

Len Tatore

Letter of Comment No:1370
File Reference: 1102-100

From: Jill Werfel [jwerfel@cisco.com]
Sent: Wednesday, April 21, 2004 4:40 PM
To: Director - FASB
Subject: Stock Option Issue

Dear Chairman Herz,

I am writing to you in reference to the FASB draft plan to treat stock options as an expense, File Reference No. 1102-100.

I work for Cisco Systems Inc., and I must express my feelings on this issue. I urge you to not move forward with this plan.

Stock options are an important part of my compensation here at Cisco, and my ownership in the company has motivated me to dedicate myself even more to my career at Cisco. Cisco is a unique culture, where employees are highly motivated to work harder to ensure customer and shareholder success. Stock options are a unique motivator, and help to drive creativity and innovation.

Stock options will enable me to fund my childrens' educations, as well as become more secure in the ownership of my home.

I am especially concerned about the high valuation for a stock option under the new proposed requirements.

Thank you for your consideration.

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