

Computer Doctor Broken Arrow

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Letter of Comment No: 3099 File Reference: 1102-100

Robert H. Herz, Chairman Order Department, Financial Accounting Standards Board 401 Merritt 7, P.O. Box 5116 Norwalk, CT 06856-5116

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

Dear Chairman Robert H. Herz:

You can preach teamwork to your employees all you want, but there is nothing like stock options to make them feel they are really part of a team. What member of a work environment wouldn't benefit from feeling as if they have a more vital stake in the outcome of the company? Work output increases, and businesses flourish in such an environment.

The idea behind a stock option is that an employee receives the stock at a certain value. As the employee helps with the success of the company, the value of that stock will increase and the employee shares in the company's success. Mandatory expensing, as proposed by the FASB, would require a value be placed on a stock option before it has been exercised, when in fact the value of that option cannot be determined until it is exercised. Any kind of fair accounting principles that the government expects us to adhere to would be thrown out the window!

Everybody has their own perspectives on issues such as this. I'm not the only one with an opinion here. However, I think many small businesses such as mine have a true stake in what happens on this decision. We need stock options to be kept on the negotiating table, and only the FASB can protect that now. Please vote down new regulations.

Sincerely

Steve Netherton