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Letter of Comment No: 574
File Reference: 1102-100

From: Michael Taylor [mjtaylor@cisco.com]
Sent: Tuesday, April 20, 2004 9:34 AM
To: Director - FASB
Subject: File Reference No. 1102-100

To: Financial Accounting Standards Board
Attn: Chairman Robert H. Herz
File Reference No. 1102-100

To whom it may concern,
I am outraged that the FASB has drafted a new plan to treat employee stock options as an expense. This will change the entire culture within the high-tech community. Today's workers realize that their hard work and diligence contribute to the company's success which in turn contributes to their own personal success. I have worked for past employers that did not offer stock options to their employees. There was a sizeable difference in their morale and work attitude. I truely believe that stock options offer employees an incentive to working harder to help their company achieve their goals.

Personally, stock options have helped me and my family. I currently have a son in a 4-year college who's tuition is funded by my company stock options. This has given him an extrordinary opportunity for his future that I would not have been able to afford him without the help of stock options. My daughter will be entering college in 3 years and I am very concerned that if the stock option plan is changed, her college tuition expenses will push us deep into debt.

Please consider the effect that this new plan will have on working families in this country. I feel this is a bad idea and feel there will be negative repercussions for those who need this benefit the most.

Mike Taylor
Cisco Systems