

ikon

Letter of Comment No: 1892
File Reference: 1102-100

From: Heidi Dejbakhsh [hdejbakh@cisco.com]
Sent: Saturday, April 24, 2004 8:33 PM
To: Director - FASB
Subject: File Reference No. 1102-100 (Urging NOT to expense stock option)

To: Chairman Robert H. Hertz
Subject: File Reference No. 1102-100
From: Heidi Dejbakhsh

Dear Mr. Robert H. Hertz,
As a regular employee at Cisco System I am writing to urge you NOT to support expensing of the stock option.

Stock option, for regular employee such as myself, is a great motivational tool, increase productivity, and dedication which in turn lead to more shareholder value.

In addition:

a) As I understood the move to expense the stock option will eliminate the stock option for regular employee. The Stock options offering does not really lead to dilution of the share because the cost of stock is already accounted for when it is being exercised. Besides stock options does not really meet the definition of an expense because it does not uses company's assets.

b) I also believe in order for the U.S. company to compete in global economy with other countries need stock options. Expensing stock options could have a dramatic impact on American high tech leadership, innovation and job creation.

Best Regards,
Heidi Dejbakhsh
Cisco Systems