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Letter of Comment No:1125 -File Reference: 1102-100 Pat Clark [patclark@cisco.com]

Sent: Wednesday, April 21, 2004 9:35 AM To: Director - FASB

Subject: Expensing Stock Options

I am writing to urge you to desist in the plan to treat stock options as an expense. For 24 years I have been an employee in the High Technology sector and stock options has always been an important condition of employment for me. As you know, most of these companies do not provide pensions as did some large companies of previous generations. Investing gains from exercising stock options has been a significant aspect of my retirement plan. I was a single mother you had to spend most of my regular salary on my son's college education. I thus was unable to participate in a 401K plan throughout a significant portion of my career. By the time I was able to contribute to a 401K plan, I was only 7 years away from a normal retirement age of 65!

There are many people like me who take risks to work at developing technologies that benefit this country and often the entire global economy. Part of the attraction of doing so is that when our teams and our companies succeed, we have a stake in that success. The economy of this country needs constant innovation. Innovation requires dedication and motivation. Stock options provide incentives to encourage us to take risks, work more effectively, and feel proud of what we can accomplish together.

I am also proud of my company because everyone who performs well in his or her job gets stock options, no matter what job that person has.

Sincerely,

Pat Clark

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