Letter of Comment No: 12
File Reference: FSP123R-B
Date Received:

September 30, 2005

Mr. Lawrence W. Smith
Director of Technical Application and Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P. O. Box 5116
Norwalk, CT 06856-5116

Dear Larry:

Intel Corporation wishes to express support for the Proposed FSP FAS 123(R)-b, Practical Exception to the Application of Grant Date as Defined in FASB Statement No. 123(R). The FSP appears to provide practical guidance that recognizes current practice, the technical difficulties of communicating with a world-wide workforce and the desire of companies to adhere to good human resource practices in communicating a significant aspect of employee compensation.

As we have discussed with the Resource Group, we believe that the "mutual understanding" of the important terms of the grant may be established by the employees' general understanding of the terms of the stock program, based on custom as well as plan documents and compensation guidelines. The FSP recognizes that the employees do not normally negotiate their stock grants and that the communication of the specific terms of the grants within a reasonable period of time serves to confirm the employees' understanding.

If you have any question regarding this letter or wish to discuss any aspect of the FSP, please feel free to call me at (408) 653-7939

Sincerely,

/s/ Barbara C. Canup

Barbara C. Canup
External Reporting Controller
Intel Corporation