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Letter of Comment No: 4133  
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**From:** Aust, Bruce [Bruce.Aust@nasdaq.com]  
**Sent:** Friday, June 11, 2004 10:58 AM  
**To:** Director - FASB  
**Subject:** Stock Options



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Dear FASB Members:

Many see stock option expensing as an issue for only technology firms, but, in fact, companies across all industry sectors have successfully used options to attract talent, reward employee performance and retain employee retention. Mandatory expensing of stock options will discourage the use of broad based options plans, thus discouraging entrepreneurship and new business growth.

I strongly believe that FASB's plan to expense stock options will not improve corporate governance, nor help investors gain a complete understanding of a company's finances. The methodologies for expensing are unreliable, inconsistent and allow for a greater misunderstanding of a companies financial picture.

In order for this issue to be fully vetted, I am encouraging FASB to delay a decision on mandatory expensing until a time at which a solid valuation model can be developed or at least until companies can decide how to continuing giving broad based plans without being penalized.

Sincerely,

Bruce Aust

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