

**NOTICE TO ALL PERSONS WHO OWNED A PALM M100, M105, OR M125
HANDHELD PDA AFTER JUNE 1, 1999**

This notice is to inform you about a proposed settlement of a class action lawsuit entitled Taylor v. Palm, Inc., Los Angeles Superior Court, Case No. BC 299134 (the "Lawsuit"), the Court's certification of a settlement class in that Lawsuit, and of a hearing to consider the settlement. The Lawsuit concerns Palm's model m100, m105, and m125 handheld personal digital assistants ("PDAs"). Plaintiff claims these models of Palm PDAs may be defective in that they sometimes lose data during the process of replacing batteries even when the user follows Palm's recommended procedure. Palm denies the claims made in this Lawsuit, and denies that anyone has been harmed or is entitled to compensation in relation to the claims. The Court has not made a decision on the merits.

If, on or after June 1, 1999, you owned a Palm PDA model m100, m105, or m125 for your own use (and not for resale), you are a member of the settlement class the Court has certified. Under the terms of the settlement, Palm will exchange, at Palm's expense, the Palm PDA of any owner who: (a) returns the allegedly defective Palm PDA; (b) provides a sworn statement that the owner lost data while replacing batteries in accordance with Palm's recommended battery replacement procedure; and (c) provides adequate claim documentation (as described in the Claim Form) and proof of membership in the class. The replacement product will be a new or refurbished unit of the same or a higher model. Palm reserves the right to inspect any Palm PDA submitted as part of this settlement. If Palm's records or its inspection of the Palm PDA show that the cause of data

loss during the battery exchange process is due to abuse, mishandling, or misuse of the Palm PDA, the claim may be denied. **If you wish to submit a claim, you must do so within six months after Final Approval (subject to change by the Court).**

If the settlement is approved, the settlement class representative will apply for an incentive award and plaintiff's counsel will apply for an award of fees and expenses. Neither award will affect the relief available to Settlement Class members. All claims of the Settlement Class members which were or could have been asserted in the Lawsuit, based upon the facts alleged in the Lawsuit, will be released.

If you wish to remain in the Settlement Class, you do not need to do anything. However, if you wish to receive any of the remedies provided to class members, you must submit a claim. If you do not wish to remain in the class, you must exclude yourself by mailing a written exclusion request to: Hector Gancedo, Gancedo & Nieves LLP, 144 W. Colorado Boulevard, Pasadena, California 91105. The written exclusion request must reference this Action by name, and provide your name and address. The request must also clearly indicate that you do not wish to be part of the Plaintiff Settlement Class. If you exclude yourself, you may pursue an individual claim, but you will not receive any of the benefits of the class settlement, and cannot object to the settlement. If you wish to object to the settlement, you must file your objection with the Court and provide it to the parties' counsel. If you wish to intervene in the Lawsuit, you must file a request to intervene and provide it to the parties' counsel. To properly exclude yourself, object, or request to intervene, you must follow all of the detailed instructions set forth in

the full notice and the Settlement Agreement. A copy of the full notice and the Settlement Agreement may be obtained from plaintiff's counsel, Gancedo & Nieves LLP, at the address above or at www.taylorsettlement.com. **All objections, requests to intervene, and requests for exclusion from the Settlement Class must be received by August 22, 2005.** The Court has scheduled a hearing to consider the settlement to be held on August 22, 2005, at 8:30 a.m., before Judge Elihu M. Berle, Department 42 of the Superior Court of the State of California, Los Angeles County.

DO NOT CONTACT THE COURT OR PALM CONCERNING THIS NOTICE OR THE LAWSUIT. If you wish to obtain a claim form, please visit <http://www.taylorsettlement.com>, or contact Hector Gancedo, Gancedo & Nieves LLP, 144 W. Colorado Boulevard, Pasadena, California 91105.