

**ikon****Letter of Comment No: 5610**  
**File Reference: 1102-100**

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**From:** Eickholt, Marc [meickholt@gentex.com]  
**Sent:** Tuesday, June 29, 2004 5:00 PM  
**To:** Director - FASB  
**Subject:** Expensing of Stock Options Ruling

Mr. Director,

I would like to take a moment of your time to express my opinion on the ruling your Board is about to make on the mandatory Expensing of Stock Options. I can bet that I am not the type of person that you think of when think about someone receiving stock options as a larger part of their compensation from their employer. I am not an executive, I am not a chairman, and I am not upper management. What I am is a 24 year old Test Engineer, who was lucky to have happened to have gotten a job with such an innovative company as Gentex Corporation during these bleak economic times. I do not live in a large house or drive a fancy car, but live in an apartment with my new wife and drive a used Chevy that I bought from my father. So as you can see, I am not your typical recipient of stock options. The company I work for employs around 2000 total employees and issue stock options to all salaried employees from the lowest level on up to the executive, but all on a performance evaluation basis. Here at Gentex, the belief is that if we work hard and make a great product, our efforts will be returned in the value of our stock price. So as you can see, in no way do stock options have anything to do with illegal corporate activity.

Furthermore, how can a value be assigned to stock options before they are ever exercised? To me, I see a stock option as a reservation, much like a hotel reservation. When you call the hotel and make a reservation, you agree to pay a nightly rate, but at that time no funds are exchanged. The only time do they collect any funds form you, is when you check in at the front desk, much like when you exercise an option. However with stock options, I am given a reservation to purchase a sum of shares at a predetermined rate, and the only time does it turn into currency is when they are exercised. Also, what were to happen if someone were to let their options expire? That would mean the company would have had to expense options that were never exercised and henceforth never given a value. The bottom line is that options have NO value until they are exercised. Even if you were to pick a date and use that as a theoretical stock price to determine what all the options would be worth if exercised on that date, this would be a false value. Any options that have not already been exercised are still worth nothing.

Mr. Director, I urge you and your board to take more time to consider and study this matter, and not get caught up in the whirlwind that has been created by corporate scandal.

Thank you for your time,

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