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From: Barbara Siverts [bsiverts@cisco.com]

Sent: Friday, April 23, 2004 5:14 PM

To: Director - FASB

Subject: File Ref # 1102-100

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TO: Chairman Robert H. Herz RE: Expensing stock options

Dear Sir:

I am writing to state my strong disagreement to expense stock options. Going forward with expensing stock options hurts American workers like myself and doesn't solve perceived accounting issues.

Letter of Comment No: 1848 File Reference: 1102-100

I've worked for Cisco for over 10 years now and have been granted numerous stock options for performance. As a key part of the compensation package, stock options have created a very effective incentive for me to work hard, deliver results and stay with a great company for a long time. Others like me have done the same. Collectively, we have contributed to making Cisco an extremely fast growing company from its start, with leading financial and customer results. I have witnessed employees doing the "impossible" over and over, because they are personally committed to making the company a success. Our role is two-fold: employee AND stockholder. You won't find companies like Cisco in the future without broad-based employee ownership - at least not in the U.S.

Of course I have benefited financially from my stock options. It has allowed me to actually OWN my home, allow my children to attend excellent schools, and has also provided our family the flexibility to allow my husband to be at home more to improve the quality of our lives as a family.

I am not an accounting expert. But if stock options aren't truly an expense, it makes no sense to bend the rules to call them one. Especially since it doesn't actually "fix" anything. There have been a number of scandals with large companies in recent years, and in typical fashion, someone goes on a warpath to make someone pay. Expensing stock options won't right those financial wrongs. In fact, it serves only to create a burden on hardworking Americans like myself, because I don't expect Cisco or any other company to bear the artificial cost of options for me. Collectively, expensing options will be a dis-incentive to work hard and make a difference. If that happens everyone loses.

Sincerely,

Barbara Siverts
Employee
Stockholder
Wife
Mother
Taxpayer
U.S. Citizen