lawmakers, in the enactment of section 8615, only intended to announce the common law rule, including the exception. In other words that both statutes (Sections 8615 and 9287) are but expressive of the common law. We deem this to have been the legislative intent. Otherwise section 8615 will have to be declared unconstitutional, and the Kansas City charter likewise . . ."

Illinois Holding

By way of contrast to the Missouri case and to emphasize the doctrine that the ownership of the vacated street remains in the underlying fee title, I would like to call your attention to an Illinois case—**Prahl v. Burckardt**. (13). Under Illinois statutes and case law, upon dedication the municipality received a base or determinable fee. The incidents of such an estate both under Illinois¹⁴ and Washington¹⁵ law are that while the grantor has a possibility of reverter, so long as the land is used for the purpose for which it is conveyed the grantee has all the rights in the land that the owner of a fee simple title would have. Under the vacation statutes of Illinois upon vacation ownership was to vest in the abutting owners in equal proportions. In this case the plat was filed and a street was dedicated. Later it was vacated. The platlor claimed ownership under his alleged right of reversion. The Court held, however, that the possibility of reverter is not an estate, but only the possibility of having an estate at a future time. That the mere expectation of prop-

erty is not a vested right and may be changed, modified or abolished by legislative action (citing authorities). Consequently, when the plaintiff gave to the city a base fee he had no vested right or interest that was affected or destroyed by the statute awarding title to the abutting owner upon vacation.

Conclusion Is Clear

From the foregoing principles and cases the conclusion is clear that where, under our statutes pertaining to dedication, the plattor is not required to part with his title, the vacation statute, even though in force at the time of the dedication, cannot operate to divest the plattor or his successors in interest of their title, regardless of the language used purporting to pass the title to others. Until the Legislature sees fit to provide by statute that as to all plats filed thereafter the dedicator shall convey a fee simple or base fee estate, the vacation statutes cannot change the vesting of the legal title from the person in whom it may be lodged. And even in such event, such a change in the law could not, of course, affect the title of vacated streets dedicated before such change.

CAUTION INDICATED

Finally, what should be the policy of the title insurer as to insurance of a vacated marginal street?

Of course, this is a matter of policy to be decided by the insurer involved and by the facts of the individual title under examination. But even though you may be convinced, as I am, that the ROWE case and the Missouri case cited express the law, ob-

viously a cautious policy, to say the least, is indicated.

Since under the vacation statute the vacation petition requires the signatures of the owners of two-thirds of the abutting property—necessarily taking in owners of property on both sides of the street—the chance of the parties on both sides claiming the land is better than the famous 16 to 1. In such case the insurer would be put to the cost of defense, even if “justice prevails.” Since you are as well able as I am to estimate the possible liabilities under such circumstances, I will not labor the point.

- (1) 16 Am. Jur. 402-3
Prall v. Burckardt, 229 Ill. 19;
18 ALR 992.
- (2) Thomas v. Hunt, 134 Mo. 392-402
32 L.R.A. 857; 35 SW 581;
Prall v. Burckardt, 299 Ill. 19;
132 N.E. 280; 18 ALR 992.
- (3) Ch. 58 RCW.
- (4) State ex rel Grinsfelder v. Spokane
St. R.R. Co., 19 Wash. 518.
- (5) 29 Wash. 21.
- (6) Gifford v. Horton, 54 Wash. 595;
In re Westlake Ave. 66 Wash. 277;
Norton v. Gross, 52 Wash. 341;
Holm v. Montgomery, 62 Wash. 398;
Motor Ramp Co. v. Tacoma, 136
Wash. 589; and cases cited therein.
- (7) Bradley v. Spokane Inland Empire
Co., 79 Wash. 455.
- (8) Gifford v. Horton, 54 Wn. 595;
Rowe v. James, 71 Wn. 267;
also see to same effect
Neil v. Independent Realty Co., 317
Mo. 1235; 70 ALR 550.
- (9) Hagen v. Bolcom Mills, 74 Wn. 462.
Raleigh Hayward Co.—Hull 167 Wn.
39.
- (10) Code of 1881, Sections 2335 et seq.
- (11) Commissioners of Coffey County vs.
Venard, 10 Kansas 95.
- (12) 127 Wash. 510.
- (13) 299 Ill. 19; 132 N.E. 280; 18 ALR
992.
- (14) Prall v. Burckardt, supra;
U.S. v. Illinois Central, 86 Fed. Supp.
17.
- (15) Loose v. Locke, 25 Wn. 2nd, 599;
King County v. Hammer Investment
Company, 34 Wn. 2nd 112;
Aumiller v. Wash., 51 Wash. 520.

BOOK REVIEW

“AMERICAN LAW OF PROPERTY” by A. James Casner, Editor-in-Chief, and twenty-four co-authors, Little, Brown and Company, Boston: 1952, Volume VII; Pages, 5832.

“AMERICAN LAW OF PROPERTY” is a comprehensive treatment of the law of land and of other syn-

chronous problems arising in the related fields of trusts and future interest. The preparation of this work unquestionably involves enormous labor having been first commenced in 1939. The Editor-in-Chief and the publishers are to be commended for recognizing the need of a really

scholarly work covering this broad segment of American law. The scholarly character of the volumes can be evidenced by the known abilities of their distinguished co-authors. Those schooled in the law will immediately recall previous works of such men as Lewis M. Simes, University of Michigan Law School; Russell D. Niles, New York University School of Law; William F. Walsh, New York University School of Law; Hiram H. Lesar, University of Missouri School of Law; George L. Haskins, University of Pennsylvania Law School; Cornelius J. Moynihan, Boston College of Law; Oliver S. Rundell, University of Wisconsin Law School; Russell R. Reno, University of Maryland School of Law; Victor H. Kulp, University of Oklahoma School of Law; Sidney P. Simpson, New York University School of Law; John P. Maloney, St. John's University School of Law; Rufford G. Patton, Land Registration Department, Hennepin County, Minnesota; Thomas E. Atkinson, New York University School of Law; George E. Osborne, Stanford University Law School; Carrol G. Patton, Land Registration Department, Hennepin County, Minnesota; John Henry Merryman, University of Santa Clara College of Law; A. James Casner, Harvard Law School; David Westfall, of the Chicago Bar; Charles C. Callahan, Ohio State University College of Law; W. Barton Leach, Harvard Law School; Owen Tudor, of the Boston Bar; Horace E. Whiteside, Cornell Law School; Merrill I. Schnebly, University of Illinois College of Law; Olin L. Browder, University of Oklahoma

School of Law and Clyde O. Martz, University of Colorado School of Law.

This treatment is supplemented by an exhaustible Table of Contents and Chapter Analysis (72 pages), a complete Table of Cases (514 pages), a Table of Statutes (59 pages), and a workable Index (438 pages). Footnotes are in abundance and contain not only decisions and their official and unofficial citations, but also other comprehensive reference to numerous treatises and periodicals. Also available are a generous number of cross-reference.

Such a prepared treatise should insure its value as an important research tool. As stated in the Preface, one of the major objectives of this work was that it "should not be a mere compendium of rules and citations, nor should it be a spinning of theories by academicians." It seems to accomplish this.

It is interesting to note here that AMERICAN LAW OF PROPERTY was relied upon in a case before the Supreme Judicial Court of Massachusetts in *Sears v. Dumaine*, 108 N.E. 2d 563, 567 (1952). This is a worthy tribute.

There is no question in the mind of the writer that the work would be a valuable addition to the library of those engaged in real property law. It is a singular achievement for the Editor-in-Chief, the authors and publishers and could well be recognized as one of the great works of our time in the field of law.

JOSEPH H. SMITH, Attorney at Law, Detroit, Mich., Secretary, American Title Assn.

"Above all we need the spirit of high adventure in our business thinking. This is a magnificent time in which to live. History is being made for all time. Vast ideas are on the march, and the air is heavy with excitement. Nothing has yet been decided with finality, and whoever wishes to strike a blow for the things he believes in may still enter the battle. In fact, the break may be at hand. This is no last-ditch struggle, no rearguard action for free enterprise; actually the countercharge may even now be forming which will deliver the final blow for our side."—Clarence Randall.

ASSOCIATION DIRECTORY LISTINGS

Rules and Regulations

(Adopted at Association 1953 Convention, Los Angeles)

1. A listing is a designation of a person, corporation, partnership, or firm which is a member in good standing of The American Title Association, which under the Constitution and By-Laws of such Association and under these Rules and Regulations is entitled to such designation in the published Membership Directory of The American Title Association. Subject to all of these Rules and Regulations, a listing entitles the publication of the following information for each listing:

- A. Name of person, corporation, partnership or firm.
- B. Street address, if any, city, county and state.
- C. Statement of whether company makes abstracts, writes or furnishes guarantees or title insurance or all of such forms of title evidence.
- D. Capital, surplus and reserves of title insurance companies.
- E. Names and titles of officers.

2. State as herein used shall include the states and territories of the United States, the District of Columbia and the Commonwealth of Puerto Rico.

3. The Membership Directory shall publish such general information concerning The American Title Association as the Board of Governors of The Association may from time to time prescribe; and shall list the members of the Association under states, with the names of the states alphabetically arranged and with the listings of the members set forth as provided in these Rules and Regulations under an alphabetical county presentation.

4. Immediately following the name of the state, there shall appear the names of all title insurance companies, members of the Association who are duly authorized to do business in such state and whose policies are furnished either through bona-

fide branch offices holding membership in each such designated state title association or through duly authorized agents or representatives holding membership in each such designated state title association, together with an identifying code letter-number to which letter-number reference may be made in the county alphabetical listings under the particular state. Immediately following such names of such title insurance companies the membership listings under an alphabetical county presentation for the particular state shall appear.

5. All title insurance company members furnishing policies of title insurance on properties in any state may be listed as provided in Section 4 of these Rules and Regulations with a key or code letter-number designating duly authorized agents or representatives of such companies, provided that the only such agents or representatives listed must be members of the affiliated state title association if there is one; or if there is no affiliated state title association, such agents or representatives shall hold direct membership in The American Title Association.

6. With respect to all states where there is a state title association, there shall be no listing of members as doing business in such state excepting such listing as is provided for under Sections 4 and 5 of these Rules and Regulations unless such members are members in good standing in that state title Association; and all members of a state title association which members also are members of The American Title Association, whether resident or non-resident in such state, shall be entitled to all the listing privileges provided by such state title association.

Directory copy as prepared in National Headquarters based upon listings information set by member com-

panies shall be submitted to the affected state title association for approval. In the event any dispute with respect to any such listing shall be presented by such affected state title association, such dispute shall be investigated and settled by the Grievance Committee of The American Title Association after such Committee shall have received the advice and counsel of such affected state title association.

7. No member shall be listed, excepting as provided for in Sections 4 and 5 of these Rules and Regulations, in and under any state list as doing business in such state unless and until such member is a member of that state title association, if a state title association exists, even though that member who is not a member of that state title association holds a direct membership in The American Title Association.

8. No member shall be permitted to list and there shall not be listed the name of any agent or representative in any state unless such agent or representative is a member of The American Title Association and such agency or representation is duly authorized by the member principal.

Directory copy as prepared in National Headquarters based upon listings submitted by member authorized agents or representatives shall be submitted to member principals of such agents or representatives and have the approval of such member principals.

9. Any member which qualifies to do business in any state where there is no state title association shall be entitled to list its bonafide Branch Offices in that state, whether such member be resident or non-resident.

Directory copy as prepared in National Headquarters setting forth the proposed listings under this Section 9 shall be submitted to any member whose Branch Offices are sought to be listed, for the approval of such member.

10. In connection with all of these Rules and Regulations, a bonafide branch office is defined as one owned, operated and controlled by the person, corporation, partnership or firm listed, staffed by his or its employees, of such person, corporation, partnership or firm as listed.

11. In connection with all of these Rules and Regulations, state title association is defined as being a state title association affiliated with The American Title Association.

12. All of these Rules and Regulations shall be subject to the Constitution and By-Laws of The American Title Association and shall be interpreted in accordance with the Code of Ethics of such Association, and the Grievance Committee of The American Title Association shall have the power and responsibility of receiving and investigating complaints of alleged violations of these rules and regulations, after which investigation, such Committee shall report thereon to the Board of Governors of The American Title Association.

Your Committee realizes that the foregoing Rules and Regulations are not perfect. They are, however, workable to the degree that the Members of The American Title Association understand them, abide by them, and co-operate with one another in bringing about their fair interpretation.

Naturally, the preparation of this report has come about only through considerable and considerate examination and study of the Directory, itself. Your Committee feels that again it should stress to all of the Membership that the widest possible distribution of the Directory is of utmost importance. That distribution is now well over fifteen thousand copies a year.

Through and by the Membership of The American Title Association the Directory distribution should be **FIFTY THOUSAND** copies a year!