

**ikon****Letter of Comment No:3417**  
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**From:** John Mennear (jmennear) [jmennear@cisco.com]  
**Sent:** Friday, June 11, 2004 10:08 AM  
**To:** Director - FASB  
**Cc:** savestockoptions@cisco.com

Director of Financial Accounting Standards Board,

I want to voice my opinion about the disastrous impact on American industry that the draft plan to expensing stock options will have. I believe that expensing Stock Options is bad policy and will harm our nations industry and global competitiveness. The reason for this is simple, it will remove a strong incentive for the entrepreneurial behavior that exists in our nations industries. While a case could be made for stock option expensing when given only to a select few within a corporation, there must be special dispensation granted to those companies which issue broad based options to all employees.

The immediate impact of expensing 'All' options is that the less affluent people will no longer receive them, your policy will help to reinforce a two class system, the owners and company executives in one class while the remainder of us in the second. Stock options will always continue for executives, but, with this plan the lower level workers will no longer receive them.

The long term impact will be that we could loose our competitive advantage against nations that are not encumbered by the rules and regulations which are increasingly imposed upon American industry.

This is a voting issue for me and I will not support candidates who do not support America's industries.

I ask you to reconsider harmful affects of your draft plan and either amend it to allow the unfettered continuation of broad based options or to eliminate the plan altogether.

Thank you for your time.

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