Letter of Comment No: 4853
File Reference: 1102-100

6/23/04

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:

I am certain that the members of the FASB are sensible enough to comprehend that no one knows how much a stock option costs a company until somebody actually exercises that option. This is a basic principle of general accounting. Mandatory expensing of stock options would force employers to drop their stock options which will be unhealthy for their business. It would be even more detrimental to employees who have come to rely on stock options as a way to improve their own personal finances.

The state of today's competitive business environment restricts a company's ability to reward their most productive employees with appropriate salary increases. The use of stock options allows employers to reward their employees in a more fiscally responsible way, while still rewarding hard work and results. This process has proven financially beneficial to everyone involved and should not be tampered with. That is why I am opposed to the FASB's proposal to mandate the expensing of stock options.

Therefore, for the financial welfare of employees I urge you to oppose mandatory expensing of stock options. Please work with us employees, and not against us. Defeat this stock option expensing proposal quickly. I appreciate your time in this matter.

Sincerely,

Randy Joch

cc: Senator Barbara Boxer
Senator Dianne Feinstein

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