

## Len Tatore

---

Letter of Comment No: 1347  
File Reference: 1102-100

**From:** Fred Cory [fcory@cisco.com]  
**Sent:** Wednesday, April 21, 2004 4:45 PM  
**To:** Director - FASB  
**Cc:** savestockoptions@cisco.com  
**Subject:** File Reference No. 1102-100

Chairman Robert H. Herz,

I am an employee of Cisco Systems and have been for the last seven years. During that time

I have accumulated a relatively large number of stock options from Cisco Systems, even when the economy was in a downturn and my wages were frozen.

The benefits of those options to me and my family have been great. I was able to exercise some

of those options to purchase a home for my family at a time when money was tight - Without

those stock options I would have been much more limited in my choices, and my family would be much less comfortable.

That has been a direct benefit to me. Other benefits are less tangible, but nonetheless important,

The options I hold in Cisco Systems mean that I focus on the success of my company at the same

time I focus on my family - I very firmly believe that most of my fellow employees do the same.

Cisco Systems is a much stronger company due to the interests of Employee Shareholders and

Employee Stock Option holders. The options are a strong factor in being able to retain top talent

and award individuals who make a contribution to the success of Cisco Systems.

It is my belief that the loss of broad based Stock options would greatly weaken Cisco Systems, along

with any number of other US based companies. It would lead to apathy in regards to the success of the company.

While the expensing of stock options may give the appearance of providing Financial transparency, it would

directly affect the little people - Me, other US workers who receive options.

In addition, any plan that makes it easier for companies to avoid giving broad based options is simply hurting

the Tax base of the US. As a regular employee with a modest salary, I cannot afford tax shelters and the like.

When I exercise options, I pay my full 30% in taxes.

I would appreciate your consideration in this matter.

Thanks,  
Fred J Cory  
1012 Shadywood Lane  
Raleigh, NC 27603