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Letter of Comment No: 4214  
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**From:** Craig Hamman [chamman@cisco.com]  
**Sent:** Thursday, June 10, 2004 8:18 PM  
**To:** Director - FASB  
**Subject:** Options

Chairman Robert Herz,

I cant stress enough the importance of an employee stock option plan, particularly for high tech companies. As you can see I work for Cisco systems. It is critical for us to maintain this program to maintain competitive edge, attract and maintain talent. If you enact your plan to expense options, it will have severe detrimental effects to the industry AND the economy in the bay area.

Options drive productivity. When exercised they drive tax revenues. They allow employees to be able to afford to live in an area where housing costs are astronomical.

Please SERIOUSLY reconsider what you are doing.

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