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From: Michele Pierce [Michele.Pierce@Sun.COM]
Sent: Tuesday, June 01, 2004 12:54 PM
To: Director - FASB
Cc: Michele.Pierce@Sun.COM
Subject: File Reference No. 1102-100

Letter of Comment No: 2909
File Reference: 1102-100

FROM: Michele Pierce(michele.pierce@sun.com)
DATE: June 1, 2004
TO: Stacey Sutay
SUBJECT: Letter of opposition to FASB stock option expensing;
File Reference No. 1102-100

I am sending this letter to register my vehement opposition to stock option expensing. Expensing of stock options is based on the assumption that a stock's past performance is indicative of future performance. The volatility of the high-tech stocks over the past few years demonstrates how impossible and ridiculous this assumption is.

I have vested stock options that I can exercise for ~\$70/share...for a stock that is currently trading at less than \$4.25/share. Obviously these are worthless to me, and I will never exercise them. Had the FASB required my company to expense these options at the time of issue, would FASB have predicted their worth at <\$4.25/share (by the time they were vested)? I think not. Would the issuing company have been required to expense them at \$70/share or \$4.25/share?

If this proposal does get approved, I foresee the discontinuation of stock options by a lot of companies. The losers would be the employees, the "little people" like myself, not the companies. Is the intention to take away one of the few remaining benefits for rank-and-file employees? I hope not.

Regards,

Michele Pierce