

To: IASB [commentLetters@iasb.org.uk]

From: Douglas Jackson, retired CPA, member AICPA

Subject: Exposure Draft ED 2, Share-based Payment (November 2002)

Date: November 19, 2002

(I also sent the comments shown below to the FASB.)

My comments:

1. The FASB and the IASB need to be in agreement in issuing guidelines on this subject.

If each country issued separate and different guidelines on this subject (or any other accounting subject), the result would be (or is!) chaos. Similarly, if each subdivision of each country (such as a state or a region) issued its own guidelines, the result would be even more chaos. The obvious solution is to have International Accounting Standards, and to have all countries adopt those international standards.

2. The Stock-Based Compensation standard should allow only ONE method to be used, and not allow several optional methods.

If two or more options are allowed, COMPARABILITY is reduced among financial statements of different companies. Also, the use of multiple options fails to achieve the SIMPLICITY of a single one.

3. The standards should be primarily PRINCIPLE-BASED, and again, keep it SIMPLE.

Douglas Jackson
9408 Sarasota Dr
Knoxville, TN 37923, USA
Email: djackson34@juno.com