

Product Retirement Notice

3800LR/ESD-12E

May 8, 2007

PRN #07-03

The 3800LR/ESD and 3800VHD/ESD are Hand Held Products' two linear imagers positioned for use in clean room and sensitive electronic assembly.

As a continuation of our business improvement initiatives (streamlining our product line), the 3800LR/ESD model will be retired.

Date Effective

Immediate

Replacement Product

3800VHD/ESD-12E

Please note that 3800VHD/ESD pricing has been lowered to the former 3800LR/ESD price to ease the transition for existing 3800LR/ESD customers. Performance differences between the models is minimal, the 3800VHD/ESD exceeds the 3800LR/ESD.

Service and Warranty

Please visit our service website http://www.handheld.com/Site.aspx/na/en/services_support/ for details on service and support. Hand Held Products will continue to support the product through the life of all warranties now in place or as long as the required parts are available.

If you have any questions regarding this Product Retirement Notice, please contact your Hand Held Products Representative.

John Izzo
Product Manager, Linear Imaging Retail

Worldwide Offices

NORTH AMERICA

Skaneateles Falls, NY
Tel: +1 315 685 8945
or, in North America:
+1 800 582 4263
napresales@handheld.com

Carolinas
Tel: +1 803 835 8000
or, in North America:
+1 800 582 4263
napresales@handheld.com

ASIA AND THE PACIFIC RIM

Hong Kong
Tel: +852 2511 3050
appresales@handheld.com

Japan
Tel: +813 5770 6312
appresales@handheld.com

Shanghai
Tel: +86 21 6361 3818
appresales@handheld.com

Malaysia
Tel: +603-6201 9020
appresales@handheld.com

LATIN AMERICA

Naples, Florida
Tel: +1 239 263 7600
lapresales@handheld.com

Brazil
Tel: +55 21 2178 0500
lapresales@handheld.com

Mexico
Tel: +52 55 5203 2100
lapresales@handheld.com

EUROPE, MIDDLE EAST, AND AFRICA

Europe
Tel: +31 (0) 40 29 01 600
eusales@handheld.com

United Kingdom
Tel: +44 (0) 1 925 240055
eusales@handheld.com

Italy
Tel: +39 02 7254 6754
Info.italy@handheld.com

France
Tel: +33 (0) 1 41 158220
Info.france@handheld.com

Germany
Tel: +49 (0) 7 477 151377
Info.germany@handheld.com

Spain
Tel: +34 93 228 78 68
Info.spain@handheld.com



Product Retirement Support Plan

It is Hand Held Products' plan to support products for up to 5 years after retirement from manufacturing. To this end, the following plans are available to ensure the level, and duration of support expected by each customer is available after a product is retired.

Option 1: Upgrade to most recent, compatible technology

The customer buys replacement units for current install base, along with 1 year of Bronze service and turn in their existing useable product for credit toward 1-2 years additional Bronze service. Credit would be given after receipt and evaluation of returned product. Products sent in for credit must be in good working condition. Hand Held Products reserves the right to determine which products are eligible for trade in.

Option 2: Customer buys extended support contract

The customer buys a contract for the number of years they want to guarantee continued support. They can be billed annually, but they need a PO for full amount upfront. If Hand Held Products runs out of parts to repair the product during the contracted period, they will replace the returned unit with a functionally equivalent refurbished or new unit. Return rates on contract will be based on a customer's return rate history or agreed upon rates. Excessive returns will consume supplies at a faster rate, and additional charges will apply. Contract pricing will increase once retirement is announced to cover last time buy of parts and carrying costs.

Option 3: Customer pre-pays for parts

The customer pays for parts upfront, and an annual carrying charge for Hand Held Products to hold inventory. Parts requirement will be established based on customer's repair history and length of continued support required. At time of repair, the customer pays for labor plus shipping and handling. Higher than expected return rates may create parts shortages. Hand Held Products will work with the customer to secure additional parts if possible. Pricing will be based on last time buy costs for parts, not standard pricing.