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From: Steve\_Taylor@amat.com

**Sent:** Thursday, June 17, 2004 4:21 PM

To: Director - FASB

Subject: File Reference 1102-100: Accounting for Stock Op

Dear Director and Others To Whom This May Concern,

As a 15-year, mid-level employee of a high-technology firm, I strongly oppose changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). This is a solution in search of a problem, and the perceived problem does not exist at my company, nor our industry.

Letter of Comment No: 4609 —

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Deterring American companies for offering broad-based employee stock option plans, however, threatens our ability to compete with Chinese, Taiwanese and Indian competitors, as well as companies elsewhere in the world. Not to mention it is really and truly impossible to calculate the value of a stock option to be cashed several years hence. Whatever calculation a company uses, it can and should be discounted immediately by stockholders as nothing more than a guess. You may wish you knew what a company stock price will be in 5 years, but it doesn't mean you honestly know.

I have exercised stock options and sold ESPP stock to finance the myriad costs associated with adopting of my son, who was an orphan. I will use current stock options to cover my two kids' college education costs. I plan to use future stock options and ESPP stock to pay for my retirement and hopefully eliminate any cost to federal and other governmental programs as far as taking care of me and my wife in my old age. Stock options, for me and so many others, cover real needs and will alleviate cost to government.

This isn't about buying yachts or fur coats. This is about helping people like me and my family cope with rising education, health and other costs without requiring taxpayers' assistance. Please do not discourage my employer from continuing to offer stock options and ESPPs.

Regards, Steve Taylor Manager Applied Materials, Inc. Austin, Texas