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**Letter of Comment No: 581**  
**File Reference: 1102-100**

**From:** David Schulman [dschulma@cisco.com]  
**Sent:** Tuesday, April 20, 2004 9:50 AM  
**To:** Director - FASB  
**Subject:** Expensing Stock Options, Not

I'm writing this email regarding the current issue of Expensing Stock Options. I don't know all the details of the program proposed by the FASB, but I do know that the company I work for, Cisco Systems may not continue giving out options to it's employees. This would be a problem for me.

As I live on Long Island, in New York, I have found it very difficult to sustain a modest life style. Small house, working wife, two kids, one on the way to college. No pension, small saving plan, and a lot of debt. I personally have a hard time considering helping my son pay for college tuition, and have re-mortgaged my house to help. I use the options to be able to repair and upgrade the house as a I am forced to do all that I can myself. We (my wife and I) have been taking 10% off the table each year, until 2001, when there was very little to take off the table.

Even though I make a decent salary and my wife works, I find it very hard to survive and am worried about retirement. Without those options, I would not have been able to purchase a car to commute with, a bathroom after it was 30 years old, and now taking \$12,000 and paying the University of Delaware part of the \$20,000 they require for the first year. That is after they gave my son a \$2,000 scholastic scholarship, and is now forced to take out only \$8,000 in loans (for the first year).

And I feel lucky,

Sincerely,

David Schulman

David Schulman  
Systems Engineer

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