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Letter of Comment No: 1504 File Reference: 1102-100

From:

Seth Mason [setmason@cisco.com]

Sent:

Thursday, April 22, 2004 2:28 PM

To:

Director - FASB

Cc:

savestockoptions@cisco.com Subject: File Reference No. 1102-100

Chairman Robert H. Herz,

My name is Seth Mason, and I have been living in the SanJose California area since 1998 after graduating from college. Moving to the bayarea provided immediate sticker shock to the cost of living compared to Auburn, Alabama. A typical middle class house may cost upwards of \$600,000 for around 1200sqft. I am now looking to purchase my first house within the next year, and without stock options I would not be able to even come close to this. I save every penny, and even though I make a decent salary, saving up 10-20% of \$600,000 is nearly impossible for a single income person. Options are providing me with my piece of the American dream.

I urge you to not to expense stock options, especially at an unrealistically high valuations, otherwise I would be forced to leave the sanjose area to an area with a lower cost of living. Not an easy thing to do for a Computer Engineer.

Seth Mason SanJose California.