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**Letter of Comment No: 3743**

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**From:** Todd McLaughlin [tmclaugh@cisco.com]  
**Sent:** Thursday, June 10, 2004 12:22 PM  
**To:** Director - FASB  
**Subject:** Please do not force companies to expense Stock Options

As a US citizen and someone who is proud to be an American I wanted to write and let anyone who would listen know how important Stock options are to innovation and the growth of business in the US economy. I have been an employee for Cisco systems almost five years and the stock option program has created a fantastic culture of owners from top to bottom in this organization. By forcing companies to expense the value (which cannot be accurately determined at the time of the grant) many employees and individual contributors are the ones who will suffer.

Additionally, this will cause US companies to be less competitive globally and have a direct impact on High Tech leadership in the United States. I understand that the move to do this is aimed at correcting executive compensation but the effect will be exactly the opposite, the individuals will suffer the most. Please do not change the current rules and allow US innovation to thrive in our recovering economy.

Respectfully,

Todd McLaughlin

6/15/2004