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From: Sent: Amir Khan [akhan@cisco.com] Wednesday, April 21, 2004 3:06 AM

To: Director - FASB

Cc: savestockoptions@cisco.com

Subject: Stock Options Issue - File Reference No. 1102-100

Chairman Robert H. Herz,

I urge you not to expense stock options. Stock options have helped me significantly towards financial freedom and influenced me to focus on my work. I feel ownership in the company due to stock options hence they motivate me to work harder. Stock options have helped me to save money to buy a house, plan for the education of my children, take care of my parents and provide help to local non-profit and charity organizations. I also believe that stock options play a major role in economic growth.

Letter of Comment No:1104 File Reference: 1102-100

I am concerned about the following issues already raised by my company:

- . U.S. companies need stock options to compete with other countries on a global basis. (Example: Chinese companies use stock options and they do not treat them as an expense.)
- . Expensing stock options could have a dramatic impact on American high tech leadership, innovation and job creation. In today's economic environment, the number one rule should be 'first, do no harm'.

Stock options are a key incentive for the employees, they motivate them to work harder and contribute to the success of the company. Employees at a company like Cisco put in extra effort and time to make it successful because they feel part ownership in the company.

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