Stacey Sutay

Letter of Comment No: 487 File Reference: 1102-100

From:

Scott Alvarez [scalvare@cisco.com]

Sent:

Tuesday, April 20, 2004 7:40 AM

To:

Director - FASB

Subject:

File Reference No. 1102-100 (Expensing Stock Options)

Importance: High

## Chairman Robert H. Herz:

I am writing to express my opposition to the possibility that FASB would require corporations to expense stock options, which would in effect eliminate this form of compensation for myself and my colleagues. This has been a critical part and driving motivator for myself and fellow employees. I have been a part of several organizations from small businesses to Fortune 100 organizations, and I've seen first hand the difference in the corporate culture and loyalty between an organization that allows employees to participate in the ownership of the company versus just an employee of the organization. Personally, for me it is a driving force for the hard work that I achieve and decisions that I make on behalf of the company as an owner and shareholder. In addition, it is a source of income that my family and I count on as I work towards retirement.

Please feel free to contact me if I can expand further.

Thank you for your consideration.

## Scott Alvarez

Leasing & Finance Manager

## Cisco Systems Capital Corporation 400 Carillon Parkway, Suite 220

St. Petersburg, Florida 33716 Email: <u>scott.alvarez@cisco.com</u> Epage:<u>scalvare@epage.cisco.com</u>

Office: (727) 540-1419 Cell: (813) 390-3400 Pager: (800) 365-4578 eFax: (661) 752-7878

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