

Len Tatore

Letter of Comment No:1399
File Reference: 1102-100

From: rajkumar ramamurti [rramamur@cisco.com]
Sent: Wednesday, April 21, 2004 3:57 PM
To: Director - FASB
Subject: File Reference No. 1102-100

Dear Chairman Robert H. Herz,

I am an employee of Cisco Systems in San Jose, California. I am writing to you today to ask that the Financial Accounting Standards Board not expense employee stock options.

Stock options are an important part of my compensation and motivate me in my career at Cisco Systems. Stock option grants show me that my management values my contribution to the project I am working on and to the company. Without stock option grants, I would not have been able to afford to buy my own house (The American Dream of owning one's own home), in the expensive Silicon Valley housing market. My expenditures are in a small way helping the consumer-driven economy of this country. If FASB mandates that companies expense stock options, stock option grants to employees like myself will most likely disappear. That would mean the standard of living I have worked to establish for myself today will decrease.

I request that FASB does not mandate high-tech companies to expense stock option grants to their employees, a tool that has been successfully used for many years to enhance productivity and employee morale and loyalty.

Thank you.

Sincerely,

Rajkumar Ramamurti.