ikon Letter of Comment No: 352
Ette Reference: 1102-100

From: Libby Dubar [Idubar@cisco.com]

Sent: Tuesday, April 20, 2004 3:27 PM

To: Director - FASB

Cc: savestockoptions@cisco.com Subject: File Reference No. 1102-100

Chairman Robert H. Herz:

I am sending this message to ask that you please consider the following reasons why stock options should not be expensed:

Its impact on employees throughout the United States:

The artificially high valuation for a stock option required by FASB will most likely vastly reduce the number that are issued by companies to employees. Employees who work hard and contribute to our economy will be adversely impacted.

Impact on Competition:

US companies need to be able to compete with other countries such as China where stock options are not treated as an expense.

Our economy is finally starting to rebound. Please ensure that we do not take a step backwards with this move to expense stock options.

Thank you for your consideration.

Sincerely,

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