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To:

Letter of Comment No: 2042 File Reference: 1102-100

From:

Ling Chung [linchung@cisco.com]

Sent: Tuesday, April 27, 2004 2:25 PM

Director - FASB

Subject: Stock options do not meet the definition of an expense

Good Morning,

I like to ask not to expense stock options. The reasons are:

- Stock options do not meet the definition of an expense because they do not use company assets.
 Many options may never be exercised!
- U.S. companies need stock options to compete with other countries on a global basis.Taiwan, India and China have been doing that to advantage in competition and growth.
- 3. Expensing stock options could have a dramatic impact on American high tech leadership, innovation and job creation:

Without growth, no additional jobs!

4. Employees motivation and creative will grow with option target! And our economics will have more supports.

Thanks

Ling Chung

HW Desgin Engineer

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