ikon Letter of Comment No: 2536

From: Michael Price [mprice@MercBank.com]

Sent: Wednesday, May 19, 2004 2:12 PM

To: Director - FASB

Subject: Support of H.R. 3574/S.1890

Dear Sir:

I am writing in support of the Stock Option Reform Accounting Act, for the following reasons:

The expensing of Stock Options will NOT in my opinion, give Investors a better read on the financial strength of a company. In fact, no valuation model is considered to be reliable, consistent or compatible.

Expensing Stock options will not improve corporate governance, which I suspect is the underlying driver of this process. In short, we cannot legislate integrity.

The vast majority of Stock Option Plans have created economic value for management, employees and investors. Isn't that what we should all strive for?

Please reconsider your stance on this issue.

Sincerely,

Michael H. Price President Mercantile Bank Corporation