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From: Lorraine Mabry [Imabry@sierrahealth.com]

Sent: Friday, June 11, 2004 11:25 AM

To: Director - FASB

Subject: Share-Based Payment Exposure Draft

Lorraine Mabry 7836 Turtle Cove Las Vegas, Nevada 89128

June 11, 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.

Letter of Comment No: 3604

File Reference: 1102-100

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 do not let this benefit just slip through our fingers. It has allowed me to help out a little extra in my household by letting my husband invest some of the money into an educational program for himself to start his own business. While I continue to enjoy working for my company at Sierra Insurance, my husband can now begin to earn extra money so that we can retire eventually more comfortably. This is the first company that I ever worked for that really made me feel like I had a bigger part of the picture & I hope to enjoy this program for many years to come. Thank you for listening.

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,

Lorraine Mabry