

ikon

From: William Schoofs [William.Schoofs@sun.com]
Sent: Wednesday, June 02, 2004 11:40 AM
To: Director - FASB
Subject: File Reference No. 1102-100

Letter of Comment No: 3021
File Reference: 1102-100

From: William Schoofs <William.Schoofs@sun.com>
To : director@fasb.org
Date: June 2, 2004
Subject: File Reference No. 1102-100

I am writing this to register my opposition to the FASB proposal to expense stock options. As an employee of Sun Microsystems, Inc., stock options are a real motivator for me to work for success and desirable outcomes for both investors and employees alike.

Options are broad-based in Sun, not concentrated in just the senior management levels. They are not an expense to the company. The real effect is stock dilution which investors are aware of and accept.

The current value of stock options can change dramatically over time with huge percentage changes in valuation of individual stocks over the years required for options to vest. Financial statements will be less accurate with rough estimates of unpredictable future stock values.

I strongly recommend that this proposal not be implemented.

Sincerely,

William Schoofs
Sun Microsystems
1270 Eagan Industrial Road
Suite 160
Eagan, MN 55121-1231