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I have a few items I would like to discuss in regards to regulations mandating expensing of stock options. I am currently an Intel employee and am opposed to this movement of expensing stock options. Here are my reasons: 1. Employee stock options are subject to a four or five year vesting periods. If the employee changes jobs before the options vest, they are forfeited.  
2. There is no accurate way to value employee stock options without an open market. Our options are not freely tradable so it will be impossible to determine a fair market value. You just cannot accurately value these options.  
3. Employee stock options will be exercised only if the stock price rises above the strike price. How should a company predict future stock prices with any degree of certainty? The amount above the strike price and the time period of when the option is exercised can be seen as a random event. You will be asking companies to predict this random event. I believe it will force an even more inaccurate reflection of the financial situation of companies. It will also provide the companies that use these stock options a license to sway the financial situation of the company with ease. If the company will be missing its targets, they can simply re-calculate the value of the options to put the financials in line. 4. Stock options are an innovative way to attract good talent in smaller sized companies that do not have the cash reserves the fortune 500 companies have. Small business has always provided the engine to the American economy and jobs. How will these small businesses compete to get off the ground and become profitable? 5. Lost American jobs. This FASB exposure draft is sure to be greeted with relish by our competitors in Asia and beyond. Entrepreneurs in China, Singapore and India will not just continue to focus on software development or other low-tech industries. They will create global economic powerhouses there which will be listed on those stock markets. In its latest five-year economic plan, the Chinese government explicitly calls for broader use of stock options to attract and retain key talent in China. It is ironic that a communist country, the People's Republic of China, is encouraging the wider use of stock options, while in the U.S. the FASB wishes to make option grants to employees much more difficult and expensive. This FASB proposal will harm the ability of Americans to innovate and drive our nation towards second tier status.

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