

Letter of Comment No: 4824
File Reference: 1102-100

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June 25, 2004

Robert H. Herz, Chairman
Director of Major Projects -- File Reference No. 1102-100
Order Department, Financial Accounting Standards Board
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116

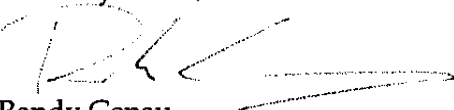
Dear Chairman Herz:

The stock options currently offered by my employer are a major incentive for me to work harder and increase my productivity. It was remarkable to see the boost in morale among my co-workers when stock options were first introduced. It is entirely due to this particular incentive that we have a renewed sense of dedication to our work and to the future of our company. We have a greater sense of job security and the ability to provide for our financial futures. The logic behind all of this is quite simple: it is in an employee's best interest to give his or her best effort to the company because when the company's bottom line improves, an employee's compensation increases as well. This is a perfect way to motivate employees and should not be hindered by ridiculous and unwarranted accounting standards!

When a company issues a stock options to an employee, it is done so at a specific value. Then, as the value of the company's stock increases, so too does the value of the stock option for the holder. The cost of that stock option to the company increases as well. But the FASB standard would require that a company value a stock option before the cost of the stock is even known. This would force companies into using imaginary numbers as a stock option must be exercised before a value is ascertained. Surely you can see that this proposed standard would be a serious setback for corporate accounting practices.

As an employee, I fully appreciate the importance of stock options and what a valuable incentive they are to employees. The proposed FASB standard would harm my financial security by making it cost prohibitive for my company to continue offering stock options in their benefits package. I urge you not to let that happen by saying No to the FASB standard. Thank you.

Sincerely Yours,


Randy Genau

cc: Senator Barbara Mikulski
Senator Paul Sarbanes