

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION**

<p>In re:</p> <p>PrediWave Corporation, a California corporation</p> <p style="text-align:center">Debtor.</p> <p>Fed. Tax I.D. No. 77-0494328</p>	<p>Case No.: 06 – 40547 – RJN</p> <p>Chapter 11</p> <p>NOTICE REGARDING SUPPLEMENTAL DEADLINE FOR FILING PROOFS OF CLAIM AND RELATED PROCEDURES</p>
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PLEASE TAKE NOTICE: YOU MAY BE A CREDITOR IN THE ABOVE-CAPTIONED CHAPTER 11 CASE. THIS NOTICE DESCRIBES IMPORTANT DEADLINES AND PROCEDURES THAT MAY AFFECT YOUR LEGAL RIGHTS. YOU MAY WISH TO CONSULT WITH AN ATTORNEY TO PROTECT YOUR RIGHTS.

CLAIMS, PROOFS OF CLAIM, AND THE SCHEDULES

Proof of Claim. A proof of claim is a signed statement describing a creditor's claim. Creditors receiving this notice by mail should determine whether to file a proof of claim against the chapter 11 estate of PrediWave Corporation, a California Corporation, the debtor and debtor in possession in the above-captioned chapter 11 case ("PrediWave"). If you have a claim against PrediWave as of the commencement of its bankruptcy case, April 14, 2006 (the "Petition Date"), you are entitled to file a proof of claim, and may be required to do so in order to preserve your rights. As explained below, the deadline for certain parties that have not previously received a notice like this one is **November 20, 2006 at 4:00 p.m. Pacific Time.** If you already have filed a proof of claim, you do not need to do so again.

Claim. Under title 11 of the United States Code ("Bankruptcy Code"), the term "claim" has been given the broadest possible definition and includes any right to payment, whether in contract, tort, or by statute, and whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, priority, or unsecured as of the Petition Date. A "claim" includes, by way of example only, situations where acts have occurred before the Petition Date but actual injury has not yet been manifested and equitable remedies for breach of performance if such breach gives rise to a right to payment, whether or not such right to any equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

Schedules. On May 11, 2006, PrediWave filed with the United States Bankruptcy Court ("Bankruptcy Court") presiding over this chapter 11 case PrediWave's *Schedules of Assets and Liabilities* and *Statement of Financial Affairs* (collectively, "Schedules"). The Schedules may be inspected at the office of the Clerk, United States Bankruptcy Court for the Northern District of California, Oakland Division, 1300 Clay Street, Oakland, CA 94612. If your claim is listed in the Schedules and is not listed as disputed, contingent, or unliquidated, then your claim will be allowed in the amount scheduled unless you file a proof of claim or you are sent further notice about your claim. If a liability based upon the same facts and circumstances is listed on the Schedules more than once (*i.e.*, if there are duplicate listings), you will be allowed only one recovery on your claim. Regardless of whether or how your claim is scheduled, you are permitted to file a proof of claim.

SUPPLEMENTAL BAR DATE

Pursuant to the rules of the Bankruptcy Court, the last day for filing proofs of claim expired on August 14, 2006 ("Original Bar Date"). The Court, however, has extended that date for certain parties that did not previously receive notice of that deadline. Specifically, the last day to timely file a proof of claim in this case is **November 20, 2006 at 4:00 p.m. Pacific Time** for any party that (i) was not previously served by the Clerk of the Court with notice of the Original Bar Date, (ii) did not otherwise receive notice of the Original Bar Date, and (c) has not already filed a proof of claim in this case. The Court has not yet established a deadline for the filing of administrative expense claims arising under Bankruptcy Code sections 503, 507(a)(1), 507(b), 330(a), 331, and 364.

WHO MUST FILE A PROOF OF CLAIM AND CONSEQUENCES FOR FAILURE TO DO SO

In order to preserve any claim you have against PrediWave and the rights you assert in respect of that claim that existed as of April 14, 2006, you must file a proof of claim if:

- (a) Your claim has not been listed by PrediWave in its Schedules, has been listed for \$0.00, or for an "Unknown" amount;
- (b) PrediWave has listed your claim in its Schedules in a specific amount, but you disagree with the amount listed;
- (c) PrediWave has listed your claim in its Schedules as disputed, contingent, or unliquidated;
- (d) You believe your claim to be a secured claim, but PrediWave has not so scheduled your claim; or
- (e) You believe your claim to be entitled to priority under the Bankruptcy Code, but PrediWave has not so scheduled your claim.

If you already have filed a proof of claim with the Bankruptcy Court you do not need to do so again.

If you are required to file a proof of claim and do not timely do so with the Bankruptcy Court in compliance with the procedures established by the Bankruptcy Court then:

- (a) Your claim will be discharged and you will be forever barred from: (1) participating in any manner in this chapter 11 case; (2) voting with respect to any plan of reorganization filed in this chapter 11 case; and (3) receiving any distribution in this case;
- (b) You will nevertheless be bound by the terms of any plan of reorganization confirmed by the Bankruptcy Court in this chapter 11 case; and
- (c) You will not be entitled to receive any further mailings or notices in this chapter 11 case.

All recipients of this Notice and their respective agents and attorneys have an affirmative duty to review the Notice and timely file any proof of claim. Each recipient of the Notice is personally responsible for carefully reviewing the Notice and timely filing any proof of claim on or before the applicable bar date and should not rely upon their agents and attorneys to meet the deadlines specified in this notice.

INSTRUCTIONS FOR FILING PROOFS OF CLAIM

An original and one copy of any proof of claim must be filed with the Clerk of the Bankruptcy Court, by U.S. mail, overnight courier, or in person, as follows:

Via U.S. Mail

United States Bankruptcy Court
Northern District of California, Oakland Division
Attn: Clerk of the Court
P.O. Box 2070
Oakland, CA 94604

Via Overnight Courier or Hand Delivery:

United States Bankruptcy Court
Northern District of California, Oakland Division
Attn: Clerk of the Court
1300 Clay Street, Suite 300
Oakland, CA 94612

Proofs of claim must be filed in the English language and, pursuant to Bankruptcy Code section 502(b), amounts due must be stated in lawful currency of the United States as of the Petition Date. Do not file your proof of claim with, or send copies of proofs of claim to PrediWave. Proofs of claim not filed with and actually received by the Clerk of the Court by the applicable deadline will be deemed not to be properly or timely filed. To receive an acknowledgment that your proof of claim has been received by the Clerk of the Court and filed, you must submit an additional copy of your proof of claim along with a postage-paid, self-addressed envelope.

Any proof of claim properly filed with the Clerk of the Bankruptcy Court before the mailing of this notice need not be refiled. Any creditor whose claim has been scheduled by PrediWave in a non-contingent, liquidated and undisputed amount, and who agrees with the amount and classification of its claim as scheduled, need not file a proof of claim in this case inasmuch as a claim is deemed filed on its behalf under Bankruptcy Code section 1111(a).

INQUIRIES, ADDITIONAL PROOFS OF CLAIM, AND SPECIAL NOTICE REQUESTS

This notice is only a summary of the procedures approved by the Bankruptcy Court in this case. All creditors and other parties in interest are referred to the text of that certain Stipulated Order Re Expansion of Administration of Affiliate Cash and Establishment of Supplemental Bar Date ("Stipulated Order"), which is on file with the Bankruptcy Court as Docket # 328 and to the Bankruptcy Code, Federal Rules of Bankruptcy Procedure, and Bankruptcy Local Rules for additional information regarding the filing and treatment of proofs of claim, and should consult with their own legal advisors. A proof of claim form is enclosed. To obtain additional proof of claim forms or for information regarding claims and the Schedules, please contact PrediWave (Attn: Dawn Ragan) at 48860 Milmont Drive, Suite 108C, Fremont, CA 94538, phone 510-933-1790 fax 949-567-1745 and email dragan@xroadsllc.com.

All questions regarding reconciliation of claims should be submitted in writing to PrediWave, Attn: Dawn Ragan, 48860 Milmont Drive, Suite 108C, Fremont, CA 94538, fax 949-567-1745 or email dragan@xroadsllc.com. If you wish to receive copies of pleadings filed in this case in the future, you must file a "request for special notice" with the United States Bankruptcy Court for the Northern District of California, Oakland Division, 1300 Clay Street, Oakland, CA 94612 and serve a copy of that request on Klee, Tuchin, Bogdanoff & Stern LLP (Attn: Jonathan S. Shenson) at 2121 Avenue of the Stars, 33rd Floor, Los Angeles, CA 90067, fax: (310) 407-9090. If you do not file a request for special notice, you will receive notice only of certain limited filings that are required to be served upon all creditors under Bankruptcy Rules 2002(a)(1), (4), (5) and (7), and (b), (d), and (f).

DATED: October 24, 2006

/s/ Jonathan S. Shenson

Jonathan S. Shenson, a member of
KLEE, TUCHIN, BOGDANOFF & STERN LLP
Reorganization Counsel for PrediWave
Debtor and Debtor in Possession