

# **Salamander Technologies Inc**

**122 W State St  
Traverse City, MI 49684-2404**

May 17, 2004

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

**Letter of Comment No: 4375  
File Reference: 1102-100**

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

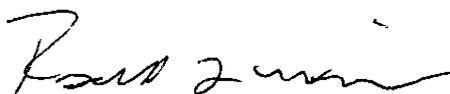
Dear Chairman:

Through the use of stock options employers are able to offer valuable incentives to their employees. By giving those employees a stake in the company it will help motivate them to strive for the best and ensure the company is running at peak efficiency. Employers turn to options such as these when times are too tough to give a serious pay increase---such as many great employees actually deserve. Yet, the FASB is looking to over regulate these options to the point that it is no longer a viable option for us to use! This makes no sense in times like this!

The FASB is on a mission to ensure that the recent corporate financial scandals do not occur again. Nobody wants such scandals to occur. However, the FASB is using the public disgust in these scandals to push through mandatory expensing which will actually hurt the ability of the average employee to prepare for their future. Many employees are counting on stock options to provide financial security, and mandatory expensing will hamper that security. My question is this: with such crack downs on corporate scandals, why ask small businesses to 'cook the books' by falsifying profit reports due to the mis-reporting of the expensing of stock options. It's unfair, and absolutely not right to do to small business owners who need any break they can get!

Don't let small business owners down. Please oppose any mandatory expensing of stock options and let us focus on running our businesses without unnecessary added reporting bureaucracy.

Sincerely,



Russell Miller