ikon

From: Kim Wilson Buck [Kimberly.Wilson@Sun.COM]

Sent: Tuesday, June 01, 2004 12:50 PM

To: Director - FASB

Subject: File Reference No. 1102-100

To the Director of FASB:

When considering whether to treat stock options as an expense, please consider the impact of stock options on entrepreneurial spirit.

* Many smaller, newer companies cannot afford big company benefits like 401k matching and other forms of profit sharing. Offering stock options helps smaller businesses keep talented employees and incent them to grow the companies.

Letter of Comment No: 2914 File Reference: 1102-100

- * Stock options give employees an emotional bond with a company. Their future is tied to the company's future, which motivates employees to invest extra time, creativity and sweat.
- * Unlike shareholders that just buy the latest hot stock on the open market to pursue their individual financial goals, employee shareholders have a deep vested interest in the company's future and decision. You WANT those people voting in shareholder elections.

On another note, your model for tracking this "expense" and charging companies is seriously flawed. Under the proposed Black-Scholes model, our company would have been charged \$647 million for stock options released in the year 2000. Those \$45 shares are now seriously underwater, but your model makes no provision for correcting this or refunding the charge. That's just extortion.

In a time where a president can offer tax cuts to the wealthiest while incurring the biggest budget deficit in history and funding wars to further oil interests, and executives get rewarded with multi-million dollar packages while ruining their companies, taking this vital incentive away from entrepreneurs and working people is just immoral, and absolutely counter to the American spirit.

Don't do it. Just don't.

Thanks-Kim Wilson Buck

Kimberly Wilson Buck Portal Segment Manager Market Development Organization Sun Microsystems 630-438-5601/x. 55601

kimberly.wilson@sun.com