Letter of Comment No: 5559
File Reference: 1102-100

Dear Director,

This letter is written to urge your support for congressional action to delay the FASB stock option expense ruling pending a study of economic impact. Please act quickly.

Gentex Corporation is against the expensing of stock options. We have a broad-based stock option program which has created 2000 jobs in the Midwest. Now our entire entrepreneurial system is threatened. We need your help!

Stock options are not the same as market traded options. There is not proven, valid model predicting the cost of stock options.

There is no proof that broad based stock options are responsible for market scandals. Expensing options of broad based stock option programs will do nothing to eliminate future scandals.

Entrepreneurship is the best chance the U.S. has to keep jobs from moving overseas. Expensing stock options will reduce entrepreneurship by eliminating option incentives. Millions of additional jobs will move to the Far East as a result of our inability to compete.

The first options to be eliminated will be those of lower and middle management. This will do most damage to middle America, causing greater income inequality.

Small companies create most jobs. Expensing options will hit small companies the hardest.

Expensing stock options goes far beyond the accounting issues. It's an economic issue that will do great damage to American industry.

The FASB plan will produce grossly inaccurate financial reporting at sharp inflection points in our economy causing investors to sell or buy shares based on wrong information. The cost to investors will be staggering. Given our infamous tort system, who will be liable?

Sincerely,

Sandy Gambrel