

ikon

Letter of Comment No: 4329
File Reference: 1102-100

From: Adams, Jennifer [jenadams@cisco.com]
Sent: Monday, June 14, 2004 9:23 AM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: File Reference No. 1102-100

Chairman Robert H. Herz:

As a Cisco employee, it concerns me that the FASB is considering a plan which would force companies to treat stock option grants as an expense, as opposed to the current reporting structure. Although Cisco is based in San Jose, my company was acquired and we're based in Ohio. As I'm sure you are aware, the job market in the mid-West has yet to see the recovery that most of the US is claiming. I consider myself very lucky to not only have this wonderful job that I enjoy, but to also have some sense of security that I have emergency funds, if I should need them, in the form of my stock options. I view them as emergency money, a savings account, if you will, that Cisco has rewarded to me for a job well done. As an example of this use of "emergency funds", we expect our second child this summer. In addition to taking Cisco's pregnancy leave, I am also taking advantage of the 12 week unpaid Family and Medical Leave. We're a two income family-- but since I have that emergency money, my "savings account," I plan to cash some of those options, and enjoy time at home bonding with my new baby, and our older child--courtesy of- and supported by- my wonderful company.

In the face of your new reporting plan, we understand that Cisco will be unable to reward their employees with options. I urge you to reconsider the expensing of options, and be aware that behind those grants are many many families, like mine, who enjoy the benefits that those options can bring.

Sincerely,
Jennifer D.Adams
Cisco Systems, Inc.