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From: Nicky Kearns [nkearns@cisco.com]
Sent: Thursday, June 10, 2004 8:45 PM
To: Director - FASB
Subject: For attn of Chairman Robert H. Herz, File Reference 1102-100

Letter of Comment No: 4210
File Reference: 1102-100

Dear Chairman Herz,

I am writing to you to express my concern regarding the proposed changes to the laws regarding declaration of stock option as an expense.

I believe that this will prove to be a great disincentive to people like me who have been rewarded for my efforts to date by growth in the stock value of the company which in turn benefits the other shareholders and the customers. This is a true win-win situation and I see it benefiting no one to withdraw this simple incentive.

i would add that I am at a loss as to how they can be considered as an expense as they do not use any of the company's assets.

The true entrepreneurial spirit of US companies and their competitiveness on a world stage is at risk, please reconsider.

With best regards, Nicky Kearns