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Letter of Comment No: 3413
File Reference: 1102-100

From: Rajesh Nadipalli [ranadipa@cisco.com]
Sent: Friday, June 11, 2004 11:53 AM
To: Director - FASB
Subject: File Reference No. 1102-100

Sir Chairman Robert H. Herz,

SUB: Please do not force companies to expense stock options.

Hi, I am Rajesh Nadipalli, software engineer at Cisco Systems since June 2000.

I felt honored when Cisco gave me its first of many stock options. I felt, that I now owned a portion of the company and my work will have a direct impact on these options, this has motivated my work and made me more productive. I believe rewarding employees in this way, keeps them more productive and will eventually benefit the investors of the company.

As time passes, these options will become a significant portion of my savings, which I look forward to fund my children's college expenses. Personally it makes me feel more secure.

I would hence urge you not to expense stock options, and take away savings from several average waged employees.

Sincerely,

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