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**From:** Anthony Banks [abanks@sierrahealth.com]  
**Sent:** Wednesday, June 09, 2004 7:14 PM  
**To:** Director - FASB  
**Subject:** Share-Based Payment Exposure Draft

**Letter of Comment No: 3505**  
**File Reference: 1102-100**

Anthony Banks  
1607 Duhamel Way  
North Las Vegas, NV 89032

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 hope this legislation is not adopted.  
I believe the ESPP is an excellence program for mid level management and below.

It provides us with an opportunity to share in the benefit of a successful company. This is one of the few benefits offered outside of vacation, insurance, etc.

This is my first year of participating in the ESPP. And, I see an opportunity to earn additional monies that will contribute to my family household.

It often seems that programs to help mid management or lower positioned employees are reduced. But, there are numerous compensation program for senior management.

Sierra's ESPP program is designed to allow any employee to participate in

the success of the company. And, this form of compensation should not be eliminated or reduced.

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,

Anthony Banks