

## Len Tatore

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**From:** Isabelle Hannich [ihannich@cisco.com]  
**Sent:** Wednesday, April 21, 2004 5:44 PM  
**To:** Director - FASB  
**Cc:** savestockoptions@cisco.com  
**Subject:** File Reference No. 1102-100

**Letter of Comment No:** 1389  
**File Reference:** 1102-100

Dear Chairman Robert H. Herz,

I am writing this letter to respectfully ask that the board not treat stock options as an expense.

I consider myself a regular "rank and file" worker. My salary is well under \$100,000 a year, and I have not received a raise since I started at Cisco Systems three years ago, due to the national economic troubles. I feel fortunate to still have my job in light of the struggling economy and the desire of industry to ship jobs overseas. So I am truly puzzled that at a time when we should be attempting to stimulate the economy, the federal government plans to take away my family's extra source of income, stock options.

I hear the rhetoric over and over that a tax cut or tax advance will help spur the economy, by giving regular workers a few more dollars. I personally have yet to feel those tax cuts, but I have felt the benefit of my stock options. In turn, I have funneled that money back into the American economy.

I have received stock options from two different employers in my lifetime. Options show me that my employer values me as an employee. I receive them as an incentive to remain dedicated and to go the extra mile. Treating stock options as an expense will have drastic negative effects on employee morale, not only here at Cisco Systems, but also at many other companies. It is my belief that workers will be hurt by expensing stock options.

I am also a shareholder of Cisco Systems and in other "high-tech" firms. As such, I am submitting my concern not only as a worker, but as a shareholder.

Please do not expense stock options.

Thank you for your time.

Regards,  
Isabelle Hannich  
Technical Writer  
Cisco Systems