

Stacey Sutay

Letter of Comment No: 116
File Reference: 1102-100

From: Alpesh [alpesh@cisco.com]
Sent: Monday, April 19, 2004 4:33 PM
To: Director - FASB; savestockoptions@cisco.com; alpesh@cisco.com
Subject: File Reference No. 1102-100

To:
Chairman Robert H. Herz,

Subject: Objection to expensing options.

Dear Sir:

I personally think that expensing options is not a practical approach. This is counterintuitive to the Silicon Valley culture, where options are part of the pay package. If US companies stops doling out options, other contries will still continue doing so - startups may move to those countries - where will US innovation go?

My employer - a publicly traded company hands out options to all level of employees. This creates a sense of belonging and ownership - that reflects in day to day operations, in stock price and in comparision to other companies.

I personally "vote against" expensing options.

Regards
Alpesh