Message Page 1 of 1

Letter of Comment No: 249 File Reference: 1102-001

Date Received: /-31-03

Karen Salmansohn

From: Director - FASB

Sent: Saturday, February 01, 2003 11:30 AM

To: Karen Salmansohn

Subject: FW: File Reference No. 1102-001

----Original Message----

From: Gordon Stitt [mailto:gstitt@extremenetworks.com]

Sent: Friday, January 31, 2003 7:32 PM

To: Director - FASB

Subject: File Reference No. 1102-001

Dear Sirs,

As the leader of a technology company, I believe that expensing stock options will have a significant negative impact on the American economy. The United States leadership in technology worldwide is unquestioned. We got to this point through innovation and through significant risk taking. The heart of our capitalist system is to compete and to take risks. The returns to our society and our economy fair outweigh the downside of risked capital.

I am very concerned that the impact of stock option expensing will extend beyond the technology industry and impact the overall U.S. competitiveness on the world stage. As a technology company, we employ "the best and brightest" — we hire the most talented people we can who can innovate. Our people work very, very hard. They work weekends and holidays, and their concentration on business and technology problems produces results. One of the reasons that this intense concentration of work is possible, is that every employee shares in the results. Stock options give rank and file employees the ability to achieve their dreams, send their kids to college and assure their financial independence. In return, they work hard and generate results. This has a postive impact on the overall economy and certainly on the U.S. competitiveness in the world markets.

There is another point that I would like to make. The U.S. has fallen behind in Engineering graduates over the last few years. Many of our engineers were not born in the United States – they came here because of the opportunity. The United States has been able to attract the best and brightest from around the world because of our entreprenurial system. Every engineer, every production worker who is the BEST will come here because the United States offers the best opportunities. And stock options are a big part of that.

Please register my opinion as one of those OPPOSED to the expensing of stock options. I believe that current practices of disclosing options in public filings are sufficient for investors to make informed decisions. Thank you,

Best regards.

Gordon L. Stitt Chairman, President & CEO Extreme Networks Inc. 3585 Monroe St. Santa Clara, CA 95051 408-579-2810 gstitt@extremenetworks.com