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Letter of Comment No: /274 File Reference: 1102-100

From: Sent: To: Teri Schwimmer [tschwimm@cisco.com] Wednesday, April 21, 2004 2:38 PM Director - FASB

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Subject: File Reference No. 1102-100

Chairman Robert H. Herz,

I am writing to highly encourage you to not allow stock options to be expensed, especially with an unrealistic valuation process. I believe this action will negatively impact the productivity and growth for companies like Cisco Systems. I have worked at Cisco Systems for 4 years and found that stock options have been a true personal motivator for me to ensure the company succeeds. Expensing stock options will have a significant negative impact on rank and file employees like myself, since companies like Cisco Systems allocate stock options to all employees based on contributions.

Thank you for considering how expensing stock options will negatively impact the every day employee.

Regards,

Teri Schwimmer Advanced Services Global Operations Cisco Systems, Inc. Phone/Fax: 408-853-3452 tschwimm@cisco.com