

CISCO SYSTEMS, INC.

FORM S-3

(Securities Registration Statement (simplified form))

Filed 08/06/99

Address	170 WEST TASMAN DR SAN JOSE, CA 95134-1706
Telephone	4085264000
CIK	0000858877
Symbol	CSCO
SIC Code	3576 - Computer Communications Equipment
Industry	Communications Equipment
Sector	Technology
Fiscal Year	07/28

CISCO SYSTEMS INC

FORM S-3

(Securities Registration Statement (simplified form))

Filed 8/6/1999

Address	170 WEST TASMAN DR SAN JOSE, California 95134-1706
Telephone	408-526-4000
CIK	0000858877
Industry	Communications Equipment
Sector	Technology
Fiscal Year	07/31

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

CISCO SYSTEMS, INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

CALIFORNIA
(STATE OR OTHER JURISDICTION OF
INCORPORATION OR ORGANIZATION)

77-0059951
(I.R.S. EMPLOYER
IDENTIFICATION NUMBER)

170 WEST TASMAN DRIVE
SAN JOSE, CALIFORNIA 95134
(408) 526-4000

(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA
CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

JOHN T. CHAMBERS
PRESIDENT AND CHIEF EXECUTIVE OFFICER
CISCO SYSTEMS, INC.
255 WEST TASMAN DRIVE
SAN JOSE, CALIFORNIA 95134
(408) 526-4000

(NAME AND ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER,
INCLUDING AREA CODE, OF AGENT FOR SERVICE)

Copy to:
THERESE A. MROZEK, ESQ.
BROBECK, PHLEGER & HARRISON LLP
TWO EMBARCADERO PLACE
2200 GENG ROAD
PALO ALTO, CALIFORNIA 94303
(650) 424-0160

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:

From time to time after this registration statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.
☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. []

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to Be Registered(1)	Proposed Maximum Aggregate Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Stock, \$0.001 par value per share	4,894,368	\$61.41	\$300,563,139	\$83,557

(1) Pursuant to Rule 429 of the Securities Act of 1933, as amended (the "Securities Act"), 4,166,078 shares of Cisco's common stock (as adjusted pursuant to a 2-for-1 stock split effected June 21, 1999) registered on the original filing of this registration statement on Form S-3 are being carried forward in the prospectus contained herein.

(2) The price of \$61.41, the average of the high and low prices of Cisco's common stock on the Nasdaq Stock Market's National Market on August 3, 1999, is set forth solely for the purpose of computing the registration fee pursuant to Rule 457(c).

(3) Pursuant to Rule 457(b) under the Securities Act, \$71,123 of the registration fee is offset by the filing fee previously paid by Cisco Systems, Inc. in connection with the original filing of this registration statement on Form S-3 on November 23, 1998. Accordingly, a filing fee of \$12,434 is being paid herewith.

This registration statement is being filed pursuant to and in reliance on Rule 429(a) under the Securities Act. Pursuant to Rule 429 under the Securities Act, the prospectus contained herein also relates to Cisco's registration statement on Form S-3, Registration No. 333-67789, as filed with the Securities and Exchange Commission on November 23, 1998.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT THAT SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SEC, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

THE INFORMATION CONTAINED IN THIS PRELIMINARY PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. THESE SECURITIES MAY NOT BE SOLD UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED AUGUST 6, 1999

PRELIMINARY PROSPECTUS

4,166,078 PREVIOUSLY REGISTERED SHARES

728,290 SHARES

**CISCO SYSTEMS, INC.
COMMON STOCK**

This Prospectus relates to the public offering, which is not being underwritten, of 4,166,078 previously registered shares of our Common Stock and an additional 728,290 shares of our Common Stock being registered hereby which is held by some of our current shareholders.

The prices at which such shareholders may sell the shares will be determined by the prevailing market price for the shares or in negotiated transactions. We will not receive any of the proceeds from the sale of the shares.

Our Common Stock is quoted on the Nasdaq National Market under the symbol "CSCO." On August 3, 1999, the average of the high and low price for the Common Stock was \$61.41.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this Prospectus is August 6, 1999.

No person has been authorized to give any information or to make any representations other than those contained in this Prospectus in connection with the offering made hereby, and if given or made, such information or representations must not be relied upon as having been authorized by Cisco Systems, Inc. (referred to in this Prospectus as "Cisco" or the "Registrant"), any selling shareholder or by any other person. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that information herein is correct as of any time subsequent to the date hereof. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any security other than the securities covered by this Prospectus, nor does it constitute an offer to or solicitation of any person in any jurisdiction in which such offer or solicitation may not lawfully be made.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. Our SEC filings are also available to the public from our web site at <http://www.cisco.com> or at the SEC's web site at <http://www.sec.gov>.

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and later information filed with the SEC will update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13a, 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 until our offering is completed.

(a) Annual Report on Form 10-K for the fiscal year ended July 25, 1998, filed September 25, 1998, including certain information in Cisco's Definitive Proxy Statement in connection with Cisco's 1998 Annual Meeting of Shareholders and certain information in Cisco's Annual Report to Shareholders for the fiscal year ended July 25, 1998;

(b) Cisco's Quarterly Report on Form 10-Q for the fiscal quarter ended October 24, 1998, filed December 8, 1998;

(c) Cisco's Quarterly Report on Form 10-Q for the fiscal quarter ended January 23, 1999, filed March 9, 1999, as amended May 14, 1999;

(d) Cisco's Quarterly Report on Form 10-Q for the fiscal quarter ended May 1, 1999, filed June 15, 1999;

(e) Cisco's Current Report on Form 8-K filed May 14, 1999;

(f) Cisco's Current Report on Form 8-K filed July 2, 1999;

(g) The description of Cisco common stock contained in its registration statement on Form 8-A filed January 8, 1990, including any amendments or reports filed for the purpose of updating such descriptions; and

(h) The description of Cisco's Preferred Stock Purchase Rights, contained in its registration statement on Form 8-A filed on June 11, 1998, including any amendments or reports filed for the purpose of updating such description.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Larry R. Carter
Senior Vice President, Chief Financial Officer and Secretary Cisco Systems, Inc.
255 West Tasman Drive
San Jose, CA 95134

You should rely only on the information incorporated by reference or provided in this prospectus or the prospectus supplement. We have authorized no one to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this prospectus or the prospectus supplement is accurate as of any date other than the date on the front of the document.

THE COMPANY

Cisco's principal executive offices are located at 255 West Tasman Drive, San Jose, California 95134. Cisco's telephone number is (408) 526-4000.

PLAN OF DISTRIBUTION

Cisco is registering all 4,894,368 shares (the "Shares") on behalf of certain selling shareholders. All of the shares either originally were issued by us or will be issued upon exercise of options to acquire shares of our common stock in connection with our acquisition of Clarity Wireless Incorporated. We merged with Clarity Wireless Incorporated and we were the surviving corporation. Cisco will receive no proceeds from this offering. The Selling Shareholders named in the table below or pledgees, donees, transferees or other successors-in-interest selling shares received from a named selling shareholder as a gift, partnership distribution or other non-sale-related transfer after the date of this prospectus (collectively, the "Selling Shareholders") may sell the shares from time to time. The Selling Shareholders will act independently of Cisco in making decisions with respect to the timing, manner and size of each sale. The sales may be made on one or more exchanges or in the over-the-counter market or otherwise, at prices and at terms then prevailing or at prices related to the then current market price, or in negotiated transactions. The Selling Shareholders may effect such transactions by selling the shares to or through broker-dealers. The shares may be sold by one or more of, or a combination of, the following:

- o a block trade in which the broker-dealer so engaged will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction,
- o purchases by a broker-dealer as principal and resale by such broker-dealer for its account pursuant to this prospectus,
- o an exchange distribution in accordance with the rules of such exchange,
- o ordinary brokerage transactions and transactions in which the broker solicits purchasers, and
- o in privately negotiated transactions.

To the extent required, this prospectus may be amended or supplemented from time to time to describe a specific plan of distribution. In effecting sales, broker-dealers engaged by the Selling Shareholders may arrange for other broker-dealers to participate in the resales.

The Selling Shareholders may enter into hedging transactions with broker-dealers in connection with distributions of the shares or otherwise. In such transactions, broker-dealers may engage in short sales of the shares in the course of hedging the positions they assume with Selling Shareholders. The Selling Shareholders also may sell shares short and redeliver the shares to close out such short positions. The Selling Shareholders may enter into option or other transactions with broker-dealers which require the delivery to the broker-dealer of the shares. The broker-dealer may then resell or otherwise transfer such shares pursuant to this prospectus. The Selling Shareholders also may loan or pledge the shares to a broker-dealer. The broker-dealer may sell the shares so loaned, or upon a default the broker-dealer may sell the pledged shares pursuant to this prospectus.

Broker-dealers or agents may receive compensation in the form of commissions, discounts or concessions from Selling Shareholders. Broker-dealers or agents may also receive compensation from the purchasers of the shares for whom they act as agents or to whom they sell as principals, or both. Compensation as to a particular broker-dealer might be in excess of customary commissions and will be in amounts to be negotiated in connection with the sale. Broker-dealers or agents and any other participating broker-dealers or the Selling Shareholders may be deemed to be "underwriters" within the meaning of Section 2(11) of the Securities Act in connection with sales of the shares. Accordingly, any such commission, discount or concession received by them and any profit on the resale of the shares purchased by them may be deemed to be underwriting discounts or commissions under the Securities Act. Because Selling Shareholders may

be deemed to be "underwriters" within the meaning of Section 2(11) of the Securities Act, the Selling Shareholders will be subject to the prospectus delivery requirements of the Securities Act. In addition, any securities covered by this prospectus which qualify for sale pursuant to Rule 144 promulgated under the Securities Act may be sold under Rule 144 rather than pursuant to this prospectus. The Selling Shareholders have advised Cisco that they have not entered into any agreements, understandings or arrangements with any underwriters or broker-dealers regarding the sale of their securities. There is no underwriter or coordinating broker acting in connection with the proposed sale of shares by Selling Shareholders.

The shares will be sold only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states the shares may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of the shares may not simultaneously engage in market making activities with respect to our common stock for a period of two business days prior to the commencement of such distribution. In addition, each Selling Shareholder will be subject to applicable provisions of the Exchange Act and the associated rules and regulations under the Exchange Act, including Regulation M, which provisions may limit the timing of purchases and sales of shares of our common stock by the Selling Shareholders. Cisco will make copies of this prospectus available to the Selling Shareholders and has informed them of the need for delivery of copies of this prospectus to purchasers at or prior to the time of any sale of the shares.

Cisco will file a supplement to this prospectus, if required, pursuant to Rule 424(b) under the Securities Act upon being notified by a Selling Shareholder that any material arrangement has been entered into with a broker-dealer for the sale of shares through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker or dealer. Such supplement will disclose:

- o the name of each such Selling Shareholder and of the participating broker-dealer(s),
- o the number of shares involved,
- o the price at which such shares were sold,
- o the commissions paid or discounts or concessions allowed to such broker-dealer(s), where applicable,
- o that such broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus, and
- o other facts material to the transaction.

In addition, upon being notified by a Selling Shareholder that a donee or pledgee intends to sell more than 500 shares, Cisco will file a supplement to this prospectus.

Cisco will bear all costs, expenses and fees in connection with the registration of the shares. The Selling Shareholders will bear all commissions and discounts, if any, attributable to the sales of the shares. The Selling Shareholders may agree to indemnify any broker-dealer or agent that participates in transactions involving sales of the shares against certain liabilities, including liabilities arising under the Securities Act. The Selling Shareholders have agreed to indemnify certain persons, including broker-dealers and agents, against certain liabilities in connection with the offering of the shares, including liabilities arising under the Securities Act.

SELLING SHAREHOLDERS

The following table sets forth the number of shares owned by each of the Selling Shareholders. None of the Selling Shareholders has had a material relationship with Cisco within the past three years other than as a result of the ownership of the shares or other securities of Cisco. No estimate can be given as to the amount of shares that will be held by the Selling Shareholders after completion of this offering because the Selling Shareholders may offer all or some of the shares and because there currently are no agreements, arrangements or understandings with respect to the sale of any of the shares. The shares offered by this prospectus may be offered from time to time by the Selling Shareholders named below.

NAME OF SELLING SHAREHOLDER	NUMBER OF SHARES BENEFICIALLY OWNED	PERCENT OF OUTSTANDING SHARES	NUMBER OF SHARES REGISTERED FOR SALE HEREBY (1)
-----	-----	-----	-----
Stritter, Edward, P.	768,570	*	768,570
Raleigh, Greg G.	764,730	*	764,730
Pollack, Mike A.	497,984	*	497,984
Jones, Vincent K. IV	496,466	*	496,466
Wall, Robert T.	396,843	*	396,843
Johnson, David R.	197,250	*	197,250
82 additional Selling Shareholders, each of whom beneficially owns less than one-tenth of one percent of the total outstanding Common Stock of Cisco as of July 19, 1999 ..	1,172,525	*	1,172,525
	=====	=====	=====
Total.....	4,894,368	*	4,894,368

* Represents beneficial ownership of less than one percent.

(1) This registration statement also shall cover any additional shares of common stock which become issuable in connection with the shares registered for sale hereby by reason of any stock divided, stock split, recapitalization or other similar transaction effected without the receipt of consideration which results in an increase in the number of Cisco's outstanding shares of common stock.

LEGAL MATTERS

The validity of the securities offered hereby will be passed upon for Cisco by Brobeck, Phleger & Harrison LLP, Palo Alto, California.

EXPERTS

The financial statements as of July 25, 1998 and July 26, 1997 and for each of the three years in the period ended July 25, 1998 incorporated by reference in this prospectus, have been incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent accountants, given on the authority of that firm as experts in auditing and accounting.

We have not authorized any person to make a statement that differs from what is in this prospectus. If any person does make a statement that differs from what is in this prospectus, you should not rely on it. This prospectus is not an offer to sell, nor is it seeking an offer to buy, these securities in any state in which the offer or sale is not permitted. The information in this prospectus is complete and accurate as of its date, but the information may change after that date.

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CISCO SYSTEMS, INC.

4,894,368 SHARES
OF COMMON STOCK

.....

PROSPECTUS
.....

AUGUST 6, 1999

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by Cisco in connection with the sale of common stock being registered. All amounts are estimates except the SEC registration fee.

SEC Registration fee	\$ 83,557
Legal fees and expenses	15,000
Accounting fees and expenses	5,000
Printing Fees	5,000
Transfer Agent Fees	5,000
Miscellaneous	11,000

Total	\$124,557
	=====

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 317 of the California Corporations Code authorizes a court to award, or a corporation's Board of Directors to grant, indemnity to directors and officers in terms sufficiently broad to permit indemnification, including reimbursement of expenses incurred, under certain circumstances for liabilities arising under the Securities Act. Cisco's Restated Articles of Incorporation, as amended, and Amended Bylaws provide for indemnification of its directors, officers, employees and other agents to the maximum extent permitted by the California Corporations Code. In addition, Cisco has entered into indemnification agreements with each of its directors and officers.

ITEM 16. EXHIBITS

2.1	Agreement of Merger between Cisco Systems, Inc. and Clarity Wireless Incorporated
5.1	Opinion of Brobeck, Phleger & Harrison LLP
23.1	Consent of PricewaterhouseCoopers LLP
23.2	Consent of Brobeck, Phleger & Harrison LLP (included in the Opinion of Brobeck, Phleger & Harrison LLP filed as Exhibit 5.1 hereto)
24.1	Power of Attorney (included on page II-3 of this registration statement)

ITEM 17. UNDERTAKINGS

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement: (i) to include any prospectus required by Section 10(a)(3) of the Securities Act; (ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement, or the most recent post-effective amendment thereof, which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and (iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and therefore is unenforceable. In the event that a claim for indemnification against such liabilities, other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act, and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act, that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Santa Clara, State of California, on this 6th day of August, 1999.

CISCO SYSTEMS, INC.

By /s/ John T. Chambers

John T. Chambers,
President, Chief Executive Officer and Secretary

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints John T. Chambers and Larry R. Carter, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, and any of them, or their or his substitutes, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons on behalf of Cisco and in the capacities and on the dates indicated:

SIGNATURES -----	TITLE -----	DATE -----
/s/ John T. Chambers ----- John T. Chambers	President, Chief Executive Officer and Director (Principal Executive Officer)	August 6, 1999
/s/ Larry R. Carter ----- Larry R. Carter	Senior Vice President, Finance and Administration, Chief Financial Officer and Secretary (Principal Financial and Accounting Officer)	August 6, 1999
/s/ John P. Morgridge ----- John P. Morgridge	Chairman of the Board and Director	August 6, 1999
/s/ Donald T. Valentine ----- Donald T. Valentine	Director	August 6, 1999

SIGNATURES -----	TITLE -----	DATE -----
/s/ James F. Gibbons ----- James F. Gibbons	Director	August 6, 1999
/s/ Robert L. Puette ----- Robert L. Puette	Director	August 6, 1999
/s/ Masayoshi Son ----- Masayoshi Son	Director	August 6, 1999
/s/ Steven M. West ----- Steven M. West	Director	August 6, 1999
/s/ Edward R. Kozel ----- Edward R. Kozel	Director	August 6, 1999
/s/ Carol A. Bartz ----- Carol A. Bartz	Director	August 6, 1999
/s/ James C. Morgan ----- James C. Morgan	Director	August 6, 1999
/s/ Mary Cirillo ----- Mary Cirillo	Director	August 6, 1999
/s/ Arun Sarin ----- Arun Sarin	Director	August 6, 1999

INDEX TO EXHIBITS

Exhibit Number -----	Exhibit Title -----
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24.1	Power of Attorney (included on page II-3 of this registration statement)

EXHIBIT 2.1
AGREEMENT OF MERGER

OF

CISCO SYSTEMS, INC.

AND

CLARITY WIRELESS INCORPORATED

This Agreement of Merger, dated as of the 2nd day of November, 1998 ("Merger Agreement"), between Cisco Systems, Inc., a California corporation ("Acquiror"), and Clarity Wireless Incorporated, a California corporation ("Target").

RECITALS

- A. Target was incorporated in the State of California on December 20, 1996 and on the date hereof has 19,499,856 outstanding shares of Common Stock ("Target Common Stock" or the "Target Shares"), and no shares of Preferred Stock.
- B. Acquiror and Target have entered into an Agreement and Plan of Reorganization, as amended (the "Agreement and Plan of Reorganization"), providing for certain representations, warranties, covenants and agreements in connection with the transactions contemplated hereby. This Merger Agreement and the Agreement and Plan of Reorganization are intended to be construed together to effectuate their purpose.
- C. The Boards of Directors of Target and Acquiror deem it advisable and in their mutual best interests and in the best interests of the shareholders of Target, that Target be acquired by Acquiror through a merger ("Merger") of Target with and into Acquiror.
- D. The Boards of Directors of Acquiror and Target and the shareholders of Target have approved the Merger.

AGREEMENTS

The parties hereto hereby agree as follows:

1. Target shall be merged with and into Acquiror, and Acquiror shall be the surviving corporation.
2. The Merger shall become effective at such time (the "Effective Time") as this Merger Agreement and the officers' certificate of Target is filed with the Secretary of State of the State of California pursuant to Section 1103 of the Corporations Code of the State of California.
3. (a) At the Effective Time of the Merger (i) all shares of Target Common Stock that are owned directly or indirectly by Target, Acquiror or any other subsidiary of Acquiror shall be cancelled, and no securities of Acquiror or other consideration shall be delivered in exchange therefor, (ii) each of the issued and outstanding shares of Target Common Stock (other than shares, if any, held by persons who have not voted such shares for approval of the Merger and with respect to which such persons shall become entitled to exercise dissenters' rights in accordance with Chapter 13 of the California General Corporation Law, referred to hereinafter as "Dissenting Shares") shall be converted automatically into and exchanged for 0.1291531984 of a share of Acquiror Common Stock; provided, however, that no more than 2,518,468 shares of Common Stock of Acquiror shall be issued in such exchange (including Acquiror Common Stock reserved for issuance upon exercise of Target

options assumed by Acquiror). Those shares of Acquiror Common Stock to be issued as provided in this Section 3(a) are referred to herein as the "Acquiror Shares".

(b) Following the Closing, the holders of record of Target Common Stock issued and outstanding immediately prior to the Effective Time (other than Dissenting Shares) shall be entitled to receive additional consideration in connection with the Merger as follows:

(i) If the First Product Milestone (as such term is defined in the Purchase Option Agreement dated as of July 23, 1998 (the "Purchase Option Agreement") by and among Target, Acquiror and the securityholders of Target identified therein) occurs after the Closing Date and on or before July 31, 1999, Acquiror shall issue and deliver (or cause to be issued and delivered) to each such holder that number of shares of Acquiror Common Stock equal to the product obtained by multiplying (x) the quotient determined by dividing \$20,000,000 by the average of the closing bid prices for a share of Acquiror Common Stock as quoted on the Nasdaq National Market for the ten (10) trading days immediately preceding and ending on the date on which the First Product Milestone occurs (or, if such date is not a trading day, the next preceding trading day), by (y) a fraction, the numerator of which is the total number of shares of Acquiror Common Stock into which the shares of Target Common Stock held by such holder shall have been converted pursuant to Section 3(a) by virtue of the Merger, and the denominator of which is the total number of Acquiror Shares.

(ii) If the Second Product Milestone (as such term is defined in the Purchase Option Agreement) occurs after the Closing Date and on or before November 30, 1999, Acquiror shall issue and deliver (or cause to be issued and delivered) to each such holder that number of shares of Acquiror Common Stock equal to the product obtained by multiplying (x) the quotient determined by dividing \$20,000,000 by the average of the closing bid prices for a share of Acquiror Common Stock as quoted on the Nasdaq National Market for the ten (10) trading days immediately preceding and ending on the date on which the Second Product Milestone occurs (or, if such date is not a trading day, the next preceding trading day), by (y) a fraction, the numerator of which is the total number of shares of Acquiror Common Stock into which the shares of Target Common Stock held by such holder shall have been converted pursuant to Section 3(a) by virtue of the Merger, and the denominator of which is the total number of Acquiror Shares.

4. Any Dissenting Shares shall not be converted into Acquiror Common Stock but shall be converted into the right to receive such consideration as may be determined to be due with respect to such Dissenting Shares pursuant to Chapter 13 of the California General Corporation Law and any other applicable laws of the State of California. If after the Effective Time any Dissenting Shares shall lose their status as Dissenting Shares, then as of the occurrence of the event which causes the loss of such status, such shares shall be converted into Acquiror Common Stock in accordance with Section 3.

5. Notwithstanding any other term or provision hereof, no fractional shares of Acquiror Common Stock shall be issued, but in lieu thereof each holder of Target Shares who would otherwise, but for rounding as provided herein, be entitled to receive a fraction of a share of Acquiror Common Stock shall receive from Acquiror an amount of cash equal to the per share market value of Acquiror Common Stock (deemed to be \$59.56) multiplied by the fraction of a share of Acquiror Common Stock to which such holder would otherwise be entitled. The fractional share interests of each Target shareholder shall be aggregated, so that no Target shareholder shall receive cash in an amount greater than the value of one full share of Acquiror Common Stock.

6. The conversion of Target Common Stock into Acquiror Common Stock as provided by this Merger Agreement shall occur automatically at the Effective Time of the Merger without action by the holders thereof. Each holder of Target Common Stock shall thereupon be entitled to receive shares of Acquiror Common Stock in accordance with the Agreement and Plan of Reorganization.

7. At the Effective Time of the Merger, the separate existence of Target shall cease, and Acquiror shall succeed, without other transfer, to all of the rights and properties of Target and shall be subject to all the debts and liabilities thereof in the same manner as if Acquiror had itself incurred them. All rights of creditors and all liens upon the property of each corporation shall be preserved unimpaired, provided that such liens upon property of Target shall be limited to the property affected thereby immediately prior to the Effective Time of the Merger.

8. This Merger Agreement is intended as a plan of reorganization within the meaning of Section 368 of the Internal Revenue Code of 1986, as amended.
9. (a) The Amended and Restated Articles of Incorporation of Acquiror in effect immediately prior to the Effective Time shall be the Amended and Restated Articles of Incorporation of the Surviving Corporation unless and until thereafter amended.
- (b) The Bylaws of Acquiror in effect immediately prior to the Effective Time shall be the Bylaws of the Surviving Corporation unless and until amended or repealed as provided by applicable law, the Articles of Incorporation of the Surviving Corporation and such Bylaws.
- (c) The directors and officers of Acquiror immediately prior to the Effective Time shall be the directors and officers of the Surviving Corporation.
10. (a) Notwithstanding the approval of this Merger Agreement by the shareholders of Target, this Merger Agreement may be terminated at any time prior to the Effective Time of the Merger by mutual agreement of the Boards of Directors of Acquiror and Target.
- (b) Notwithstanding the approval of this Merger Agreement by the shareholders of Target, this Merger Agreement shall terminate forthwith in the event that the Agreement and Plan of Reorganization shall be terminated as provided therein.
- (c) In the event of the termination of this Merger Agreement as provided above, this Merger Agreement shall forthwith become void and there shall be no liability on the part of Target or Acquiror or their respective officers or directors, except as otherwise provided in the Agreement and Plan of Reorganization.
- (d) This Merger Agreement may be signed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one agreement.
- (e) This Merger Agreement may be amended by the parties hereto any time before or after approval hereof by the shareholders of Target, but, after such approval, no amendments shall be made which by law require the further approval of such shareholders without obtaining such approval. This Merger Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Merger Agreement as of the date first written above.

CISCO SYSTEMS, INC.

By: /s/ John T. Chambers

John T. Chambers, President and
Chief Executive Officer

By: /s/ Larry R. Carter

Larry R. Carter, Vice President,
Chief Financial Officer and Secretary

CLARITY WIRELESS INCORPORATED

By: /s/ Gregory G. Raleigh

Gregory G. Raleigh, President

By: /s/ David R. Johnson

David R. Johnson, Secretary

OPINION OF BROBECK, PHLEGER & HARRISON LLP

August 6, 1999

Cisco Systems, Inc.
255 W. Tasman Drive
San Jose, California 95134

Re: Cisco Systems, Inc. Registration Statement on Form S-3 for Resale of 4,894,368 Shares of Common Stock

Ladies and Gentlemen:

We have acted as counsel to Cisco Systems, Inc., a California corporation (the "Company"), in connection with the registration for resale of 4,894,368 shares of Common Stock (the "Shares"), as described in the Company's Registration Statement on Form S-3 ("Registration Statement") filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Act").

This opinion is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K.

We have reviewed the Company's charter documents, the corporate proceedings taken by the Company in connection with the original issuance and sale of the shares and a certificate of a Company officer regarding (among other things) the Company's receipt of consideration upon the original issuance and sale of the shares. Based on such review, we are of the opinion that the shares are duly authorized, validly issued, fully paid and nonassessable.

We consent to the filing of this opinion as Exhibit 5.1 to the Registration Statement and to the reference to this firm under the caption "Legal Matters" in the prospectus which is part of the Registration Statement. In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Act, the rules and regulations of the Securities and Exchange Commission promulgated thereunder or Item 509 of Regulation S-K.

This opinion letter is rendered as of the date first written above and we disclaim any obligation to advise you of facts, circumstances, events or developments which hereafter may be brought to our attention and which may alter, affect or modify the opinion expressed herein. Our opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters relating to the Company or the Shares.

Very truly yours,

/s/ BROBECK, PHLEGER & HARRISON LLP

BROBECK, PHLEGER & HARRISON LLP

EXHIBIT 23.1

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in this Registration Statement on Form S-3 (Clarity shares) of our report dated August 4, 1998 relating to the financial statements, which are incorporated by reference in Cisco Systems, Inc. annual Report on Form 10-K for the year ended July 25, 1998. We also consent to the incorporation by reference of our report dated August 4, 1998 relating to the financial statement schedule, which appears in such Annual Report on Form 10-K. We also consent to the reference to us under the heading "Experts."

PricewaterhouseCoopers LLP

San Jose, California
July 26, 1999

End of Filing

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