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Letter of Comment No: 791  
File Reference: 1102-100

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**From:** Sharon Dunn [sdunn@cisco.com]  
**Sent:** Tuesday, April 20, 2004 10:45 PM  
**To:** Director - FASB  
**Subject:** File Reference No. 1102-100, addressed to Chairman Robert H. Herz

Mr. Chairman,

I am writing to you to express my strong personal concern over the recent Financial Accounting Standards Board (FASB) draft plan stating that they intend to treat stock options as an expense. I have been in the high tech industry for over 20 years. A cornerstone in the compensation philosophy is the ability to grant stock options to employees. Stock options allow all employees within an organization to share not only in the success but ownership of a company. They serve as a strong and viable element in motivating and rewarding employees for their contributions to the success of the organization.

I have personally received stock options throughout my entire career. Stock options have provided monetary benefits which include putting a down payment on a home and saving for my retirement. But in addition to their dollar value, stock options have made me feel like a valued employee by the company I work for. This is because stock options are granted to employees like myself, individual contributors. Stock options are one way a company says they do value my contribution towards their success. As a result, I work harder knowing that as shareholder and owner in the company, I can and do share in its financial success. Stock options are a win-win for all concerned - the employee, the company and the economy.

I believe that the manner in which FASB is viewing stock options is very flawed and will result in the cancelation of employee broad-based stock option programs. This would have an impact on American workers such as myself and my family.

I sincerely ask you to please consider the impact that this change would have on the American worker and the economy and stop this action.

Sincerely,  
Sharon Dunn

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*Sharon Dunn*

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*Courage doesn't always roar - sometimes it is the  
quiet voice at the end of the day saying, "I will try again tomorrow."*

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