

Len Tatore

From: Gery Czirjak [gczirjak@cisco.com]
Sent: Thursday, April 22, 2004 9:50 PM
To: Director - FASB
Subject: Employee Stock Options

Letter of Comment No: 1420
File Reference: 1102-100

Dear Sir or Madam,

I am writing this note in reference to your draft proposal requiring corporations (like my own) to expense stock options. I am requesting that you reconsider your approach since it will have a strong negative impact on the financial progress of many families like ourselves (since this requirement will clearly impact a company's ability to apply this incentive).

Rather than discussing the benefits of employee stock options from a worker-motivation perspective - which I am certain you have heard many times - I thought I would just briefly present what our company stock options have meant to us as a family.

The options that we have received from cisco over the past years have helped us in many ways, including;

- when I joined cisco I had accumulated a lot of "silly debt" through youthful frivolity - options helped me to clear that up and get to a more stable financial position
- stock options have allowed us to develop a down payment so that we could afford to buy a house
- stock options have formed the cornerstone of our retirement plans, allowing us to use our savings to put our son through college

Without this benefit - which was not available to me when I was employed by the telephone company - we would have none of this today and our future would be much more uncertain.

In these times where pension funds of many forms are in question, mechanisms like these help families prepare for their future with some personal control and involvement.

I know that what I have described above, is true not only for myself, but also for many of my friends and co-workers. We are not becoming multi-millionaires from this benefit - rather we are middle class people who are able to support our families without imposing a strain on society's systems which are better utilized helping those less fortunate than ourselves.

Thank you for your consideration in this matter.