Letter of Comment No: 4974 File Reference: 1102-100

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June 24, 2004

Robert H. Herz, Chairman

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

Order Department, Financial Accounting Standards Board
401 Merritt 7, P.O. Box 5116

Norwalk, CT 06856-5116

Dear Chairman Herz:

In today economic climate, stock options are extremely valuable to small start-up companies. A company's ability to offer stock options allows that company to provide their employees a valuable incentive to help themselves by helping the company to succeed when initial cash flow may be low. Thanks to stock option programs, employees know that the company's success is their success as well. Stock options keep employees pulling hard in the same direction. Stock options have proven to be an invaluable motivational tool. Don't allow the FASB to take that tool away.

The FASB has proposed mandatory expensing which would require a value be placed on a stock option BEFORE it has been exercised, when in fact the value of that option cannot be determined until it is exercised. From an accounting standard this would prove time consuming if not out right disastrous. This would be yet another roadblock for company finance and hamper an employees ability to supplement their income.

That is why I elected to write this letter to you in an attempt to garner your support in opposing this new accounting standard. Please support employees by saying NO to the FASB's plan to expense stock options. Let us retain the right to determine our own forms of compensation and financial future. Thank you.

Sincerely Yours,

Paul Niche

cc: Senator Christopher Dodd Senator Joseph Lieberma

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