

## BANK GROUP LLC

LETTER OF COMMENT NO. 37

Sir;

Under our Assignment Split Dollar Agreement no promises are made by the employer. The agreement simply states that if the policy should be in force at the time of death of the employee that the employer/owner of the policy gives the insurance company permission to share some of the net-at-risk insurance proceeds with the insured/employee's designated beneficiary. The employer has NO obligation under the agreement to pay premiums or benefits. How could the experts of the Emerging Issue Task Force miss this point by 180 degrees to propose having the employer expense and set aside an amount equal to the death proceeds when the employer has absolutely no liability by written agreement? What part of "the employer has no liability" does the EITF not understand?

It is my understanding that the more sensible structure of expensing the "cost" of post retirement insurance coverage over the employee's service period was rejected in favor of this obviously wrongheaded approach.

I would appreciate a response that I as a former commercial banker and a twenty-five year life insurance agent specializing in financial institutions can understand.

Sincerely,

Terrell Stanley Chairman Bank Group LLC Box 151, Macon GA 31202 478-461-0195