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Letter of Comment No: 5615
File Reference: 1102-100

From: Stroh, Carrie [carries@gentex.com]
Sent: Wednesday, June 30, 2004 2:35 PM
To: Director - FASB

GENTEX CORPORATION

A Smarter Vision®

June 29, 2004

Email: director@fasb.org

Re: Expensing of Stock Options (File Ref. 1102-100)

This letter is written to express my position against the expensing of stock options.

- Stock options are not the same as market traded options. There is no proven, valid model predicting the cost of stock options.
- There is no proof that broad-based stock options are responsible for market scandals. Expensing options of broad-based stock option programs will do nothing to eliminate future scandals.
- Entrepreneurship is the best chance the U.S. has to keep jobs from moving overseas. Expensing stock options will reduce entrepreneurship by eliminating option incentives. Millions of additional jobs will move to the Far East as a result of our inability to compete.
- The first options to be eliminated will be those of lower and middle management. This will do most damage to middle America, causing greater income inequality.
- Small companies create most jobs. Expensing options will hit small companies the hardest.
- Expensing stock options goes far beyond the accounting issues. It's an economic issue that will do great damage to American industry.
- The FASB plan will produce grossly inaccurate financial reporting at sharp inflection points in our economy causing investors to sell or buy shares based on wrong information. The cost to investors will be staggering. Given our infamous tort system, who will be liable?

I am vehemently against any accounting policy that requires expensing of stock options by broad-based stock option programs.

Sincerely,

Carrie Stroh
Employee since 1988 of
GENTEX CORPORATION

Carrie Stroh

6/30/2004