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Letter of Comment No: 4650  
File Reference: 1102-100

**From:** Vincent\_Suchoski@amat.com  
**Sent:** Thursday, June 17, 2004 4:06 PM  
**To:** Director - FASB  
**Subject:** File Reference 1102-100: Accounting for Stock Options and ESPPs

Dear Director FASB,

As an employee here in Silicon Valley for the past 25 years, I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). It is unequivocally impossible for anyone to predict the future value of an employee's stock options, particularly since they are not tradable or transferable and have varied vesting schedules. Adding a "guesstimate" to a company's Consolidated Statement of Operations (P&L) will not improve clarity or accuracy for investors/stockholders of which I am one like so many US citizens.

Please give serious consideration to the fact that the current accounting rules effectively work because companies must compute how much dilution of the stockholders' interests is caused by "in the money" employee stock options, and this is factored into all companies' earnings per share (EPS) calculation. Unless the stock price increases and the option vests, it has no "cost" to stockholders because the option is fundamentally worthless.

Thank you for taking time to read this memo.

Sincerely,

Vincent L. Suchoski