

First Supplement to Memorandum 67-48

Attached are four exhibits containing comments on the Recommendation Relating to Escheat. The comments are discussed below.

Western Union Telegraph Company

In response to the suggestions of Western Union (Exhibit III--green--pages 1-2), we suggest that footnote 3 on page 3 of the Recommendation be revised as follows:

- (1) The first sentence of the footnote should be revised to read:

The Commission is advised that, in the case of telegraphic money orders, Western Union Telegraph Company has for the last several years retained records that disclose the identity and address of both the sender and the payee.

- (2) The last sentence of the footnote should be revised to read:

The Commission has been advised by Western Union Telegraph Company that under the applicable tariffs of the company as they now read, if no negotiable money order draft has been delivered to the payee, the sender is the apparent owner of sums left in the hands of the company. However, in the opinion of Western Union, where a money order draft has been issued to the payee, the question as to whether the sender or the payee is the apparent owner of sums left in the hands of the company remains unresolved.

Travelers checks and money orders

Exhibit II (yellow) presents the comments of American Express Company concerning the Recommendation. American Express Company states that the changes that have been made by the staff which are noted in Memorandum 67-48 take care of their objections except for the problem of conflicting state claims of escheat.

American Express Company overlooked Section 52 (pages 36-37). Sub-division (d) of that section meets the approval of American Express Company

and they are now satisfied on the problem of conflicting state claims of escheat. Note, however, the suggested provision set out on page 3 of Exhibit II which would permit California to claim property paid to another state prior to January 1, 1969, from the other state.

Travelers Express Company (Exhibit IV--gold--page 3) also overlooked subdivision (d) of Section 52.

We suggest that the following sentence be added to the Comment to Section 1502:

Section 52 (uncodified) of this act contains a savings clause that provides that certain property is not subject to the provisions of this chapter.

Section 1300 (pages 8-9)

The State Controller suggests (Exhibit I--pink--pages 1-2) that the definition of escheat in subdivision (c) at the top of page 9 be revised to add "or whose owner has refused to accept the property" or equivalent language in line 4 on page 9. Code of Civil Procedure Section 1444 provides:

At the time of the next county settlement following the expiration of one year from the date of its deposit in the county treasury, all money or other property distributed in the administration of an estate of a deceased person and heretofore or hereafter deposited in the county treasury to the credit of known heirs, legatees, or devisees, and any money or other property remaining on deposit to the credit of an estate after final distribution to such known heirs, legatees or devisees, shall be paid to the Treasurer or Controller as provided in Chapter 2.

Chapter 2, referred to in Section 1444, provides a procedure whereby the State assumes custody of the money or other property subject to the claim of its owner.

We are unable to determine the need or purpose of the suggested revision. Perhaps the representative of the State Controller can expand on the need for this change at the meeting.

Section 1511 (pages 13-14)

Western Union (Exhibit III--green--page 3) notes a technical defect in this section that was corrected before the recommendation was set in type. Hence, no revision is needed.

Travelers Express Company (Exhibit IV--gold--page 2) questions what proof is required to rebut the presumption created by Section 1511. The solution suggested by Travelers Express, to revise the definition of "apparent owner" in subdivision (a) of Section 1501, is not a desirable solution. However, to meet the problem that concerns Travelers Express, the last sentence of subdivision (b) of Section 1511 might be revised to read:

This presumption is a presumption affecting the burden of proof and may be rebutted by proof that the address of the owner of the travelers check or money order is in a state other than the state where the travelers check or money order was purchased.

If this revision is made and the revision of Section 1515 suggested in Memorandum 67-48 (page 6) is approved, the last sentence of subdivision (b) proposed to be added to Section 1515 should be revised to read:

This presumption is a presumption affecting the burden of proof and may be rebutted by proof that the address of the person entitled to the funds is in a state other than the state of the last known address of the insured or annuitant according to the records of the corporation.

Section 1513 (pages 14-16)

Western Union (Exhibit III--green--page 4) states that it does not object to the elimination of the former exception for instruments held or payable only outside the limits of the United States or payable only in currency other than United States currency and to funds held only in or payable only in a foreign country. However, Western Union questions whether California could constitutionally take abandoned property which has also

been declared escheated in a foreign jurisdiction under circumstances where the apparent owner's last known address was in that jurisdiction and the holder was doing business therein and subject to its laws. See subdivision (e) of Section 1510.

Section 1530 (pages 20-21)

Western Union (Exhibit III--green--page 4) notes the exception for travelers checks and money orders in subdivision (b)(1) of Section 1530 and questions "whether a state statute which provides for the escheat of presumed abandoned property and which makes no provision for notice to the last known owner meets the requirements of due process under circumstances where the records of the name and last known addresses of the owners actually are on hand." In this connection, see Sections 51-715 and 51-716 of the Indiana statute (Exhibit X--yellow) attached to the basic memorandum. These provisions provide for notice where the address is listed or, if no address is listed or if an address outside this state is listed, for notice in the county in which the holder certified or issued the check or order.

Section 1531 (pages 22-23)

The State Controller suggests (Exhibit I--pink--page 1) that subdivision (e) on page 23 be revised to read:

(e) Within 120 days from the ~~receipt of~~ final date for filing the report required by Section 1530, the State Controller shall mail a notice to each person having an address listed therein who appears to be entitled to property of the value of twenty-five dollars (\$25) or more escheated under this chapter.

This change would conform subdivision (e) to subdivision (a) of Section 1531 and would avoid mechanical and processing difficulties. The staff recommends that the change be made and that the following paragraph be added to the Comment to Section 1531:

Subdivision (e) has been revised to require notice to be given to the apparent owner within 120 days from the final date for filing the report. This change conforms subdivision (e) to subdivision (a) and will avoid mechanical and processing difficulties in mailing the notice to the owner.

Section 1541 (page 26)

The State Controller (Exhibit I--pink--page 2) suggests that "and a copy of the complaint" be added after the words "The summons" in this section. He points out that the section formerly specifically required that a copy of the petition be served. This appears to be a desirable change.

Section 1560 (page 27)

The State Controller (Exhibit I--pink--page 2) suggests that the requirement for "filing proof" be revised to provide for the filing of an affidavit similar to the one attached to Exhibit I (pink). This suggestion might be implemented by adding the following sentence to subdivision (b) of Section 1560:

The State Controller may, in his discretion, accept an affidavit of the holder stating the facts that entitle the holder to reimbursement under this subdivision as sufficient proof for the purposes of this subdivision.

Section 1561 (page 28)

In response to a suggestion of Western Union (Exhibit III--green--page 3), we suggest that an additional subdivision be added to Section 1561, to read:

(c) As used in this section, "escheated property" means property which this chapter provides escheats to this state, whether or not it is determined that another state had a superior right to escheat such property at the time it was paid or delivered to the State Controller or at some time thereafter.

Section 1581 (page 35)

We are advised that American Express would approve this section as drafted if the following sentence were added to subdivision (b):

If the business association maintains the record described in paragraph (2) of subdivision (a), the State Controller may not require that the business association maintain the record described in paragraph (1) of subdivision (a).

American Express advises that the cost of keeping the record described in paragraph (1) of subdivision (a) would be prohibitive. See page 4 of Exhibit II.

Travelers Express (Exhibit IV--gold--page 3) suggests that "and Section 1513" be added at the end of paragraph (a)(2). This addition is unnecessary since Section 1511 contains a reference to Section 1513.

Travelers Express also suggests that "reasonably" be added before "designate" in subdivision (b). Although no such revision is needed, we suggest that "reasonable" be added before "time" in subdivision (b).

HOUSTON L. FLOURNOY
CONTROLLER



Controller of the State of California

SACRAMENTO

September 1, 1967

California Law Revision Commission
30 Crothers Hall
Stanford University
Stanford, California 94305

Attention Mr. John H. DeMouilly, Executive Secretary

Gentlemen:

Please excuse the delay in replying to your letter of July 31 concerning the proposed revision of the California Uniform Disposition of Unclaimed Property Act. During the press of legislative business, your letter got laid to one side.

In your letter you questioned our proposal for revising Section 1530, Subdivision (e) to provide for mailing of notice to the owners within 120 days from the final date for filing the report. You question what would happen if a report were received late. Our concern is with reports filed early rather than those that are filed late. Under the Act, companies other than insurance companies are required to report on or before November 1 as of the preceding June 30. We have received reports in July which is more than 120 days before the November 1 delinquent date. Our procedures for handling reports are such that we process them in batches rather than individually as they are received. In effect, we have two processing periods--the first, immediately after the November 1 delinquent date, and the second, after the May 1 delinquent date. Reports which are received within 90 days after the delinquent dates are processed in accordance with the regular requirements. Reports received more than 90 days after the delinquent date are treated as early reports for the next report date rather than as delinquent reports of the just past delinquent date. Because of the mechanics involved in setting up the records, mailing notices, and publishing names, we have found this to be the most practical procedure. If we were required to mail a notice to the owner within 120 days of receipt of the report, we would encounter mechanical and processing difficulties.

At page 19 of your September draft, we would suggest that the definition of "Escheat" as contained in Subdivision (c) at the top of

California Law Revision Commission
September 1, 1967
Page 2

the page be amplified. Under the provisions of Section 1444, C.C.P., as related to Section 1060, Probate Code, we receive money which a known owner has refused to accept. Your definition of escheat does not include this situation.

At page 69, Section 1541 requires a summons to be served upon the State Controller and the Attorney General. We request that a copy of the complaint be delivered at the same time as the summons is served. This provision was in the existing Section 1520.

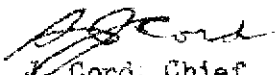
At page 74, Subdivision (c) of Section 1560 provides for the Controller to return personal property to a holder when the holder files proof that the owner thereof has claimed such personal property from him. We request that the requirement for "filing proof" be amended by provide for the filing of an affidavit similar to the one enclosed which we are now using. There is some question as to what should be required as "proof". We believe the affidavit serves the purpose.

I am planning to take my vacation from September 18 through September 29. If your meeting to discuss the draft is held on September 22-24, I will not be present. However, Mr. Neuharth, our Unclaimed Property Officer, will be in attendance.

If you have any questions, please let me know.

Very truly yours,

HOUSTON I. FLOURNOY, STATE CONTROLLER

By 
S. L. Cord, Chief
Division of Accounting

MAIL TO: HOUSTON I. FLOURNOY
State Controller
UNCLAIMED PROPERTY BUREAU
P. O. Box 1019
Sacramento 5, California

Controller's Account No. _____

HOLDER'S CLAIM FOR RETURN OF PERSONAL PROPERTY

(Name of Holder)

(Mailing Address)

on _____, 19____, delivered the following personal property
to the State Controller pursuant to the Uniform Disposition of Unclaimed
Property Act: _____

The undersigned states, under penalty of perjury, that

Name of Claimant(s)

who is (are) rightfully entitled to the above personal property has (have)
filed a claim with the Holder, and claim for return of the property is
hereby made under Section 1513 of the Code of Civil Procedure. Upon
delivery to the Holder, the Holder, agrees to indemnify and hold harmless
the State, its officers and employees, from any loss resulting from such
delivery.

(Holder)

By _____
(Name)

Date _____
(Title)

1st supp. Memo 67-48

EXHIBIT II

LAW OFFICES OF
ADAMS, DUQUE & HAZELTINE
523 WEST SIXTH STREET
LOS ANGELES, CALIFORNIA 90014
TELEPHONE 620-1240

September 1, 1967

Mr. John H. DeMouilly
Executive Secretary
California Law Revision Commission
School of Law
Stanford University
Stanford, California 94305

Re: Recommendation of the California Law
Revision Commission Relating to
Escheat (Revised July 25, 1967)

Dear Mr. DeMouilly:

Enclosed herewith are the original and two copies of our Memorandum on behalf of American Express Company relating to the above matter. If you have any questions or comments on any of the matters discussed therein, or if you should require any further information with respect to the operation of travelers check and money order businesses, please feel free to contact us.

We are informed by American Express Company that it is impossible for them to estimate the amount of travelers checks which the Company sells in California which are not paid within 15 years. We will see if we can do some further study on this matter in the coming months and determine if such an estimate would be at all possible to make.

Yours very truly,


WALLER TAYLOR, II

WT:vc
Enclosures

MEMORANDUM TO CALIFORNIA LAW REVISION
COMMISSION ON BEHALF OF AMERICAN
EXPRESS COMPANY REGARDING THE RECOM-
MENDATION RELATING TO ESCHEAT

ADAMS, DUQUE & HAZELTINE
WALLER TAYLOR, II
BRUCE A. BECKMAN
Counsel for
American Express Company

Dated: September 1, 1967.

MEMORANDUM TO CALIFORNIA LAW REVISION
COMMISSION ON BEHALF OF AMERICAN
EXPRESS COMPANY REGARDING THE RECOM-
MENDATION RELATING TO ESCHEAT

We have reviewed the Recommendation Relating to Escheat bearing a revision date of July 25, 1967 on behalf of our client, American Express Company. Each of the matters covered in our memorandum dated June 23, 1967 forwarded to you in connection with the Tentative Recommendation Relating to Escheat dated April 5, 1967 appears to have been corrected in the Recommendation as revised July 25, 1967, except our first comment at pages 1 to 3 of our prior memorandum relating to possible conflicting claims of escheat.

As we pointed out there, the interaction of proposed Sections 1300, 1502, 1530 and 1532 raise the definite threat that double liability with respect to a single obligation would be imposed on all companies affected by the proposed expansion of the coverage of the escheat law on a retroactive basis.

Proposed Section 1502 would provide that the expanded basis of escheat would not apply to any property escheated to another state prior to September 18, 1959. Conversely, of course, the expanded basis of escheat would apply to property escheated to other states subsequent to September 18, 1959. This provision of proposed Section 1502 in connection with proposed Sections 1530 and 1532 would place a duty on companies such as American Express to report and pay over funds with

respect to travelers checks and money orders issued in California which had escheated to other states subsequent to September 18, 1959, but prior to whatever effective date the revision of the escheat law may have in the future.

Proposed Section 1561 gives no comfort to companies in the above position. Proposed Section 1561 purports to cover only situations where property is escheated to California, and subsequently the owner or another state claims the property as against the holder. In such a situation, the State Controller would defend and indemnify the holder.

It does not cover the reverse situation presented by the proposed revisions of the escheat law, where the companies would have already paid funds to another state, with California making the subsequent claim. Companies thus caught in the "middle" would be required under the threat of the criminal sanctions in the escheat law to pay over the funds to California and then litigate with the state which had already escheated the same funds in an attempt to obtain a refund or attempt to have the matter somehow brought before the United States Supreme Court.

As pointed out in our prior memorandum, placing the company in this position would seem clearly to violate both Western Union Telegraph Co. v. Pennsylvania, 368 U.S. 71 (1961) and Texas v. New Jersey, 379 U.S. 674 (1965).

The Recommendation manifests an effort to come within the suggestion in Texas v. New Jersey that the state of domicile can escheat on a conditional basis where the state of last known address does not have an escheat law reaching the particular

property involved, and the state of last known address could obtain the property later, if it adopted an appropriate law. It is the apparent intent of the Recommendation to reach property escheated to states of domicile in prior years when the California escheat law was not broad enough to reach the particular property. However commendable this objective may be from a revenue producing point of view, it is fundamentally inequitable to require private companies to pay California after having already paid another state and to require the companies to then litigate with the other state in the hope of obtaining some reimbursement.

It would seem more appropriate for California to seek to obtain the funds directly from the other state. This objective could be achieved by amending proposed Section 1532. A new subparagraph (f) could be added thereto providing "If the property set forth in the report filed as provided by Section 1530 has theretofore been escheated to another state prior to the effective date of this section, the person who has filed the report need not pay or deliver to the State Controller the property specified in such report, but shall instead deliver to the State Controller copies of the documents evidencing the escheat of such property to such other state and such other information as the State Controller may require by regulations adopted hereunder."

The effect of a provision such as the foregoing would be to give the State Controller sufficient information to seek the property from the state then holding it, and would place

the burden of obtaining the funds from the other state with the benefits to be derived therefrom.

One additional problem has been raised by the revision made to Section 1581 in the Recommendation Relating to Escheat which would now place an affirmative obligation on American Express Company and other issuers of travelers checks to either (1) maintain the names and addresses of the purchasers of travelers checks or money orders or (2) records of the place of sale.

We do not believe that there is any substantial doubt that the place of issuance test would be upheld by the United States Supreme Court as a valid basis for the escheat of unclaimed travelers check funds. The alternative record keeping requirement appears to have been included in Section 1581 in anticipation against a possible adverse decision on this point.

As we have pointed out in prior letters and memoranda relating to the previous Tentative Recommendation Relating to Escheat, it is virtually impossible for American Express Company to maintain records of the name and address of the purchasers of the millions of travelers checks which it issues yearly. The alternative provisions of Section 1581 raise the possibility that that Section could be interpreted as requiring, or as authorizing the State Controller to issue regulations requiring, that issuers of travelers checks in fact maintain records of the name and address of the purchasers of travelers checks. It is submitted that the alternative requirement of maintaining name and address records is unnecessary, and raises the spectre

that an impractical and virtually impossible record keeping burden may be placed on the issuers of travelers checks and money orders. It is, therefore, suggested that proposed Section 1581 be further revised to delete the alternative requirement that name and address records be maintained.

DATED: September 1, 1967.

Respectfully submitted,

ADAMS, DUQUE & HAZELTINE
WALLER TAYLOR, II
BRUCE A. BECKMAN

By


Attorneys for American
Express Company

1st Supp Memo 67-48 EXHIBIT III
THE WESTERN UNION TELEGRAPH COMPANY

OFFICE OF THE GENERAL COUNSEL

60 HUDSON STREET

NEW YORK, N. Y. 10013

JOHN M. EVANS
VICE PRESIDENT
AND GENERAL COUNSEL

(212) 962 - 7330

AFTER HOURS:
CALL (212) 577 - 4321

AIR MAIL
SPECIAL DELIVERY

September 6, 1967
L-4

Mr. John H. DeMouilly
Executive Secretary
California Law Revision Commission
School of Law
Stanford, California

Re: Escheat and Abandoned Property Statutes-
California

Dear Mr. DeMouilly:

With reference to your letter of July 31 forwarding revised tentative recommendation for amending the above statutes, the following comments are submitted for your consideration.

The second full paragraph on page 5 of the recommendation states in part "****the issuing company normally does not retain a permanent record of the identity and address of the purchaser." For several years past, ever since the various states commenced enacting the modern type of abandoned property statute, Western Union has been retaining records showing the names and addresses of the senders as well as the sendees of the telegraphic money orders.

Page 2

Mr. John H. DeMouilly

September 6, 1967

With respect to the contents of the last paragraph on page 6 of the proposed recommendation, the accuracy of the opening statement, as well as the last clause of the last sentence of the paragraph, is questionable. Our older records generally do not show the name or address of the sender and in many instances the designated payee's address is not listed. As stated in the preceding paragraph, our modern records show the names and addresses of both sender and payee. Under the applicable tariffs of the telegraph company as they now read, it is crystal clear that the sender is the "apparent owner" under circumstances where payment was not made to the designated payee in cash or by a negotiable money order draft. However, the question as to whether the sender or the payee to whom a money order draft was issued is the "apparent owner" still remains unresolved so far as the telegraph company is concerned. As indicated in the material previously sent to you, the trial court in the Pennsylvania vs. Western Union money order case ruled, notwithstanding our arguments contra, that the money belonged to the sender even though a negotiable draft had been issued to the designated payee and the Supreme Court of Pennsylvania certainly did not, specifically anyway, disagree with the lower court's ruling.

Resolving this problem for the future by adoption of your suggestion that we amend our tariffs to provide specifically whether the sender or the payee is the apparent owner is not as simple as it might appear at first blush. There are substantial equities, which vary with the facts in the particular case, on both sides of the question and the reasonableness of the choice as between sender and payee must be passed upon by the Federal Communications Commission and by similar regulatory commissions in forty-four states and the District of Columbia.

Page 3.

Mr. John H. DeMouilly

September 6, 1967

It is noted that subparagraphs (a)(1) and (b) of Section 1511 make use of the defined term "apparent owner" which is omitted in subparagraph (a)(2) of the same section. I am wondering whether the omission stems from an oversight or was intentional.

The protection afforded by the proposed Section 1561 would seem to me to be inadequate from the standpoint of a holder who has paid abandoned properties to the state in good faith. The comments to this section make it clear that subdivision (a) applies "only in cases in which escheated property has been paid or delivered to the Controller." I think that subdivision (a) should apply to property which the statute purports to escheat. Merely for the purpose of illustrating the point being made, other states might not be willing to concede the validity of the presumption provided for in Section 1511(b) and it is possible that the United States Supreme Court might rule that there is no sound basis for indulging in such a presumption and that affected funds, which may have been paid to California by a holder acting in good faith, should go to the state in which the holder is domiciled. In that event, the holder would find himself in the position of having paid to California through a mistake of law funds which had not escheated to that state. In other words, a court test may be necessary to determine whether certain types of funds have escheated to a particular state rather than to another state which also claims the right to take the same funds and it is our view that the burden of litigating such an issue should be borne primarily by the states involved.

Page 4.

Mr. John H. DeMouilly

September 6, 1967

With respect to the last paragraph of the comments under Section 1513, while I have no objection to the proposed deletion, there is some question in my mind as to whether California, or any other state, could constitutionally take abandoned property which has also been declared escheated in a foreign jurisdiction under circumstances where the apparent owner's last known address was in that jurisdiction and the holder was doing business therein and subject to its laws.

I have also noted the exception respecting travelers' checks and money orders found in subdivision (b) (1) of Section 1530 incorporating the substance of an amendment made by the National Conference of Commissioners on Uniform State Laws to the Uniform Disposition of Unclaimed Property Act. I raise inquiry as to whether a state statute which provides for the escheat of presumed abandoned property and which makes no provision for notice to the last known owner meets the requirements of due process under circumstances where records of the names and last known addresses of the owners actually are on hand.

Very truly yours,

JOHN M. EVANS

by *Peter F. Oates*
Peter F. Oates

PFO:lt

1st Supp. Memo 67-48

EXHIBIT IV

RICHARDS, MONTGOMERY, COBB & BASSFORD
LAWYERS

FRED B. SNYDER
EDWARD C. GALE
FRANK A. JAMES
DECEASED

BERGMANN RICHARDS
EDMUND T. MONTGOMERY
NATHAN A. COBB
PAUL L. SPOONER, JR.
CHARLES A. BASSFORD
MELVIN D. HECKT
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WILLIAM G. BALE
LYNN G. TRUESDELL III
JEROME C. BRIGGS
VINCENT E. PLATT
ROGER E. MONTGOMERY

TELEPHONE FE.2-5303

1430 RAND TOWER
MINNEAPOLIS
MINNESOTA 55402

September 12, 1967

Mr. John H. DeMouilly
Executive Secretary
California Law Revision Commission
School of Law
Stanford, California

Re: Tentative Recommendation Relating
to Escheat--
Revised July 25, 1967

For: Travelers Express Company, Inc.

Dear Mr. DeMouilly:

In behalf of Travelers Express Company, Inc., we have reviewed the above-mentioned document, sent to us by your letter of July 28, 1967.

We appreciate your having extended the time within which to send our comments, which are submitted herewith.

In summary, we suggest amendments as follows:

1. Section 1501(a). Amend the definition of "apparent owner" so that it will include the purchaser of a travelers check or money order even though his identity is not disclosed by the holder's records. We believe this highly desirable in order to integrate the definition with revised Section 1511. As the two sections now read, the presumption provided for in the latter may be rebuttable on its face, and at best would relate imperfectly to the former.

2. Section 1502(a)(1). We believe that this section should be so amended as to exclude from Chapter 7 the properties which would escheat for the first time to California (under the revisions proposed) in cases where they have escheated to another state prior to the effective date of the proposed revisions.

September 12, 1967

3. Section 1581. Two technical amendments are suggested.

DISCUSSION

1. Section 1501(a). Definition of "Apparent Owner".

The presumption in revised Section 1511 relates to the apparent owner and his last known address. Yet under the definition in subdivision (a) of proposed Section 1501, the term "apparent owner" is so limited as to mean only those persons who appear from the holder's records to be entitled to the property.

In the case of travelers checks and money orders, the initial creditor or owner (the person with whose last known address the Supreme Court, in Texas v. New Jersey, was concerned) is the purchaser.

In view of the presumption presently provided for in Section 1511, the term "apparent owner" should be so defined as to include the purchaser of a travelers check or money order even though his identity is not disclosed by the holder's records.

As Sections 1501(a) and 1511 are presently proposed to read, the presumption is called upon to tell us the last known address of the person appearing from the records to be entitled. This is not a reasonable presumption where there are no such records and where, therefore, such a person is non-existent. Strictly speaking, the presumption would logically be rebutted by proof that there is no "record owner".

Suggestion: Amend Section 1501(a) to read as follows:

"(a) 'Apparent owner' means the person who appears from the records of the holder to be entitled to property held by the holder or, in the absence of such records, the person who, in the case of travelers checks or money orders, purchased such instrument from the holder."

Mr. John H. DeMouilly - page 3

September 12, 1967

2. Section 1502(a)(1). Exclusions from Chapter.

We respectfully renew the suggestion made in our letter of July 17 at pages 3 and 4 thereof.

3. Section 1581. Records re Travelers Checks, Etc.

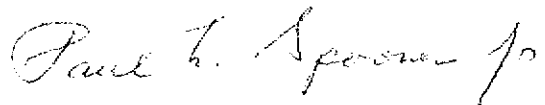
We would suggest adding at the end of paragraph (2) of Section 1581(a) the words:

"and Section 1513."

We would further suggest inserting in Section 1581(b) the word "reasonably" between the words "shall" and "designate" so that the phrase would read:

"shall reasonably designate."

Very truly yours,



Paul L. Spooner, Jr.

PLSjr
lb