

Karen Salmansohn

From: Director - FASB
Sent: Monday, February 03, 2003 11:27
To: Karen Salmansohn
Subject: FW: Sharing in the Dream

Letter of Comment No: 145
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-----Original Message-----

From: Chapple, John [mailto:John.Chapple@NextelPartners.com]
Sent: Saturday, February 01, 2003 5:21 PM
To: Director - FASB
Subject: Sharing in the Dream

Dear Director,

I'm Chairman and CEO of a NASDAQ company called Nextel Partners (NXTP) although my business card simply reads "Partner." All our 2,400 fellow partners are eligible for company stock options and in 2002 about 90% of us received them based on meeting company wide goals approved by our Board of Directors.

We have always had an equity oriented company and if one was to assess our average cash compensation for like sized companies one would discover we are paid below market. We've always felt it was important for us to be aligned with our shareholders—we should win or lose along with them.

We went public in February 2000 and turned EBITDA positive this year well in advance of what was promised on our IPO road show. We also believe we'll be Free Cash Flow positive in 2004 well ahead of expectations. I attribute our better than anticipated operating performance in significant measure to the vast majority of us having equity in the company and working tirelessly to create value for our shareholders and ultimately ourselves as well.

I'm certain you are well aware of the potential pitfalls associated with mandatory expensing of options. Wasn't it Lincoln who said you don't eliminate the body to save a limb; you eliminate a limb to save the body. There are other mechanisms now and currently being put in place to safeguard investors and ensure corporate integrity. Expensing options is not one that will help outside investors and instill better or more productive corporate behavior. It will be a culture killer and a devastating blow to progressive companies which are committed to having everyone participate in value creation.

In closing, I'd also like to point out that not one person involved in founding this company has ever sold a single share of stock; to the contrary we have been only buyers up to now. We look forward to continuing to do the best job possible for our customers while remaining aligned with our company's shareholders.

Thank you for your consideration,
John Chapple, Partner