

Frederic W. Cook & Co., Inc.

New York • Chicago • Los Angeles

September 27, 2005

Financial Accounting Standards Board
401 Merritt 7
P. O. Box 5116
Norwalk, CT 06856-5116

Letter of Comment No: 3
File Reference: FSP123R-B
Date Received:

Attention: Director, TA&I-FSP

Comments on Proposed FSP FAS 123(R)-b

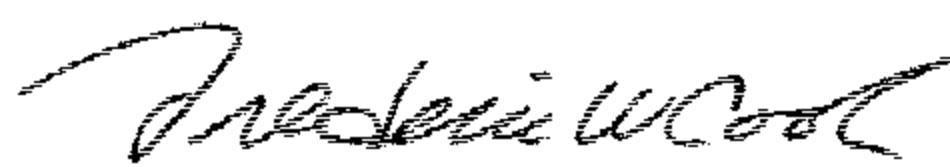
To Whom It May Concern:

We strongly support the "practical exception" guidance set forth in the above referenced FSP and urge its finalization.

We request one point of clarification. In practice, it is common for companies with multi-year performance-based stock compensation arrangements to obtain the requisite board/committee approval during the first quarter of the applicable performance period. That is, the service and performance conditions commence prior to board/committee approval of the award. We presume the grant/measurement date and service inception date is the date of board/committee approval, and the guidance provided in the proposed FSP would apply as of that date. We respectfully request confirmation of our understanding.

Thank you for your consideration.

Sincerely,



Frederic W. Cook



Thomas M. Haines