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From: Sent:

Viren Patel [viren@cisco.com] Monday, June 14, 2004 12:45 PM

To: Subject: Director - FASB; viren save stock options

To,

Chairman Robert Hertz,

I am writing this letter to request you NOT to expense stock options. Below is my personal experience of benefits of stock options.

I immgriated to US about 20 years ago. Before that I had worked in England for Philips in one of their major research and development center. Since coming to US, I have worked for few startups, small-public companies(some that grew very fast) and large company as well. Personally following is my experience with stock options:

Letter of Comment No: 4305 File Reference: 1102-100

- 1. Stock options are high-motivating even to employees getting very small number of shares. Even with small amount of options and 25% success rate, it can build it significant chuck of money over time.
- 2. Stock options has helped me stay with the company longer and have sense of ownership of everything I do for the company.
- 3. Employees work lot harder when they have stock options. This is from my personal experience having worked in England and USA, comparing work-cultures, drive etc. 4. As part of out sourcing companies in India, China are starting to give stock options.

So in order for US to remain on top, stock options are important otherwise both talent and companies will move.

Please reconsider not expensing stock options.

Thanks, Viren