RTS Lease Management Inc
Robert Simon

May 26, 2004

Director of Major Projects—File Reference No. 1102-100

Robert H. Herz, Chairman
Order Department, Financial Accounting Standards Board
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116

Letter of Comment No: 3836
File Reference: 1102-100

Dear Chairman Herz,

Perhaps the FASB members are acting with good intentions in regards to the mandatory expensing of stock options. I hope so, but it is important to realize that stock options are an alternate means of compensation for some companies. This key means of compensation could suffer if the government passes this new standard. This is not progress: It is oppression! They should so something about that.

This measure will cost small businesses a great deal of money and the result would be an insult to all working men and women across America. People have begun to rely upon employee stock option programs as a legitimate form of compensation and regard them as long-term financial security. The accounting requirements of the new FASB standard would render stock programs far too expensive for many companies and they would cease to have them.

I sincerely appreciate you taking the time to mull over my concerns. I feel that the mandatory expensing of stock options is an important issue that could have a severely adverse affect both on existing small businesses and those planned in the future. It is no different from imposing a new tax or regulation on business. The issue of personal freedom involved in this issue is also imperative.

I thank you once again for your time and consideration.

Sincerely,

Robert Simon

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