Stacey Sutay

From:

Whitney Parker [wparker@cisco.com] Monday, April 19, 2004 7:05 PM

Sent: Monday, April 19
To: Director - FASB

Cc: savestockoptions@cisco.com

Subject: File reference 1102-100, stock options

Letter of Comment No: 445 File Reference: 1102-100

Dear Mr. Herz.

I am emailing you today to ask that you and your committee reconsider your position with regards to stock options.

When I first went to work for Cisco, stock options were an extra incentive, I really felt like I was appreciated when I saw that option letter come in. And although those original stock options are underwater, over the course of the last 4 years, Cisco has provided me with more stock options, that are not. As an employee, the options are like money in the bank for me. They are a part of my retirement planning.

In other companies I have worked for, stock options were not a part of the package. They were reserved for presidents and vice-presidents, those people in the upper echelons of management. Those of us that did the pushups didn't get the opportunity to participate. Unless, of course, we purchased on the open market.

Buying stock wasn't necessarily an option either. It is difficult to buy stock one or two shares at a time. And, it is expensive because you have to pay a broker every time you make a purchase. If you bought 10 shares of a \$20 stock, it could easily cost you \$250. I would certainly think long and hard about where that other \$50 dollars was going and how that raised the cost-per-share of the stock. So in that instance, stock certainly wasn't fairly valued or really accessible. Having these stock options allows me to purchase stock without going in the hole to do it.

One other thing that should be advantages to the government is the amount of money that gets paid out in taxes every time I sell stock to buy stock. I figure that it takes me 300 shares to buy 100 shares, after you take out all the taxes and other charges. This, of course, fluctuates somewhat as the price of the stock fluctuates. But given a stand-alone situation, I could not otherwise buy 100 shares of this stock. So stock options are important to me, they make it easier for me to own a part of my company and easier to participate.

Owning stock is part of the AMerican dream and I really don't believe that taking the stock options away from us little guys is going to make the stock option scandals of the 90's go away. What happened there was plain greed, mismanagement, and dishonesty by the very people who were supposed to be regulating the industry. What about the hedge funds, what about the brokers that move stocks in and out of funds so they can collect more fees. What about businesses that move their headquarters to the Caymen Islands so they don't have to pay taxes. Maybe you and your committee might try expanding some of your energy in that direction. Maybe a little action instead of reaction would be a good idea.

Please reconsider your decision. Especially in this business environment. We that are working are paying taxes and investing in our (yours and my) future. My tax dollars pay your salary and support this country, and when I go down, and all the other little guys like me go down, the whole government goes down. You really ought to be thinking about how easy it is to get tax dollars every time I sell stock to buy stock. Again, please take time to consider the long term ramifications of your decisions.

Sincerely, Whitney Parker, one of the little guys and a very happy and grateful Cisco employee who owns stock and has stock options.