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From:

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To: Director - FASB; savestockoptions@cisco.com; Brij Popli

Subject: stock option expensing

Employee Stock Options have helped the corporations to lead and succeed in the global marketplace.

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If this is taken away, the productivity of the employees will be dramatically lowered.

Personnaly I have benefited significantly from Stock Options offered to me by 4 of my previous employers.

In all of those cases I would not have even accepted the job if it were not for the stock options offered to me.

Expensing of Stock Options will put established companies in grave disadvantage over startup companies and

also result in outflow of Intellectual Property which will further hurt the business of established companies.

This phenomena which worked so well in the US technology sector has been adopted by other counteries like India and China. One must be concerned about being competetive in the marketplace of the future.

The stock options offered to employees have the usual restrictions which prevents if from being worth the same as unrestricted option in the financial marketplace. From a financial point of view the employees would never buy the stock option from the financial marketplace. This makes the stock option not worth as much as what these options trades for in the options exchanges.

There should be no expensing until at least, the employee has realised a financial gain.

This is a serious issue which could turn the frontrunner US Tech Sector Horse to being an insignificant participant in the global technology race.

Brij