

Letter of Comment No: 327
File Reference: 1102-100

Stacey Sutay

From: Tina Nuccio (tnuccio) [tnuccio@cisco.com]
Sent: Monday, April 19, 2004 10:31 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: File Reference No. 1102-100

Chairman Robert H. Herz,

I am writing this letter to you, in the hopes that my voice, along with many others, will be considered before making a decision on whether stock options should be expensed or not.

I am 42 years old. For 15 years I worked at IBM. After 12 years with IBM, my husband and I started a family. Although I was successful and content in my job, I had hoped to save up enough money to stay home with my young children, even if only for a short period of time. Unfortunately, the reality was that no matter how hard I worked, I really wasn't getting ahead. In the fall of 2000, I realized I would never be able to afford to take a leave of absence to raise my children, so I decided to look for a job elsewhere. I considered several companies, all well-known technology firms, and although the pay was similar across them all, I decided to accept a position at Cisco because of the stock options package.

Well, unfortunately, my timing wasn't too good, because my stock options quickly became "worthless", but I will continue to work at Cisco for several reasons: 1) it's a good, well respected company; 2) the pay is fair; and 3) as long as they continue to issue stock options, it's my only chance of saving up the extra money needed to take a few years off and raise my children.

With the majority of corporations doing away with retirement plans, pension plans, and the limits on 401K contributions, there aren't many ways for people to get ahead financially. Stock options allow that.

I hope you will seriously reconsider the effect that "expensing" stock options will have on the financial future of many workers. Our pay is good, but not great. The only bright light is the options, and it keeps us all working very, very hard for the companies that offer them, for we are truly "owners" and want to reap the reward of our hard labor.

Sincerely,

Tina Nuccio

Services Account Manager, Cisco Systems
(602) 778-2145