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Letter of Comment No: 3547
File Reference: 1102-100

From: Theresa Anderson [clm111@sierrahealth.com]
Sent: Wednesday, June 09, 2004 6:25 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Theresa Anderson
550 Oakmount Ave
Las Vegas, NV 89109

June 9, 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 only been in my company's stock purchase plan a short time but have realized great benefits. I am head of my household. The extra money that I have made from my stock purchases has been used pay off some nagging bills. It has also enabled us to take a vacation that we would not have been able to do with out this profit. We currently rent an apartment next year we are considering purchasing a home. We were hoping to use the stock profit for the better part of the down payment and closing costs. We also have some necessary household items that need to be replaced and we were looking forward to replacing these things with future stock profit.

Removing this benefit would definitely be a disappointment for my family. Your reconsideration to this issue would be greatly appreciated.

Sierra Health Services
Claims 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.

CC:
SEC, Chairman, William Donaldson
SEC, Chief Accountant, Donald Nicolaisen
Employee Ownership Coalition (eoc@vennstrategies.com)

Sincerely,

Theresa Anderson