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From: Joseph_Zawacki@amat.com

Sent: Thursday, June 17, 2004 4:11 PM

To: Director - FASB

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

Letter of Comment No: 4648
File Reference: 1102-100

Dear Director,
I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs).

I am an engineer at Applied Materials and though I admittedly don't completely understand all of the financial and accounting repercussions that accompany these types of company performance driven incentive plans, I have a very good understanding that any reduction of these plans would be very disappointing to me. The stock option and employee stock purchase plans are a significant part of my compensation package. These provide for me the extra financial incentive, beyond my base salary, that let's me know that the company cares about me and wants me to care about the company I am a part of.

My CEO encouraged us to write you, and he also provided an extensive list of financial reasons that these compensation packages are good for the company and its stock holders. I am very glad that they have provided us a conduit to express our concerns. I am almost certain that with the requirement you seek to impose, there will be grave repercussions across many companies in the high tech industry, as employees, ergo stock holders, suffer from this decision.

All I ask is that you consider me and my coworkers when you are making this decision. Also if you have any information to send me to support the FASB position for considering the removal of these incentive plans, I would be very appreciative so I could understand the problem better.

Regards,
Joe Zawacki