

ARGUS CONSULTING

INDIVIDUAL ATTENTION TO DISCERNING PLAN SPONSORS

April 2005

Argus in the News

New Client



We would like to welcome our newest client, The Boston Globe. The Globe has a daily circulation of over 500,000 and a Sunday circulation of over 700,000. The Boston Globe is the #1 circulating newspaper in the six New England states.

New Column – Enterprise Risk Management



Dan Cassidy has been named a columnist for *Employee Benefit Plan Review* published by Aspen Publishers. His column will deal with risk management of employee benefit plans and appear approximately six times a year. The May 2005 edition of *Employee Benefit Plan Review* will feature the first topic: *New Reality for Business*. You can download this article at <http://www.arguscl.com>.



Trade Show

Come see Argus at the upcoming 2005 NEEBC trade show on May 25, 2005. Go to <http://www.neebc.com> for more details.

25th Anniversary

Argus is sponsoring NEEBC's 25th Anniversary celebration "Evening at Pops". Join benefit colleagues for this special event on June 30, 2005 – featuring guest conductor Marvin Hamlisch. We hope that you can join us, please let us know.

Society of Actuaries

Dan will be speaking at an upcoming Society of Actuaries meeting in New Orleans. He will give two presentations - one on "Starting your own Business" and the other on "Consulting about Risk". If you would like a copy of his presentation, just send an email to dan@arguscl.com.

Stock Options

The Financial Accounting Standards Board has adopted a new standard requiring the expensing of all stock options. On April 14, 2005, the Securities and Exchange Commission delayed the adoption of this rule. Public entities will be required to apply the statement at the start of the next fiscal year that begins after June 15, 2005. Under the provisions of the December 2004 standard, public companies would have had to carry out the standard's requirements as of the start of the first interim or annual period that begins after June 15, 2005. Companies operating on a calendar -year basis will need to expense options at the close of the March, 2006 quarter.

Currently, companies are only required to account for the cost associated with stock options as footnotes on financial statements. This standard is in response to investors who have argued that the current method makes it difficult to value the bottom-line effect of employee stock compensation. One consequence of this change is that company auditing firms are no longer allowed to calculate this cost; under Sarbanes-Oxley this would be a conflict of interest to both "do" and "check" the calculation.

Due to the nature of the calculations, actuaries are fast becoming the provider of choice for this calculation. Argus is well-equipped to help companies comply with this new accounting standard. Please contact us for additional information or assistance. The link below provides some additional information regarding the standard and the announced delay.

<http://www.bnasoftware.com/knowledgecenter/dtr/article.aspx?id=422>

Resources

For more information on Argus Consulting Ltd, please visit <http://www.arguscl.com>.
