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**Letter of Comment No: 958**  
**File Reference: 1102-100**

**From:** Samuel Reed [sreed@cisco.com]  
**Sent:** Tuesday, April 20, 2004 1:45 PM  
**To:** Director - FASB; savestockoptions@cisco.com  
**Subject:** Please Do Not Treat Stock Options As An Expense, File Reference No. 1102-100

File Reference No. 1102-100,

Chairman Robert H. Herz,

First off, please do not elect to treat stock options as an expense. As you likely are aware, stock options are very valuable to the American work force. In this time of economic hardship we as a society should be doing and promoting as many diverse methods as possible to keep not only Americans working but also to keep Americans spending and living our dreams. Americans are loosing thousands of jobs daily to companies overseas and with that, more and more we need to encourage incentives and initiatives that keep top talent and keep America on the leading edge of technology. Please do not take one of the most prevalent manners of employee ownership away from us.

I was hired right out of college and went to work for Cisco Systems. Of course one of the biggest draws to the company was how well Cisco treated its employees. Along with that was at just how Cisco also shared company ownership in forms of stock options, etc. Now that I look back over the 10 years I have been with the company, I see just how much I have gained as an individual and as a member of society and my options played a big part in this.

I was able to purchase a condo, on my own in the SF bay area, which is by no means an easy task, due to sky high housing costs. Eventually relocating to New England I was able to purchase my first home, my first new car, and the rest continues to evolve each and every day. With the high tech industry getting hit so hard over the last 3 years or so, so has general moral, while this is a short term issue, I look and keep in the back of my mind that I have a little bit of security, in form of my stock options. But even more important is the good and positive feeling I get out of truly feeling like I own part of something big, like Cisco.

So in closing, I on behalf of all the other high tech industry employees ask of you to Not Treat Stock Options As An Expense. Please.

Sincerely,  
Sam Reed  
603 896 5186