ikon

From: Valeria Pearson [valeriapearson@hotmail.com] Sent:

Letter of Comment No: 3975

File Reference: 1102-100

Monday, June 14, 2004 9:25 AM

To: Director - FASB

Subject: Share-Based Payment Exposure Draft

Valeria Pearson 6332 Vicuna Dr Las Vegas, Nevada 89146

June 14, 2004

Ms. Suzanne Bielstein Financial Accounting Standards Board 401 Merrit 7 Norwalk, CT 06856-5116

Dear Ms. Bielstein:

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 am very disappointed that this benefit is being taken away from us. This year our family incurred some added medical cost from the birth of our baby. I was unable to work for several months because of difficulties during pregnancy. My employee stock purchase plan enabled us to make extra money to refinance our home so that we would not have to sell and move out. This was a huge relief for our family. When I first signed up for the program I never imagined that it would help so much. I pray that I will continue to have this benefit as it has done so much to help my family in a time of need.

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,

Valeria Pearson