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Letter of Comment No: ₹23 File Reference: 1102-100

From: Mike McFall [mmcfall@cisco.com]

Sent: Tuesday, April 20, 2004 4:14 PM

To: Director - FASB

Subject: File Reference No. 1102-100

Dear Chairman Robert H. Herz,

This email is to ask that you do NOT force companies to expense stock options. I live and work in Silicon Valley -one of the most expensive and creative places on the planet. One thing that has kept me working and innovating here is stock options -the chance to enjoy some ownership in my company & potentially share in the economic success that I'm trying to create.

In my mind stock options are clearly linked with taking chances to work for leading-edge companies that will drive growth in America. Your proposed accounting for stock options would make them too expensive to be widely used and thus would reduce their effectiveness in attracting innovative people to growth oriented companies.

Please do not create rules requiring the expensing of stock options.

Regards, Mike McFall