

Stacey Sutay

Letter of Comment No: 119
File Reference: 1102-100

From: David Bailey [dabailey@cisco.com]
Sent: Monday, April 19, 2004 4:38 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: File Reference No. 1102-100

Dear Sir,

In reference to your impending decision to recommend the expensing or non-expensing of Stock Options please decide NOT to expense them. I have been a high-tech worker for 37years and have contributed to the development of the technology throughout my career. One aspect of this however is due to the entrepreneurial nature and risks involved, Union benefits, pensions and retirement plans other than 401k contributions have been non-existent regardless of the technology companies that I have worked for. Stock Options however have been true motivators and important strategies for funding my families major purchases, dreams and retirement. Any decision that impacts the future of stock options will seriously impact my personal dreams and retirement plans.

I realize that I chose this career path instead of following the path of my other family members who have Union benefits, Pensions and Government Retirement plans (up to 96% of their pay). When I retire, I will receive absolutely nothing from my company except the right to exercise my stock options.

If the decision to expense broad based stock options becomes law then I fear that the well will dry up for the issuance of these options. Please find another way to solve the problems that you have identified. Expensing options is not the answer as it will harm the innovative leaders in America and increase our dependencies on the other countries that companies out source to.

Regards,
Dave Bailey

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