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 From:
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 Sent:
 Wednesday, April 21, 2004 12:57 PM

To: Director - FASB Subject: Ref No. 1102-100

Mr. Robert H. Herz:

It is hard for me to believe that you are going to go ahead and kill stock options for the industry with your expensing...

Do you not realize that:

- 1) Expensing stock options at issuance just clouds the waters further.. look at cisco as an example. The options issued in 2000 and 2001 would have added several billion dollars in expense to the corporate bottom line.. yet in reality those options will never be executed... basically this will hide income a corporation makes.
- 2) The hightech industry depends on stock-options to get the leading edge developers to join a small startup. Without this you will further depress the hightech industry squashing the recent resurgance of the industry....

I realize there are some companies that have abused not only options but other payment forms to there senior managment. but the tech industry generally gives out options and such to all...

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Why can't you come up with an alternative that:

- a) does not punish the high-tech industry and
- b) will only target the abuser companies where only the top executives get options..

Thanks...

Just my 2 cents on this issue

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