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From: Sent: Steven Heinrich [sheinrich@qualcomm.com]

Monday, June 28, 2004 6:01 PM

То:

Director - FASB

Subject: File Reference No. 1102-100

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I am writing you on to voice my opinion regarding expensing employee stock options.

Stock options are an important component in a employees compensation package. They provide an "equity share" within the parent company. This benefits the company since the employees are owners of the company, not simply hired workers. The ownership strengthens the workers motivation, morale and sense of urgency with all company business or design options. This also serves the stockholders, since it provides the employee greater motivation for fiscal responsibility or timeliness.

I urge you to not expense stock options. Passing this legislation will stifle the creative and entrepreneurial sprit possessed by American companies at a time when many technology jobs are being out-sourced. By keeping the stock options, this provides additional incentive for the American worker to outperform their overseas (and compensated) equivalent.

Stock options contribute to America's sustainable competitive advantage by providing extra reward when appropriate.