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From: Sent: To: Mark Edmondson [medmonds@cisco.com]

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Director - FASB

Subject: File Reference No. 1102-100

Chairman Robert H. Herz

I am writing as an interested party in the expensing stock options decision. I can honestly say that widely distributed stock options creates a culture and a sense of ownership that is difficult to describe. The sense of employee ownership that I experience every day at Cisco Systems, is a by product of stock options.

Stock options have given us a competitive advantage, as our employees strive to achieve at a level not commonly experienced in enterprises that do not have options. Plus it allows us to compete on the world market.

Assessing the value of stock options is difficult at best. I have received several grants of options, that in all likelihood will never be exercised, thus having no impact to me or the market. If using the traditional model, their value would have been overstated.

For all the reasons above, I ask that you not expense stock options.

Thank you for considering my view on this, and ${\rm I}$ ask for your support in this decision.