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From: Gautams [agautam@nc.rr.com]
Sent: Wednesday, June 02, 2004 10:29 AM
To: Director - FASB
Subject: FAS123 - Expensing of Stock Options

Letter of Comment No: 2956
File Reference: 1102-100

Dear Sir/Madam,

I have joined the high tech company and the options has made my dreams come true. I could never ever afford a house with out stock options. As you know the stock options have served as a significant tool to drive American high tech leadership, innovation and job creation. If implemented, FAS 123 will likely bring an end to broad-based employee stock option plans inside the United States.

I think U.S. companies need broad-based employee stock option programs to compete with other countries on a global basis. Other countries, including China, do not expense stock options. These broad-based employee stock option plans not only enhance productivity but also benefit shareholders by better aligning employee and shareholder interests.

Stock options do not meet the definition of an expense because they do not use company assets. The true cost of a stock option is dilution of earnings per share (EPS) and is already accounted for when options are exercised. Employee stock options are not freely tradable, are subject to forfeiture if an individual leaves the company, and are therefore impossible to value.

The FASB exposure draft will require companies to somehow come up with a value-- however inaccurate-- and force companies to put inaccurate information on the financial statement. The financial statements will actually become less valuable to the individual investor. Overall expensing options will likely lead to further inaccuracy and financial engineering in corporate filings, which will not be beneficial to shareholders.

Regards,
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Only a life lived for others is a life worth while - Albert Einstien