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Letter of Comment No: 1911  
File Reference: 1102-100

**From:** Kamlesh Shah [kshah@cisco.com]  
**Sent:** Sunday, April 25, 2004 9:11 PM  
**To:** Director - FASB  
**Cc:** kshah@cisco.com  
**Subject:** File Reference Number 1102-100: An appeal!

**Importance:** High

To  
Mr. Robert H. Herz  
Chairman  
FASB

Dear Sir,

I have been an employee in good standing for Cisco Systems Inc. since last 7+ years. In that capacity, I have been able to work at and visit 7+ various Cisco sites worldwide. When I meet people from different parts of the world who do not work at Cisco, and when I discuss how they see progress in their careers, I feel it is very important that I must highlight what I have received from working at my company.

One of the most important aspects of getting the right products in our company is to acquire good candidate companies as technology changes and as competition grows on us. One way, the company has been able to achieve such goals of acquiring great companies and getting the innovations and innovators from such companies is having the attraction of stock options the way we have had for all these years.

Even thru difficult time of last 3 years when most companies (including Cisco) was not able to offer much of a financial reward to most of its employees, I saw that my loyalty to company and that of many of my fellow workers remained strong and I realized that having the stock options program that we have today in place gives us that drive to continue to work hard with lower resources and continue to innovate in order to achieve our individual and collective dreams.

So when FASB moves forward by expensing stock options, it will for sure kill the dreams of many thousands of us at Cisco but also would jeopardize the the prospects of innovation coming to us from such companies the seeds of which comes from universities across the country. What this could also do is to put us behind the ball when it comes to attracting cream of the crops from other countries as well..meaning innovation would stay out of the US more due to such factors.

Although I am no financial wizard, I do understand that Stock options are no expense to a company. Stock options are not using company assets to be called an expense.

Finally, I must tell you that I came to this country of dreams many years ago and after spending 8 full years working elsewhere, I landed a job of dreams, only I did not know it back then and now that I know it, and look forward to getting some of my and my families dreams come true, I fear that a move such as expensing of stock options would practically kill the dream right before it is about to be realized.

Please accept my appeal to NOT expense the stock options per your file number 1102-100.

Thank you !!