

FORM PTO-1596 1-31-92 **RECORDATION FORM COVER SHEET** U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

Docket No.: 60103-0014 PATENTS ONLY

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereto:

<p>1. Name of Conveying Party(ies): NEC Electronics America, Inc.</p> <p>Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes</p>	<p>2. Name and address of receiving party(ies): Name: <u>Kayamba, Inc.</u> Internal Address: _____ Street Address: <u>697 River Oaks Parkway</u> City: <u>San Jose</u> State/Country <u>CA</u> ZIP: <u>95134</u> Additional name(s) & address(es) attached? <input type="checkbox"/> Yes</p>
<p>3. Nature of Conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other <u>Asset Purchase Agreement with attachments.</u> Execution Date: <u>August 14, 2003</u></p>	

4. Application number(s) or patent number(s): 10/254,377
If the document is being filed together with a new application, the execution date of the application is: _____

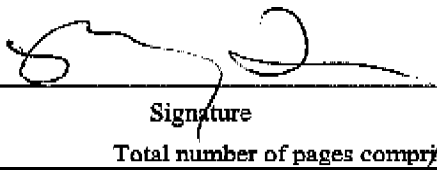
<p>A. Patent Application No(s). Application Serial No. <u>10/254,377</u> filed <u>9/24/02</u></p>	<p>B. Patent No(s). _____</p>
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Additional numbers attached? Yes

<p>5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>Hickman Palermo Truong & Becker LLP</u> Internal Address: _____ Street Address: <u>1600 Willow Street.</u> City: <u>San Jose</u> State: <u>CA</u> Zip: <u>95125</u></p>	<p>6. Total number of applications and patents involved: <u>1</u></p> <p>7. Total fee (37 CFR 3.41) <u>\$40.00</u> <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: <u>50-1302</u></p>
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DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Rohby K. Truong, Reg. No. 37,499  May 17, 2004

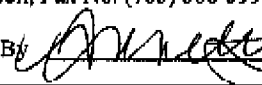
Name and Registration No. of Person Signing	Signature	Date
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Total number of pages comprising cover sheet: _____

CMB No. 0851-0011 (exp. 4/94)

CERTIFICATE OF TRANSMISSION

I hereby certify that this correspondence is being facsimile transmitted to the U.S. Patent and Trademark Office, Assignment Division, Fax No. (703) 306-5995.

on 5-17-04 By  **PATENT**

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is dated as of August ¹⁴ 2003, by and among Kayamba, Inc., a Delaware corporation, (the "Buyer"), and NEC Electronics America, Inc. (the "Seller").

RECITALS

WHEREAS, Buyer desires to purchase and Seller desires to sell to Buyer, on the terms and conditions set forth herein, the FlowStorm Assets (as defined below) and all improvements thereof.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises hereinafter set forth and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Purchase and Sale of Assets.

1.1 Definitions.

(a) "Assignee" shall mean Dreyer & Company, Inc., a California corporation.

(b) "FlowStorm Asset Purchase Agreement" shall mean the Asset Purchase Agreement dated December 16, 2002 between Assignee and Seller, a copy of which is attached hereto as Exhibit B.

(c) "FlowStorm Assets" shall mean those certain assets of FlowStorm, Inc., a Delaware corporation, purchased by Seller pursuant to the FlowStorm Asset Purchase Agreement.

(d) "General Assignment" shall mean the General Assignment dated November 20, 2002 between FlowStorm, Inc. and Assignee, a copy of which is attached hereto as Exhibit A.

(e) "Intellectual Property" shall mean any and all ideas, procedures, processes, designs, inventions, discoveries, technologies, know-how, show-how, trademarks (and goodwill therein), copyrights, patents and patent rights, mask works, moral rights, documents and works of authorship and all other intellectual property rights acquired by Seller from Assignee and described on Exhibit C hereto, including, without limitation, any and all (i) issued United States and foreign patents, utility models and the like, applications therefor pending before any relevant authority worldwide, any patents, utility models and the like issued from such applications, and any additions, continuations, continuations-in-part, divisions, reissues or

extensions based thereon, (ii) copyrights and other rights in works of authorship, and (iii) trade secrets, in each case as described in Exhibit C hereto.

(f) "IP Agreement" shall mean the Intellectual Property License Agreement dated December 20, 2002 by and between Buyer and Seller.

(g) "Purchased Assets" shall mean the FlowStorm Assets and related Intellectual Property and all modifications, derivatives, enhancements and improvements thereof, including, without limitation, the assets specifically set forth on Exhibit C hereto.

1.2 Purchase and Sale. Subject to the terms of this Agreement, Seller hereby sells, assigns, delivers and conveys to Buyer and its successors all of its right, title and interest in and to the Purchased Assets for the consideration set forth in Section 2.1 below, and the Buyer hereby accepts such assignment, delivery and conveyance of the Purchased Assets. As part of such assignment, Seller hereby assigns to Buyer all rights, claims, causes of action, choses in action, rights of recovery and rights of set off (including the right to insurance proceeds) related to the Purchased Assets.

1.3 The Purchased Assets shall not include any assets of Seller, tangible or intangible, other than those specifically set forth in Sections 1.1(a) and (b) above.

1.4 Buyer shall accept and become and shall be fully liable and responsible for, and Seller shall have no further liability or responsibility for, all debts, liabilities and obligations arising on or after the Closing Date (as defined below) in connection with or associated with the Purchased Assets (the "Assumed Liabilities").

2. Consideration; Closing; Taxes.

2.1 Consideration. Upon the terms and subject to the conditions contained in this Agreement, in consideration for the Purchased Assets and in full payment therefore, (i) Buyer will issue to Seller 51,500 shares of the Buyer's common stock (the "Shares"), and (ii) Buyer will assume the Assumed Liabilities.

2.2 Time and Place of Closing. The transaction contemplated by this Agreement shall be consummated at a closing (the "Closing") at the offices of Montgomery Law Group LLP, 525 Middlefield Road, Suite 250, Menlo Park, California at 2:00 p.m. on August ____, 2003, or at such other time and place as the Buyer and the Seller may mutually agree in writing (the day on which the Closing takes place being the "Closing Date").

2.3 Taxes. Buyer shall promptly pay all sales taxes, conveyance taxes, transfer taxes, filing fees, recording fees, reporting fees and other similar duties, taxes and fees, if any, imposed upon, or resulting from, the transfer of the Purchased Assets hereunder, but excluding any federal, state or local income or similar taxes based upon or measured by revenue, income, profit or gain from the transfer of the Purchased Assets through the Closing Date. Buyer shall provide to Seller evidence of such tax payment within five (5) days thereof.

2.4 Payment of Promissory Note. On the date of the Initial Closing (as defined in the Series A Preferred Stock Purchase Agreement dated August ____, 2003, by and between Buyer and the investors listed therein (the "Series A Preferred Stock Purchase Agreement")), Buyer shall deliver to Seller that certain Convertible Promissory Note dated December 20, 2002 (the "Note"), and pay Seller \$150,000 due Seller under the Note. Upon Seller's receipt of such payment, the Note shall be deemed to be paid in full.

3. Representations and Warranties of Buyer. Buyer represents and warrants that:

3.1 Organization and Standing. The Buyer is a corporation duly organized and validly existing under, and by virtue of, the laws of the State of Delaware and is in good standing under such laws. The Buyer has the requisite corporate power and authority to own, lease and operate its properties and assets, and to carry on its business as presently conducted and as proposed to be conducted. The Buyer is presently qualified to do business as a foreign corporation in each jurisdiction where the failure to be so qualified could reasonably be expected to have a material adverse effect on the Buyer's business as now conducted, or its assets, properties, condition (financial or otherwise), prospects or results of operations.

3.2 Capitalization and Voting Rights. The authorized capital stock of the Buyer will consist, immediately prior to the Closing, of:

(a) Preferred Stock. 12,825,000 shares of Preferred Stock (the "Preferred Stock"), all of which have been designated Series A Preferred Stock (the "Series A Preferred Stock"). The shares of Series A Preferred Stock are duly authorized and validly issued, fully paid and nonassessable and issued in accordance with valid exemptions from registration for all applicable federal and state securities laws.

(b) Common Stock. 24,925,000 shares of Common Stock (the "Common Stock"), of which 5,110,000 shares are issued and outstanding. All issued and outstanding shares of Common Stock are duly authorized and validly issued, fully paid and nonassessable, and were issued in accordance with valid exemptions from registration for all applicable federal or state securities laws and are free of all liens, encumbrances or restrictions on transfer other than restrictions on transfer under applicable federal and state securities laws.

(c) Other Rights. Except for (A) the conversion privileges of the Series A Preferred Stock, (B) the rights granted pursuant to the Investor's Rights Agreement (as defined in the Series A Preferred Stock Purchase Agreement), and (C) 30,000 shares of Common Stock to be issued to certain individuals named in the Buyer's Board minutes dated as of March, 2003, there are (i) no outstanding options, warrants, rights (including conversion or preemptive rights) or agreements for the purchase or acquisition from the Buyer of any shares of its capital stock and (ii) no obligations of the Buyer to purchase, redeem or otherwise acquire any shares of its capital stock or any interest therein or to pay any dividend or make any other distribution in respect thereof. The Buyer is not a party or subject to any agreement or understanding, and there is no agreement or understanding between any persons and/or entities, which affects or relates to the voting or giving of written consents with respect to any security or by a director of the Buyer.

except for rights provided in the Voting Agreement of even date herewith by and among the Buyer, the purchasers of Series A Preferred Stock and certain holders of Common Stock.

3.3 Corporate Power. The Buyer has all requisite legal and corporate power and authority to execute, deliver and perform this Agreement and to issue, sell and deliver the Shares.

3.4 Authorization. All corporate action on the part of the Buyer, its officers, directors and stockholders necessary for the authorization, execution, delivery and performance by the Buyer of this Agreement and the transactions contemplated hereby has been taken. This Agreement, when executed and delivered by the Buyer, shall constitute a valid and binding obligation of the Buyer, enforceable in accordance with its terms, except (i) as limited by laws of general application relating to bankruptcy, insolvency and the relief of debtors, and (ii) as limited by rules of law governing specific performance, injunctive relief or other equitable remedies and by general principles of equity.

3.5 Offering. Subject to the accuracy of the Seller's representations and warranties in Section 4, the offer, sale and issuance of the Shares to be issued in conformity with the terms of this Agreement and will constitute transactions exempt from the registration requirements of Section 5 of the Securities Act of 1933, as amended (the "Securities Act") and are in compliance with all applicable securities laws of the United States and each of the states whose laws govern the issuance of any Shares.

3.6 No Conflicts; Consents. The execution and delivery by Buyer of this Agreement and the consummation of the transactions contemplated hereby and compliance by Buyer with the provisions hereof, will not, contravene, conflict with, result in a breach of, constitute a default (with or without notice or lapse of time, or both) under or violation of, or result in the creation of any lien, charge or encumbrance pursuant to, (i) any provision of the Amended and Restated Certificate of Incorporation or Bylaws of Buyer, (ii) any judgment, order, rule, law or regulation of any court or governmental authority, foreign or domestic, applicable to Buyer, or (iii) any provision of any agreement, instrument or understanding to which Buyer is a party or by which Buyer is bound. No consent, approval, order or authorization of, or registration, declaration or filing with, any third party or any governmental authority is required to be obtained on the part of buyer to permit the consummation of the transaction contemplated by this Agreement.

4. Representations, Warranties and Covenants of Seller. Seller represents, warrants and covenants to Buyer that:

4.1 Investment. Seller will hold the Shares for Seller's own account and not with a view to, or for sale in connection with, a distribution of the Shares within the meaning of the Securities Act. Seller has no present intention of selling or otherwise disposing of all or any portion of the Shares.

4.2 Access to Information; Knowledge of Risks. Seller has had access to all information regarding Buyer and its present and prospective business, assets, liabilities and

financial condition that Seller reasonably considers important in making the decision to accept the Shares as consideration for the Purchased Assets. Seller is fully aware of (i) the highly speculative nature of the investment in the Shares; (ii) the financial hazards involved; and (iii) the lack of liquidity of the Shares and the restrictions on transferability of the Shares (e.g., that Seller may not be able to sell or dispose of the Shares or use them as collateral for loans). Seller is capable of evaluating the merits and risks of accepting the Shares, has the ability to protect Seller's own interests in this transaction and is financially capable of bearing a total loss in connection with this transaction. At no time was Seller presented with or solicited by any publicly issued or circulated newspaper, mail, radio or television, or any other form of general advertising in connection with the Shares.

4.3 Corporate Authority. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby by the Seller have been duly authorized, and no further corporate authorization is necessary on the part of Seller. Seller has the full right, power and authority to execute, deliver, and perform this Agreement, and all other documents contemplated hereby, and to sell, the Purchased Assets. This Agreement, when fully executed, will constitute a valid and legally binding obligation of Seller, enforceable in accordance with its terms, except: (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies or by general principles of equity.

4.4 Intellectual Property.

(i) Exhibit A lists all patents and patent applications included in the Intellectual Property.

(ii) Buyer has had exclusive use of the Intellectual Property during the period of Seller's ownership of such assets.

(iii) Seller (a) to its knowledge, has not been sued in any suit, action or proceeding with respect to the Intellectual Property which involved a claim of infringement of any patents, trademarks, service marks, copyrights or violation of any trade secret or proprietary right of any third party; (b) is not aware of any threats of any such suit, action or proceeding; and (c) has brought no action, suit or proceeding for infringement of the Intellectual Property or breach of any license or agreement involving the Intellectual Property against any third party.

4.5 Further Assurances. Seller agrees, upon the reasonable request of Buyer and without consideration, to promptly take, or cause to be taken, such further actions, including execution and delivery of further instruments of sale, transfer or assignment, as may be reasonably necessary for Buyer to obtain the full benefits of this Agreement and the transactions contemplated hereby, including without limitation the execution of a Bill of Sale in favor of the Buyer in the form attached hereto as Exhibit B.

4.6 Title to Assets. Seller acquired title to the Intellectual Property from the Assignee pursuant to the FlowStorm Asset Purchase Agreement. To the Seller's knowledge, the

Assignee is the assignee of FlowStorm, Inc. pursuant to the General Assignment. Seller has not (i) granted any licenses or transferred any interest to the Purchased Assets except for the license to Buyer pursuant to the IP Agreement, or (ii) disclosed the Intellectual Property to anyone other than Buyer, Seller and GDA Technologies, Inc.

5. Disclaimer of Warranties. SELLER'S TRANSFER OF THE PURCHASED ASSETS IS ON AN "AS IS, WHERE IS" BASIS. OTHER THAN THE REPRESENTATIONS AND WARRANTIES EXPRESSLY MADE IN SECTION 4 ABOVE, SELLER DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY, AT LAW OR IN EQUITY, AND EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, AT LAW OR IN EQUITY, INCLUDING, BUT NOT LIMITED TO, ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT OF NONPARTY RIGHTS.

UNDER NO CIRCUMSTANCES SHALL EITHER PARTY OR ITS AFFILIATES BE ENTITLED TO RECOVER FROM THE OTHER ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL, STATUTORY OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS, LOSS OF USE, LOSS OF GOODWILL, LOSS OF PERFORMANCE, LOSS OF DATA, LOST REVENUE, LOST PROSPECTIVE ECONOMIC ADVANTAGE, LOST PROFITS AND THE LIKE), WHETHER BASED ON CONTRACT, TORT OR ANY OTHER CAUSE OF ACTION RELATING TO ANY SOFTWARE, MATERIALS OR RIGHTS PROVIDED HEREUNDER, OR OTHERWISE RELATING TO THIS AGREEMENT, EVEN IF BUYER OR SELLER HAVE BEEN INFORMED OR SHOULD KNOW OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE. IN NO EVENT SHALL THE LIABILITY OF EITHER PARTY OR ITS RESPECTIVE AFFILIATES FOR ANY LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT EXCEED THE VALUE OF THE SHARES RECEIVED BY SELLER AS OF THE CLOSING DATE. For the purposes of this Agreement, "Affiliates" shall include, but not be limited to, any wholly owned subsidiary or parent of, or any partner, member or entity that is, within the meaning of the Securities Act controlling, controlled by or under common control with, the party in question.

6. Compliance with Federal Securities Laws.

(a) No Registration. Seller understands and acknowledges that, in reliance upon the representations and warranties made by Seller herein, the Shares have not been registered with the Securities and Exchange Commission ("SEC") under the Securities Act, but will be issued under an exemption or exemptions from the registration requirements of the Securities Act which impose certain restrictions on Seller's ability to transfer the Shares.

(b) Restricted Securities. Seller understands that the Shares are "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Buyer in a transaction not involving a public offering and that under such laws an applicable regulations such Shares may be resold without registration under the Securities Act, only in certain limited circumstances. In this respect, Seller represents that it is familiar with SEC Rule 144, as presently

in effect, and understands the resale limitations imposed thereby and by the Securities Act, the availability of which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Seller's representation herein.

7. Compliance with State Securities Laws. THE SALE OF THE SECURITIES THAT ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE CALIFORNIA COMMISSIONER OF CORPORATIONS AND THE ISSUANCE OF SUCH SECURITIES, AND THE RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO SUCH QUALIFICATION IS UNLAWFUL UNLESS THE SALE IS EXEMPT. THE RIGHTS OF THE PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED OR AN EXEMPTION BEING AVAILABLE.

8. Market Stand-Off. In consideration for the Buyer agreeing to its obligations under this Agreement, the Seller agrees, upon request of the underwriters managing the initial underwritten public offering of the Buyer's Common Stock pursuant to an effective registration statement under the Securities Act, not to sell, make any short sale of, loan, grant any option for the purchase of or otherwise dispose of any securities of the Buyer (other than those included in the registration) without the prior written consent of the Buyer or such underwriters, as the case may be, for a period of up to 180 days following such initial public offering, provided that all officers and directors of the Buyer and holders of at least one percent (1%) of the Buyer's voting securities are either bound by, or have agreed to be bound by, similar agreements.

9. Conditions Precedent: Deliverables.

(a) Seller's Conditions Precedent. Seller's obligation to consummate the transaction contemplated by this Agreement is subject to the fulfillment before the Closing of each of the following conditions, any of which may be waived, in writing, by the Buyer:

(i) Representations and Warranties Correct. The representations and warranties made by the Buyer in Section 3 hereof shall be true and correct in all respects when made and shall be true and correct in all respects on the Closing Date with the same force and effect as if they had been made on and as of the Closing Date.

(ii) Performance. All covenants, agreements and conditions contained in this Agreement to be performed or complied with by the Buyer on or prior to the Closing Date shall have been performed or complied with in all respects.

(iii) Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated hereby and all documents and instruments incident to such transactions shall be reasonably satisfactory in substance and form to the Seller.

(iv) Authorizations. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall have been duly obtained and shall be effective on and as of the Closing.

(v) Third Party Approvals. Seller shall have received all necessary third party approvals required in connection with the sale and transfer of the Purchased Assets, including assignments if required under existing agreements with such parties.

(vi) Sale of Series A Preferred Stock. The sale of the Buyer's Series A Preferred Stock pursuant to the initial closing under the Series A Preferred Stock Purchase Agreement shall have closed.

(b) Buyer's Conditions Precedent. Buyer's obligation to consummate the transactions contemplated by this Agreement are subject to the fulfillment before the Closing of each of the following conditions, any of which may be waived, in writing, by the Seller:

(i) Representations and Warranties Correct. The representations and warranties made by the Seller in Section 4 hereof shall be true and correct in all respects when made and shall be true and correct in all respects on the Closing Date with the same force and effect as if they had been made on and as of the Closing Date.

(ii) Third Party Approvals. Seller shall have received all necessary third party approvals required in connection with the sale and transfer of the Transferred Property and the Intellectual Property, including assignments if required under existing agreements with such parties.

10. Deliveries at the Closing.

10.1 Buyer's Deliveries at Closing. Buyer shall deliver to Seller a certificate representing the Shares registered in the name of Seller.

10.2 Seller's Deliveries at Closing. Seller shall deliver to Buyer (i) executed assignments of the patents and patent rights identified on Exhibit B hereto in form and substance acceptable to Buyer, and (ii) the tangible Purchased Assets, and (iii) the executed Bill of Sale in the form attached hereto as Exhibit B.

11. Indemnification by Buyer. Buyer shall indemnify, defend and hold harmless Seller and any wholly-owned subsidiary or parent of Seller, or any partner, member or entity that is, within the meaning of the Securities Act, controlling, controlled by or under common control with Seller (collectively, the "Seller Affiliates") from, against, for and in respect of any and all losses, demands, claims, actions, causes of action, assessments, damages and liabilities including, without limitation, interest, penalties, attorneys' fees and other professional expenses associated with the investigation, prosecution, defense or settlement asserted against, relating to, imposed upon or incurred by Seller and/or Seller Affiliates by reason of, resulting from, based upon or arising out of any sales tax, conveyance tax, transfer tax, filing fee, recording fee, reporting fee or other similar duty, tax and fee imposed upon or resulting from the transfer of the Purchased Assets hereunder.

12. General Provisions.

12.1 No Broker. Each of the parties represents and warrants that the party has dealt with no broker or finder in connection with any of the transactions contemplated by this Agreement, and, insofar as each party knows, no broker or other person is entitled to any commission or finder's fee in connection with any of these transactions.

12.2 Entire Agreement; Amendment; Waiver. This Agreement and the schedules and exhibits attached hereto constitute the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, representations and understandings of the parties. No supplement, modification, or amendment of this Agreement will be binding unless executed in writing by all of the parties. No waiver of any of the provisions of this Agreement will be effective unless in writing; no waiver will constitute a waiver of any other provision; and no waiver of a breach of any provision of this Agreement will operate to waive any subsequent breach.

12.3 Assignment; Successors and Assigns. Buyer may not assign any of the rights, interests or obligations hereunder (whether by operation of law or otherwise) without the prior written consent of the Seller. Seller may assign any of its rights, interests or obligations hereunder to any wholly owned subsidiaries or parent of Seller without the Buyer's consent. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

12.4 Notices. Any notice, consent, approval or other communication required or permitted hereunder will be in writing and will be given (i) by delivery in person, (ii) by certified mail, return receipt requested, (iii) by commercial overnight courier, or (iv) by facsimile transmission with confirmation of receipt to such address as designated on the signature page hereto or to such other address for any of the above as may be designated by written notice to the other party. Any such notice or other communication will be considered to have been given (i) on the date of delivery in person, (ii) on the fifth day after mailing by certified mail, provided that receipt of delivery is confirmed in writing, or (iii) on the first business day following delivery to a commercial overnight courier, or (iv) on the day of facsimile transmission provided that the giver of the notice obtains confirmation of receipt.

12.5 Applicable Law; Severability. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to applicable principals of conflicts of law. Should a court or other body of competent jurisdiction determine that any term or provision of this Agreement is illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision, and the parties agree to negotiate, in good faith, a legal and enforceable substitute provision which most nearly effects the parties' intent in entering into this Agreement.

12.6 Necessary Further Actions. Each party hereto shall cooperate, shall take such further action and shall execute and deliver such further documents as may be reasonably requested by any other party in order to carry out the provisions and purposes of this Agreement.

12.7 Tax Consequences. Neither party is relying upon the other party or its legal counsel regarding any adverse tax effects.

12.8 Execution and Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and such counterparts together shall constitute only one instrument.

12.9 Rules of Construction. The parties hereto agree that they have been represented by counsel during the negotiation, preparation and execution of this Agreement and, therefore, waive the application of any law, regulation, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the party drafting such agreement or document.

12.10 Expenses of Transaction. Subject to Section 2.3 above, each party shall bear its own costs and expenses incurred with respect to the negotiation, execution, delivery and performance of this Agreement and the transactions contemplated hereby. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

12.11 No Third Party Beneficiaries. No provisions of this Agreement are intended, nor shall be interpreted, to provide or create any third party beneficiary rights or any other rights of any kind in any client, customer, affiliate, stockholder, partner of any party hereto or any other person or entity unless specifically provided otherwise herein, and, except as so provided, all provisions hereof shall be personal solely between the parties to this Agreement.

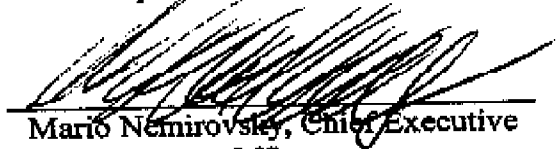
12.12 Termination of IP Agreement. Upon the Closing Date, the IP Agreement shall be terminated and rendered null and void, and all rights and obligations of the parties, other than the Buyer's indemnification obligations thereunder, shall terminate.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

BUYER:

KAYAMBA, INC.,
a Delaware corporation

By: 
Mario Nemirovsky, Chief Executive
Officer

SELLER:

NEC ELECTRONICS AMERICA, INC.,
a Delaware corporation

By: _____
(Signature)

Name: _____
(Print Name)

Its: _____
(Title)

Address:

Address: _____

Fax No.: _____

Fax No. _____

08/13/2003 09:04 FAX 650 833 2001
08/13/2003 16:00 FAX

GCW&F#4

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002/008

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

BUYER:

KAYAMBA, INC.,
a Delaware corporation

By: _____
Mario Nemirovsky, Chief Executive
Officer

SELLER:

NEC ELECTRONICS AMERICA, INC.,
a California corporation

By: _____
Toshio Nakajima
(Signature)

Name: Toshio Nakajima
(Print Name)

Its: President and Chief Executive Officer
(Title)

Address:

Address: 2880 Scott Boulevard
SC 3700
Santa Clara, CA 95050

Fax No.: _____

Fax No. 408-588-6887

EXHIBIT C
PURCHASED ASSETS

Intellectual Property:

All technical work that was developed by and purchased from Flowstorm Inc. related to multithreaded stateful packet processing plus all improvements thereto made by Kayamba, Inc., including, but not limited to, architectural changes, code changes, Verilog and gate level design work performed at GDA, the bring up Software Development Board and all related design work and schematics. The Intellectual Property will also include the following patent applications and related files:

Matter	Status	Title/Mark	Application #	Filing Date
8300	Provision	Multi Threaded Packet Processing Engine for Stateful Packet Processing	60/325638	9/28/2001
8300	Provision	Flow Gating for Packet Synchronization in Parallel Packet Processors	60/341689	12/17/2001
8300	Provision	Flow Gating for Packet Synchronization in Parallel Packet Processors	60/388278	6/13/2002
8300	Provision	Flow Gating for Packet Synchronization in Parallel Packet Processors	10/254377	9/24/2002
8300	Provision	Flow Gating for Packet Synchronization in Parallel Packet Processors	PCT/US02/30421	9/24/2002

Assets:

- 1 Lexmark Printer
- 2 Belkin 16 port switch with cables
- 1 30Amp UPS system
- 1 Dell PowerEdge 1300 base, 400MHz w/512 cache
- 1 internal 40GB DDS4 DRV
- 1 Tape Drive
- 2 Dell PowerApp web 100 600MHz, 128MB RAM (1CPU)
- 3 Sun Axmp + Rackmount compatibles
- 1 Dell PowerEdge 6350
- 1 Dell PowerEdge 6450
- 3 Dell PowerEdge 6450 with 4 CPUs
- 1 Athelon 1.4 Ghz Desktop (written as laptop by mistake in original purchase agreement from FlowStorm)

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Documents:

- Any documentation or presentation that explains the Intellectual Property.
- Any document that contains performance metrics for the Intellectual Property.
- Any documentation that contains product roadmaps for the Purchased Assets.

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