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From: Paul Wright@amat.com

Sent: Friday, June 18, 2004 12:53 PM

To: Director - FASB

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

Letter of Comment No: 447/

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Dear Sir,

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). Stock options and ESPP's are an extremely efficient and worthwhile mechanism for recompensing employees in the high technology industries. These industries rely on having an extremely skilled and educated workforce. Yet because of the competitive nature of these industries (which the US government legislates for in the Trade acts) they can barely afford to employ and recompense these employees competitively when compared with many of the professional trades (Private practice medicine, lawyers, barristers, dentists, accountants etc,) all of which need similar training levels (8 + years at college).

Without the capability of providing engineers the incentive of stock options the US manufacturing industry will be destroyed as people will not enter engineering and science and study for long periods of time but will choose other careers in order to provide for their children and retirements.

On a personal note as a non US citizen but permanent resident of the US - these are the benefits that make and have made the US what it is today and the role model that it is in the world in terms of hard work allowing people with disparate skills (engineering vs law for instance) live with equality with their peers. Without this; one will get a class based system of the type in England where manufacturing industry has been destroyed by not being attractively recompensed and has resulted in a surplus of non value add but highly priced occupations in society and hence a class based civilisation with the rich getting ever richer and the working man punished for hard work.

It is for exactly this reason that I will be pursuing citizenship in a country that is still the land of opportunity for myself and my children

Yours Sincerely

Paul Wright DPhil, MBA, BSc, FRMS