

Stacey Sutay

From: Peg Lovett [plovett@cisco.com]
Sent: Monday, April 19, 2004 3:48 PM
To: Director - FASB
Cc: savestockoptions@cisco.com; plovett@cisco.com
Subject: File Reference No. 1102-100

To: Chairman Robert H. Herz,

I am an employee with Cisco Systems and am writing in regards to the potential expensing of stock options. This is a very important issue to me and I urge you **NOT** to expense stock options especially at unrealistically high valuations. I have been with Cisco for almost five years and do not make a six figure income with them. I guess you would call me an average income earner in a supportive role with a great company. I live alone and don't have much money left at the end of the month to save, but I was always motivated to keep working for Cisco because of the generosity of being awarded options each year. I am 59 years of age and have always hoped that my Cisco stock options would play a significant role when I retire. The options I have would not guarantee that I become a millionaire, but these options would help make my retirement life comfortable.

I feel that I speak for many folks in my position. I have worked for 44 of my 59 years and have lived a comfortable life. I raised two children and still have my 83 year old parents to help out. My generation is the "sandwich" generation and although life span predictions is great, I worry that I will be able to "afford" to retire. As it is now, that is not possible until I am 66-70 years of age. I am still helping not only my children, but my parents too. This doesn't leave much money left for me out of my base salary to save. The stock options have always meant to me my "saving grace" for retirement. Please consider carefully how this expensing could negatively affect so many hard working folks.

Thank you for reading my message.

Margaret Lovett

Warmest Regards,
Peg Lovett
Project Lead
Corporate Philanthropy
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"When you create in your mind what you want to be and make that decision, your whole being begins to change."

~Thomas D. Willhite~
The Book of Desire

"The minute you settle for less than you deserve, you get even less than you settled for."

~Maureen Dowd~ 1999 Pulitzer Prize for distinguished commentary and Op-Ed Columnist, The New York Times.

"Only when we give joyfully, without hesitation or thought of gain, can we truly know what love means."

~Leo Buscaglia~

"Don't let the opinions of the average man sway you. Dream, and he thinks you're crazy. Succeed, and he thinks you're lucky. Acquire wealth, and he thinks you're greedy. Pay no attention. He simply doesn't understand."

~Robert Allen