

Stacey Sutay

From: Yong Kim (yongki) [yongki@cisco.com]
Sent: Monday, April 19, 2004 9:00 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: File Reference No. 1102-100, NO to expensing stock options

Chairman Robert H. Herz,

I understand that you want to improve corporate accounting standards following the duplicit practices of companies such Enron, Worldcom, and Tyco. Their deceitful accounting had nothing to do with whether they expensed stock options or not, but rather a few greedy executives who committed crimes to achieve greater gain for themselves. If you impose expensing of stock options, you will be punishing not executives, but the lowest level of employees in the company. This will significantly affect productivity because employees will no longer feel that they have some "ownership" of the company that motivates them to go the extra mile. Expensing options will also incite corporations to look offshore for work functions to bring expenses down. If you put these things in motion, the US will take a step back in productivity and job creation.

I implore you to stop considering the expensing of stock options, and focus your efforts on other areas that will improve financial accountability and integrity of companies.

Respectfully,
Yong Kim
Cisco Systems, Inc.