

RAMBUS INC  
Form DEFR14A  
March 29, 2005

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934  
(Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-12

**Rambus Inc.**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required
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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON MAY 3, 2005

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To our stockholders:

You are cordially invited to attend the 2005 Annual Meeting of Stockholders of Rambus Inc. The Annual Meeting will be held on:

Date: Tuesday, May 3, 2005  
Time: 10:00 a.m., local time  
Place: Westin Hotel  
675 El Camino Real  
Palo Alto, California 94301

The following matters will be voted on at the Annual Meeting:

1. Election of four Class II directors;
2. Ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm; and
3. Such other business as may properly come before the Annual Meeting or any adjournment or postponement of the meeting.

We are not aware of any other business to come before the special meeting.

These items of business are more fully described in the Proxy Statement which accompanies this Notice of Annual Meeting.

Only stockholders of record as of March 7, 2005, may vote at the Annual Meeting. Whether or not you plan to attend the meeting, please vote at [www.proxyvote.com](http://www.proxyvote.com), call 1-800-690-6903 or complete, sign, date and return the accompanying proxy card in the enclosed postage-paid envelope. Returning the proxy card does NOT deprive you of your right to attend the meeting and to vote your shares in person. The Proxy Statement explains proxy voting and the matters to be voted on in more detail. Please read this Proxy Statement carefully. We look forward to seeing you at the Annual Meeting.

By Order of the Board of Directors

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John D. Danforth  
Sr. Vice President, General Counsel and  
Secretary

Los Altos, California  
March 29, 2005

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YOUR VOTE IS IMPORTANT

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE VOTE AT [WWW.PROXYVOTE.COM](http://WWW.PROXYVOTE.COM),  
CALL 1-800-690-6903, OR COMPLETE, SIGN, DATE AND RETURN THE ENCLOSED PROXY  
CARD AS PROMPTLY AS POSSIBLE IN THE ENCLOSED ENVELOPE

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RAMBUS INC. PROXY STATEMENT  
FOR  
2005 ANNUAL MEETING OF STOCKHOLDERS

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RAMBUS INC.

PROXY STATEMENT  
FOR  
2005 ANNUAL MEETING OF STOCKHOLDERS

**INFORMATION CONCERNING SOLICITATION AND VOTING**

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The enclosed proxy is solicited on behalf of the Board of Directors of Rambus Inc. (Rambus) for use at Rambus's 2005 Annual Meeting of Stockholders (the Annual Meeting) to be held on Tuesday, May 3, 2005 at 10:00 a.m. local time, and at any postponement or adjournment of the meeting. The purposes of the Annual Meeting are described in the accompanying Notice of Annual Meeting of Stockholders.

The Annual Meeting will be held at the Westin Hotel located at 675 El Camino Real, Palo Alto, California. Our principal executive offices are located at 4440 El Camino Real, Los Altos, California 94022, our telephone number is (650) 947-5000, and our Internet address is [www.rambus.com](http://www.rambus.com).

These proxy solicitation materials and the enclosed Annual Report on Form 10-K for the fiscal year ended December 31, 2004, including financial statements, were first mailed on or about April 4, 2005, to all stockholders entitled to vote at the meeting. Stockholders may obtain, for the cost of copying, a copy of any exhibits to our Form 10-K by writing to Rambus Inc., 4440 El Camino Real, Los Altos, California 94022, Attention: John D. Danforth, Sr. Vice President, General Counsel and Secretary.

**GENERAL INFORMATION ABOUT THE MEETING**

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**Who May Vote**

You may vote at the Annual Meeting if you owned your shares as of the close of business on March 7, 2005 (the Record Date). As of that date, we had a total of 99,254,489 shares of common stock outstanding, which were held of record by approximately 998 stockholders. As of the Record Date, we had no shares of Preferred Stock outstanding. You are entitled to one vote for each share of our common stock that you own.

**Voting Your Proxy**

If your shares of common stock are held by a broker, bank or other nominee, you will receive instructions from them that you must follow in order to have your shares voted.

If you hold your shares in your own name as a holder of record, you may instruct the proxy holders how to vote your common stock by:

voting via the internet at [www.proxyvote.com](http://www.proxyvote.com),  
voting by telephone at 1-800-690-6903, or,  
signing, dating and mailing the proxy card in the postage-paid envelope that we have provided.

Of course, even if you vote your shares by proxy, you may also choose to come to the meeting and vote your shares in person. If you provide instructions in your completed proxy card, the proxy holders will vote your shares in accordance with those instructions. If you sign and return a proxy card without giving specific voting instructions, your shares will be voted FOR the two proposals to be voted on at the Annual Meeting.

**Discretionary Voting Power; Matters to be Presented**

We are not aware of any matters to be presented at the Annual Meeting other than those described in this Proxy Statement. If any matters not described in this Proxy Statement are properly presented at the meeting, the proxy holders will use their own judgment to determine how to vote your shares. If the meeting is adjourned or postponed, the proxy holders can vote your shares on the new meeting date as well, unless you have

subsequently revoked your proxy.

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**Changing Your Vote**

If you would like to change your vote you can do so in the following ways:

deliver written notice of your revocation to our Secretary prior to the Annual Meeting;  
deliver a properly executed, later dated proxy prior to the Annual Meeting;  
or  
attend the Annual Meeting and vote in person.

If a broker, bank or other nominee holds your shares, you must contact them in order to find out how to change your vote.

Please note that your attendance at the meeting in and of itself is not enough to revoke your proxy.

**Cost of this Proxy Solicitation**

We will pay the cost of this proxy solicitation. We may, on request, reimburse brokerage firms and other nominees for their expenses in forwarding proxy materials to beneficial owners. In addition to soliciting proxies by mail, we expect that our directors, officers and employees may solicit proxies in person or by telephone or facsimile. None of these individuals will receive any additional or special compensation for doing this, but they may be reimbursed for reasonable out-of-pocket expenses.

**Meeting Quorum**

The Annual Meeting will be held if a majority of our outstanding shares of common stock entitled to vote at the meeting are represented in person or by proxy.

**Our Voting Recommendations**

When proxies are properly dated, executed and returned, the shares represented by such proxies will be voted at the Annual Meeting in accordance with the directions of the stockholder. However, if no specific instructions are given, the shares will be voted in accordance with the following recommendations of our Board of Directors:

FOR the election of J. Thomas Bentley, Mike Farmwald, Kevin Kennedy, and Geoff Tate as Class II directors; and

FOR the ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2005.

**Abstentions, Withheld, and Broker Non-Votes**

We treat shares that are voted WITHHELD or ABSTAIN in person or by proxy as being:

present for purposes of determining whether or not a quorum is present at the Annual Meeting; and  
entitled to vote on a particular subject matter at the Annual Meeting;  
therefore a WITHHELD or ABSTAIN vote is the same as voting against a proposal that has a required, affirmative voting threshold, such as proposal 2, but will have no effect on proposal 1, the election of our Class II directors, who are elected by a plurality of votes.

If you hold your common stock through a broker, the broker may be prevented from voting shares held in your brokerage account on some proposals (a broker non-vote) unless you have given the broker voting instructions. Shares that are subject to a broker non-vote are counted for purposes of determining whether a quorum exists but do not count for or against any particular proposal.

**Deadline for Receipt of Stockholder Proposals**

Stockholders may present proposals for action at a future annual meeting only if they comply with the requirements of the proxy rules established by the SEC. Stockholder proposals, including nominations for the election of directors, which are intended to be presented by such stockholders at our 2006 Annual Meeting of Stockholders must be received by us no later than February 2, 2006 to be considered for inclusion in the proxy statement and proxy card relating to that meeting.

In addition to the SEC rules and regulations, our bylaws establish an advance notice procedure for proposals that a stockholder does not want to have included in our proxy statement relating to a meeting. Generally for these proposals, including the nomination of a person for director, a stockholder must provide written notice to our corporate secretary at least 90 days in advance of the meeting.

Moreover, your notice must contain specific information concerning the matters to be brought before the meeting. We urge you to read our bylaws in full in order to fully understand the requirements of bringing a proposal or nomination.

A copy of the full text of the bylaw provision relating to our advance notice procedure may be obtained by writing to our Corporate Secretary. All notices of proposals by stockholders, whether or not included in proxy materials, should be sent to Rambus Inc., 4440 El Camino Real, Los Altos, CA 94022, Attention: Secretary.

**Communication With the Board**

Our Board of Directors may be contacted by writing to them via regular mail at c/o Board of Directors, Rambus Inc., 4440 El Camino Real, Los Altos, CA 94022. If you wish to contact our Board of Directors or any member of the Audit Committee to report questionable accounting or auditing matters you may do so anonymously by using this mailing address and designating the communication as confidential.

Our process for handling communications to our Board of Directors is as follows:

Any stockholder communications that the Board is to receive will first go to the Secretary, who will log the date of receipt of the communication as well as (for non-confidential communications) the identity of the correspondent in our stockholder communications log.

Unless the communication is marked confidential, the general counsel will review, summarize and, if appropriate, draft a response to the communication in a timely manner. The summary and response will be in the form of a memo, which will become part of the stockholder communications log that the general counsel maintains with respect to all stockholder communications.

The general counsel will then forward the original stockholder communication along with the memo to the board member(s) (or committee chair if the communication is addressed to a committee) for review.

Any stockholder communication marked confidential will be logged by the general counsel or Secretary as received but will not be reviewed, opened or otherwise held by the general counsel or Secretary. Such confidential correspondence will be immediately forwarded to the addressee(s) without a memo or any other comment by the general counsel or Secretary.

**Annual Meeting Attendance**

Members of the Company's Board of Directors are invited but not required to attend the Annual Meeting of Stockholders. The 2004 Annual Meeting of Stockholders was attended by Directors William Davidow, David Mooring, and Geoff Tate.



**PROPOSAL ONE:  
ELECTION OF DIRECTORS**

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Our Board of Directors is currently comprised of nine members who are divided into two classes with overlapping two-year terms. We have four (4) Class I directors and five (5) Class II directors. At each annual meeting of stockholders, a class of directors is elected for a term of two (2) years to succeed those directors whose terms expire on the annual meeting date. A director serves in office until his or her respective successor is duly elected and qualified or until his or her earlier death or resignation. Any additional directorships resulting from an increase in the number of directors will be distributed among the two classes so that, as nearly as possible, each class will consist of an equal number of directors. Any vacancy occurring mid-term will be filled by a person selected by a majority of the other current members of the Board of Directors. There is no family relationship between any of our directors.

**Nominees**

Dr. William Davidow, a Class II Director, has informed us that he will not stand for re-election at this Annual Meeting. As a result, four Class II directors are to be elected at the Annual Meeting for a two-year term ending in 2007. Based upon the recommendation of our Corporate Governance/Nominating Committee, our Board has nominated: J. Thomas Bentley, Mike Farmwald, Kevin Kennedy, and Geoff Tate for election as Class II directors.

If any of Mr. Bentley, Dr. Farmwald, Dr. Kennedy, or Mr. Tate is unable or declines to serve as a director at the time of the Annual Meeting, proxies will be voted for a substitute nominee or nominees designated by the Board of Directors.

Following the Annual Meeting, Mr. Davidow's departure from our Board of Directors will create a vacancy in the Class II directors class, which the Board of Directors may fill by appointment of the Board, or, in its discretion, eliminate by decreasing the authorized number of directors.

**Vote Required**

Directors are elected by a plurality of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. This means that the four nominees who receive the greatest number of votes will be elected. There are no cumulative voting rights in the election of directors.

**Director Emeritus**

In 2005, based upon the recommendation of the Corporate Governance/Nominating Committee, our Board of Directors established a Director Emeritus program for certain directors post-service to the Board of Directors, in recognition of their service on our Board of Directors, and to assist in continuity of membership on our Board of Directors. Individuals are appointed as Director Emeritus by our Board of Directors for renewable one year terms. They will receive no compensation. Individuals who accept such appointment to the position of Director Emeritus will provide advisory and consulting services on certain business matters as the Board of Directors may determine and may attend all meetings of the Board of Directors and participate in a non-voting capacity at such meetings. Directors Emeritus are subject to the same trading windows and restrictions as members of the Board of Directors. On March 11, 2005, the Board appointed Dr. Davidow as a Director Emeritus, effective after the Annual Meeting.

**Director Resignations**

Charles Geschke whose term would have expired at the 2006 Annual Meeting, resigned from our Board of Directors effective March 11, 2005, as previously disclosed on a Form 8-K, filed with the SEC on March 17, 2005.

**Information about the Director  
Nominees and Other Directors**

The following table contains information regarding the Class II nominees and other directors as of March 11, 2005.

**Nominees for Class II Directors**

<b>Name</b>	<b>Age</b>	<b>Principal Occupation and Business Experience</b>
J. Thomas Bentley	55	Mr. Bentley has served as a director of Rambus since March 11, 2005. He has been a Managing Director at SVB Alliant (formerly Alliant Partners), a mergers and acquisitions firm, since he co founded the firm in 1990. Mr. Bentley holds a B.A. degree in Economics from Vanderbilt University and a Masters of Science in Management from the Massachusetts Institute of Technology. Mr. Bentley is a director and audit committee financial expert for Nanometrics Inc., a nanotechnology design company.
P. Michael Farmwald, Ph.D.	50	Dr. Farmwald has served as a director since co-founding Rambus in March 1990. In addition he served as Vice President and Chief Scientist from March 1990 to November 1993. Dr. Farmwald founded Skymoon Ventures, a venture capital firm, in 2000. In addition, Dr. Farmwald has founded other semiconductor companies, including Matrix Semiconductor, Inc. in 1997. Dr. Farmwald holds a B.S. degree in Mathematics from Purdue University and a Ph.D. in Computer Science from Stanford University.
Kevin Kennedy, Ph.D.	49	Dr. Kennedy has served as a director of Rambus since April 2003. He is currently Chief Executive Officer and a director at JDS Uniphase Corporation, a communications equipment corporation. From August 2001 to September 2003, Dr. Kennedy was the Chief Operating Officer of Openwave Systems, Inc., a software corporation. Prior to joining Openwave Systems Inc., Dr. Kennedy served seven years at Cisco Systems, Inc., a networking corporation, most recently as Senior Vice President of the Service Provider Line of Business and Software Technologies Division, and 17 years at Bell Laboratories. Dr. Kennedy is a director of Quantum Corporation, and Openwave Systems, Inc.
Geoff Tate	50	Mr. Tate served as our Chief Executive Officer until January 2005 and currently serves as Chairman of the Board of Directors. Mr. Tate served as President, Chief Executive Officer and director from May 1990 to December 1999. From February 1989 to January 1990, Mr. Tate served as Senior Vice President and Corporate Officer, Microprocessor and Peripherals with Advanced Micro Devices, Inc. (AMD), a semiconductor manufacturer. From 1979 to 1989, Mr. Tate served in various marketing and product line management positions with AMD. Mr. Tate holds a B.S. degree in Computer Science from the University of Alberta and an M.B.A. from the Harvard Graduate School of Business Administration.

**Incumbent Class I Directors Whose Terms Expire in 2006**

<b>Name</b>	<b>Age</b>	<b>Principal Occupation and Business Experience</b>
Bruce Dunlevie	48	Mr. Dunlevie has served as a director of Rambus since its founding in March 1990. He has been a General Partner of the venture capital firm Benchmark Capital since April 1996, and was a general partner of the venture capital firm Merrill, Pickard, Anderson & Eyre from 1989 to 1996. He holds a B.A. degree in History from Rice University and a M.B.A. from Stanford University. Mr. Dunlevie also serves on the boards of palmOne, Inc., and several private companies.
Mark Horowitz, Ph.D.	47	Dr. Horowitz has served as a director since co-founding Rambus in March 1990. Dr. Horowitz also served as a Vice President from March 1990 to May 1994. Dr. Horowitz has taught at Stanford University since 1984 where he is currently a professor of Electrical Engineering and Computer Science. He holds B.S. and M.S. degrees in Electrical Engineering from the Massachusetts Institute of Technology and received his Ph.D. in Electrical Engineering from Stanford University.
Harold Hughes	59	Mr. Hughes has served as our Chief Executive Officer since January 2005 and as a director since June 2003. He served as a United States Army Officer from 1969 to 1972 before starting his private sector career with Intel Corporation, a semiconductor corporation. Mr. Hughes held a variety of positions within Intel Corporation from 1974 to 1997, including Treasurer, Vice President of Intel Capital, Chief Financial Officer, and Vice President of Planning and Logistics. Following Intel, Mr. Hughes was the Chairman and Chief Executive Officer of Pandesic, LLC. He also serves on the boards of Berkeley Technology, Ltd., Xilinx, Inc., and Remec, Inc. He holds a B.A. from the University of Wisconsin and an M.B.A. from the University of Michigan.
David Mooring	46	Mr. Mooring has served as a director since December 1999. Mr. Mooring joined us in 1991 as the Vice President of Marketing and Sales and has served in a variety of executive roles at Rambus, including President from 1999 to 2004. In February 2005, he discontinued his role as an executive officer and became a part-time employee of Rambus assisting on licensing, corporate development, and strategy. From 1989 to 1991, he served as Vice President of Marketing and Sales at Vitesse Semiconductor. From 1980 to 1989, Mr. Mooring held various sales and then marketing management positions at Intel Corporation. Mr. Mooring holds a B.S. degree in Economics from Santa Clara University, an M.B.A. from Pepperdine University and an M.S. degree in Computer Engineering from the University of Southern California. Mr. Mooring also serves as a board member of several private companies.

**Information Regarding Director Emeritus**

The following table sets forth information with respect to each Director Emeritus. Dr. Davidow will serve as a director emeritus after the Annual Meeting as he is not standing for re-election.

<b>Name</b>	<b>Age</b>	<b>Principal Occupation and Business Experience</b>
William Davidow, Ph.D.	69	Dr. Davidow was a director since we were founded in March 1990 and will serve until this Annual Meeting. He served as chairman of the Board of Directors until January 2005 and as a director thereafter. Since 1985, Dr. Davidow has been a general partner of Mohr, Davidow Ventures, a venture capital firm. From 1973 to 1985, he held a number of management positions at Intel Corporation, including Senior Vice President of Marketing and Sales, Vice President of the Microcomputer Division and Vice President of the Microcomputer Systems Division. Dr. Davidow holds A.B. and M.S. degrees in Electrical Engineering from Dartmouth College, an M.S. degree in Electrical Engineering from the California Institute of Technology, and a Ph.D. in Electrical Engineering from Stanford University. He also serves as Chairman of the Board of Directors of FormFactor, Inc.

### **Board Meetings and Committees**

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The Board held a total of five meetings during 2004. During 2004, each Board member attended 75% or more of the meetings of the Board and of the committees, if any, of which he was a member.

#### **Board Independence**

The Board has determined that each of the directors, except Harold Hughes, Chief Executive Officer and Director; Mark Horowitz, Director; David Mooring, Director; and Geoff Tate, our former Chief Executive Officer and current Chairman of the Board of Directors, has no material relationship with Rambus (either directly as a partner, stockholder or officer of an organization that has a relationship with Rambus) and is independent as defined under NASD Rule 4200 and the applicable rules promulgated by the Securities and Exchange Commission (the SEC).

#### **Director Qualifications**

Except as may be required by rules promulgated by the NASD or the SEC, there are currently no specific, minimum qualifications that must be met by each candidate for the Board of Directors, nor are there any specific qualities or skills that are necessary for one or more of the members of the Board of Directors to possess.

#### **Corporate Governance Principles**

Rambus is committed to maintaining the highest standards of business conduct and corporate governance, which we believe are essential to running our business efficiently, serving our stockholders well and maintaining Rambus's integrity in the marketplace. Rambus has adopted a code of business conduct and ethics for directors, officers, and employees known as the Code of Business Conduct and Ethics.

#### **Executive Sessions Of the Independent Directors**

During 2004, there were four sessions of the independent directors.

#### **Committees of the Board**

During 2004, the Board had three standing committees:

- an Audit Committee,
- a Compensation Committee, and
- a Corporate Governance/Nominating Committee.

The following describes each committee, its function, its current membership, and the number of meetings held during 2004. Each of the committees operates under a written charter adopted by the Board. All of the committee charters are available on Rambus's website at <http://investor.rambus.com/governance/governance.cfm>.

**Audit Committee**

During 2004, the Audit Committee was comprised of Dr. Davidow, Mr. Dunlevie, and Mr. Hughes, who served as Chairman of the Audit Committee. On January 9, 2005, Mr. Hughes discontinued his service on the Audit Committee when he was elected by the Board to serve as Chief Executive Officer of the Company. On January 25, 2005, Dr. Farmwald was appointed to the Audit Committee. On March 11, 2005, Mr. Dunlevie resigned as a member of the Audit Committee and Mr. Bentley was appointed as Chairman of such committee. Currently the Audit Committee is comprised of Mr. Bentley, Dr. Davidow, and Dr. Farmwald. The Audit Committee held eight meetings during 2004.

The Audit Committee oversees our corporate accounting and financial reporting processes and controls, as well as our internal and external audits. Its duties include:

- Providing the results of its examinations, and recommendations derived from these examinations, to the Board of Directors,
- Outlining to the Board of Directors improvements made, or to be made, in internal accounting controls,
- Retaining the independent auditors,
- Reviewing information security policies,
- Overseeing investigations into complaints concerning financial matters, and
- Providing additional information and materials that may be necessary to make the Board of Directors aware of significant financial matters that require attention.

The Board of Directors determined Mr. Hughes, who served as Audit Committee Chairman during 2004, until his appointment as Chief Executive Officer on January 9, 2005, was the Audit Committee financial expert. As of March 11, 2005, the Board of Directors determined that Mr. Bentley is the Audit Committee financial expert.

The Audit Committee's role is detailed in the Audit Committee Charter, which was amend