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Letter of Comment No: 5593
File Reference: 1102-100

From: Sudhir_Patel@amat.com
Sent: Wednesday, June 30, 2004 11:04 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).

Dear Sir/Madam,

I am writing this email as a recipient of stock options at Applied Materials Inc. Although I have only been at this company for approximately three years I have found that the stock option plan within the company holds merits. I know that I will benefit in the near future from this as the economy picks up, I will also be benefitting in the long-term, planning for retirement, which is extremely important for everyone living and working in the US.

The past years have been very difficult for all of us, Applied Materials has taken the necessary steps to continue its business during this time and although the company has not been in a position to offer monetary compensation it has offered stock options for employees who have worked hard in maintaining a competitive edge.

Stock options allow Applied Materials to attract and retain highly skilled workers. These employee incentives have effectively tied employee performance to shareholder return. The United States should not decrease the utility of these valuable incentives. These incentives create stability for employees and a positive outlook for what's to come in the future. I like what these incentives do for my family and I.

Sincerely,
Sudhir Patel