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Letter of Comment No: 4716
File Reference: 1102-100

From: Spencer_G_Carson@amat.com
Sent: Tuesday, June 22, 2004 12:11 PM
To: Director - FASB
Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

Director of FASB:

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). These programs have been a great benefit and play a strong role in my decision to work at Applied Materials. The ESPP program allowed us to save enough money to move out of an apartment and move into our house. Since then are family has grown and the stock option plan has allowed us to move into a larger house to accomodate our growing family. We are a one income family with two children and the money we have saved and our saving through these two programs allows us to occasionally dip into them and get us through the tough months when my salary is not enough.

I also question any hypothetical charge against earnings or trying to predict the future value of employee stock options. The charge would more than likely have been much higher than what actually occurred when stock options were granted right before the large downturn 3 or 4 years ago. The stock market is obviously very unpredictable and hypothetical charges just do not make sense.

Thank You for your time and please do not change the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs).

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