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Evans Computer Service

May 27, 2004

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

Letter of Comment No: 3163
File Reference: 1102-100

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

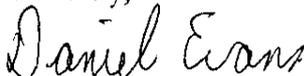
Dear Chairman Herz,

Over the last several years, our economy has been depressed, preventing many businesses from offering decent pay raises to their best employees. That is why stock options have proven to be such a useful tool for companies to reward their employees and create a team environment that works together to strive for success. I feel it should be up to the employer as to what options they choose to offer their employees. Government intervention in the use of stock options would strip employers of that and negatively impact the employees.

The big accounting scandals of the last few years were often caused when companies misstated their numbers to produce higher profits and asset values that had no connection with reality. Don't you find it ironic that the FASB is now proposing an accounting standard that would force companies to misstate their numbers to produce higher expenses and lower profits that have no connection with reality? Well, that is exactly what mandatory expensing of stock options would do!

Please take a moment to review this issue from the perspective of a small business owner. Mandatory expensing of stock options would severely affect the business prospects and livelihood of small business owners and their employees across the country. This proposal needs to be prevented from ever becoming law in order to allow small business an opportunity to continue to thrive. With your support, I am sure we can see an end to this type of government interference and a continuation in our economic growth.

Sincerely,



Daniel Evans