

ikon

From: Director - FASB
Sent: Thursday, June 17, 2004 1:51 PM
To: ikon; Karen Salmansohn
Subject: FW: Share-Based Payment Exposure Draft

Letter of Comment No: 3938
File Reference: 1102-100

-----Original Message-----

From: Dixie Sypher [mailto:dsypher@sierrahealth.com]
Sent: Thursday, June 17, 2004 1:50 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Dixie Sypher
1701 W. Charleston, Suite 115
Las Vegas, NV 89102

June 17, 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.

Please reconsider your options. This is a fantastic benefit to us as employees. I have worked for the company for 12 years and have only taken advantage of this benefit once. We as employees need to keep this benefit in place to be able to periodically be able to purchase stock and sell as we may need for home purchase, added expense, etc. This helps greatly. When our company is doing well, thanks to us employees, we need to be able to reap a few of the benefits as well. Having this as an added benefit more employees will have longevity with the company. Thank you for

listening to my voice.

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,

Dixie Sypher