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From: Sent:

Jason T. Clark [it\_clark@yahoo.com] Monday, June 28, 2004 2:27 PM

To:

Director - FASB

(Yes to stock options) File Ref# 1102-100 Subject:

Letter of Comment No: 5455 -File Reference: 1102-100

Dear FASB and US Government,

I would like to go on record as being opposed to the plan to force expensing of employee stock options. I'm very concerned about this issue and the impact on America and our future place in the world economy.

Expensing employee stock options will not change the cash flows of companies at all. It will force companies to impact reported net income for an expense that might never occur...many stock options expire worthless.

Stock options are an important part of creating innovation in the American corporation. Many people in large corporations put in that intangible "extra effort" with the knowledge that the innovations they help create will flow through to them as a shareholder. I've seen this motivational tool benefit first hand working in Silicon Valley hi-tech companies.

America, famous for our start-up company economic engine of growth, will also face problems duplicating our start-up success without stock options. How are cash poor small risky start-ups supposed to attract big company top talent when there is no potential big payoff for these employees? I have seen many talented employees leave big corporations to go to startups with the main factor being the opportunity for a larger equity stake in a small company.

With the globalization of jobs becoming bigger every year due to regional wage imbalance, broadband connectivity, etc we had better be prepared to continue Innovation on the American side. Without creating new Big Things and new Big Business our existing Corporation base will not support our current quality of life as more jobs are proceduralized and moved offshore.

We need to stay true and produce reliable and useful financial statements...is requiring expensing of stock options really changing the cash flow statements of American corporations? We need American people in Big Corporations putting forth that extra effort (human nature push that stock options provide) to stay in the world leadership position. We need top talent American people taking risks by jumping ship to a Start Up Company where their efforts might create the next Big Thing.

We need to keep American stock options. Let's not change the way the paperwork is done which won't change a Company's true solvency but will negatively change the great American way of Innovation. We need to keep American stock options.

Regards,

Jason Clark Semiconductor Industry