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Letter of Comment No: 2591 File Reference: 1102-100

From: RChioini@aol.com

Sent: Wednesday, May 19, 2004 6:56 PM

To: Director - FASB

Subject: Stock Option Reform Accounting Act (H.R. 3574/S.1890),

I know that rational individuals would not offer such a knee-jerk, irrational solution due to the unfortunate results of a handful of dishonest companies, nor would they be motivated by political gain.

How will a shareholder be best served if a public company expenses options? The shareholder will ultimately be penalized because stock prices will fall causing investments to depreciate. This Act does not address the Enron, Tyco, etc. debacles.

Furthermore, options are currently disclosed in footnotes so a prudent investor can detremine the valuation of the company with those factored in.

If we expense for options, should we credit back for those that expire, or for those that are not in the money?

There is no accurate, reliable and consistent way to value employee stock options. Investors will not be well served by the misleading "guesstimates" produced by current option valuation formulas.

My company will no longer be able to grant options to the majority of employees. This would negatively impact morale, productivity and innovation.

I believe there is a wave of selfish politicians trying to pass this Act for their own personal, political gain, all the while ultimately exploiting and harming the average investor who truly does not understand that this is not good for themsef, for corporations or for business in America.

You may say that I'm biased because I am the CEO of a public company, but I was a shareholder in many public companies many years prior to my current position, and this is just plain common sense.

Rob Chioini
President & CEO
Rockwell Medical Technologies, Inc.

248-960-9009 248-960-9119 fax

Website: www.rockwellmed.com