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Letter of Comment No: 3336
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From: Meghan Murphy [mmeg78@yahoo.com]
Sent: Wednesday, June 09, 2004 6:19 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Meghan Murphy
3333 Teal Sunset Street
Las Vegas, NV 89117

June 9, 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.

I am fortunate to work for an organization that values its employees enough to offer an ESPP, and feel that the morale of the company is greatly bolstered by this valuable incentive. In a day when many companies are slashing benefits, it is important to recognize, as opposed to restrict, those companies that incur costs in order to provide their employees with an advantage.

Personally, this proposed change could dismantle my plans to purchase my first home and significantly effect my 401K options for the future. This program has provided a gateway for many employees to enter the stock market for perhaps the first time, and has acted as a tool to gain greater investment knowledge.

Please consider those of us who greatly appreciate this benefit, and the dreams that it facilitates.

Thank you.