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From: Sent: Raman Subramanian [raman.subramanian@exar.com]

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To:

Director - FASB

Subject: Stock Options - I

Stock Options - Expensing

Importance: High

As a rank and file employee, who has benefited from the stock options and the ESPP, I would like to bring to your attention that if the proposal to expense the stock options is passed, it will have a significant impact for small companies like ours. In fact, it is the stock options to the rank and file employees that has sparked the innovation and creation of new technology.

What made this country very competitive is the entrepreneurial spirit of the employees which was the direct result of the benefit received through stock option grants. If the FASB proposal is passed and implemented, the companies like ours will stop issuing stock options and ESPP which would result into large number of employees leaving for better pay etc.

Thanks, Raman Subramanian