

Scott Bevington
29 Commodore Commons
Derby, CT 06418

Letter of Comment No: 4945
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

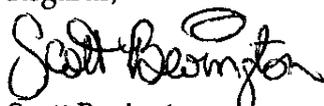
Dear Chairman Herz,

For several years now, our country has been struggling towards a full economic recovery. Therefore, the last thing that businesses need is an accounting standard that guides them to expense stock options that have not been exercised. Such accounting standards will create serious accounting problems for businesses and make it unaffordable for them to continue offering stock options to employees. Since complete disclosure of stock options is already required in a company's financial statements, I cannot see how this standard would improve on the current accounting standard. The entire concept is superfluous. I don't see how that benefits anyone, but I can definitely see the way it can create a great deal of harm. While I agree that we need to improve the current accounting standards, I feel that this is not the way to go about it.

Careful examination of the facts clearly shows that the FASB accounting standard on stock options would inflate the cost of employee compensation plans for every company that uses stock options. There is no viable reason to declare stock options as an expense as soon as they are issued because the dollar amounts will NOT be accurate! The end result could very well be to eliminate stock options as a broad-based employee benefit.

I am absolutely positive that if this new accounting standard passes, companies and employees will no longer feel financially secure. Therefore it is imperative that you to say no to the proposed FASB standard. Please help to secure the financial future of millions of employees across America.

Regards,


Scott Bevington

cc: Senator Christopher Dodd
Senator Joseph Lieberman