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Letter of Comment No: 4731
File Reference: 1102-100

From: Carlos_Barillas@amat.com

Sent: Tuesday, June 22, 2004 4:50 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). My family and I have benefited from receiving stock options from Applied Materials. If you make it a rule to expense stock options many companies will abstain from granting stock options and will cancel employee stock purchase plans. Who are you hurting? Us, the employees.

There are more pressing accounting issues that you should be reviewing and fixing to avoid fraud. I am asking you to leave Stock Options alone and concentrate on other pressing issues worthier of your time and efforts.

6/23/2004