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Letter of Comment No: 520 File Reference: 1102-100

From:

Bill Muldoon (bmuldoon) [bmuldoon@cisco.com]

Sent:

Tuesday, April 20, 2004 11:25 AM

To:

Director - FASB

Subject: File Reference No. 1102-100, Stock Option Decision

File Reference No. 1102-100, Stock Options Issue

TO: Chairman Robert H. Herz

FR: Bill Muldoon

SUBJ: FASB Decision on Stock Options

Dear Chairman Herz,

Please do NOT choose to expense stock options.

In today's global marketplace a key motivation for innovators and measured risk takers is the incentive and loyalty

spurred by stock options. Productivity will be diminished if FASB creates artificially high valuations for a stock option,

which the U.S. cannot afford if we are to compete effectively with the rest of the world.

I personally find that stock option incentives contribute immensely towards my will to compete and winto strive beyond my comfort zone and to assume more risk, thereby increasing my productivity and improving my corporate worth. We don't need to slow down and rust, we need to speed up and win. When I can improve my family's future by striving for increased ownership in my company through stock options, while measurably impacting shareholder value through increased performance and productivity, it's an equation that works: choose to keep stock options and help America win!

Sincerely,

Bill Muldoon