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Letter of Comment No: 2236
File Reference: 1102-100

From: Stacey Madamba [Stacey.Madamba@efi.com]
Sent: Tuesday, May 04, 2004 6:31 PM
To: Stacey Sutay
Subject: Proposed Rule Change on Stock Option Expensing/Rule # 1102-100



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To: FASB

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

I am writing to urge 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 encourage the hard work and entrepreneurial spirit that fuel innovation, increase productivity and boost shareholder returns. Stock options are very important to me. If this rule passes, I strongly feel that many people will feel very disheartened and even have financial hardships such as paying for college or supporting their families.

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. In the past, my stock options have enabled me to improve my quality of life in meaningful ways. For example, I was able to cash out my options and put that money towards my family and their needs. I also used a portion of that money to give to my godchild for her first birthday to put towards her college fund.

I am very concerned that mandatory expensing of stock options could cause my company to reconsider how it allots options to employees. I don't think this is good for me and I don't think this is good for my company as it could destroy one of the great motivational rewards of our hard work/high risk industry.

Please note that I don't make a huge profit from my stock options. I'm not granted a huge amount. I just really think that stock options are a very important benefit. It is also important to the success of my company.

Thank you for your consideration of this appeal.

Sincerely,

Stacey E. Madamba