



Letter of Comment No: 4405
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To whom it may concern,

My name is Bruce Gladstone. I am the CEO of Aragon Technologies, a start up in the Sensing Industry. The impending FASB requirement for expensing stock options would greatly affect our ability to compete with large companies to recruit high caliber management and engineering teams. Cash resources will also be required in order to comply with the mandate. As it stands, cash resources, the lifeblood of any company, are limited and at a premium. The requirement to expense stock options puts an undue financial burden on small private companies. The complexity of the math that is required to make an attempt at solving for a present value of an expense that has not yet occurred on an ongoing basis causes a small company to seek expensive outside counsel, since no internal resources are likely able to perform such a task. Even if outside counsel was consulted the results are estimates at best, for a private company it is an expensive and unnecessary exercise.

The entrepreneurial spirit that has been the foundation of the US economy and its prosperity has in large part been fostered by the idea of shared ownership of risk and reward. The un-encumbered distribution of stock options has been one of the primary methods of giving ownership to many while minimizing expenditure of precious monetary resources. With the stock option expense requirement, many small private companies will be much more hesitant in distributing options and instead be forced to burn through cash resources. This will certainly cause irreparable damage to the underlying entrepreneurial mantra that has provided such tremendous progress and in turn negatively impact our economy as a whole.

Given the inescapable impact that expensing stock options will have on small private companies, I implore FASB not to make the process a requirement. Thank you for your time and consideration.

A handwritten signature in black ink that reads 'Bruce S. Gladstone'.

Bruce Gladstone
CEO, Aragon Technologies, Inc