Letter of Comment No: /646 File Reference: 1102-100

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From:

Brian Armer

Sent:

Wednesday, April 21, 2004 2:55 PM

To:

Director - FASB

Subject:

File Reference No. 1102-100; expensing stock options

Importance: High

## Dear Chairman Herz,

I'm writing to plead with you regarding the expensing of stock options. As an rank-and-file employee of a tech company, stock options provide employees with the opportunity to accumulate wealth in a unique manner, going beyond the traditional method of saving a percentage of salary year over year. Options help us afford to buy a home, save for our children's education, and prepare for other major life expenses. Also, they give us a vested interest in the company's stock and success, therefore motivating all employees to make the company better and do what's best for shareholders.

If expensing of options becomes a FASB regulation, inevitably employees will get significantly less or zero stock options going forward. This will have a negative impact on the employees, companies, and ultimately the shareholders.

Costs are already realized once an option is exercised. I don't see any sense in using questionable formulas to "guesstimate" what the value of options may be once issued. Also, issuing an option does not use company assets.

Please reconsider implementing this rule. It will harm employees' futures, our children's future, the companies we work for, and many other factors all in the name of boosting investor confidence. Yet this does not truly address America's issues at hand with accounting and large corporate failures such as Enron and WorldCom. Implement rules which protect shareholders from executives with questionable business practices and their auditors which turn a blind eye or "work the numbers". Please don't punish the employees!!

Sincerely, -Brian Armer