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From: matt_donofrio@cree.com
Sent: Monday, June 21, 2004 9:02 AM
To: Director - FASB
Subject: File Reference No. 1102-100, Comment on FASB Stock

Letter of Comment No: 5138
File Reference: 1102-100



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Dear Mr. Robert Herz:

I am writing in reference to FASB's invitation to comment on its exposure draft, "Share-Based Payment," an amendment of Statements No. 123 and 95. The proposed rules would unfairly punish the average employees, by limiting their ability to participate in the success of the company. Forcing companies to expense options and ESPP plans will undoubtedly cause them to significantly reduce or eliminate the stock options and ESPP benefits we currently have.

Further, the proposed rules would do little to stem the accounting problems that have plagued the public markets.

Sincerely,

Matthew Donofrio
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