Support Department Inc

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Letter of Comment No: 3813

File Reference: 1102-100

May 25, 2004

Robert H. Herz, Chairman

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

Order Department, Financial Accounting Standards Board

401 Merritt 7, P.O. Box 5116

Norwalk, CT 06856-5116

Dear Chairman Herz:

Stock options provide an alternative way for businesses to reward top performers when large salary increases are not possible. A stock option is a form of reward that the employee can access when he or she needs it most, and when it is at its most valuable.

With mandatory expensing, the FASB, wants businesses to predict the future. If this were possible, we'd all be a lot richer. There is simply no way the value of a stock option can be determined until the employee exercises that option. Since stock prices vary from day to day, how can the FASB expect a company to put a value to these stock options?

There are few policies as important as the mandatory expensing of stock options. It severely affects the business prospects and livelihood of small business owners and their employees across the country. Please deny this proposal for the sake of small businesses, employees, and the economy. Thank you.

Sincerely Yours,

Winchester Dermody