InfoPower Inc

Letter of Comment No: 2820 File Reference: 1102-100

May 22, 2004

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

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

Dear Chairman Robert H. Herz,

The government needs to stop trying to trip the business sector up! We are doing our best to find innovative ways to keep afloat and stock options are definitely one of the methods we use. Stock options provide an alternative way to reward top performers that in some ways is even better than a salary increase. A stock option is a form of reward that the employee can access when he or she needs it most, and when it is at its most valuable. Now I hear that the FASB wants to force companies to expense stock options once they are handed out to employees. This is horrendous!

The value of an unexercised stock option is a phantom number. And we certainly do not want federal accounting standards based on phantom numbers. Yet that is exactly what we will get if the proposed FASB standard on stock options accounting is permitted to become law. When companies are forced to figure out these kinds of costs, it definitely looks like we are 'cooking the books.'

We need to see that the FASB is standing firm with us on this one. Small businesses are doing their part to keep the economy flowing---and legislation like this is just another hit that could keep us down. Please vote no on this, and keep government away from small business!

Regards,

Daniel Niswander