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From: Lisa Williams [lwilliams@lcpa.org]
Sent: Wednesday, June 30, 2004 9:38 AM
To: Director - FASB
Subject: File Reference No. 1102-100

Letter of Comment No: 5525
File Reference: 1102-100

Please confirm receipt of response

June 28, 2004

VIA EMAIL

Director of Major Projects
File Reference No. 1102-100

RE: Proposed Statement of Financial Accounting Standards: Share-based payment, an amendment of FASB Statements No. 123 and 95.
Date: March 31, 2004
Comments submitted by: Accounting and Auditing Standards Committee- Society of Louisiana Certified Public Accountants

As we write this, the U.S. House of Representatives is working on legislation, which would allow public companies to circumvent implementation of this proposed Statement.

Specific Comments:

Issue 1. We agree in principle that employee services received in exchange for equity give rise to recognizable compensation cost.

Issue 2. We agree that pro forma disclosures are not an adequate substitute for recognition of compensation cost in financial statements.

Issue 17. We believe that the accounting treatment in the proposed Statement should match IFRS 2 in the interest of achieving convergence. By not converging the Statements we are saying that in principle we want convergence but we aren't willing to go the full measure at this time. Otherwise we will end up with having to amend the amendment.

Issue 18. The proposed Statement is understandable overall, however we had difficulty following the option valuation calculation in paragraph B-60. We don't know whether this is due to some denseness on our part or on a lack of clarity in this particular part of the proposed Statement.

General Comments:

We don't think we should exclude private companies from these provisions.

Yours very truly,

Martin L. Chehotsky, CPA, CFE
Committee Chairman