

Letter of Comment No: 4832  
File Reference: 1102-100

**Director of Major Projects—File Reference No. 1102-100**

Chairman Robert H. Herz  
Order Department, Financial Accounting Standards Board  
401 Merritt 7, P.O. Box 5116  
Norwalk, CT 06856-5116

Dear Chairman Herz

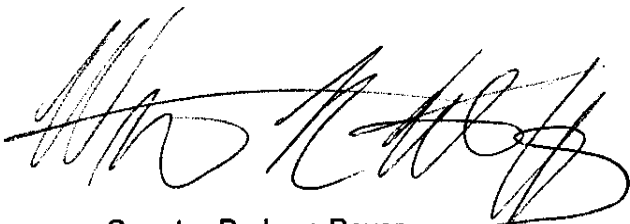
Companies that try to recruit highly skilled individuals know that one way to end a recruiting interview is to say 'our company does not offer stock options. This is a perk that talented individuals expect to be offered and it would be an enormous handicap to any business if they are unable to. I know that, when I was searching for a new position, one of the main attractors was the offering of stock options. I believe that a company that offers stock options proves its stability and its belief in the employees it hires. This is why I am so against the FASB's proposal to mandate the expensing of stock options.

Under current guidelines, if the FASB or anyone else wants to know how many un-exercised stock options a company has outstanding, that information is easily available in the footnotes of their financial statements. The complicated reporting requirements contained in the proposed FASB standard are not only unnecessary, they are financially irresponsible. There is no need to expense all stock options before they are exercised just to let the public know they exist. The existence of outstanding stock options is clear to anyone who cares to open a company's financial statements. Why then convolute the system even further and risk the loss of stock option benefits to employees should they become cost prohibitive to employers?

That is why I am urging you to realize that by passing the FASB standard of mandatory expensing, employees across the country will feel the brunt of the adverse effects of this new regulation. I appreciate you taking time to understand the importance of stock options. Thank you for your time and consideration.

Warm Regards,

Winston N. Telesford Jr.



cc: Senator Barbara Boxer  
Senator Dianne Feinstein

4231 Norwalk Dr., Apt. # EE114  
San Jose, CA 95129