

CISCO SYSTEMS INC
 Form 4
 September 12, 2008

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
CHAMBERS JOHN T

(Last) (First) (Middle)

170 WEST TASMAN DRIVE

(Street)

SAN JOSE, CA 95134

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CISCO SYSTEMS INC [CSCO]

3. Date of Earliest Transaction
 (Month/Day/Year)
09/11/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	09/11/2008		A		135,000 (1)	A	\$ 0 3,402,680 (4) D
Common Stock	09/11/2008		A		116,000 (2)	A	\$ 0 3,518,680 (4) D
Common Stock	09/11/2008		F		8,294 (3)	D	\$ 22.99 3,510,386 (4) D
Common Stock							42,870 I Child Trust #1
Common Stock							42,869 I Child Trust #2

Common Stock	281,207	I	Chambers 2006 GRAT #2
Common Stock	86,007	I	Chambers GRAT #3

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 6)
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V	(A)	(D)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CHAMBERS JOHN T 170 WEST TASMAN DRIVE SAN JOSE, CA 95134	X		Chairman and CEO	

Signatures

/s/ John T. Chambers by Evan Sloves,
Attorney-in-Fact

09/12/2008

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Represents a restricted stock unit award that vests in four (4) successive equal annual installments, with the first twenty-five percent (25%) of the shares vesting on the one (1) year anniversary of the grant date.

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- Represents a restricted stock unit ("PRSU") award resulting from the satisfaction of a fiscal 2008 performance condition. Twenty percent
- (2) (20%) of the original number of shares subject to the PRSU vested immediately upon grant, and the remaining shares vest in four (4) successive equal annual installments commencing 9/11/09.
 - (3) Represents shares withheld for payment of tax liability arising as a result of the partial settlement on the grant date of the PRSU described in footnote 2.
 - (4) Includes 313,993 shares that were previously reported as indirectly beneficially owned by the Chambers Grantor Retained Annuity Trust Number Three, which were distributed and became directly owned by the reporting person on September 5, 2008, pursuant to the terms of that trust which provided for annual annuity distributions from that trust to its grantor.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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