PLANTATION FINANCIAL	PLANTATION FEDERAL	FIRST SAVERS BANK
Plantation Financial Corporation **11039 Ocean Higway** **Pawleys Island, S.C. 29585**	**Plantation Federal Bank**	**First Savers Bank**

August 4, 2006

Mr. Lawrence W. Smith
Chairman of the Emerging Issues Task Force
Financial Accounting Standards Board
401 Merritt 7
Norwalk, Connecticut 0686-5116

* E I T F 0 6 0 4 D A *

LETTER OF COMMENT NO. 91

Dear Mr. Smith:

Thank you for the opportunity to comment on the draft abstract for EITF Issue No. 06-4, "Accounting for Deferred Compensation and Postretirement Benefit Aspects of Endorsement Split-Dollar Life Insurance Arrangements".

We disagree with the provisions of EITF Issue No. 06-04, regarding the recognition of expense and a liability for endorsement split-dollar life insurance polices that provide a death benefit to an employee's estate that extends to post-retirement periods.

The split-dollar death benefit payment to an employee's estate in a post-retirement period or during the employment period is solely an obligation of the insurance company, not the bank or financial institution. There is only an agreement to split the death benefits, whatever they may be. There are no expectations from the covered employees that their respective estates are entitled to receive any death benefits other than directly from the insurance company. All policyholders, in this case the banks, are subject to the favorable or unfavorable experience of the insurance company. This is why the insurance policies or carriers are reviewed on an annual basis.

We assume that a purpose of deliberations by the EITF and FASB is to enhance financial reporting and provide meaningful financial statements to investors, creditors and the general public. This proposal from EITF clearly implies that the entity has the liability to pay the death benefit, not the insurance company, by requiring the recognition of the expense, which we feel is misrepresenting the essence of the actual transaction. While the death benefit is not a liability of the entity, the purchase of a life insurance policy effectively settles any inference of a liability, since it relieves the employer of any responsibility for the death benefit that is shared with the employee. The current EITF draft abstract provides no consideration for this settlement of death benefits.

Presently, the cost of the insurance (death benefit) is reflected in a reduction of the net cash surrender values of the policies each year, as well as included in the W-2 earnings of the covered employee,

Finally, there can be a tremendous impact on bank capital, if the current abstract is approved as such and implemented, as well as income tax considerations, since a death benefit from an insurance carrier is not taxable, nor should it be tax deductible to the employer.

We respectfully encourage the EITF to vote against ratification of the proposed draft abstract.

Sincerely,

Patrick W. Loftus, Jr.
Executive Vice President & C.F.O.