

lkon

Letter of Comment No: 1472
File Reference: 1102-100

From: Bryne Hart (hartb) [hartb@cisco.com]
Sent: Thursday, April 22, 2004 12:16 PM
To: Director - FASB
Subject: File Reference No. 1102-100

Dear Chairman Herz,

I don't often write messages to members of the Financial Accounting Standards Board let alone the chairman, but felt compelled to weigh in on the question of Expensing Employee Stock Options that FASB is now considering. I urge you **not** to proceed with the plan to require the expensing of Employee Stock Options.

I believe I represent the typical American that has been dramatically impacted by the benefits of Employee Stock Options. As a husband, the father of 4 and the primary bread winner in my family, I have spent many hours worrying about the typical financial issues that families face -- paying the monthly bills, buying a house, funding college for my children, and ensuring a comfortable retirement for my wife and me. Prior to coming to work for Cisco, most of my planning worries were focused on trying to balance how much of each of these goals we could possibly achieve. The ability to fully meet all of these goals while still maintaining our quality of life seemed an impossibility. Since coming to Cisco as a rank and file employee 4 years ago, the Employee Stock Options I have received have changed my view of the future and family's life.

My oldest son is currently a freshman at Cornell University. Although he is obviously very bright (I'm a bit biased) , without my Stock Options I could never have dreamed of being able to provide him the opportunity to attend one of the top engineering schools in the country. This school year began the 12 straight years I will be paying college tuition for my 4 children. Although I still have many worries for them, I know I can fund the education they will need to succeed in world today.

My investment in Cisco through my daily work is strongly influenced by the knowledge that the quality of my work will directly impact my ability to meet my family's financial goals. Employee Stock Options align my interests directly with those of other stockholders and highly motivate me to create shareholder value because I benefit proportionally.

In closing, I again urge you **not** to enact rules that will require the expensing of Employee Stock Options or at least do not place an unrealistically high valuation on such options. This action will likely impact my ability to continue to meet my family's financial goals.

Thank you for your consideration of my comments.

Sincerely,

Bryne Hart

BA

This e-mail contains proprietary information some or all of which may be legally privileged. It is for the intended recipient only. If an addressing or transmission error has misdirected this e-mail, please notify the author by replying to this e-mail. If you are not the intended recipient you must not use, disclose, distribute, copy, print, or rely on this e-mail.
