



A handwritten signature in cursive script, likely belonging to a Merit Medical representative, is located in the top right corner of the page.

MERIT MEDICAL SYSTEMS, INC.  
1600 WEST MERIT PARKWAY  
SOUTH JORDAN, UTAH 84095  
PHONE 801-253-1600  
FAX 801-253-1688  
www.merit.com

June 7, 2004

Director of Major Projects  
File Reference No. 1102-100  
Financial Accounting Standards Board  
401 Merritt 7, P.O. Box 5166  
Norwalk, CN 06856-5116

**Letter of Comment No: 4754**  
**File Reference: 1102-100**

Dear Director:

We, as officers and directors of Merit Medical Systems, Inc., would like to join thousands of publicly-held businesses from across the country in opposing the Financial Accounting Standards Board (FASB) Exposure Draft entitled "Proposed Statement of Financial Accounting Standards" dated March 31, 2004.

If adopted, the Exposure Draft, which will require fair market expensing of employee stock options beginning in 2005, will restrict our ability to invest in future operations, threaten the quality of our workforce, and endanger the personal financial potential of employees who participate in our stock option program. As a result, we strongly urge FASB to reconsider the recommendation in its March 31 Exposure Draft and leave in place current methods used to value employee stock options.

Employee stock options and the revenues generated from these options remain a fundamental tool available to Merit Medical for raising capital for current and future obligations. Over the past five years, Merit raised more than \$22 million in capital from the exercise of employee stock options and tax benefits. This has enabled us to expand operations, create new jobs, provide enhanced wages and benefits, and purchase supplies and equipment. These investments, in turn, have benefited thousands of Utahns and provided millions of dollars for state and local economies.

If, however, the recommendations in the Exposure Draft are adopted, thousands of companies, including Merit Medical Systems, will be forced to carefully re-examine the policies on employee stock options which may result in the termination of the programs due to cost. Any decision to terminate a program, as a result of implementation of the Exposure Draft, would obviously impact the personal financial potential of millions of workers across America as well as hinder the national, state, and local economies and diminish the state and federal tax bases.

June 7, 2004

Page Two

Moreover, adoption of the Exposure Draft will fundamentally threaten our ability to attract and retain a qualified workforce. Options have proven to be a valuable tool in attracting talent, retaining talent, and motivating employees to perform to the best of their abilities. At Merit, we have found that our stock option plan aligns the interests of employees with those of other shareholders because employees become more focused on the success of the company. The motivation of ownership is not only the heart of the American dream, but it is the key to innovation and competitiveness as well.

Finally, it is our belief that adoption of the Exposure Draft will not provide more useful or more accurate information to investors. Suggested valuation methods for expensing stock options uniformly fail to accurately determine aggregate value of those options. Methods were developed to value short-term tradable stock options, but they do not apply to employee stock options. Moreover, the methods include a number of subjective components susceptible to manipulation year to year resulting in neither consistent nor useful information for investors.

We believe that investors care about dilution, and we support making information regarding dilution as accurate, prominent, and investor-friendly as possible. Ironically, a mandatory expensing standard would undermine investor confidence, not raise it.

We ask you to seriously consider the negative effects that the March 31, 2004 Exposure Draft would have on Merit and thousands of other American companies. We reiterate our opposition to the plan and hope you will consider our objections.

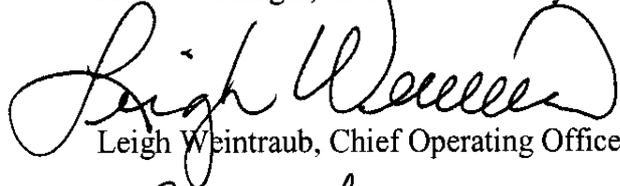
Sincerely,



Fred P. Lampropoulos, Chairman and CEO



Kent W. Stanger, CFO and Secretary-Treasurer



Leigh Weintraub, Chief Operating Officer



Gregory L. Barnett, Chief Accounting Officer