

Acela Technologies Inc

May 28, 2004

Director of Major Projects—File Reference No. 1102-100

Robert H. Herz, Chairman
Order Department, Financial Accounting Standards Board
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116

Dear Chairman Robert H. Herz,

I'm writing as a small business person who understands that employee stock options attract the kind of self-motivated employees I want working for my company. Employees who are interested in stock options want to see their company grow, they aren't just in it for the paycheck. It is not the government's place to decide how a company chooses to give back to their employees. By imposing their will on business, the FASB will impede the ability of employers to decide the appropriate incentives to give their employees. I'm hoping the FASB won't force the hand of small companies across the country.

Wouldn't you agree stock options reporting is clearly one of those areas that isn't broken and doesn't need fixing? I mean, companies already have the option of reporting outstanding options as expenses or simply reporting the existence of those options in their annual financial statements. That should be more than sufficient, don't you think? Requiring all companies to 'expense' all options before they are exercised would not only be redundant, but also financially misleading for the investment public.

I believe there are few policies as important to small business as the mandatory expensing of stock options. It would severely affect the livelihood of small business owners and their employees across the country. This proposal needs to be shelved in order to allow small business an opportunity to continue to thrive. Thank you for considering my point of view.

Regards,



Daryl Boffman

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