

Stacey Sutay

From: Mike Harding (mharding) [mharding@cisco.com]
Sent: Monday, April 19, 2004 8:09 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: Please do not allow Stock Options to be expensed

Dear Chairman Robert H. Herz,

I'm writing to express my concern that FASB does not recognize the positive impact to both workers and the US economy, and has not provided leadership to help the media and public to understand these impacts. As an employee of a company that provides broad based stock options (nearly every employee at Cisco Systems is granted stock options) I have seen the many positive impacts that stock options provide to the employee base. In my personal circumstance, stock options will provide a college education for my children, as well as some important retirement funds. Of course, only if Cisco Systems continues to be successful in the market place, and the stock price rises. This last statement illustrates my motivation to work harder than ever to help insure Cisco's success – mine and every other employee of Cisco. The same goes for the other companies who provide broad based stock options. Each employee is offered a special opportunity to participate in their companies success. It's a great way to provide the common man the "American Dream". In addition, it's a great stimulus to productivity of the American worker.

If unethical corporate compensation of executives and illegal corporate reporting is what you want to prevent, you can through many other means, other than forcing companies like Cisco to expense options. Your organization should recognize and help preserve business practices that supply the positive impact that stock option provide. If US based companies are forced to expense options while foreign companies are not, you've taken the economic advantage from us, the common worker, and given it our foreign competitors.

Please do not make the mistake of taking away this valuable opportunity.

Thanks for your consideration.

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