

From: Farnoosh Brock [fbahram@cisco.com]
Sent: Tuesday, June 15, 2004 12:50 PM
To: Stacey Sutay; fbahram@cisco.com
Subject: Your support in not expensing stock options on draft released on FAS 123

To whom it may concern,

I appreciate you taking the time to read and consider the following request from a Cisco employee at RTP, NC theater. I have been with the company for almost 5 years and am very much dedicated to Cisco and to my career at this company.

- 1) I am an employee who benefits from a broad based employee stock options program and am opposed to the exposure draft released on FAS 123.
- 2) If implemented, FAS 123 will likely bring an end to broad-based employee stock option plans.
- 3) Broad-based employee stock option plans have not only motivated me to work harder and more efficiently, but also benefit shareholders by better aligning employee and shareholder interests. With stock options, I benefit only when the shareholders benefit.
- 4) Employee stock options are not freely trade-able and are subject to forfeiture if I leave the company and are impossible to value. How can you value something that has no market value? Under this exposure draft, FASB will somehow come up with a value-- however inaccurate-- and force companies, like mine, to put inaccurate information on the financial statement. Indeed, financial statements will become less to the individual investor.
- 5) Please reconsider and rescind this exposure draft.

We hope you make the right decision in this regard.
Best regards,
Farnoosh Brock

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