

FleetBoston Financial

Letter of Comment No: 73
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Ms. Suzanne Bielstein Director of Major Projects and Technical Activities File Reference No. 1101-001 Financial Accounting Standards Board Director@fasb.org

Dear Ms. Bielstein:

FleetBoston Financial Corporation (Fleet) appreciates the opportunity to comment on the *Exposure Draft* Proposed Statement of Financial Accounting Standards, Accounting for Stock-Based Compensation-Transition and Disclosure and amendment of FASB Statement No. 123. After careful review of the proposed standard, and with the awareness that many companies are changing their policies already, we respectfully submit the following:

Given that there is already inconsistency with respect to the accounting for stock options, fair value or intrinsic value, we believe that the proposed standard serves to further compound inconsistency by offering three alternatives to transition to fair value. In our opinion, there should continue to be a single method of adoption for all companies that choose to transition to fair value accounting.

If a new alternative is to be implemented, then we believe that the best accounting and reporting method is to restate all periods presented to reflect stock-based employee compensation cost under the fair value based accounting method, as described in Section 2.a.c of the Proposed Statement. This method facilitates reporting period comparability without primary reliance on footnote disclosure.

We are faced with an environment where financial reporting is increasingly scrutinized and accounting decisions are subject to debate. Adoption of a single consistent transition method will help to improve transparency and rebuild confidence in the accounting and reporting process.

Fleet appreciates the opportunity to comment on the Exposure Draft. Please contact Eric D. Redo at (617) 434-9893 or me at (617) 434-2341 if you would like to discuss our comments further.

Sincerely,

Ernest L. Puschaver Chief Accounting Officer FleetBoston Financial