

ikon**Letter of Comment No: 4430
File Reference: 1102-100**

From: Heather_Scott@amat.com
Sent: Thursday, June 17, 2004 5:01 PM
To: Director - FASB
Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). Stock options are an important part of my compensation package. If my company stops issuing stock options because of the proposed accounting change, I will lose out on a significant portion of my salary.

Stock options and the ESPP plan have both been extremely helpful to me over the past few years. I was able to pay off debts that I had incurred over the recession period because I had invested in company stock. I've been able to fix my car because of company stock. Within a few years I hope to put a down payment on a new car because of company stock.

I understand that I am taking a gamble when I invest in company stock. I understand that it will not always be profitable. I understand that I could lose a significant amount of money should anything happen to the company I am employed with. I choose to take that risk. All investors are taking a risk when they invest. My company should not be penalized because of the actions of a few unethical executives from other companies. *I* should not be penalized for their actions either.

Stock is one of the reasons I chose to work at my company. It's a way to attract highly-skilled professionals. It's a practice that is now being used internationally. How will America compete with employers internationally who are offering hefty stock option packages? We will surely lose skilled human resources to overseas employers.

If this accounting proposal is in response to the Enron & WorldCom scandals, I believe other avenues should be explored to protect investors in company stock. Perhaps companies should be required to hold a short training session about company stock for all employees who wish to invest in that stock? That way the employees are fully educated about the potential risks involved. Perhaps the curriculum can also include information about diversifying investment portfolios? There has to be another way.

If you would like to contact me, please do so:

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