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Letter of Comment No: 3421
File Reference: 1102-100

From: Patrick Faison [pfaison@cisco.com]
Sent: Friday, June 11, 2004 10:35 AM
To: Director - FASB
Subject: Stock option expensing

Importance: High

To whom it may concern,

Please read this and realize this is an employee that receives stock options at a low level within a technology company. The impact they make and potentially will make on my family is critical.

Stock options keep the American dream alive. I have a chance to retire before I am to old to enjoy it. I have a chance to put my son and daughter through college without burdening them with student loans. Options are the most important benefit I receive from my company. They represent true ownership of my company which motivates me even harder to succeed.

I know for a fact that if stock options are treated as expenses across the board, technology companies will send more jobs overseas because it simply will make economic sense to do so. Competitors to the USA like China, India and others hand out large numbers of stock options. Why would we want to give them any further advantage over the USA?

I know other plans are being evaluated like making the top 5 executives options be treated as expenses. That makes sense, penalizing all employees does not. The only thing this legislation will accomplish is a sapping of America innovation, strength and productivity. Why would we want to put the USA at a disadvantage in technology? People that do not have a vested interest in their company will not be motivated or concerned about it's well being in the market place.

Most of my options are not worth the paper they are printed on right now, yet with this legislation my company would have had to expense them when they were issued? The true cost of a stock option is dilution of earnings per share (EPS) and is already accounted for when options are exercised.

PLEASE, I beg you do not let this legislation pass and be put into law. You will hurt more Americans than you realize, the people at the top could frankly, care less they are already secure from a financial perspective. It's the people like myself that will pay the price.

Sincerely,

Patrick Faison
Husband to a wife
Father of two children