

#4 Received Via Email

I represent Guarantee Trust Life Insurance Company, a company that markets whole life and term life insurance plans. We appreciate the opportunity to comment on the proposed regulation and support the anti-money laundering program commensurate with the size, location and activities of a specific carrier. We specify our suggestions below for your consideration:

A reference is made to "large amounts" of funds. Can this term be defined? I believe there should be some minimum threshold, a minimum policy size, that must be applied for to be considered an inviting money laundering vehicle. Most of our policies are smaller face amounts of \$25,000 or less which I do not believe would be attractive to a money launderer. So perhaps a standard could be developed that would subject certain life programs that exceed specified dollar amounts to the Regulation. This could be one policy or a combination of policies that exceed a specified threshold.

Also I question your example on page 7(item 8). If there isn't an insurable interest, as in the example cited, we would not issue a life policy.

REQUESTS FOR COMMENTS

1. The definition is acceptable but, as mentioned above the scope should be narrowed. Cash surrender values as well as loan values would be negligible on small life plans and therefore not attractive to a money launderer.
2. I believe independent agents should establish and maintain an anti-money laundering program. The agent community needs to be the first line of defense.
3. I agree the factors proposed are appropriate.

Thank you for the opportunity to comment on the proposed Regulation.

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