
6/24/04

Letter of Comment No: 4829
File Reference: 1102-100

Robert H. Herz, Chairman
Director of Major Projects -- File Reference No. 1102-100
Order Department, Financial Accounting Standards Board
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116

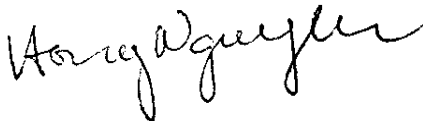
Dear Chairman Herz:

Through stock options, a company can maintain both a motivated staff and an economically sound policy. Due to present day business realities, employers can hardly afford to reward their best people with a fitting salary raise. Stock options help to supplement that employee's income and prepare for future retirement. It is important that a company can offer those workers a stake in the future of the company.

Stock options are used by employers to reward and motivate employees based on the fact that if the company does well and the stock rises, the employees will see the benefits. Requiring a company to expense these options before they are exercised is just bad accounting and bad business.

I hope that you can see this issue from the same perspective as the employee of a small business owner. The mandatory expensing of stock options severely affects the business prospects and livelihood of small business owners and their employees across the country. This proposal needs to be canceled in order to allow employees to continue receiving stock options benefits. Thank you.

Sincerely Yours,



Hong Nguyen
18982 Bellgrove Cir.
Saratoga, CA 95070

cc: Senator Barbara Boxer
Senator Dianne Feinstein