Systemic Formula Inc

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

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

Dear Chairman Herz:

Our government is increasingly making decisions that it shouldn't have the right to make. These decisions have major effects on many people, and it's just not fair. The latest example is the move by the FASB to immediately expense stock options upon issue. This would virtually rule out the chances of any new small business taking a chance and giving them out.

Perhaps the FASB members are acting with good intentions, but the results would be a disservice to working men and women across America. They are decent, hardworking people, and they deserve rewards that their companies cannot sometimes give. An alternative to expensive pay raises is stock options, payable upon exercise. The accounting requirements of the FASB standard would make those programs impossibly expensive for many companies. The accounting nightmare that would ensue would be prohibitive for many.

Small business owners everywhere need you to back them up on this issue. Stock options are a valuable tool to us, and to lose them could mean the difference between being in the red or the black.

Sincerely Yours,

Stuart Wheelwhinh