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From: David Lender [dlender@cisco.com]
Sent: Tuesday, April 20, 2004 10:36 AM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: Stock Options

Letter of Comment No: 629
File Reference: 1102-100

Importance: High

Dear Sir,

Please dont force companies to expense stock options, especially under a high rate.

Stock options are one of the few ways I have to save for retirement other than my 401k and gives me a stake in the success of my company. One of the reasons I have been excited and work hard to ensure my companies success is due to stock options. Why should they be limited to CEOs and corp execs? We middle class workers need all the help we can get.

Stock options are not really an expense. They dont cost the company anything. Why should they be accounted as such. As long as they are disclosed, what is the harm in keeping the rules as they are.

Stock options should only be valued when they are exercised and then they dilute earnings per share. They are not really an expense.

Chinese companies use stock options and dont expense them. We need to do the same to remain competitive.

Stock options havent broken anything. The tech industry is just now beginning to recover. Dont risk hurting the tech recovery by making changes now.

Thanks,

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