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From: Joseph Reekers [jreekers@cisco.com]
Sent: Wednesday, April 21, 2004 12:22 PM
To: Director - FASB
Subject: File Reference No. 1102-100

Letter of Comment No: 1240
File Reference: 1102-100

To: Chairman Robert H. Herz

Dear Chairman Herz,

I'm very concerned with the FASB intentions to treat broad-based stock options as an expense for several reasons.

On a Personal Note, my family and I have counted on Stock Options to help us offset the high cost of living here in the Silicon Valley. Without the income that Options provide, I wouldn't be able to continue working in San Jose at my current salary. When I applied for work here, it was under the assumption that I would be eligible for stock options to supplement my salary. If the FASB forces stock option expensing on U.S. companies, I'm concerned that our company will no longer issue options to employees (including myself).

Sir, I'm not a CEO, VP or other "Executive" that is getting rich off of huge option grants. I'm a Customer Support Engineer that works long, hard hours trying to support my family. It's my true feeling that the FASB should not force my company to cut my compensation...which is exactly what the current option expensing plan does!

My understanding of this issue also leads me to believe that this plan will not just have a negative effect on me personally, but on the United States as a whole! If US companies no longer can offer stock options to drive innovation and attract the best workers in the world, you will see an even greater migration of talent to companies outside of the US who don't have to worry about options expensing! We, as a nation, can't afford such an outflow of talent and jobs!

I'm also a retiree from the US Navy (Submarine Service), and one of the things I learned in my years in the Navy was, "If it's not broke, don't fix it!". Well sir, I would submit to you, that the current method of handling options IS NOT BROKE....please don't try to "fix" it!

I appreciate your time in reading this email, and hope that some of the points I've made, you can take to heart. My best to you and your family as I pray that God helps you to make wise and true decisions.

Best Regards,
-Joseph Reekers