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**From:** Jerry\_Kulm@amat.com  
**Sent:** Thursday, June 17, 2004 3:36 PM  
**To:** Director - FASB  
**Subject:** File Reference 1102-100: Accounting for Stock Options and ESPPs

**Letter of Comment No: 4563**  
**File Reference: 1102-100**

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). Stock Options allow employees the opportunity to share in the financial rewards from making a company profitable and competitive. If Stock Options become expensed as proposed, they discourage companies from offering these incentives and will make it harder to attract the talent necessary to be successful. I personally feel if an employee owns stock in its own company and has stock options they are more productive.

Regards,  
Jerry Kulm  
Sr. Manager, Applied Materials

6/18/2004