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Letter of Comment No:747 File Reference: 1102-100 Darlene Vales [dvales@cisco.com]

Tuesday, April 20, 2004 7:35 PM Sent: Director - FASB To: savestockoptions@cisco.com Cc:

Subject: File Reference No. 1102-100 to Chairman Robert H. Herz

I support the Stock Option Accounting Reform Act of 2003 (S. 1890 and H.R. 3574). This legislation will protect broad-based stock option plans, while addressing the accounting for options granted to senior corporate executives in response to concerns over executive compensation.

I have personally seen the motivating effects of employee stock option programs. Owning options makes me feel like I have a real stake in the success of my company and increases my dedication and long-term commitment to my work. Stock option programs are also good for shareholders because employees are rewarded only if our company's stock value increases. In the past, my stock options have enabled me to improve my quality of life in meaningful ways. Even when my options are "underwater," I feel personally tied to the success of my company.

Stock options give employees at all levels a stake in the success of our companies. They encourage the hard work and entrepreneurial spirit that fuel innovation, increase productivity and boost shareholder returns.

This legislation is a sound and better alternative to the mandatory expensing of all employee stock options.

Sincerely,

Darlene Vales 170 W. Tasman Ave San Jose, CA 95134