Letter of Comment No: 4970
File Reference: 1102-100

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

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

Dear Chairman,

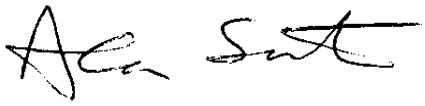
Presently, I work for a company that uses stock options as an incentive for its employees. Therefore, I can say that, because of stock options, all of the employees work harder to insure the success of the company. We realize that if the company does well financially, then so do we. The logic behind this is simple; it is in our best interests to give our best effort to the company because when the company's bottom line improves, our compensation increases as well. That is why I oppose the mandated expensing of stock options.

It is apparent that the FASB's proposal 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. By requiring the mandatory expensing of stock options, companies could eventually drop stock options altogether. Employees, across the nation, would feel this burden the most, as we have come to rely on stock options as a way to supplement our income.

I am well aware of that fact that you receive all types of requests from constituents daily. However, I feel that this is an important issue that you need to address quickly. Not only is the financial security of employees in jeopardy, our personal freedoms are in danger too. That is why I am hoping to gather your support in preventing the proposed FASB accounting standard from ever becoming law.

Thank you for your help with this matter

Sincerely,



Alan Santoro

cc: Senator Christopher Dodd
Senator Joseph Lieberman