

Stacey Sutay

From: Ioanna Liaou [iliaou@cisco.com]
Sent: Monday, April 19, 2004 7:29 PM
To: Director - FASB
Subject: Expensing stock options

Letter of Comment No: 421
File Reference: 1102-100

Dear Chairman Robert H. Herz,

I am compiling this email due to the recent announcements that FASB plans to expense stock options (File Reference No. 1102-100).

To that I would like to state that it is hard to put your heart and soul to a job that will just allow you to cover basic expenses and were opportunities to better and distinguish yourself or provide for your family are sparse and far out in the future. I can not speak for other companies but Cisco has a very strong work culture with very innovative people and approachable VPs.

Living from paycheck to paycheck just creates complacency and a work environment where recognition and incentives are gone. I worked in Greece and the UK where employees viewed their jobs as something that you have to do and invest minimal time and effort.

I understand that due to the scandals different approaches are considered but this one punishes honest companies, that cared and provided for their employees. None of Cisco's outside stakeholders can complain about the company's execution or quality of products and services offered and that did not happen by working 9 to 5 or not challenging the status quo and always go above and beyond. Life in CA is exceptionally expensive, we have the highest tax and without the stock we could not afford any type of housing or the ability to save and invest.

I sincerely hope that you will re-consider the approach and ensure that opportunities will be available to all employees. High executives are not the only ones that make a difference in a company's success and deserve to participate on a stock plan.

Best Regards,

Ioanna Liaou