**PLAN OF DISSOLUTION**

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 OF

 BE INCORPORATED

 This Plan of Dissolution (the "Plan") is intended to accomplish the

dissolution and winding-up of Be Incorporated, a Delaware corporation ("Be"),

in accordance with the Delaware General Corporation Law, as follows:

 1. The Board of Directors of Be (the "Board of Directors") has adopted this

Plan and called a special meeting (the "Meeting") of the holders of Be's common

stock to approve dissolution of Be pursuant to this plan of dissolution. If

stockholders holding a majority of Be's outstanding common stock, par value

$0.001 per share (the "Common Stock"), vote in favor of the approval of this

Plan at the Meeting, the Plan shall constitute the adopted Plan of Be as of the

date of the Meeting, or such later date on which the stockholders may approve

the dissolution of Be pursuant to the Plan if the Meeting is adjourned to a

later date (the "Adoption Date").

 2. Pursuant to the terms of that certain Asset Purchase Agreement dated as

of August 16, 2001, as amended, among Be, Palm, Inc. ("Palm") and ECA

Subsidiary Acquisition Corporation, an indirect wholly owned subsidiary of Palm

(the "Purchase Agreement"), Be will be retaining certain rights, assets and

liabilities in connection with the sale of assets pursuant to the Purchase

Agreement, including its cash and cash equivalents, receivables, certain

contractual rights, and rights to assert and bring certain claims and causes of

action, including under antitrust laws. If, notwithstanding the approval of the

dissolution pursuant to his Plan by the stockholders of Be, the Board of

Directors determines that it would be in the best interests of Be's

stockholders or creditors for Be not to dissolve, including in order to permit

Be to pursue (or more easily pursue) and retained claims or causes of action,

the dissolution of Be pursuant to this Plan may be abandoned or delayed until a

future date to be determined by Board of Directors.

 3. From and after the Adoption Date, contingent upon the consummation of the

transactions contemplated by the Purchase Agreement, and subject to the

discretionary right of the Board of Directors to abandon or delay

implementation of this Plan as described in Section 2 above, Be shall complete

the following corporate actions:

 (a) Be shall determine whether and when to (i) transfer Be's remaining

 property and assets to a liquidating trust (established pursuant to Section

 6 hereof), or (ii) collect, sell, exchange or otherwise dispose of all of

 its property and assets in one or more transactions upon such terms and

 conditions as the Board of Directors, in its absolute discretion, deems

 expedient and in the best interests of Be and the stockholders and creditors

 of Be, without any further vote or action by Be's stockholders. It is

 understood that Be will be permitted to commence the sale and disposition of

 its assets as soon as possible following the adoption of this Plan by the

 Board of Directors and approve of the dissolution of Be pursuant to this

 Plan by the stockholders of Be in order to attain the highest value for such

 assets and maximize value for its stockholders and creditors. Be's assets

 and properties may be sold in bulk to one buyer or a small number of buyers

 or on a piecemeal basis to numerous buyers. Be will not be required to

 obtain appraisals or other third party opinions as to the value of its

 properties and assets in connection with the liquidation. In connection with

 such collection, sale, exchange and other disposition, Be shall use

 commercially reasonable collect or make provision for the collection of all

 accounts receivable, debts and claims owing to Be.

 (b) Be shall pay or, as determined by the Board of Directors, make

 reasonable provision to pay, all claims, liabilities and obligations of Be,

 including all unascertained, contingent, conditional or unmatured claims

 known to Be and all claims which are known to Be but for which the identity

 of the claimant is unknown.

 (c) Subject to the approval of any such distribution by the Board of

 Directors, Be shall distribute pro rata to its stockholders available cash,

 including the cash proceeds of any sale, exchange or disposition,

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 except such cash, property or assets as are required for paying or making

 reasonable provision for the liabilities and obligations of Be. Such

 distribution may occur all at once or in a series of distributions and shall

 be in cash or assets, in such amounts, and at such time or times, as the

 Board of Directors or the Trustees (as defined in Section 6 hereof), in

 their absolute discretion, may determine. If and to the extent deemed

 necessary, appropriate or desirable by the Board of Directors or the

 Trustees, in their absolute discretion, Be may establish and set aside a

 reasonable amount of cash and/or property (the "Contingency Reserve") to

 satisfy claims against and unmatured or contingent liabilities and

 obligation of Be, including, without limitation, tax obligations, and all

 expenses of the sale of Be's property and assets, of the collection and

 defense of Be's property and assets, and the liquidation and dissolution

 provided for in this Plan.

 4. Any distributions to the stockholders of Be pursuant to Section 3 and 6

hereof shall be in complete redemption and cancellation of all of the

outstanding Common Stock of Be. As a condition to receipt of any distribution

to Be's stockholders, the Board of Directors or the Trustees, in their absolute

discretion, may require the stockholders to (i) surrender their certificates

evidencing the Common Stock to Be or its agents for recording of such

distributions thereon or (ii) furnish Be with evidence satisfactory to the

Board of Directors or the Trustees of the loss, theft or destruction of their

certificates evidencing the Common Stock, together with such surety bond or

other security or indemnity as may be required by and satisfactory to the Board

of Directors or the Trustees. As a condition to receipt of any final

distribution to Be's stockholders, the Board of Directors or the Trustees, in

their absolute discretion, may require the stockholders to (i) surrender their

certificates evidencing the Common Stock to Be or its agent for cancellation or

(ii) furnish Be with such security or indemnity. The Company will finally close

its stock transfer books and discontinue recording transfers of Common Stock on

the earliest to occur of (i) the close of business on the record date fixed by

the Board of Directors for the final liquidating distribution, (ii) the close

of business on the date on which the remaining assets of Be are transferred to

the Trust or (iii) such other date on which the Board of Directors, in

accordance with applicable law, determines and close such stock transfer books,

and thereafter certificates representing Common Stock will not be assignable or

transferable on the books of Be except by will, intestate succession, or

operation of law.

 5. If any distribution to a stockholder cannot be made, whether because the

stockholder cannot be located, has not surrendered its certificates evidencing

the Common Stock as required hereunder or for any other reason, the

distribution to which such stockholder is entitled (unless transferred to the

Trust established pursuant to Section 6 hereof) shall be transferred, at such

time as the final liquidating distribution is made by Be, to the official of

such state or other jurisdiction authorized by applicable law to receive the

proceeds of such distribution. The proceeds of such distribution shall

thereafter be held solely for the benefit of and for ultimate distribution to

such stockholder as the sole equitable owner thereof and shall be treated as

abandoned property and escheat to the applicable state or other jurisdiction in

accordance with applicable law. In no event shall the proceeds of any such

distribution revert to or become the property of Be.

 6. If deemed necessary, appropriate or desirable by the Board of Directors,

in its absolute discretion, in furtherance of the liquidation and distribution

of Be's assets to the stockholders, as a final liquidating distribution or from

time to time, Be shall transfer to one or more liquidating trustees (the

"Trustees"), for the benefit of its stockholders and/or creditors, under one or

more liquidating trusts (each a "Trust" and collectively the "Trusts"), any

assets of Be which are (i) not reasonably susceptible to distribution to the

stockholders, including without limitation non-cash assets and assets held on

behalf of the stockholders (a) who cannot be located or who do not tender their

certificates evidencing the Common Stock to Be or its agent as herein above

required or (b) to whom distributions may not be made based upon restrictions

under contract or law, including, without limitation, restrictions of the

federal securities laws and regulations promulgated thereunder, or (ii) held as

the Contingency Reserve. The Board of Directors is hereby authorized to appoint

one or more individuals, corporations, partnerships or other persons, or any

combination thereof, including, without limitation, any one or more officers,

directors, employees, agents or representatives of Be, to act as the initial

Trustee or Trustees for the benefit of the stockholders and to receive any

assets of Be. Any Trustees appointed as provided in the preceding sentence

shall succeed to all right, title and interest of Be of any kind and character

with respect to such transferred assets and, to the extent of the assets so

transferred and solely in their capacity as Trustees, shall assume all of the

liabilities

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and obligations of Be, including, without limitation, any unsatisfied claims

and unascertained or contingent liabilities. Further, any conveyance of assets

to the Trustees shall be deemed to be a distribution of property and assets by

Be to the stockholders for the purposes of Section 3 of this Plan. Any such

conveyance to the Trustees shall be in trust for the creditors and the

stockholders of Be. Be, subject to this Section and as authorized by the Board

of Directors, in its absolute discretion, may enter into one or more

liquidating trust agreements with the Trustees, on such terms and conditions as

the Board of Directors, in its absolute discretion, may deem necessary,

appropriate or desirable. Approval of the dissolution of Be pursuant to this

Plan by the holders of a majority of the outstanding Common Stock shall

constitute the approval of the stockholders of any such appointment, any such

liquidating trust agreement and any transfer of assets by Be to the Trust, or

Trusts, as their act and as a part hereof as if herein written.

 7. After the Adoption Date, but subject to Section 2 above, the officers of

Be shall, at such time as the Board of Directors, in its absolute discretion,

deems necessary, appropriate or desirable, obtain any certificates required

from the Delaware tax authorities and, upon obtaining such certificates, Be

shall file with the Secretary of State of the State of Delaware a certificate

of dissolution in accordance with the Delaware General Corporation Law. After

the filing of the Certificate of Dissolution, Be shall not engage in any

business activities except to the extent necessary to preserve the value of its

assets, wind-up its business affairs and distribute its assets in accordance

with this Plan.

 8. Approval of the dissolution of Be pursuant to this Plan by holders of a

majority of the outstanding Common Stock shall constitute the approval of the

stockholders of the sale, exchange or other disposition in liquidation of all

of the property and assets of Be, whether such sale, exchange or other

disposition occurs in one transaction or a series of transactions, and shall

constitute ratification of all contracts for sale, exchange or other

disposition which are conditioned on approval of this Plan.

 9. In connection with and for the purposes of implementing and assuring

completion of this Plan, Be may, in the absolute discretion of the Board of

Directors, pay any brokerage, agency, professional and other fees and expenses

of persons rendering services to Be in connection with the collection, sale,

exchange or other disposition of Be's property and assets and the

implementation of this Plan.

 10. In connection with and for the purpose of implementing and assuring

completion of this Plan, Be may, in the absolute discretion of the Board of

Directors, pay Be's officers, directors, employees, agents and representatives,

or any of them, compensation or additional compensation above their regular

compensation, in money or other property, as severance, bonus, acceleration of

vesting of stock or stock options, or in any other form, in recognition of the

extraordinary efforts they, or any of them, will be required to undertake, or

actually undertake, in connection with the implementation of this Plan.

Approval of the dissolution of Be pursuant to this Plan by holders of a

majority of the outstanding Common Stock shall constitute the approval of Be's

stockholders of the payment of any such compensation.

 11. Be shall continue to indemnify its officers, directors, employees,

agents and representatives in accordance with its certificate of incorporation,

as amended, and by-laws and any contractual arrangements, for the actions taken

in connection with this Plan and the winding-up of the affairs of Be. Be's

obligation to indemnify such persons may also be satisfied out of the assets of

any Trust. The Board of Directors and the Trustees, in their absolute

discretion, are authorized to obtain and maintain insurance as may be necessary

or appropriate to cover Be's obligation hereunder, including seeking an

extension in time and coverage of Be's insurance policies currently in effect.

 12. Notwithstanding approval of or consent to this Plan and the transactions

contemplated hereby by Be's stockholders, the Board of Directors may modify,

amend or abandon this Plan and the transactions contemplated hereby without

further action by the stockholders to the extent permitted by the Delaware

General Corporation Law.

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 13. The Board of Directors of Be is hereby authorized, without further

action by Be's stockholders, to do and perform or cause the officers of Be,

subject to approval of the Board of Directors, to do and perform, any and all

acts, and to make, execute, deliver or adopt any and all agreements,

resolutions, conveyances, certificates and other documents of every kind which

are deemed necessary, appropriate or desirable, in the absolute discretion of

the Board of Directors, to implement this Plan and the transaction contemplated

hereby, including, without limiting the foregoing, all filings or acts required

by any state or federal law or regulation to wind-up its affairs.

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