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Letter of Comment No: 3545
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From: Natalie Neilson [nneilson@sierrahealth.com]
Sent: Wednesday, June 09, 2004 6:24 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Natalie Neilson
1681 E. Flamingo Road, #2
Las Vegas, NV 89119

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.

The Employee Stock Purchase Plan (ESPP) is an amazing benefit that my company offers to its employees. It is one of the reasons I opted to work for them. This program has given me the option to be involved with building a retirement at a young age and to fund current endeavors such as education for improving my career. The reduction or elimination of the discount would be a travesty. It would detract from the attractiveness of my company for current and perspective employees. This would also take away the chance for co-workers to put their children through good schools, buy homes, or save money for retirement. I sincerely hope that the Financial Accounting Standards Board (FASB) seriously reconsiders its proposal to cut this program.

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,

Natalie Neilson