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Letter of Comment No: 1858
File Reference: 1102-100

From: Nitin Gupta [niting@cisco.com]
Sent: Friday, April 23, 2004 10:26 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: Re: File Reference No. 1102-100 [for Chairman Robert H. Herz]

Dear Mr. Chairman,

This note is to implore you to push for the reconsideration of the decision to expense company stock options. I am an employee of Cisco systems and have been with the company for almost 5 years. Looking at my reasons for continuing to stay with the company, I feel that the generosity that Cisco has demonstrated towards it's employees via it's stock plan has been one of the primary factors.

Stock options, like any other monetary accolade, are motivational to employees. Personally, I feel that stock options are a means via which an employee feels that they have direct ownership in the company. I also feel that the potential to gain drives employees to produce better products which in turn promotes healthy competition in the marketplace.

I am sure you have heard from several folks regarding this. I am thankful for your time and hope that my note will add to the notes from others who are trying to influence your decision on this matter.

Kind Regards,
Nitin Gupta