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From: Michel Cohen@amat.com

Sent: Thursday, June 17, 2004 7:52 PM

To: Director - FASB

Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

Letter of Comment No: 4546 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).

As an employee for the last 30 years in the US I have worked very hard to support my family and employers. Very long and aggressive hours were spent at work to complete projects and tasks so my company becomes very competitive in the world market. My employers were very satisfied with my performance and rewarded me with Stock Options which in turn gave me more incentives to work harder and better. These rewards were very well appreciated by my family who supported me with my long working days and nights.

If companies start expensing Stock Options, it would be difficult for them to provide the performance incentives (Stock Options) anymore and I will not be energized to work harder. This will be beginning the situation where US productivity will be negatively impacted and the economy will suffer. No one in their right minds will work so hard without incentives nor rewards.

I urge you not to change the current accounting treatment for Stock Options and Employees Stock Purchase Plans.

USA will lose its hedge and become to par with the European countries where productivity is very low. I used to work in Europe and I'm very familiar with the local work habits.

Sincerely,

Michel Cohen Applied Materials, Inc , I.T. Program Manager