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From: Dennis Jaramillo [djaramil@cisco.com]

Sent: Monday, April 26, 2004 10:51 AM

To: Director - FASB

Cc: savestockoptions@cisco.com

Subject: File Reference No. 1102-100

Mr. Chairman,

I am writing you to express my strong personal concern regarding the recent Financial Accounting Standards Board (FASB) draft plan to treat stock options as an expense. I believe that in doing so, the FASB will ultimately eliminate a tool that has driven innovation and productivity for many companies by assigning an artificially high valuation for stock options. The true cost of a stock option is dilution of earnings per share (EPS) and is already accounted for when options are exercised and stock options do not meet the definition of an expense because they do not use company assets.

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Please consider the impact that this change would have on the American corporate leadership and the economy and STOP THIS ACTION before harm is done.

Sincerely,

Dennis Jaramillo