June 3, 2004

Letter of Comment No: 3228 File Reference: 1102-100

Email: director@fasb.org

Re: Expensing of Stock Options (File Ref. 1102-100)

This letter is written to express my position against the expensing of stock options.

I'm against the expensing of stock options. The company I work for has a broad-based stock option program which has created 2000 jobs in the Midwest and is expanding the business despite the current economy. Due to the Stock Option Reform Act our entire entrepreneurial system is threatened. We need your immediate help!

- 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. Plus no government agency actually receives any income from them.
- 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 cause tremendous damage to middle-income Americans, causing greater income inequality. The act will also result in less spending in our communities, state, and the country due to reduced income for the people who would have received the options.
- Small companies create most jobs. Expensing options will hit small companies the
  hardest. Small companies will have an increasingly difficult time attracting the talent
  required to compete with larger companies. Stock options provide a way for small
  companies to compete with the larger companies by using stock options as an incentive.
- Reducing the value and/or taking away stock options will take away employee ownership of the company which I believe is the most powerful incentive for employees to do their very best since they are part of the structure of the company and will "go the extra mile" to make the company successful. I also believe that when an employee has ownership incentive in a company, the company through the employees will produce a better quality product for consumers. This in turn will create a better image for America in the global economy.
- 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.

Sincerely.

Chris Meaney