

INADMISSIBLE PURSUANT TO FRE 408 AND RELATED STATE LAWS

May 5, 2008

Dr. Eric Schmidt
Chairman of the Board and Chief Executive Officer
Google Inc.
1600 Amphitheatre Parkway
Mountain View, CA 94043

Re: Licensing for Memory Rank Multiplication Technology

Dear Dr. Schmidt:

Netlist, Inc. (Nasdaq: NLST) is an industry leader in memory subsystems technology and has been a memory subsystem supplier to Google.

Netlist owns a recently-issued U.S. Patent, No. 7,289,386, entitled "Memory Module Decoder," which describes and claims techniques for achieving significant cost and power saving benefits for server memory. I have attached a copy of the patent.

Starting in early 2006, our two companies engaged in a series of meetings in which Netlist shared this technology with Google under an NDA. Google did not license the technology from Netlist, but we have reason to believe that Google is using this technology in its servers.

Netlist continues to develop intellectual property in the area of memory rank multiplication for future memory interfaces, including DDR3. We believe that this technology will also be of great value to Google and other users of high-density server memory.

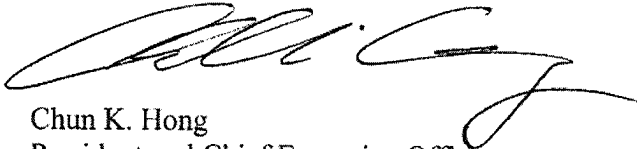
We look forward to discussing this matter with Google promptly in order to reach a mutually beneficial licensing agreement for use of current and future Netlist patented technologies.

Netlist, Inc.
51 Discovery, Suite 150
Irvine, California 92618
Tel. 949.435.0025 Fax. 949.435.0031

Please do not hesitate to contact me if you have any questions.

We would appreciate your response to this letter by May 19, 2008.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chun K. Hong', with a stylized flourish at the end.

Chun K. Hong
President and Chief Executive Officer
Netlist, Inc.

CC: Kent Walker, Vice President & General Counsel

Attachement: U.S. Patent, No. 7,289,386