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From: Leslie Lamb [llamb@cisco.com]
Sent: Wednesday, June 23, 2004 1:55 PM
To: Director - FASB
Subject: File Reference No. 1102-100

Letter of Comment No: 5227
File Reference: 1102-100

Dear Chairman Robert H. Herz:

As a shareholder and employee of Cisco Systems, Inc. I am urging FASB not to require corporations to expense stock options, especially at an unrealistically high valuation. If this occurs, Cisco may not be able to issue stock options to its employees any longer. I believe this could negatively impact employee motivation as well as Cisco's ability to attract and retain highly professional employees.

On a personal note, my stock options have just recently helped me to move into my family's new home. By exercising some of them, I was able to come up with the down payment. If I did not have the benefit of stock options, I would not have been able to do this and, thus, unable to realize a hope and a dream.

Without stock options, corporations would have to look for other ways to compensate their employees, such as a higher salary. Are corporations going to be willing to pay US employees more or will they look to other countries for the talent? We could ultimately find ourselves with an even bigger unemployment rate than we currently have. Our domestic economy is at risk already with the extensive outsourcing occurring, but with this new FASB initiative, we could be creating a nightmare for corporations and their employees. In today's economic environment, the number one rule should be 'first, do no harm'.

As the chairman of FASB, I hope you will listen to the hard working people of this country and discourage the expensing of stock options. Expensing stock options is bad for employees, bad for corporations and ultimately bad for the United States.

Thank you for your time in reading this e-mail.

Sincerely,
Leslie Ann Lamb

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