Letter of Comment No: 492 File Reference: 1102-100

Stacey Sutay

From:

Jerin C Justin [jerin@cisco.com]

Sent:

Tuesday, April 20, 2004 2:40 AM

To:

Director - FASB

Cc:

savestockoptions@cisco.com

Subject: File Reference No. 1102-100

Dear Mr. Robert H. Herz.

Stock options has given me the motivation that I needed to excel in my work. By owning stocks I feel responsible and take ownership of the company as a whole. Cisco and many other successful companies owe their unique culture to this.

Financially, employee stock options have given me the much needed financial security and helped me focus on taking my career to the next level.

Expensing stock options create certain accounting issues and help us fight the competition.:

- Stock options have often been used as a powerful means to keep the best talent and drive innovation and productivity.
- Stock options do not meet the definition of an expense because they do not use company assets.
- U.S. companies needs stock options to compete on a global basis where stock options are not expensed and have a better equiped to keep and attract talent.
- Expensing stock options could have a detrimental impact on American jobs and in today's economic environment, the number one rule should be 'first, do no harm'.

I sincerely request and hope that employee stock options will not be expensed.

Regards Jerin

A bargain: something you cannot use at a price you cannot resist.

Jerin C Justin

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