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Letter of Comment No: 3889 File Reference: 1102-100

From: Christian Schwaiger [cschwaig@cisco.com]

Sent: Tuesday, June 15, 2004 7:29 PM

To: Director - FASB
Cc: savestockoptions@cisco.com

Subject: Expensing of Stock Options - File Reference No. 1102-100

Chairman Robert H. Herz,

I have been working for Cisco since 7.5 years, srviving the bubble and stock heights as well as the burst and the stock crash. All the time, my stock options were an important factor for me to stay motivated at work and do what's best for the company. Owning stock options means to make decisions as an owner rather than just as an employee (who receives the salary anyway).

The stock options helped me privately to gain a bit more wealth, keep me engaged and motivated at work and do what's best for the company. I strongly believe, that this is the case with all Cisco employees and for this reason it would be wrong to create an artificial penalty for companies providing stock options.

Best regards Christian Schwaiger