

Stacey Sutay

Letter of Comment No: 500
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From: Nancy Kobs [nkobs@cisco.com]
Sent: Tuesday, April 20, 2004 1:20 AM
To: Director - FASB
Subject: Stock Options Expensing

Importance: High

Dear FASB Director,

I have been an employee of Cisco Systems in San Jose, CA for a little over 8 years, and have had the fortune to enjoy the benefits of stock options. I never understood the benefit and motivational effect of stock options until I joined Cisco. At Cisco, we are driven to making this a better company, and working together and very hard to achieve this because we know that if Cisco is successful, we will share it's success too.

Stock options have meant a better life for me and my family. My children have the luxury of attending public schools in a neighborhood where public education is comparable to that of a good number of private schools in our area. A better education gives my children access to more opportunities and a more complete development. As a parent, it has always been key for me to provide my children with the best education possible.

Stock options have also given me the opportunity to give back to my community, country, and children of the world, by giving me access to additional funds to support organizations that help the communities in need.

I am very proud to be part of the Cisco community and share the benefits of stock options. Cisco has a culture of innovation and teamwork that is driven by our company's success. It is critical for us (Cisco employees and Cisco) to continue this success path. Please do not impose standards that will take this important cultural driver away from us.

Regards. Nancy Kobs

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