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From: Sent: Marcy Miller [MMiller@qcbt.com] Wednesday, June 30, 2004 11:49 AM

To:

Director - FASB

Subject:

From Doug Hultquist, President, QCR Holdings, Inc.

Re: Share Based Payment Exposure Draft

Dear Ms. Bielstein:

I am the President of a company that just a few years ago implemented an Employee Stock Purchase Plan (ESPP). The company adopted the ESPP to provide employees with an easy and financially accessible way to purchase company stock. The ESPP has greatly enhanced our strong employee ownership culture and is a plan widely used by our employees.

Letter of Comment No: 5529

File Reference: 1102-100

As President I have been following the Financial Accounting Standards Board's (FASB) proposed changes to accounting standards that would require the company to count this discount as an expense against its earnings (Share-Based Payment exposure draft). I respectfully request that you reconsider this proposal and not require expensing of the discount provided under ESPPs.

I am concerned that required expensing of the discount under the ESPP may make this valuable benefit plan less attractive to the company, potentially causing it to either discontinue the plan, or reduce or eliminate the current discount. If the discount is greatly reduced or eliminated, buying company stock through the ESPP would no longer be much of a benefit, depriving many employees of easy access to the purchase of company stock.

The ESPP is a very important benefit to the company's employees. Being able to participate in an ESPP has enabled them to invest in their financial future and experience true ownership in the company. I believe this benefit serves as a strong incentive for employees to remain with the company.

I strongly urge FASB to consider the negative impact the proposed rule would have on the nearly 16 million workers that have become corporate owners and eliminate the expensing requirement for ESPP discounts in the final rule.

Please don't hesitate to call me with any questions you may have.

Sincerely yours,

Douglas M. Hultquist President

QCR Holdings, Inc. 3551 7th Street, Suite 204 Moline, Illinois 61265 Phone: 309-743-7728 Fax: 309-736-3149