

Stacey Sutay

From: Michelle Brent (mbrent) [mbrent@cisco.com]
Sent: Monday, April 19, 2004 3:49 PM
To: Director - FASB
Subject: File Reference No. 1102-100

Letter of Comment No: 282
File Reference: 1102-100

Importance: High

Dear Chairman Robert H. Herz,

I am sending this email in regards to the proposed FASB plan to treat stock options as an expense.

I am urging you to please reconsider this proposal as this will significantly impact my future earnings and potentially job opportunities.

I have worked for Cisco Systems for almost 6 years. One of the main reasons I joined Cisco was because they distributed stock options to all employees and let the employees own a piece of the company. This is one of the significant reasons for Cisco's success - the retention of the best employees.

If stock options are to become expensed Cisco (and other companies) will no longer be able to afford to distribute stock options to all employees. In addition it will become increasingly difficult for them to retain US-based employees or to justify continuing to hire US based employees when other countries provide the same caliber talent for less money.

The long-term implications of expensing stock options to myself and my career are significant... and the impact to the US economy overall could have drastic implications.

Please do not approve this proposal!

Regards,
Michelle Brent