

CASTELLE \CA\  
Form DEF 14A  
April 27, 2005

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant  x  
Filed by a Party other than the Registrant  O

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 under Rule 14a-12

CASTELLE

(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.  
(1) Title of each class of securities to which transaction applies:

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- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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**CASTELLE**

855 Jarvis Drive, Suite 100

Morgan Hill, CA 95037

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**To Be Held On May 27, 2005**

**TO THE SHAREHOLDERS OF CASTELLE:**

**NOTICE IS HEREBY GIVEN** that the Annual Meeting of Shareholders of CASTELLE, a California corporation, will be held on Friday, May 27, 2005, at 10:00 a.m. local time at our corporate offices located at 855 Jarvis Drive, Suite 100, Morgan Hill, California, 95037 for the following purposes:

1. To elect directors to serve for the ensuing year and until their successors are elected.
2. To ratify the selection of Grant Thornton LLP as our independent auditors for the year ending December 31, 2005.
3. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice.

The Board of Directors has fixed the close of business on April 6, 2005 as the record date for the determination of shareholders entitled to notice of and to vote at this Annual Meeting and at any adjournment or postponement thereof.

By Order of the Board of Directors

/s/ Paul Cheng

Paul Cheng

*Chief Financial Officer and Secretary*

Morgan Hill, California  
April 27, 2005

**ALL SHAREHOLDERS ARE CORDIALLY INVITED TO ATTEND THE MEETING IN PERSON. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE IN ORDER TO ENSURE YOUR REPRESENTATION AT THE MEETING. A RETURN ENVELOPE (WHICH IS POSTAGE PREPAID IF MAILED IN THE UNITED STATES) IS ENCLOSED FOR THAT PURPOSE. EVEN IF YOU HAVE GIVEN YOUR PROXY, YOU MAY STILL VOTE IN PERSON IF YOU ATTEND THE MEETING. PLEASE NOTE, HOWEVER, THAT IF YOUR SHARES ARE HELD OF RECORD BY A BROKER, BANK OR OTHER NOMINEE AND YOU WISH TO VOTE AT THE MEETING, YOU MUST OBTAIN FROM THE RECORD HOLDER A PROXY ISSUED IN YOUR NAME.**

**CASTELLE**

855 Jarvis Drive, Suite 100

Morgan Hill, CA 95037

**PROXY STATEMENT**

**FOR ANNUAL MEETING OF SHAREHOLDERS**

**May 27, 2005**

**INFORMATION CONCERNING SOLICITATION AND VOTING**

**General**

The enclosed proxy is solicited on behalf of the Board of Directors of CASTELLE, a California corporation, for use at the Annual Meeting of Shareholders to be held on May 27, 2005, at 10:00 a.m. local time (the Annual Meeting ), or at any adjournment or postponement thereof, for the purposes set forth herein and in the accompanying Notice of Annual Meeting. The Annual Meeting will be held at our corporate offices, located at 855 Jarvis Drive, Suite 100, Morgan Hill, California 95037. We intend to mail this proxy statement and accompanying proxy card on or about May 2, 2005 to all shareholders entitled to vote at the Annual Meeting.

**Solicitation**

We will bear the entire cost of solicitation of proxies, including preparation, assembly, printing and mailing of this proxy statement, the proxy card and any additional information furnished to shareholders. Copies of solicitation materials will be furnished to banks, brokerage houses, fiduciaries and custodians holding in their names shares beneficially owned by others to forward to such beneficial owners. We may reimburse persons representing beneficial owners of common stock for their costs of forwarding solicitation materials to such beneficial owners. Original solicitation of proxies by mail may be supplemented by telephone, telegram or personal solicitation by directors, officers or other regular employees of the company. No additional compensation will be paid to directors, officers or other regular employees for such services.

**Voting Rights and Outstanding Shares**

Only holders of record of common stock at the close of business on April 6, 2005 (the Record Date ) will be entitled to notice of and to vote at the Annual Meeting. At the close of business on April 6, 2005 we had outstanding and entitled to vote 3,845,568 shares of common stock.

Each holder of record on the Record Date will be entitled to one vote for each share held on all matters to be voted upon. With respect to the election of directors, shareholders may exercise cumulative voting rights. Under cumulative voting, each holder of common stock will be entitled to five votes for each share held. Each shareholder may give one candidate all the votes that shareholder is entitled to cast or may distribute his or her votes among as many candidates as the shareholder chooses. However, no shareholder will be entitled to vote for a candidate unless the candidate's name has been placed in nomination prior to the voting. No shareholder will be entitled to vote cumulatively unless at least one shareholder has given notice at the meeting, prior to the voting, of his or her intention to cumulate votes. Unless the proxyholders are otherwise instructed, shareholders, by means of the accompanying proxy, will grant the proxyholders discretionary authority to cumulate votes.

All votes will be tabulated by the inspector of election appointed for the meeting, who will separately tabulate affirmative and negative votes, abstentions and broker non-votes. Abstentions and broker non-votes are counted towards a quorum, but are not counted for any purpose in determining whether a matter is approved.

**Revocability of Proxies**

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Any person giving a proxy pursuant to this solicitation has the power to revoke it at any time before it is voted. It may be revoked by filing with our Secretary at our principal executive office, 855 Jarvis Drive, Suite 100, Morgan Hill, California 95037, a written notice of revocation or a duly executed proxy bearing a later date, or it may be revoked by attending the meeting and voting in person. Attendance at the meeting will not, by itself,

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revoke a proxy. Please note, however, that if a shareholder's shares are held of record by a broker, bank or other nominee and that shareholder wishes to vote at the meeting, the shareholder must bring to the meeting a letter from the broker, bank or other nominee confirming the shareholder's beneficial ownership of the shares and that the broker, bank or other nominee is not voting the shares at the meeting.

### **Shareholder Proposals**

The deadline for submitting a shareholder proposal for inclusion in our proxy statement and form of proxy for our 2006 annual meeting of shareholders pursuant to Rule 14a-8 of the Securities and Exchange Commission 120 calendar days before the one year anniversary of the date of the proxy statement, or January 4, 2006. Shareholder proposals may be presented at the 2005 annual meeting of the shareholders only if we have received adequate notice of such proposals at our principal executive offices no later than January 4, 2006. Proposals we receive after that date will be considered untimely and will not be presented at our 2006 annual meeting. Unless a shareholder who wishes to bring a matter before the shareholders at our 2006 annual meeting of shareholders notifies us of such matter prior to January 4, 2006, management will have discretionary authority to vote all shares for which it has proxies in opposition to such matter.

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**PROPOSAL 1**

**ELECTION OF DIRECTORS**

There are five nominees for the five Board positions presently authorized in our Bylaws. Each director to be elected will hold office until the next annual meeting of shareholders and until his successor is elected and qualified, or until such director's earlier death, resignation or removal. Each nominee listed below is currently a director of Castelle, having been elected by the shareholders.

Shares represented by executed proxies will be voted, if authority to do so is not withheld, for the election of the five nominees named below, with discretionary power with respect to any further nominees and to cumulate votes. In the event that any nominee should be unavailable for election as a result of an unexpected occurrence, such shares will be voted for the election of such substitute nominee as management may propose. Each person nominated for election has agreed to serve if elected and management has no reason to believe that any nominee will be unable to serve.

The five candidates receiving the highest number of affirmative votes cast at the meeting will be elected as our directors. The minimum authorized number of directors is five, and there are no vacancies on the Board.

**THE BOARD OF DIRECTORS RECOMMENDS**

**A VOTE IN FAVOR OF EACH NAMED NOMINEE.**

**NOMINEES**

The names of the nominees and certain information about them are set forth below:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Donald L. Rich	63	Chairman of the Board
Scott C. McDonald	51	President, Chief Executive Officer and Director
Peter R. Tierney	60	Director, President and Chief Executive Officer of Finaplex, Inc.
Robert H. Hambrecht	38	Managing Director of Corporate Finance, W.R. Hambrecht + Company
Robert O. Smith	60	Former President and CEO of Digital Power Corporation

Set forth below is biographical information for each nominee.

**Donald L. Rich**

Mr. Rich joined Castelle in November 1998 and served as Chief Executive Officer and President from November 1998 to April 2002. Mr. Rich became Chairman of the Board in May 1999, and has continued in that role since retiring as our CEO in April 2002. Mr. Rich served as Chief Financial Officer from April 1999 to March 2001 and Secretary from February 2000 to March 2001. From 1997 until November 1998, Mr. Rich was self-employed as a consultant. From 1993 through 1997, Mr. Rich was Chief Executive Officer and President of Talarian Corporation, a provider of real-time infrastructure software for the enterprise and the Internet. Prior to that, he held various sales and marketing management positions at Integrated Systems, Inc. and International Business Machines Corporation. Mr. Rich holds a BS degree in Mechanical Engineering from Purdue University and an MBA from the Stanford Graduate School of Business.

**Scott C. McDonald**

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Mr. McDonald has served as a director of Castelle since April 1999. Since April 2002, Mr. McDonald has been our President and Chief Executive Officer. From May 2001 to the first quarter of 2002, Mr. McDonald

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served on the board of directors for Octant Technologies and Digital Power Corporation and provided consulting services. From December 1999 to April 2001, Mr. McDonald served as the Chief Financial and Administrative Officer at Conxion Corporation, a network and internet services company. From 1997 to 1999, Mr. McDonald served on the board of directors for CIDCO Incorporated, Octant Technologies Inc. and Digital Power Corporation, in addition to providing consulting services to CIDCO Incorporated. Mr. McDonald currently serves on the board of directors of privately-held Octant Technologies, Inc. Mr. McDonald holds a BS in Accounting from the University of Akron and an MBA from Golden Gate University.

**Peter R. Tierney**

Mr. Tierney has served as a director of Castelle since April 1999. He currently serves as President and Chief Executive Officer of Finaplex, Inc., a software company delivering the next generation of wealth management and brokerage processing platforms. Mr. Tierney was previously President and CEO of Sawyer Media Systems, a privately held business focused on delivering next generation media. Previously, Mr. Tierney spent four years as President and Chief Executive Officer of MarketFirst Software Corporation, a company that specializes in streamlining and maximizing the effectiveness of marketing programs. From 1991 to 1997, Mr. Tierney served as Chairman, President and CEO of Inference Corporation, a leading provider of self-service and knowledge management tools for the customer service and help desk industries. Prior to Inference, as Senior Vice President of Oracle Corporation, Tierney was responsible for worldwide marketing and served as a member of the Oracle Management Committee. Earlier in his career, Mr. Tierney served as Vice President of Marketing and Sales for Relational Technology (Ingres) Corporation and was Director of Marketing for the IBM Northwestern Region. Mr. Tierney also currently serves on the board of advisors of the privately-held company, ChannelNet Corporation. Mr. Tierney holds a bachelor's degree in management and economics from Northeastern University.

**Robert H. Hambrecht**

Mr. Hambrecht has served as a director of Castelle since March 1998. Mr. Hambrecht was a founding partner of W.R. Hambrecht + Co., an investment banking firm, founded in January 1998, and is presently Managing Director of Corporate Finance. From 1996 through January 1998, Mr. Hambrecht was Vice President of H&Q Venture Partners, a venture capital firm. From 1994 to 1996, Mr. Hambrecht was employed by Unterberg Harris, an investment banking firm. Mr. Hambrecht also serves on the board of directors of five privately-held companies. Mr. Hambrecht holds a bachelor's degree in history from the University of California at Berkeley, and a master's degree in public administration from Columbia University.

**Robert O. Smith**

Mr. Smith has served as a director of Castelle since March 2004. From 1990 to 2004 he served primarily as Chairman, President and CEO of Digital Power Corporation (Amex: DPW), makers of switching power supplies. Mr. Smith currently serves as a consultant to Digital Power Corporation. Prior to that, he held various senior-level management positions at Computer Products Inc., Harris Computer Systems, the J.M. Smucker Company and Ametek/Lamb Electric. Mr. Smith holds a bachelor's degree in business administration from Ohio University.

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The Board has made the following determination of the independence status of each of the Directors according to the applicable Marketplace Rules of The NASDAQ Stock Market as of the mailing date of the Proxy:

**Independent**

Donald L. Rich<sup>1</sup>

Peter R. Tierney

Robert H. Hambrecht

Robert O. Smith

**Not Independent**

Scott C. McDonald

<sup>1</sup> The Board has determined that Mr. Rich became an independent director on April 22, 2005, at which time three years has passed following his retirement from employment with the company.

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## PROPOSAL 2

### RATIFICATION OF SELECTION OF INDEPENDENT AUDITORS

The Audit Committee and the Board of Directors has selected Grant Thornton LLP as our independent auditors for the year ending December 31, 2004, and has further directed that management submit the selection of independent auditors for ratification by the shareholders at the Annual Meeting.

Shareholder ratification of the selection of Grant Thornton LLP as our independent auditors is not required by our Bylaws or otherwise. However, the Board is submitting the selection of Grant Thornton LLP to the shareholders for ratification as a matter of good corporate practice. If the shareholders fail to ratify the selection, the Audit Committee and the Board will reconsider whether or not to retain that firm. Even if the selection is ratified, the Audit Committee and the Board in their discretion may direct the appointment of different independent auditors at any time during the year if they determine that such a change would be in the best interests of Castelle and its shareholders.

The affirmative vote of the holders of a majority of the shares present in person or represented by proxy and voting at the Annual Meeting (which shares voting affirmatively also constitute at least a majority of the required quorum) will be required to ratify the selection of Grant Thornton LLP.

On September 24, 2004, the Company dismissed PricewaterhouseCoopers LLP as its independent registered public accounting firm. The Audit Committee participated materially in and approved the decision to change independent registered public accounting firms. The reports of PricewaterhouseCoopers LLP on the financial statements for the past two fiscal years contained no adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles. During the two most recent fiscal years and through September 24, 2004, there were no disagreements with PricewaterhouseCoopers LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, with disagreements if not resolved to the satisfaction of PricewaterhouseCoopers LLP would have caused them to make reference thereto in their reports on the financial statements for such years. During the two most recent fiscal years and through September 24, 2004, there have been no reportable events (as defined in Regulation S-K Item 304(a)(1)(v)).

The Company requested that PricewaterhouseCoopers LLP furnish it with a letter addressed to the SEC stating whether or not it agrees with the above statements. A copy of such letter, dated September 24, 2004 was filed as Exhibit 16.1 to the Company's Form 8-K filed September 30, 2004.

The Company engaged Grant Thornton LLP as its new independent registered public accounting firm as of September 24, 2004. The Company determined that the selection of Grant Thornton LLP would result in significant cost advantages to the Company over PricewaterhouseCoopers LLP, and that the change would be in the best interest of the company and its shareholders. During the two most recent fiscal years prior to the selection and through September 24, 2004, the Company had not consulted with Grant Thornton LLP regarding either (i) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on the Company's financial statements, and neither a written report was provided to the Company nor oral advice was provided that Grant Thornton LLP concluded was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue; or (ii) any matter that was either the subject of a disagreement, as that term is defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions to that Item, or a reportable event, as that term is defined in Item 304 (a)(1)(v) of Regulation S-K.



Grant Thornton LLP began providing auditing services for the Company beginning with financial statements for the third quarter of 2004. The following is a summary of the fees billed to our company by Grant Thornton LLP for professional services rendered during the year ended December 31, 2004.

	2004	2003
Audit Fees	\$248,737	
Audit-Related Fees	\$41,344	
Tax Fees		
All Other Fees		

The following is a summary of the fees billed to our company by PricewaterhouseCoopers LLP for professional services rendered during the years ended December 31, 2004 and 2003.

	2004	2003
Audit Fees	\$45,000	\$124,000
Audit-Related Fees	\$43,500	\$12,000
Tax Fees		
All Other Fees		

*Audit Fees.* Consists of fees billed for professional services rendered for the audit of our annual consolidated financial statements and review of the quarterly consolidated financial statements and services that are normally provided by Grant Thornton LLP and PricewaterhouseCoopers LLP in connection with statutory and regulatory filings or engagements.

*Audit-Related Fees.* Consists of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of our consolidated financial statements and are not reported under Audit Fees. These services include accounting consultations in connection with public offerings, internal control reviews, and consultations concerning financial accounting and reporting standards. The audit-related fees incurred in 2004 were for consultations rendered to the Company by Grant Thornton and PricewaterhouseCoopers in response to a series of comment letters issued by the Office of the Chief Accountant of the Securities and Exchange Commission to the Company.

*Tax Fees.* Consists of fees billed for professional services for tax compliance and tax advice. These services consist of assistance regarding federal, state and international tax compliance, assistance with the preparation of various tax returns, research and design tax study and international compliance.

*All Other Fees.* Consists of fees for products and services other than the services reported above. In 2004, the other fees were incurred as

**The Board Of Directors Recommends  
A Vote In Favor Of Proposal 2.**

## SECURITY OWNERSHIP OF

## CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the ownership of Castelle's common stock as of April 6, 2005 by: (i) each director and nominee for director; (ii) each executive officer named in the Summary Compensation Table; (iii) all executive officers and directors of Castelle as a group; and (iv) all persons known by us to be beneficial owners of more than five percent of our common stock.

Beneficial Owner	Beneficial Ownership (1)	
	Number of Shares	Percent of Total
Entities affiliated with: Zeff Holding Company	716,961	18.7%
50 California Street  San Francisco, CA 94111 J.P. Morgan Chase & Co., Inc. (2)	259,566	6.8%
560 Mission Street, 10th Floor  San Francisco, CA 94105 Scott McDonald (3)	448,250	11.0%
Donald L. Rich (3)	296,333	7.2%
Eric Chen (3)	103,749	2.7%
Paul Cheng (3)	81,562	2.1%
Michael Petrovich (3)	60,187	1.6%
Robert Hambrecht (3)	51,843	1.3%
Peter Tierney (3)	45,833	1.2%
Richard Fernandez (3)	35,936	.9%
Robert O. Smith (3)	11,038	*/%
Edward Heinze(3)	8,855	*/%
All officers and directors as a group (10 persons)	1,143,586	24.4%

\* Less than one percent.

(1) This table is based upon information supplied by officers, directors and principal shareholders and Schedules 13D and 13G filed with the Securities and Exchange Commission (the "SEC"). Unless otherwise indicated in the footnotes to this table and subject to community property laws where applicable, we believe that each shareholder named in this table has sole voting and investment power with respect to the shares indicated as beneficially owned. Applicable percentages are based on 3,841,168 shares outstanding on April 6, 2005, the record date for this proxy, plus options exercisable within 60 days of April 6, 2005, for the person being measured.

(2) The named entity and the entities' respective general partners, directors, executive officers, members and/or managers, as applicable, disclaim beneficial ownership of any securities other than those directly held by such person.

- (3) Includes shares subject to options exercisable within 60 days of April 6, 2005 as follows: 248,000 for Mr. McDonald, 296,333 for Mr. Rich, 43,749 for Mr. Chen, 76,562 for Mr. Cheng, 42,187 for Mr. Petrovich, 37,833 for Mr. Hambrecht, 45,833 for Mr. Tierney, 35,936 for Mr. Fernandez, 11,038 for Mr. Smith and 6,355 for Mr. Heinze.
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## EXECUTIVE COMPENSATION

### COMPENSATION OF DIRECTORS

#### Cash Compensation

In 2004, each non-employee director received a quarterly retainer of \$2,500 and a per meeting fee of \$1,000 for each quarterly board meeting attended. Non-employee directors are also reimbursed for their expenses incurred in connection with attending Board meetings.

#### Equity Compensation

In 2004, each non-employee director received stock option grants under the 2002 Equity Incentive Plan (the 2002 Option Plan), which superceded the 1995 Non-Employee Directors Stock Option Plan, as amended through February 2000, and the 1988 Equity Incentive Plan, as amended through 1998 (collectively as the Prior Option Plan). Directors receive non-qualifying stock options under the 2002 Option Plan and Code.

The 2002 Option Plan provides that each non-employee member of the Board of Directors, upon initial election to the Board, is automatically granted an option to purchase 10,000 shares of common stock at an exercise price equal to the then-current fair market value per share of our common stock. This initial option grant vests monthly in 12 equal installments, beginning one month after the date of grant provided that the optionee has continuously served as a director. On April 1 of each year (or the next business day should such date be a legal holiday), each member of the Board who is eligible for participation in the 2002 Option Plan is automatically granted an option to purchase 5,000 shares of common stock at an exercise price equal to the then-current fair market value per share of our common stock, without further action by us, the Board or our shareholders. This annual grant to non-employee members of the Board under the 2002 Option Plan vests monthly in 12 equal installments, beginning one month after the date of grant provided that the optionee has, during the entire period prior to such vesting date, continuously served as a director. The exercise price of options granted under the 2002 Option Plan is 100% of the fair market value of the common stock on the date of the option grant. The term of options granted under the 2002 Option Plan may not be longer than ten years.

In 2005, we granted to each of Messrs. Hambrecht, Tierney, Rich and Smith options to purchase 5,000 shares at an exercise price of \$2.91 under the 2002 Option Plan. During 2004, we granted to each of Messrs. Hambrecht, Tierney, Rich options to purchase 5,000 shares at exercise prices of \$4.86 per share under the 2002 Option Plan. We also granted to Mr. Smith options to purchase 205 shares at \$4.86. Additionally, In March 2004, we granted to Mr. Smith options to purchase 10,000 shares at an exercise price of \$4.50 upon his initial election to the Board. The exercise prices were equal to the respective fair market values of such common stock on the date of grant (based upon the closing sale price reported on the NASDAQ SmallCap Market for the date of grant).

Options which remain outstanding under the Prior Option Plan will accelerate under certain circumstances. In the event of a merger of Castelle with or into another corporation or a consolidation, acquisition of assets or other change-in-control transaction, vesting of option grants under the Prior Option Plan is accelerated and the option will terminate if not exercised prior to the consummation of the transaction.

#### Compensation of Executive Officers



**Summary of Compensation**

The following table shows for the years ended December 31, 2004, 2003 and 2002, compensation awarded or paid to, or earned by, our Chief Executive Officer and the four other most highly compensated executive officers at December 31, 2004 whose total annual salary and bonus exceeded \$100,000 (the Named Executive Officers):

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## SUMMARY COMPENSATION TABLE

<b>Name and Principal Position</b>	<b>Year</b>	<b><u>Annual Compensation</u></b>			<b>Long-Term Compensation <u>Awards</u></b>
		<b><u>Salary</u></b>	<b><u>Bonus (\$)(1)</u></b>	<b><u>Other(\$)(3)</u></b>	<b>Securities Underlying <u>Options (#)</u></b>
Scott C. McDonald (2)	2004	\$251,430	\$127,804		
	2003	200,000	137,253		150,000
	2002	138,718	75,000		300,000
President, Chief Executive Officer & Director	2004	197,852	67,500		25,000
	2003	170,703	72,500		20,000
Sr. Vice President, Engineering & Business Development	2002	158,306	69,143	\$24,784	
	2004	143,788	51,025		
Paul Cheng	2003	138,200	57,500		15,000
	2004				
Vice President, Chief Financial Officer and Secretary					