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To: Director - FASB
Subject: File Reference No. 1102-100

Stock options are a great way to provide
broad-based incentives for employees at
all levels.

It encourages and rewards extra effort, talent,
and long-term commitment.

Expensing options will cause several un-intended
sides effects:

First, only a small percentage of top-level (insiders)
and perhaps a smattering of founders and/or incredibly
talented employees will be eligible. Such restictions
lead to a more "class" oriented socail structure,
which is MORE likely to support corporate mal-feasence.

Second, estimating the value of options adds MORE
subjectivity to financial statements. For example,
how does a company make adjustments if their stock
surges up and then retreats? Are the expense charges
for options that become 'way underwater' reversed?
Are the reversals re-reversed when and if market
conditions change? These are not academic questions.
In the real world, option values change substantially
over the 4 to 8 year period for which incentive
stock options are valid.

Finally, we must consider the long term consequences
of foreign competition. If foreign countries start
to use stock options more freely, we can hurt our competitiveness.

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