

RIGHT OF INSURANCE COMPANY TO LOAN MONEY ON BANK STOCK
AS COLLATERAL

March 28, 1933



Honorable Joseph B. Thompson
Superintendent of Insurance
Jefferson City, Missouri

Dear Mr. Thompson:

I am in receipt of your letter dated March 28, 1933, in which you state and inquire as follows:

"I am enclosing herewith a letter addressed to me today by Charles G. Revelle, Vice-President and General Counsel for the Continental Life Insurance Company of St. Louis, Missouri.

You will observe from this communication that the Continental Life Insurance Company proposes to loan \$360,000 to the Continental Securities and Holding Company and assign as security therefor the capital stock of the Wellston Trust Company and sufficient stock of the Grand National Bank to adequately secure the said loan and its payment. Please give me your opinion as to the legality of this proposed loan and also advise me whether or not such loan, if made, should be treated as an admitted asset of the said Continental Life Insurance Company."

It is my opinion that the Continental Life Insurance Company has the legal right to make the loan in the manner and under the conditions stated in the letter of Charles G. Revelle, Vice-President and General Counsel of the Continental Life Insurance Company, dated March 28, 1933, copy of which you have attached to your letter.

Honorable Joseph B. Thompson

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March 28, 1933

That the loan, in my opinion, would not only be lawful but if and when made the Continental Life Insurance Company will be entitled to include and carry such loan as a lawful asset to the extent that the Superintendent of Insurance of the State of Missouri may find the same is adequately secured.

Very truly yours,

ROY McKITTRICK,
Attorney General.

RM:LG