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Letter of Comment No: 5051
File Reference: 1102-100

June 21, 2004

Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856

Dear FASB:

In response to the March 31, 2004 Financial Accounting Standards Board's Exposure Draft, the Share-Based Payment and Amendment of FASB Statements No. 123 and 95, ***I respectfully request the FASB to reconsider its position***.

Employee stock options and Employee Stock Purchase Plans make me feel like I have a stake in the success of Silicon Valley Bank ("SVB"), and they motivate me to work harder.

I believe that if SVB is forced to expense all employee stock options and ESPPs, my company might no longer offer such programs to the majority of employees, which would negatively impact morale, productivity and innovation.

Expensing stock options and ESPPs is bad accounting. The potential dilution of each investor's share of company ownership is the real cost of employee stock options. It's a cost that is already reflected in "diluted earnings per share" estimates in company financial statements.

There is no accurate, reliable and consistent way to value employee stock options. Many leading economists believe that investors will not be well served by the misleading "guesstimates" produced by current option valuation formulas.

Broad-based stock option plans and ESPPs enhance productivity, increase shareholder value and benefit employees and therefore should be encouraged, not eliminated.

Again, I hope that FASB reconsiders its position, before forcing my company to take action that will have little economic benefit for anyone and a large potential adverse impact on the employees.

Most Sincererly,