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From: Christopher_Underwood@amat.com
Sent: Thursday, June 17, 2004 3:31 PM
To: Director - FASB
Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

Letter of Comment No: 4639
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).

Since I have been with this company, stock options have played a vital role in attracting and retaining skilled employees. Historically, stock options have been an incentive for the 'above and beyond' performance of employees, and have given America's employees something to look forward to.

Each day I look forward to the time that my stock options will vest and be worth something, because I know that something good will come when they do. In the past I have used my hard earned options to help purchase a new vehicle, as well as a house. Without this income, I doubt that I would have been able to purchase these things, and put money into the economy. For the future, I have plans to use my stock options to remove myself from the burden of having a car or house payment, but at this time I am unable to do so because the options are underwater.

In situations like this, it is difficult for me to understand how companies can put a value on something that is not worth anything. It is impossible for companies, or anyone for that matter, to predict what will happen in the future and determine if stock prices will go up or down. Isn't this why we are told that investing in the stock market is risky business? Why should this be any different for companies, when they cannot predict the future, just as no one else can.

Regards,
Chris Underwood

6/18/2004