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Letter of Comment No: 1775
File Reference: 1102-100

From: Rensen, Linda D [linda.d.rensen@intel.com]
Sent: Friday, April 23, 2004 11:44 AM
To: Director - FASB
Subject: File Reference No. 1102-100

Ladies and Gentlemen:

Here are some comments expressing my opposition relating the expensing stock options.

I am administrator and not a highly compensated individual at my company. Since 1997, our company has been providing stock option grants to all levels of employees in every country where it is legal to do so. This is an important retention tool and provides a flexible way for an employee to gain income by deciding when to exercise options. It is hard to understand how an accounting procedure can determine a value for something that has not yet occurred, such as a stock option exercise. Our plan cancels options if an employee terminates before the options are vested. Why would anyone require a valuation on something that was never available to the employee as potential income? Wouldn't it be very complicated to expense options when they are given just to have them under water when they become vested several years later? Sounds like an accounting nightmare to me.

Our company is not an Enron. Surely there are better ways to protect employees and not penalize a company.

Thank you for accepting these comments.

Linda Rensen