Len Tatore

From: Sent: To:

Terry Anderson [terrande@cisco.com] Thursday, April 22, 2004 8:24 PM

Letter of Comment No:1433

File Reference: 1102-100

Director - FASB

Subject:

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Chairman Robert H. Herz:

I am writing regarding FASB's exposure draft for expensing stock options. Whereas we all understand the drive toward increased transparency and corporate accountability, I firmly believe that expensing stock options in no way helps us get there. Accounting experts clearly disagree as to how and if stock options should be expensed, and your own draft offers two valuation options companies could use....does this solution really equate to better transparency? Again, I agree that transparency is important. But so is accuracy.

I firmly believe that expensing broad based employee stock option plans will lead to less rank and file employees being able to actively participate in ownership of the companies they work for. These are people like me...every day, average people with mortgages, childrens' educations to fund and bills to pay. These are the people you will see truly impacted by this decision. I urge you to consider what you are truly trying to accomplish and the implications of what you're currently proposing.

Regards, Terry Anderson