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**Sent:** Monday, May 03, 2004 4:52 PM  
**To:** Stacey Sutay  
**Cc:** savestockoptions@cisco.com  
**Subject:** File reference No. 1102-100

**Letter of Comment No:** 2172  
**File Reference:** 1102-100



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Chairman Robert H. Herz,

I urge you to not require companies to expense stock options. At the very least I urge you to wait at least until a reasonable valuation method is developed to value options that is not subject to interpretation and that can be applied consistently for every company. The current draft, as proposed by FASB, is prone to be very subjective and adds more confusion with respect to financial statements thereby causing more harm than good.

I am fortunate to have options these past years. I work for one of the best and most innovative companies Cisco that has a true broad-based equity compensation program, aka, stock options. With out these options, I would not have worked for Cisco and had not taken risks working for start-up companies prior to joining Cisco. The options motivate me to work harder and create innovative products that have high market risks. By creating these innovative products, I am helping make people's lives a little bit easier and/or more productive. Without these options, there is not much incentive for companies to take risks and create products that have little or no markets. Also, the options have helped me and my family financially in the past. Expensing options will eliminate broad based option programs in high tech companies and, therefore, will hurt me and others financially.

Once again, I urge you to not require companies to expense options

Sincerely,  
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