Fine Computer Consultants Inc

Letter of Comment No: 3119 File Reference: 1102-100

May 24, 2004

Chairman Robert H. Herz

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

Order Department, Financial Accounting Standards Board
401 Merritt 7, P.O. Box 5116

Norwalk, CT 06856-5116

Dear Chairman Herz:

Stock options mean companies can offer their employees a direct stake in the growth that those employees are asked to create. They are creating wealth for themselves as well as wealth for the company and its investors. Self-interest is a powerful motivator and stock options give employees a very clear self-interest in the future success of their company.

The FASB requirement for mandatory expensing of stock options would endanger broad-based employee stock option plans. This accounting standard will hurt mid-level and lower-level employees who stand in danger of losing their stock options. Rather than deal with the damage the FASB standard would do to their reported numbers, most companies would take the path of least resistance and drop stock options for rank and file employees. I'd be willing to bet the executives will still get theirs, but the little people will be shut out of the process.

I was attracted to join a company with stock options and I felt it was a good situation. Don't take this option away from employers or their employees. It benefits everyone. Thank you for your time.

Sincerely yours,

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Edwin Fine