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Letter of Comment No: 4784
File Reference: 1102-100

From: Nancy Williams [mnwilliams@Cockrell.com]
Sent: Tuesday, June 22, 2004 4:18 PM
To: Director - FASB
Cc: pmurphy@swbanktx.com
Subject: "File Reference No. 1102-100"

To: Financial Accounting Standards Board
Re: File Reference No. 1102-100

As an inquisitive and engaged member of Southwest Bancorporation of Texas' Board of Directors, I was as disheartened as the rest of the public to learn that more active corporate oversight at several corporations could have stopped the problems of corporate malfeasance.

I sincerely applaud your efforts in seeking ways to restore the faith of the investment community. However, it makes little sense to concentrate your efforts on fixing something that isn't broken. In the case of requiring companies to expense stock options, it would be more like breaking something that did not need fixing.

Stock options are a vital component to the health of corporate America. They breed innovation, recognize hard work, encourage entrepreneurship and solidify employee loyalty. Requiring them to be treated as an expense will discourage their usage, thus reversing the aforementioned positive effects.

The current method of footnoting the impact of options is an appropriate way to fully disclose this data to the market. The information is easy to follow and is spelled out for anyone with an interest.

It is my hope that you allow the current expense option accounting policy to continue and that you will redirect your efforts to those that will affect positive change for investors, corporations and their employees.

Sincerely,

Ernest H. Cockrell

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