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Letter of Comment No: 2838 File Reference: 1102-100

From: Prast

Prashant Billore [pbillore@cisco.com]

Sent: Monday, May 31, 2004 1:40 PM

To: Director - FASB

Subject: Re: stock option expensing

To: Chairman Robert H. Hertz Reference No. 1102-100

Hi,

With this proposal employee stock options will just go away. If there is one single thing which drives the innovations and retention of best talent until that innovation is complete and marketeable, that is stock options. It gives you the ownership and accountability in success and failure. Promotes meritocracy.

This is my third startup. First two failed and but the last one got acquired by my present company. And I would make money. Without the stock options no one would join a startup which has practically nothing else to offer. Significant technological advancements have been made in startups.

Please re-consider this proposal and cancel it.

Thanks, Prashant.