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Letter of Comment No: 1473
File Reference: 1102-100

From: Eugene Bartos [gbartos@cisco.com]
Sent: Thursday, April 22, 2004 12:32 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: File Reference No. 1102-100

Chairman Robert H. Herz,
I would like to voice my concern regarding File Reference No. 1102-100.

As an individual contributor at Cisco Systems, I am very concerned about the expensing of stock options, especially at an unrealistically high valuation. I have worked at several high tech companies in the last 15 years where stock options have been an incentive for employment and for individuals to help the company prosper. Stock options have been an incentive for individual contributors like myself to help the company's profitability, because we have a vested interest in the company.

I have been able to use this incentive to help offset the cost of college education for my children, which as you know, is a major burden for the average person. I hope to take advantage of these options in the future for one more child whose is attending college.

I have heard often from my co-workers where stock options have helped them to afford such things as housing, cars, education, debt reduction, that they would otherwise not been able to do without stock options. I believe that expensing stock options, especially at high valuations, will eliminate awarding of broad-based employee stock options in many companies, and the average employee will no longer have this benefit.

Thank you for your time and considering my comments.
Eugene Bartos