## **Stacey Sutay**

From:

Michael Norton [mnorton@cisco.com] Monday, April 19, 2004 4:47 PM

Sent: Monday, April 19
To: Director - FASB

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

Chairman Robert H. Herz

In regards to File Reference No. 1102-100, I would like to voice my concern over the FASB draft plan to treat stock options as an expense. I work as a software engineer and stock options are a key incentive for my employment. If the FASB tampers with the employee stock options you will also tamper with the unstable economic environment in California. How is this so?

Letter of Comment No: /29 File Reference: 1102-100

My salary currently barely keeps me above water in the state of California. I have worked for my employer for the past 10 years. I went through some exciting over inflated stock times in the 90s which are now over and gone forever. I am not a millionaire. I drive a Dodge neon. -Just to paint the picture.

The high tech is in a deep slump in California and corporations are looking to move operations over seas. In this economic slump my company has not provided raises to its employees in over 3 years. The stock market has equally been in its own turmoil. I have held onto my stock options for the past 3 years or so to hope one day they will be of a value at which I can sell them. The sale price will be a modest price and nothing like I saw in the 1990s. Some of my stock options are too high and I never foresee selling those. I will need this modest stock sale to compensate for the deficit of raises. The cost of living in California is the highest in the nation. If I lose my stock options I will need to move out of the state.

I hope your board is aware of the scale they are tampering with. Even foreign nations (China and India) use stock options as incentives. Please reconsider this issue. It's the wrong way to go.

thanks,

Mike N.