

1973 WL 26671 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

March 20, 1973

*1 The Honorable Purvis W. Collins
South Carolina Retirement System
P. O. Box 11960
Columbia, South Carolina 29211

Dear Mr. Collins:

You have inquired about the feasibility from a legal standpoint of depositing refund checks to the bank account of a member who withdraws his contributions from the Retirement System without requiring the personal signature of the member by way of endorsement.

I see no legal reason why you could not implement such a procedure. However, it should be made subject to the following restrictions.

1. The Retirement System should obtain a written authorization from the member to forward the check to the member's bank for deposit to his account. This authorization should include the name and address of the bank and the number of the account to which the check is to be deposited.

2. A restrictive endorsement in the following words should be placed on the back of the refund check by the Retirement System before the check is forwarded to the bank: 'For deposit to the account of the named payee only.'

These two procedures are necessary to protect the legal interest of the Retirement System should some question subsequently arise concerning the System's liability for the refund.

If I can be of further assistance to you in this matter, I shall be happy to meet with you at a mutually convenient time.

With kind personal regards.

Yours truly,

Randall T. Bell
Assistant Attorney General

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