

Stacey Sutay

Letter of Comment No: 144
File Reference: 1102-100

From: Carol Tusi [ctusi@cisco.com]
Sent: Monday, April 19, 2004 4:58 PM
To: Director - FASB
Subject: File Reference No. 1102-100

Dear Chairman Herz,

I am a Cisco Systems employee writing to try and influence you NOT to go through with legislation that expenses stock options. I have only worked here for four years, however, I've been in the work force for thirty years, and this is the most motivated I've been. I love being a part owner in this company. I work harder and smarter to be sure that my small part contributes to the success of the whole corporation. Never have I felt this much a part of a large corporation, and I want this to continue. I know that my co-workers have similar feelings. We like getting stock options, they help to keep us working hard in an economy like California's where employees are not getting merit pay increases. There is a salary freeze at Cisco, and stock options really help out. Without the options I would only own the relatively few stocks that I could afford to purchase and with the cost of living, that would not be many. Please do not work to take away the valuable stock option packages. From what I've read and understand, there is not really a good way to come up with a value for them, and they are not really an expense anyway as they are not using up company assets. I work in a group that already has a large part of our work force in India because the cost of living is so low that the wages can be low. Don't take away options and make the gap even wider, with de-motivated workers here and more reason to go off shore. Keep American workers motivated to do our VERY BEST - keep stock options available across all employee levels and do not make them be expensed.

Thank You,

Carol

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