



7318 Ramblewood Dr Magnolia, TX 77354-5913

May 26, 2004

Letter of Comment No: 3838

File Reference: 1102-100

Chairman Robert H. Herz

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

Order Department, Financial Accounting Standards Board

401 Merritt 7, P.O. Box 5116

Norwalk, CT 06856-5116

Dear Chairman Robert H. Herz:

Although we currently do not offer stock options in our company, we do know the value of those options. That is why it is imperative to my business, and other companies like mine, that we retain the right to compensate employees without government involvement. That is why I am so opposed to the FASB's attempt to mandate the expensing of stock options.

If the FASB or anyone else for the matter wants to know how many unexercised stock options a company has outstanding, that information is easily available in the footnotes of their financial statements. This was an issue mandated by the SEC several years ago. The complicated reporting requirements contained in the proposed FASB standard are not only unnecessary, they are fiscally irresponsible. There is no need to expense all stock options before they are exercised just to let the public know they exist. The existence of outstanding stock options is clear to anyone who cares to open a company's financial statements. They are public domain already!

That is why this proposal by the FASB is a total waste of time, money, and man power. Therefore, won't you please do everything in your power to make sure this issue is shelved? Please don't let small business owners down. Thank you.

Regards,

Linda Barnes