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Letter of Comment No: 2)85 File Reference: 1102-100

From: Sent: Les Howard [Les.Howard@efi.com] Friday, April 30, 2004 4:23 PM

To:

Stacey Sutay

Subject:

Proposed Rule Change on Stock Option Expensing/Rule # 1102-100



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FASB Members:

I am writing to urge the FASB to reject the proposed rule requiring stock option expensing. I am an employee of EFI, a high tech company in Silicon Valley.

Stock options give employees at all levels a stake in the success of our companies. They encourage the hard work and entrepreneurial spirit that fuel innovation, increase productivity and boost shareholder returns.

Owning options makes me feel like I have a real stake in the success of my company and increases my dedication and long-term commitment to my work. Stock option programs are also good for shareholders because employees are rewarded only if our company's stock value increases.

I am 67 years of age, and my stock options will enable me to improve my quality of life after retirement in meaningful ways. Even when some options were "underwater," I felt personally tied to the success of my company.

I am concerned that mandatory expensing of stock options could cause my company to reconsider how it allots options to employees. I don't think this would have been good for me, in the past; and I don't think it will be good for my friends, for EFI, or for its shareholders in the future as it could destroy one of the great motivational rewards of our hard work/high risk industry.

Thank you for your consideration of this appeal.

Sincerely.

Les Howard