Letter of Comment No: 4706 File Reference: 1102-100

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From: Scott Mckee@amat.com

Sent:

Monday, June 21, 2004 12:56 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 and the ESPP program have allowed me be rewarded for my successful contributions to the company. They are closely tied to the performance of the company which tie my hard work to better benefits. These programs have allowed me to make larger payments to my student loan which I would otherwise be unable to do. The object of Student Loans is for people to be able to get a better and more advance education than they may otherwise be able to attain due to their financial situation. However, the federal governmet has also made the repayment of those federal loans more difficult than other loans in that a) they are not able to be re-financed once consolidated and b) the interest is not tax deductible if you make too much money (which is the point of getting a higher education in the first place). So the very programs you are trying to change (and thus eliminate with those changes) are ones which have allowed me continue to have a comfortable lifestyle and repay my student loans at an accelerated rate, both of which help our country's economy by allowing me to be a good consumer at the same time I am being a responsible debtor. Please do not make changes to these current programs. Thank you.

S.McKee