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Letter of Comment No: 5576  
File Reference: 1102-100

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**From:** Connie\_Chou@amat.com  
**Sent:** Tuesday, June 29, 2004 2:13 AM  
**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 hope FASB will reconsider it's movement to force disclosure of future estimated stock options values. If a complete withdrawal from the proposal is not an option, hopefully a compromise or a less drastic change can be considered as proposed in Bill HR 1372. I believe taking this giant step when there is a proposal that sets forth a smaller step, HR 1372, would be a mistake for the US economy.

Regular workers like my husband and myself benefit from stock-options and ESPPs by incorporating a regular savings into our budget for unforeseen emergencies. For example, not too long ago there was a family medical emergency that required significant payments beyond medical coverage. Stock-options were available to keep the stressful situation under control without added burden. Additionally, due to the expensive housing price in Silicon Valley, an ESPP acts as a great savings fund. It helps to ensure we can start a family comfortably after working for a few years.

Stock-options and ESPP's also benefit the company, investors, and US economy. The benefits are a wonderful incentive to work hard to keep the company growing and competitive. Any loss of benefits that may result from the proposed changes would greatly reduce my work morale resulting in lower productivity. Lower moral and low productivity to a high number of workers could lead to a jump to other companies out of frustration and increase incentives for companies to send more work to facilities outside the US.

Thank you,

Connie Chou  
Member of Technical Staff

6/29/2004