Letter of Comment No: 4274 ikon File Reference: 1102-100

From: Mark Volpe [mvolpe@cisco.com] Monday, June 14, 2004 8:27 PM Sent:

Stacey Sutay To:

Stock Option Expensing Subject:

Hello,

I am an employee who benefits from a broad based employee stock options program and am opposed to the exposure draft released on FAS 123. If implemented, FAS 123 will likely bring an end to broad-based employee stock option plans.

Broad-based employee stock option plans have not only motivated me to work harder and more efficiently, but also benefit shareholders by better aligning

employee and shareholder interests. With stock options, I benefit only when the shareholders benefit. Employee stock options are not freely trade-able and are subject to forfeiture if I leave the company and are impossible to value. How can you value something that has no market value? Under this exposure draft, FASB will

somehow come up with a value -- however inaccurate -- and force companies, like mine, to put inaccurate information on the financial statement. Indeed, financial statements will become less to the individual investor.

Please reconsider and rescind this exposure draft.

Respectfully,

Mark Volpe Cisco Systems employee