

Stacey Sutay

Subject: FW: expensing options

-----Original Message-----

From: Maddox, Lynn (SRIC) [mailto:lmaddox@srlic.net]

Sent: Wednesday, April 07, 2004 6:21 PM

To: Director - FASB

Subject: expensing options

As a professional investment advisor for 33 years, I urge the FASB to require expensing of options so that (1) earnings statements will be more meaningful and accurate and (2) hopefully this will force companies to improve the structure of their options programs, which often are much too generous and much too beneficial to executives that achieve only mediocre results. For example, I strongly oppose any ten-year options being issued with an exercise price less than 25% above the current market price.

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