David Sandal 1611 Dorcey Lane San Jose, CA 95120 408-563-1832 June 25, 2004

Director Finance Accounting Standards Board 401 Merritt 7 Norwalk, CT 06856-5116 Fax (203) 849-9714

Letter of Comment No: 5013 File Reference: 1102-100

RE: Opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs).

Dear Director,

My family and I are very concerned about the possible changes to Stock Options and ESPP's being recommended by the FASB.

We recently moved to California to come to our companies headquarters. We view it as an opportunity to grow with a company I've been with for nearly 12 years. We were able to purchase a house in California even though the prices were three times what we sold our house for in Austin, Texas. It would have been impossible for us to even consider a move to California if it hadn't been for options that I've received from my company. My childrens education will hopefully be paid for with proceeds from Stock Options.

As a manager with Applied Materials, Stock Options have allowed my family to have an opportunity we would never have had otherwise. I am hopeful that the recommended changes do not happen because if they do, I am certain that non-Executives will most certainly lose out on the advantage of Stock Options and ESPP's.

I also believe that the economy of Silicon Valley which is just recovering from the recent downturn will be devasted since few people will ever consider moving here again. Most people I know who have moved here in the past 10 years have done so by using proceeds from Stock Options and ESPP's.

Please reconsider the changes to the accounting rules and what effect you'll have not only on the workers but also the overall economy.

Thanks for listening and/Best Regards,

David Sandal