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Letter of Comment No: 1045  
File Reference: 1102-100

**From:** Alex Thurber [alex@thurberfamily.com]  
**Sent:** Tuesday, April 20, 2004 1:03 PM  
**To:** Director - FASB  
**Subject:** File Reference No. 1102-100

To: Chairman Robert H. Herz

Dear Mr. Herz:

I am writing in opposition to the FASB plans to require the expensing of employee stock options for US Corporations.

I am an employee of Cisco Systems and we make extensive use of stock options throughout the entire company. They are not reserved for our executives and are a major motivator for employee behavior.

I recently exercised my first batch of options (I have been an employee for almost 5 years and many of my options are underwater.) I used the funds to meet an obligation I had made to our church for a new building project. I was proud of the fact that I had contributed in some small way to Cisco's success these last 5 years and that I was able to use my benefit to help my community.

I do believe that the broad use of stock options will be severely limited by the FASB proposal and that this will hurt our ability to motivate employees. Having recently been a first line sales manager, I am well aware that money is only one of an individual's motivators, but the ability to tie a company's success to individual success is very important.

I understand that there have been abuses of options in the past, but I would hope that FASB will not make us all suffer for the excesses of a few

Thank you for your attention.

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