

Stacey Sutay

From: Susie Leineweber [sminat@cisisco.com]
Sent: Monday, April 19, 2004 7:05 PM
To: Director - FASB
Subject: DO NOT FORCE CORPORATIONS & COMPANIES TO EXPENSE ALL STOCK OPTIONS
DISBURSED REGARDLESS OF EMPLOYEE RANK/LEVEL

Importance: High

Dear Chairman Robert H Herz

File Reference No. 1101-100

Re: Proposed Change to Make All Companies Expense ALL Stock Options

I write to you today as a low to middle level employee of a major company who currently receives employee stock options through a broad-based plan at my company. This is the first time in my 40 some-odd working years, that I have ever been given or actually felt any ownership in the company for which I worked or felt I could help make a difference in the bottom line. While always working frugally, I now work even harder to be ever mindful of the bottom line to help my company be profitable because if my company profits and makes good revenue then a portion of that profit is paid back to me through bonuses, raises and stock options in the company. If you make the proposed changes to force companies like the one for which I work, to start expensing ALL stock options given to employees, no matter what level - top executive or janitorial, then my company and probably all the others will no longer be able to offer this benefit to the mid and lower level employees like me.

Myself and my co-workers are vehemently against your changing the current policy (regarding stock options not being required to be immediately expensed) in the broad stroke manner in which you are proposing by forcing ALL stock options to be expensed immediately. We believe the compromise alternative plan presented by some of your colleagues and supported by representatives of companies like mine (Cisco Systems) which would ONLY mandate that companies expense stock options given to the top few officers and executives is a much preferred and far fairer implementation for handling expensing of stock options for all parties and sides. It protects those of us who now are participants in and beneficiaries of the stock option ownership of the company as well as enforces corporate fiduciary trust and encourages better financial judgments and decision making with regard to truth in accounting and public documentation and accountability to the stockholders and the public at large.

I strongly urge you to change your position on this matter to one which is more equitable for the everyday low to middle level employees while still making strides toward corporate responsibility and accountability in management by corporate officers.

Regards,

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