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Letter of Comment No: 4297
File Reference: 1102-100

From: Kim Kinnear [kkinnear@cisco.com]
Sent: Monday, June 14, 2004 1:46 PM
To: Director - FASB
Cc: kkinnear@cisco.com
Subject: Expensing stock options: a bad idea

Chairman Robert H. Herz,

Expensing Stock Options File Reference No. 1102-100

I have been an employee of several corporations which have granted broadly based stock options to their employees. These stock options have been a significant incentive to me to stay at these companies and to help make them a success. Since I am an individual contributor at these companies, I would almost certainly not have been granted these options if the new rules that the FASB are considering regarding expensing of stock options had been in force in the past. Furthermore, I will probably not be receiving any stock options in the future if these rules go into effect. I believe that, in your haste to help "clean up the corporations", you do not really understand the impact that your decision will have on the people that actually make the products that these corporations sell.

Please consider not requiring corporations to expense the stock options that they grant to their employees.

Thank you very much,

Kim Kinnear
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