Stacey Sutay

Letter of Comment No: 285 File Reference: 1102-100

From: Sharon Meaney [smeaney@cisco.com]

Sent: Monday, April 19, 2004 6:49 PM
To: Director - FASB

Subject: File Reference No. 1102-100: Please do not expense stock options!

Chairman Robert H. Herz,

I am saddened to hear about the intent to expense stock options.

I sincerely doubt that I (and by extension, my family) would be in the financially-sound situation we are in, were it not for my ability to participate in Cisco's stock option program. Being given, buying, and selling stock options has enabled me/my family to buy and move into our very first home, and has provided an opportunity to upgrade cars when the family grew by a member last year....all without the staggering debt now being incurred by many middle-class Americans. (True, neither house nor car was outright paid for by stock, but we were able to finance a far lesser portion of each, and use the stock to come up with needed deposits, down payments, etc, that enabled our move in the first place)

Stock options also provide motivation and reward at the workplace. The recent cutbacks during the economic downturn were far easier to take, knowing that I still had, and was still eligible to get, company stock options. Working hard to turn around the down economy at Cisco is in no small part tied to the fact that when we as employees work hard, corporate performance goes up, and our stock goes up in value. It is a direct link, firmly embedded in our corporate culture.

I hope you will reconsider this very upsetting stance on this issue. Sharon Meaney Cisco Systems, Inc.