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Letter of Comment No: 5644
File Reference: 1102-100

From: J John [jjohn@san.rr.com]
Sent: Monday, June 28, 2004 1:50 PM
To: Director - FASB
Subject: File Reference No. 1102-100

Hello:

I am writing this to express my concern over the future accounting for employee stock option grants.

In my opinion, stock options are extremely valuable to a company, for the following reasons:
(a) It aligns the best interests of the company with the best interests of the employee. Since the employee owns company stock, he/she will work hard to ensure that the company does well and thus benefit from an increase in stock price.
(b) It encourages the employee to be actively involved in investing and managing money wisely. From my personal experience, I can state without reservation that had it not been for my stock options, it would have kept me as a novice investor with no motivation to explore how to manage money wisely.
(c) It distributes wealth amongst the wider population. In corporate America, there is a huge discrepancy between what the upper echelons of senior management are paid, and what the normal average employee gets. Stock options are one way to improve the life of your regular employee (by providing them the opportunity for a financial windfall), and they can feel justly rewarded as well, since it is directly related to their hard work, as mentioned in (a).

Please do not take away this excellent tool of compensation away from the hands of American Companies. They are key to the continuing success of our great nation!

sincerely,
-J John.