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Letter of Comment No: 4579  
File Reference: 1102-100

**From:** Clark\_Meyer@amat.com  
**Sent:** Thursday, June 17, 2004 3:41 PM  
**To:** Director - FASB  
**Subject:** File Reference 1102-100: Accounting for Stock Options and LORs

Dear Director:

As a 8 year management employee, I have see the earnings of Applied Materials move up and down like a yo-yo. As a result my wage and any benefits such as my stock options have also been equally unpredictable. The stock options offered by Applied Materials are the only real incentive they have to attract and retain talented personnel in this volatile and highly competitive environment. The cost of these options are nominal and this has only become an issue since unscrupulous companies such as Enron looted the value of their employee's stock.

To eliminate this benefit in an effort to demonstrate your boards tenacity in response to several business collapses is excessive and unnecessary. I have stayed on here at Applied Materials with the hope that the stock would offer me a comfortable retirement. This is due to high tech companies like Applied do not offer any company funded retirement program. To eliminate this program now would not ensure any future business disasters and it would have nominal impact on the stockholders of Applied Materials.

I encourage you and the Board at FASB to reconsider and look carefully at the faces you are impacting and not the institutional investors who have only one thing in their mind, short term profits. The average employee here has a face and our benefits are neither excessive nor unfair. We see these stock options as a reward for long hours in a high stress environment where there are few benefits and not guarantee of a long term job. Please keep the stock options as a benefit to the many employees do depend on them as an investment into their future.

Sincerely,

Clark D. Meyer  
Senior Manager, Security  
Applied Materials.