

**Len Tatore**

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**Letter of Comment No:1453**  
**File Reference: 1102-100**

**From:** Farooq Khalid [fkhalid@cisco.com]  
**Sent:** Thursday, April 22, 2004 6:26 PM  
**To:** Director - FASB  
**Subject:** File Reference No. 1102-100

ATTENTION: Chairman Robert H. Herz

Sir,

This e-mail is to express my views on the topic of expensing stock options for regular employees.

I have been working with Cisco Systems for about 4 years now and have enjoyed the benefit of having Stocks and ESPP (Employee Stock Purchase Plan) from the company. I believe that employees who get Stock Options have seen positive financial contributions to their portfolio over a period of time. For some, it is one of the main motivators to work for a company. I have personally benefited from the ESPP plan. We have a culture in the company that ties back very strongly to driving stock price in the upward direction. We all work to make Cisco a better company not just for our customers, but for our shareholders as well.

Personally, I would urge your esteemed offices to NOT expense stock options. It can potentially have a negative impact on the US economy, slow down hi technology innovation and driving jobs out of the country.

Thanks for your consideration.

Farooq Khalid  
Cisco Systems