

ikon

Letter of Comment No: 4531
File Reference: 1102-100

From: Jim_Lyons@amat.com
Sent: Thursday, June 17, 2004 10:30 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). I was born and raised in San Jose. I have been working in the Silicon Valley for over 20 years with companies like Intel, Digital Equipment Corp., Linear Technology, and now Applied Materials. Without stock options I would never have been able to buy my first home here. If stock options are expensed under the proposed rules I know my company will be dragged down by this, and will offer less stock incentives afterwards. Good people will leave, perhaps to other countries where the rules are less strict. I understand that rules are needed, but not all companies are Enron. More scrutiny of companies and holding executives accountable is what I believe is needed, not changes in the accounting rules.

Please consider my concerns in your decision.

Thank you,

Jim Lyons
3003 Millar Avenue
Santa Clara, CA 95051
408 235 6982