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Letter of Comment No: 4062
File Reference: 1102-100

From: Katherine Robbins [krobbins@sierrahealth.com]
Sent: Thursday, June 10, 2004 2:28 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Katherine Robbins
7003 Country Day Lane
Las Vegas, NV 89119

June 10, 2004

Ms. Suzanne Bielstein
Financial Accounting Standards Board
401 Merrit 7
Norwalk, CT 06856-5116

Dear Ms. Bielstein:

Re: Share-Based Payment Exposure Draft

I work for a company that allows employees to purchase my employer's stock at a discount through an Employee Stock Purchase Plan (ESPP). I understand that the Financial Accounting Standards Board (FASB) has proposed a change to accounting standards that would require my company to count this discount as an expense against its earnings (Share-Based Payment exposure draft). I respectfully request that you reconsider this proposal and not require expensing of the discount allowed in ESPPs.

I am concerned that required expensing of the discount in the ESPP may make this valuable benefit plan less attractive to my employer, potentially causing my employer to either discontinue the plan, or reduce or eliminate the current discount. If the discount is greatly reduced or eliminated, buying company stock through the ESPP would no longer be much of a benefit. Unlike benefits aimed only at high-paid executives, this is a valuable benefit for employees across the company.

The ESPP is a very important benefit to me. Being able to participate in an ESPP has enabled me to invest in my financial future and experience a sense of ownership in my company. This benefit helped attract me to and serves as an incentive for me to remain with my employer. I could even say I continuously strive to perform to the best of my ability because I am an owner of the company.

I have been an employee for the past 11 yrs and I have been able to assist my family when needed through this program. I use it like my savings account. My family had to fly back to NY last year twice. My husbands uncle passed away and so did my aunt. Without this program, we would have never been able to afford this. Please reconsider the proposed changes.

I work for Sierra Health Services Southwest Medical Associates as a Business Manager.

Millions of workers like me in companies across the country are able to purchase their employer's stock through ESPPs. This builds company loyalty and helps to promote high standards of work when employees have a sense of ownership.

I strongly urge FASB to consider the negative impact the proposed rule would have on the nearly 16 million workers like me and eliminate the expensing requirement for ESPP discounts in the final rule.