



## Intel XScale IXP42x End of Life – Gateworks Bonding Program

Dear Customer,

Intel Corporation has announced last time buys for the Intel® XScale® IXP42x processors used in our Avila Series products. The IXP43x series components used on the Cambria product family are not affected by this announcement.

The majority of our customers use these products for embedded applications and we are very sensitive to the long design cycle and the difficulty of qualifying new components once a program is in production. Gateworks is doing everything within its means to extend the product life cycle, and working with you to insure a smooth transition to our Cambria and next-generation platforms.

Gateworks has secured 50,000 units of IXP42x processors to be delivered over the next two years, so there is no imminent risk of shortage. These units will be sold on a “first come, first serve” basis, with supplies expected, but not guaranteed, to last into 2012. The processors we have on order are of two models, IXP425 533MHz, Industrial Temperature; and IXP420, 533MHz, Industrial Temperature. All Gateworks Avila products, including customer specials, are being revised to use one of these two models. We are committed to helping our customers with a smooth transition to our Cambria and next generation products over the next two years.

For those customers requiring a higher level of certainty, we are offering an opportunity to bond a supply of these components at a modest cost. This means Gateworks will place non-cancellable orders for the units, and they will be available for that particular customer on the scheduled release dates. Scheduled release dates can be as late as June 1, 2012. The bonding cost for this guaranteed supply is \$11.00 per unit for the Intel IXP425, and \$6.00 per unit for the Intel IXP420. Our last-time buy will be placed on March 29th, 2010 at 5:00pm.

**Gateworks will accept bonding orders as late as 12:00pm, March 29th, 2010.**

At the release dates, there are several possible options:

- The units can be assembled onto final products.
- The units can be paid for at the full component charge of \$33 each (IXP425) or \$18 each (IXP420) less the bonding charge.
- The units can be released for the use of other customers (if that demand is present).
- The units can be rescheduled (if our supply chain will accommodate the request).

At this time, we would also like to introduce our next generation platform, the Laguna. These products are based upon the new Cavium Networks Econa™ CNS3xxx family of ARM-11 network processors. Cavium has guaranteed a minimum seven-year lifetime for these parts.

The new Laguna boards achieve price-points equivalent to the Avila line, while offering higher performance, lower power consumption, Gigabit Ethernet ports and built-in USB. The Laguna family uses the same mechanical form-factors as the existing Avila products. For operating system support, we supply a board support package based upon the same Linux distribution (OpenWrt) available on the Avila products. Laguna products are targeted for introduction in the second quarter of 2010. More information on the Laguna family of products including datasheets will be available in the first quarter of 2010.

At Gateworks, we value our customer relationships, and we are committed to making this transition as seamless as possible. Please feel free to contact Gateworks if you have any questions regarding the end of life of Intel IXP42x products or the Gateworks bonding program.

Best regards,

Gateworks Corporation