

Stacey Sutay

From: Michelle Marquard (mmarquar) [mmarquar@cisco.com]
Sent: Monday, April 19, 2004 5:01 PM
To: Director - FASB
Cc: savestockoptions@cisco.com
Subject: File Reference No. 1102-100, Chairman Robert H. Herz

Dear Chairman Herz:

I'm writing to urge you *not* to further any plan to expense stock options. I'm an eight year veteran employee at Cisco Systems. Cisco was the first company, in my fifteen-year work history, to offer 'regular' employees an ownership value proposition.

As a recipient of stock options over the life of my employment at Cisco I can personally attest that this form of employee incentive, offered to all employees at the company, works to create a culture of ownership that fosters equality and motivates people to perform as they possess a *real* stake in the success of the company. This reward system has helped me to feel empowered as an employee, for I too have a vested interest in the financial health and growth of Cisco. I too benefit when all of Cisco's employee stock holders perform; it is something we do for all shareholders, for ourselves, and for our families.

As a result of my stock options I was able to purchase a home five years ago. I have also used this process to subsidize my income so that my husband can stay-at-home with our children. He has been a stay-at-home father for five years now. This process enables us, as parents, to take a more active role in our children's lives; our children are being raised by their parent's not day-care providers. I am not an executive at Cisco; I am a regular employee who feels incredibly fortunate to have been given the continued opportunity to reap the rewards of Cisco's success, success I helped to create. I have been given an opportunity to actively participate as a shareholder of the company and I urge you on behalf of myself, my family, and other employees benefiting from this program, do not take action that puts my continued participation in this program at risk.

Sincerely,
Michelle Marquard