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**Letter of Comment No:1007**  
**File Reference: 1102-100**

**From:** Linda Scott [lwscott@cisco.com]  
**Sent:** Tuesday, April 20, 2004 12:46 PM  
**To:** Director - FASB  
**Cc:** savestockoptions@cisco.com  
**Subject:** Reference No. 1102-100 - Draft Plan to Expense Employee Stock Options

File Reference No. 1102-100

Dear Chairman Robert H. Herz,

I am writing to you to express my sincere disagreement with the draft plan released last month by the FASB to treat employee stock options as an expense. The plan will surely eliminate the use of broad based employee stock option plans which encourage competition, innovation, dedication and allows employees at all levels to feel as if they own part of the company.

Allow me to share with you my personal experience. As a middle-class American, working mother of three, I have worked for a few different companies. Not until I came to my current employer did I have the opportunity to share in stock options. Even at my level, now I feel part of the team, part owner, and I have something to really gain when the company does well. The options add to our families savings, for our home and for our children's education. I am a shareholder, and I work hard to help the company to succeed!

Employee stock option plans are a great tool for American companies to attract and retain the best, the most talented employees and keep more jobs here in the United States. In today's economic environment I certainly feel we must do everything we can to keep jobs here and keep American workers working. Making them feel as though they are part of the company, part owners, encourages dedication and productivity.

I sincerely hope your organization will re-evaluate your position and not expense employee stock options, especially using the valuation method that has been set forth. If you continue it will certainly have a very negative affect on me, my co-workers, many Americans and the United States.

Most Sincerely,

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