

Thank you

This letter was recently mailed to all FERF's supporters to acknowledge and thank them for their generosity.

Dear FERF Supporter:

Thanks to your support this fiscal year, FERF continues to be the leading source of information for the financial management profession. Look for our acknowledgement of your support in September's *Financial Executive* magazine.

To save money this year, our annual report will be published on-line, available September 2003.

Your generosity has enabled FERF to refocus its resources on enhancing and streamlining its research. With a renewed alignment and support of FEI's technical committees, FERF produced significant publications such as *Valuing Employee Stock Options*, *A Comparison of Alternative Models* and *A Review of 2002 MD&A Disclosures*.

This research has been used by several organizations, including the AICPA, the Canadian Accounting Standards Board, TechNet and FEI to focus the FASB, SEC and Congress on the real issues facing the finance community.

FERF is developing its research and publications for Fiscal 2004. Relevant topics, based on FEI member input, include:

- Effective Implementation of Cross-Border Mergers and Acquisitions*
- Audit Committee Best Practices*
- Director and Officer Insurance – How Changes are Affecting Companies*
- Practical Implementation for Sarbanes-Oxley Section 404*
- The Reasons for Earnings Restatements*
- What Drives the Value of Employee Stock Options*
- A Review of 2003 MD&A Disclosures*

Additionally, due to your support, FERF launched FELIX-PC (Financial Executives List Exchange for Private Companies) on July 7, 2003. FELIX is a moderated, e-mail based discussion forum that allows FEI members of private companies to communicate with and learn from their peers.

Again, my sincerest thanks for your support of FERF, and I hope you will include us in your budgets this summer.

Sincerely,



Marla Markowitz Bace
Executive Vice President and Chief Operating Officer
Financial Executives Research Foundation (FERF)

P.S. We hope our Fiscal 2003 Awareness Campaign, which enabled FEI members to receive all FERF publications free, was a successful effort in reintroducing FERF to you as a FEI member.

Because FERF is a separate legal entity that is solely supported by contributions and pays FEI for shared service support, Fiscal 2004 marks FERF's return to "business as usual". That means only subscribers/donors of \$250 or more (based on your pledge date) will receive all of FERF publications for one year.