

December 8, 2011

Update from the CEO

The UP™ No Questions Asked Guarantee

To the UP Community:

Earlier this year, we unveiled Jawbone's vision to help people live a healthier life with UP. We've been thrilled by the passionate response to this product. We heard from tens of thousands of you through emails, tweets, blog posts and on our forums about how you're changing your lifestyle and becoming consumers of your own health. In just four weeks, UP users have collectively taken over three billion steps, gotten more than 300 years of sleep and captured hundreds of thousands of meals.

While many of you continue to enjoy the UP experience, we know that some of you have experienced issues with your UP band. Given our commitment to delivering the highest quality products, this is unacceptable and you have our deepest apologies. We've been working around the clock to identify the root causes and we'd like to thank everyone who has provided us with information and returned their bands to us for troubleshooting. With your help, we've found an issue with two specific capacitors in the power system that affects the ability to hold a charge in some of our bands. We're also fixing an issue with syncing related to the band hardware. Typically, these issues surface within the first seven to ten days of use. The glitches are purely performance related and do not pose any safety risk.

We've also received helpful feedback on the application experience, including bug reports, ways to make signup and finding friends easier, user interface suggestions and new feature requests. Your comments are invaluable as we continue to improve, so please keep them coming and check back frequently for updates to ensure you're always enjoying the latest features and enhancements.

We recognize that this product has not yet lived up to everyone's expectations - including our own - so we're taking action:

The UP No Questions Asked Guarantee

This means that for whatever reason, or no reason at all, you can receive a full refund for UP. This is true even if you decide to keep your UP band. We are so committed to this product that we're offering you the option of using it for free.

The program starts December 9th and full details can be found at <http://www.jawbone.com/uprefund>.

For most of you, this program is simply meant to offer peace of mind. Please continue to enjoy your UP band and keep sharing your experience with us. If you encounter any problems with your UP band, contact Jawbone directly for your choice of a replacement and/or refund under this program. It's that simple.

Jawbone remains deeply committed to addressing all issues with UP, investing in the category and giving our customers the tools to live a healthier life. We've temporarily paused production of UP bands and will begin taking new orders once these issues have been sorted out. In the meantime, we'll continue to release app updates for existing users.

We regret any disappointment we've created for our community of users and appreciate the trust you've put in us. The fact that you've taken the time to talk with us and help us make a better product is simply phenomenal. Our customers have always been part of our team and we're incredibly grateful for that.

Please know that we're doing - and will continue to do - everything we can to make things right. This is just the beginning for UP and we are excited to keep improving until we realize the powerful vision of what this category can be.

If there is absolutely anything else we can do for you, please let us know.

Hosain Rahman
CEO
Jawbone