

FRED A. NEWBERGER
200 North Broadway
St. Louis

September 9, 1936

COPY

Honorable R. E. O'Malley
Superintendent of Insurance
State of Missouri
Jefferson City, Missouri

My dear Emmet:

Upon my return to the office this week after an absence of two months, I read with interest the great deal of publicity that your good offices are receiving at the hands of the Republican State Committee on behalf of Jesse Barrett using the Fraternal Insurance Associations for their argument. If you will remember on the very first day that you took office, July 1st, 1933, your mails became flooded daily with complaints from citizens of the State of Missouri against the Pioneer Automobile Service Company of this city and Kansas City who had been sold service contracts on their automobiles by salesmen of the company who represented said contracts as being automobile liability insurance. The officers of this company were Henry W. Keil, former Republican mayor of St. Louis; Charles U. Becker, former Republican Secretary of State now deceased, vice- president; and Jesse Barrett, General Counselor. The gentlemen herein mentioned were on the payroll for \$100 per week and permitted their names to be used in the furtherance of this racket which has flourished in our state openly for twelve years prior to your administration of the Insurance Department. When our various insurance associations contacted you and your investigators got through with their work, a Cease and Desist Order was issued by your office through the Attorney-General, putting them out of business. Consequently, Mr. Barrett and Mr. Keil resigned as officers of the company, but Mr. Barrett has yet to answer some place before some tribunal as to what has

happened to the \$160 taken from each of more than 5000 people of this state for life memberships in the Pioneer Automobile Club. It is no wonder that Mr. Barrett is defending the Fraternalists. Our insurance associations and the associations throughout the state are behind you 100% and stand ready to fight with you in your continued efforts to drive out all racket insurance associations, clubs, phoney life insurance companies, and illegitimate insurance companies who see fit to flaunt law governing these companies in our faces.

The prosecuting attorneys, better business bureaus, and circuit attorneys throughout the state have ample records to verify my statements regarding the automobile club racket.

With kindest personal regards, I am

Sincerely yours

(Signed) Fred A. Newberger