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Letter of Comment No: 5633
File Reference: 1102-100

From: Gerald W. Garcia [geraldg@austin.rr.com]
Sent: Tuesday, June 29, 2004 12:50 AM
To: Director - FASB; Sue Bielstein; FASB Comments
Subject: File Reference No. 1102-100 (Share-Based Payment - an amendment of FASB Statements No. 123 and 95)

29 June 2004

Suzanne Bielstein, Director
Major Projects and Technical Activities
Financial Accounting Standards Board
401 Merritt 7
Norwalk, Connecticut 06856-5116

RE: File Reference No. 1102-100 (Share-Based Payment - an amendment of FASB Statements No. 123 and 95)

Dear Ms. Bielstein and members of the Board:

I am writing to you in support of the Proposed Statement of Financial Accounting Standards, File Reference No. 1102-100 (Share-Based Payment - an amendment of FASB Statements No. 123 and 95). Some of the CEOs of the business world whom, to their dishonor, are resorting to scare tactics in a last desperate attempt to keep their lucrative stock option gravy train. None of their outlandish predictions (a financial bonanza for trial attorneys, outsourcing of jobs to countries that will hand out expense free stock options, etc.) have any merit. It is time to make your proposed changes for the long term health of our economy (buy increasing the fair share of taxes lost in stock option deductions made by corporations) and our nation.

Many outstanding business leaders have already eloquently rebutted the outlandish claims made by those who have the most to lose in the reform of expensing stock options. I also agree with men such as Warren Buffet who assert:

* It is not difficult to measure the value of stock options.
* Stock options would not be "double counted".
* No genuine corporate profits will be erased.
* Expensing options will not damage startup companies.
* Options are not non-cash expenses.
* Options reduce shareholder voting power.
* Restricted stock can also align management interests with those of the shareholder.

My training and experience as an engineer have taught me that the best decisions are made with the best information, and the expensing of stock options is the right course of action to have the best information available for the investor. I support your efforts, and I encourage you to do what is best for our nation.

Sincerely,

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