October 30, 1989

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John V. Kalb, Jr. Personal Systems Director, Business Development IBM Corporation Bldg 3 Route 100, PO Box 100 Somers, NY 10589

VIA FAX: 914-766-3785

Dear John:

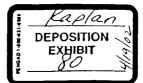
I've been thinking about our conversation of last week, and wanted to communicate some further thoughts.

I think it would be a shame if we are not able to work together. GO has technology, and IBM has market presence and credibility. The combination will allow us to establish a major market for notebook computers.

I believe that timing is critical here. If we don't get a credible product with market momentum established soon, there will be years of confusion and uncertainty as other companies promote competing products. This will benefit no one, including IBM and GO. We have the chance to build a market in an orderly fashion, by being there at the right time with the right product(s). In short, the opportunity is perishable.

I hope that internal discussions about specific tactics and resources will not prevent us from exploiting this opportunity. It's critical to get a product out as soon as possible, with IBM's endorsement. This can be done even without a specific IBM product plan. An investment in GO and a licensing agreement would be adequate to accomplish this, even in the absense of an immediate IBM development effort.

If the product is successful, IBM would have the rights to leverage that success. If it fails, IBM can take another path. This is probably the lowest risk and lowest cost strategy you could pursue in any case.



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As we discussed, I'm happy to take on whatever work we can to help reduce the required headcount for your organzation. If your management decides that a major project is not practical at this time, we should do what we can to preserve the opportunity for the future. It will be hard to recapture it later when the market dynamics are different.

Sincerely,

S. Jerrold Kaplan President and CEO

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