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Letter of Comment No: 2398 File Reference: 1102-100

From: Sent: jennifer_mattes@securecomputing.com Thursday, May 13, 2004 1:20 PM

To: Director - FASB

To: Director - FA
Subject: File Referen

File Reference No. 1102-100, Comment on FASB Stock Option Proposal



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Dear Mr. Robert Herz:

I am writing in reference to FASB's invitation to comment on its exposure draft, "Share-Based Payment," an amendment of Statements No. 123 and 95. As an assistant controller for a technology company, I am frustrated with the subjectivity under FAS 123 and the current exposure draft of the valuation of stock options. If there was a consistent method for valuing options, then investors would be able to compare companies' financial statements better and there may be more value to showing the options as an expense. The amount of time and money expended to estimate the value of options under the binomial method would be very burdensome to small to mid-size companies as well and would outweigh any benefit of showing the options at fair value under this method.

As an employee, the options as a part of my compensation package is invaluable. Besides the financial benefit, there is a morale benefit within the company to work as a team and see the reward of the company performing well, which should in turn increase our stock price on the market. If it becomes mandatory to expense options, our company may no longer grant options and as you can see, it would be detrimental to our well being in the work place and at home.

Sincerely,

Jennifer Mattes 2675 Long Lake Rd. Roseville, MN 55113