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Letter of Comment No: 860
File Reference: 1102-100

From: Mauna Patel [mapatel@cisco.com]
Sent: Tuesday, April 20, 2004 3:38 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: File Reference No. 1102-100

Dear Chairman Robert H. Herz,

My name is Mauna Patel and I strongly urge you not to expense stock options, especially at an unrealistically high valuation. Stock option has always been a drive for my motivation, and performance. It's also driven innovation and productivity at the company level.

Stock options do not meet the definition of an expense because they do not use company assets.

The true cost of a stock options is dilution of earnings per share (EPS) and is already accounted for when options are exercised.

Expensing stock options could have a dramatic impact on American high tech leadership, innovation and job creation.

>Stock options had help me feed my family and avoid financial ruin. Six
>years ago, I went through divorce with a mountain of debt incurred by my
>ex-husband. I was able to exercise my stock options to pay for the debt
>and provide for my family. At the time, my children age 21 month olds, 9
>month olds and my aging parents, who are in their 70's living with
>me. Today I am using my stock options to save for my children's college
>and also my retirement.

>
>Without the choice of having stock options 6 years ago, I am probably
>in
>financial ruin and have to draw of Government's help to provide for my family.
>
>Aqain, I am pleading you not to expense stock options.

>
>Thank you,

Mauna Patel
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If your company like to be paid ACH (electronically). Please Ask me for a detail.