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Letter of Comment No: 743
File Reference: 1102-100

From: Slee Maryann [mslee@cisco.com]

Sent: Tuesday, April 20, 2004 7:26 PM

To: Director - FASB

Cc: savestockoptions@cisco.com

Subject: File Reference No. 1102-100

## Dear Chairman Robert H. Herz,,

Stock options are an important part of the employee thinking at Cisco, and as a matter fact for any good entrepreneurial employee!. WE all come to work to help our customers be more productive, but we also take special pride in OUR company because we are all part owners in the company. If you allow the artificially high valuation for a stock option required by FASB will eliminate stock options as a tool which has propelled my drive to work very hard at Cisco. Plus, United States companies needs stock options to compete with other countries on a global basis. (Example: Chinese companies use stock options and they do not treat them as an expense.) Our world is getting very small and with so much business going oversea's please make sure that today's accounting of stock options FIRST and Foremost - Do no harm in the recruiting and retention of good, smart employees.

So, do not expense stock options, especially at an unrealistically high valuation!

Thank you for your time and attention to ensuring the financial health of our US companies

Sincerely,

Maryann Slee Cisco Systems Strategic Communications Manager Enterprise Reporting and Business Intelligence 408-525-3463