

Kathleen Dunn  
183 Home Fair Dr.  
Fairfield, CT 06825

Letter of Comment No: 4956  
File Reference: 1102-100

June 24, 2004

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

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

Dear Chairman Herz,

I am writing to garner your support in opposing the FASB's expensing of stock options. I personally feel it is wrong for the government to control businesses and their free enterprise. In order to function effectively, it is essential that employers be free to provide employees with whatever incentive they feel is best. Given these current economic times, one of the best ways a company has to do this is via stock options. It is also one of the best ways for employees, like me, to supplement our incomes. Therefore I am opposed to any type of new accounting standard that would take this benefit away.

The FASB's plan to mandate the expensing of stock options will convert broad-based employee stock plans from an incentive that all employees can share, to one that is only rewarded to a privileged few. This accounting standard will obstruct a company's ability to offer stock options to its employees because it will be too costly. Employers will also think twice before issuing stock options that have to immediately be reported as expenses to the company. Employees, such as myself, will be financially harmed in the long run.

As an employee, I understand the importance of stock options and what a valuable incentive they are to employees. That is why I know that the proposed FASB standard would be a threat to my financial security. Although I am cognizant of the fact that you receive mail everyday with constituent concerns, I feel this one is different because this issue really needs your immediate attention. For the financial welfare of employees across the nation, I am asking you to handle this matter appropriately and say No to the FASB standard. Thank you.

Regards,



Kathleen Dunn

cc: Senator Christopher Dodd  
Senator Joseph Lieberman