

June 17, 2004

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

Letter of Comment No: 4400  
File Reference: 1102-100

Re: File Reference No. 1102-100

To Whom It May Concern:

I work for a publicly traded company and have recently been alerted to the possibility that the U.S. Government is seriously thinking of treating employee stock options as expenses for the company.

In the current economic conditions, money is tight and raises / bonuses for general employees are rare. Stock options have been used by my company as a way to incent the staff to work hard to help the business succeed. If the business succeeds then each employee should benefit from that success. Right now, stock options are a very important method for recognizing the value an employee brings to a company.

For me personally, stock options are critical. I have been working for the same company for 10 years. I have worked hard throughout my career here and at certain points I have been able to exercise stock options resulting in a relatively nice financial gain. These gains have helped me buy a home and save money for my son's college education. Without stock options I would not have the means to do either of these wonderful things. At some point in the future I want to get married and may need a new home where my family and I can live comfortably. I need to continue to work hard and help my company succeed so that my stock options have some value I can realize – this will help me make some of my dreams real. I suspect a good percent of American taxpayers have similar dreams and goals.

Should the U.S. Government choose to consider stock options as expenses to a company then my company - which is relatively small (approx \$85MM) – will be forced to stop issuing stock options to the general employees. This could very well have the affect of reducing the work efforts by the staff, as stock options are a significant incentive for us. It would result in backward steps for our company and likely many others. I would also expect that we would be forced to move more jobs overseas because of the cheap labor – and from my experience we would not get the quality that is necessary for our business.

In closing, treating stock options as expenses will have a negative impact on our business and several others. I hope other people are making you aware of the impact they would see as well. Please consider these impacts before making any final decisions.

Regards,

  
Gregory Park