

EXHIBIT 1



We Want A Dead Simple Web Tablet For \$200. Help Us Build It.

by Michael Arrington on July 21, 2008

I'm tired of waiting -- I want a dead simple and dirt cheap touch screen web tablet to surf the web. Nothing fancy like the Dell latitude XT , which costs \$2,500. Just a MacBook Air-thin touch screen machine that runs Firefox and possibly Skype on top of a Linux kernel. It doesn't exist today, and as far as we can tell no one is creating one. So let's design it, build a few and then open source the specs so anyone can create them.

Here's the basic idea: The machine is as thin as possible, runs low end hardware and has a single button for powering it on and off, headphone jacks, a built in camera for video, low end speakers, and a microphone. It will have Wifi, maybe one USB port, a built in battery, half a Gigabyte of RAM, a 4-Gigabyte solid state hard drive. Data input is primarily through an iPhone-like touch screen keyboard. It runs on linux and Firefox. It would be great to have it be built entirely on open source hardware, but including Skype for VOIP and video calls may be a nice touch, too.

If all you are doing is running Firefox and Skype, you don't need a lot of hardware horsepower, which will keep the cost way down.

The idea is to turn it on, bypass any desktop interface, and go directly to Firefox running in a modified Kiosk mode that effectively turns the browser into the operating system for the device. Add Gears for offline syncing of Google docs, email, etc., and Skype for communication and you have a machine that will be almost as useful as a desktop but cheaper and more portable than any laptop or tablet PC.

It will also include a custom default home page with large buttons for bookmarked services -- news, Meebo/Ebuddy for IM, Google Docs/Zoho for Office, Email, social networks, photo sites, YouTube, etc. Everything that you use every day.

We're working with a supply chain management company that says the basic machine we're looking to build can be created for just a few hundred dollars. They need us to write the software modifications to Linux and Firefox (more on that below) and spec the hardware. Then they run with it and can have a few prototypes built within a month.

What will we call it? The best name I can think of is the Firefox Tablet, but that will take a round of discussions with Mozilla.

Here's The Plan

We'll organize a small team of people to spec this out. First is the marketing document that just outlines what the machine will do -- we have a first draft of that already and will post it soon. Then we'll spec out the hardware and get people to help write the customized Linux and Firefox code. Once we've completed the design we'll start to work with the supply chain company to get an idea on the cost of the machine (the goal is \$200), and hopefully build a few prototypes. Anyone who contributes significantly to the project would get one of those first prototypes. If everything works well, we'd then open source the design and software and let anyone build one that wants to.

The goal is to keep the machine very simple and very cheap. I think this will be a lot of fun, and it may just turn into an actual product that we can use to surf the web and talk to our friends.

We'll be coordinating the project over at TechCrunchIT . Leave a comment there if you want to participate and we'll be in touch soon.

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INTRODUCING THE
DELL LATITUDE X2



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EXHIBIT 2

TechCrunch

Update On The TechCrunch Tablet: Prototype A

Michael Arrington

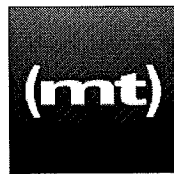
Aug 30, 2008

Update on the **TechCrunch Tablet**: A humble (and messy) beginning. Prototype A has been built. It's in a temporary aluminum case that a local sheet metal shop put together for us that's at least twice as thick as it needs to be, but the hardware has been defined and is nearing lockdown. We booted the machine in the case for the first time today, accessed the Wifi network and were able to navigate a web page via the touch screen.

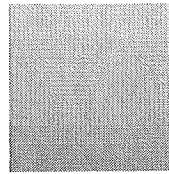
Most of the work is transitioning to software and UI, and real industrial design work on the case is beginning.

We are still far from having beta units but there is now a team working on the project, and an incredible group of people and companies have reached out to us to help. We've learned a lot about building a hardware device over the last few weeks, and it's clear that it is quite possible to build a high performance web tablet in the price range we anticipated.

A teaser picture:



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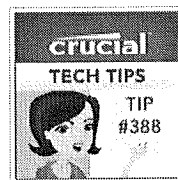
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sameer 1 month ago

EXHIBIT 3

From: 'erick schonfeld' <erickschonfeld@gmail.com>
To: Michael Arrington <editor@techcrunch.com>; Nik Cubrilovic <cubrilovic@gmail.com>
Sent: 9/18/2008 8:25:04 AM
Attachments: DuoTouch.pdf; fgextension.ppt; modcom.pdf
Subject: Fwd: Browser as an Operating System - Request for introduction to members of tc webtablet

Tablet guys should look at this. TC50 Demopit company I told you about with a browser "OS" that does some cool things.

----- Forwarded message -----

From: Chandrasekar Rathakrishnan <chandra@fusiongarage.com>
Date: Wed, Sep 17, 2008 at 10:59 PM
Subject: Re: Browser as an Operating System - Request for introduction to members of tc webtablet
To: erick@techcrunch.com

Hi Erick,

I missed 3 other attachments with the last email . The 2 pdf are images of devices that we are working with ODMs in Asia.

The 3rd attachment is another 2 slides in the form of a ppt that were missed in the original slide deck.

The first slide here shows that the "Action bar" is the entry point for urls as well.

The 2nd slide here shows that the browser os is not just meant for web tablet or laptop type devices but could work on a variety of form factors including that of mobiles.

Best,
Chandra

On Thu, Sep 18, 2008 at 10:53 AM, Chandrasekar Rathakrishnan <chandra@fusiongarage.com> wrote:
Hello Erick,

It was good meeting you at the TC50 show. Just as a quick recap, I am chandra from Fusion Garage.

We are working on the browser as an operating system. I did meet with Aza Raskin last week and it was a good meeting that we had.

He was impressed with the progress we have made along the lines of the browser as an OS.

It will be great if you could refer us to the group that is working on the techcrunch tablet.

It will be great if we could meet with Michael and/or other key members of the team working on the web tablet ,
so that we can give them a demo and discuss possible collaboration.

TC00000515

I will be in town for a few more days (currently slated to leave for Singapore on Sat midnight)

and it will be great if I could get a meeting prior to my departure.

I am prepared to extend my stay through next week to make a meeting happen as well and hence would be grateful for your help.

We have not launched as yet and are prepared to discuss ways in which we could work together.

I will be glad to meet Michael and/or the other members of the tablet team at a place and time of their convenience.

I look forward to your assistance with the introduction. My local mobile number is 415 309 5633 and my singapore mobile is +65 96705425.

In the meantime, I am attaching a powerpoint that give would give you an idea of the features with the screenshots.

I have also attached pdf with image designs of the devices that we are working with odm partners in asia.

This is not all inclusive but will give you an idea of what we are upto.

Our plans are as follows:

We are probably about 2 months or thereabouts away from primetime.

The idea here with the browser as an OS is that of having to boot with nothing else except the browser on a variety of devices with different form factors.

Obviously this means that the browser needs to evolve from what it is today to deal with a variety of things including , memory management and a user interface

that will enable for such a platform to thrive. We have worked on offline access and all as well.

We have worked on all of such things with our operating environment.

In addition, we have tried to tie the various disparate web services via the browser as a core approach coupled with a unique UI.

We have plans to have this built with our own devices and to licence this to other device manufacturers for free.

It will be great for us to start with the tc web tablet and we are prepared to do that should there be a mutual fit. On the surface, it seems like there is a terrific fit.

Timing wise, it will be best to engage early as we would need to be working with you at a early stage of device conception to try and work device drivers etc.

This is assuming that we both want to collaborate on this.

We have a demo working on the Asus EEE which is running our system.

Many thanks,
Chandra

--
Erick Schonfeld
Co-Editor, TechCrunch

<http://www.techcrunch.com/>

EXHIBIT 4

From: 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>
To: editor@techcrunch.com <editor@techcrunch.com>
CC: Heather Harde <heather@techcrunch.com>
Sent: 9/23/2008 9:08:10 PM
Subject: Fusion Garage (FG) Meeting / Browser OS

Hi Mike,

It was good meeting you and Heather today. I am excited about the possibility of working together and am looking forward to making this happen.

I will be in town till Friday midnight and I look forward to meeting with you to progress discussions further while I am here.

In the meantime, I will work to get you some of the requested information such as the cap table etc shortly.

Best,
Chandra

EXHIBIT 5

From: 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>
To: Louis Monier <louis.monier@gmail.com>
Sent: 10/25/2008 10:01:35 AM
Subject: Re: Checking - In

Hi Louis,

Thanks for the kind revert. Pls see my replies in blue below.

Cheers,
Chandra

On Fri, Oct 24, 2008 at 11:12 PM, Louis Monier <louis.monier@gmail.com> wrote:
Hi Chandra,

all is well. I was traveling, then dealing with family issues (my father is sick) over the week-end, then traveling some more, and I'm finally back in the saddle.

Sorry to hear that your father is not well. I hope he is recovering. Glad to know that you are back in the saddle though.

We all loved the quality of the mock-ups, Mike's response was "wow! WOW!". You scored at this level too. The mocks have forced me to start writing down what the real constraints should be, but having them is helping people visualize the kind of device we are talking about, as opposed to some sort of grey etch-a-sketch :). I am bouncing between the kind of sleek device your designer came up with, and something more sturdy and easy to hold that would survive a lot of use and abuse around the house: falling from the couch, getting a splash of orange juice from the kids... And hopefully we can combine these characteristics. Gotta think...

Great to know that all of you liked the mock-ups :) I agree that there is still much work to be done and we can certainly iterate the concepts. I am working on a list as well and will share that with you shortly. Pls let me know when you come up with something and I will be glad to give our perspectives as well.

I know that I owe you a response on the product spec and will revert shortly. Sorry been quite busy with travels and wanted to also make sure that I get as complete a response as I can back to you. Will revert shortly though.

Mike is in Hawaii talking to potential partners (I know this sounds funny, but it makes sense, he joined them on a retreat). He is hoping that things will move ahead quickly. The project is definitely a go (I'm 100% on it), all we need is funding and decisions on the hardware side. I will reiterate to Mike and Heather that they need to get in touch with you asap.

I appreciate the update and thanks for letting me know. I am glad that the project is a go and that it should go ahead quickly. Great to know that you are 100 % on it as well. Also let me know if you would like to consider Long Cheer for the hardware side of things and if so I can try and help on that front. I appreciate your help in reiterating to Mike and Heather to get in touch asap :) We are excited about the project and want to be involved and get things moving quickly as well.

We are at a stage where given the interest from the likes of Intel etc, we just need to plan resources. We are also at a stage where we want to do our next round of funding to allow us to do more at the same time. Knowing how we are going to collaborate with TechCrunch and all will allow me to make my next steps accordingly. Hence, I am grateful for your help in moving things along :)

Also, I can be in San Franc for discussions on collaboration and to move things forward etc when needed. Looking forward to working with you and the team on this tablet project. Thanks.

Cheers,

On Thu, Oct 23, 2008 at 9:25 PM, Chandrasekar Rathakrishnan <chandra@fusiongarage.com> wrote:
Hi Louis,

Just got back from an Intel Forum in Taiwan and after meeting with some potential customers.

Just wanted to check-in back with you to see how things were and if there were any updates.

Did not hear from you after I had sent the concept designs and was wondering what your thoughts were.

Also wanted to understand where things were and if the project was likely to take-off and if so we needed to discuss the collaboration model etc.

Just curious and have to plan resources given some keen interest from Intel and their partners as well. Hence, any information from your end will be helpful.

Many thanks.

Cheers,
Chandra

--

--Louis

EXHIBIT 6

This is Google's cache of <http://www.fusiongarage.com/blog/>. It is a snapshot of the page as it appeared on Nov 28, 2009 19:21:31 GMT. The [current page](#) could have changed in the meantime. [Learn more](#)

These terms only appear in links pointing to this page: <http://www.fusiongarage.com/blog>

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FusionGarage

The official blog

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Switcher

Fusiongarage is 1 yr old!

February 4th, 2009
6 comments

Today is officially Fusiongarage's 1st birthday!

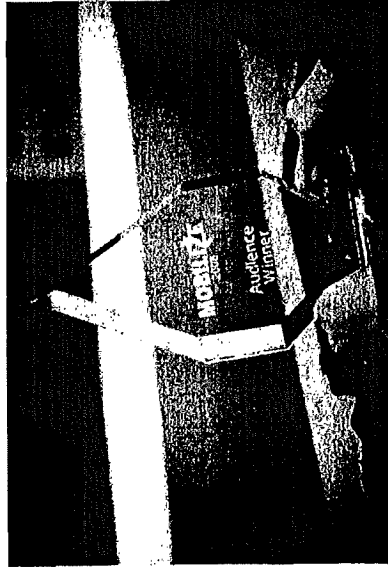


The last year was pretty eventful. Though we started discussing about the team and company sometime in early January 2008, finding a name for the startup (with a url that was available!), getting a convenient office space, bringing together the

initial team etc took us a bit of time. February 2008, we were just setting up fusiongarage's office space. By day, we were assembling furniture we bought from IKEA and by afternoon we were busy brainstorming our product idea. Once we settled on the core product idea, we set out to build a prototype application. We ended up building some really cool stuff in the next few months.

When we eventually had a demo-able version of our idea (it had a 'grander' vision of what we are building right now), it was also that time of the year, when TechCrunch had started accepting applications for the TechCrunch50 2008 conference.

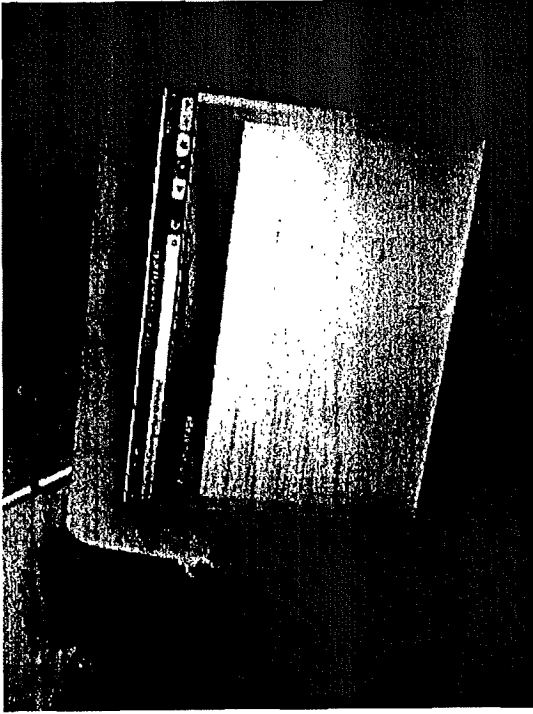
We decided to send our entry and a few weeks later, we found ourselves at the demopit in the conference venue. We didn't really launch our product/startup there, the plan was to showcase the concept to the attendees, gauge their interest and gather feedback. People seemed to like our idea, and some interesting meetings were scheduled for the next few days.



The week following TC50, we also attended Mobilize '08 - a conference targeting the mobile web space, organized by GigaOm network. People liked our product idea there as well; we even won the audience choice award! There were a few very interesting observations made here as well.

So after a fruitful 3 weeks at SFO, we were back to Singapore, only to start preparing our software for the Intel Developer Forum, at Taipei, Taiwan. What better place to present our software to Intel based hardware manufacturers, than the IDF! So off, we went. (More of that later, as things get 'declassified')

The collaboration with the Crunchpad project happened as a result of meetings we had with Mike Arrington and co, subsequent to TC50. We worked closely with Louis Monier in getting the software in shape for the hardware prototype B. We continue to work with them in getting the software in shape to make crunchpad a easy to use device. This is where we stand as of prototype-B: (Details over at TechCrunch's update)



As I said, the last year had been a very exciting year for FusionGarage. We expect that 2009 is gonna be no less exciting!

Arul Prasad General

Techcrunch Tablet Prototype B

January 19th, 2009

32 comments

There is an air of excitement permeating through Fusion Garage at the moment. Michael Arrington of Techcrunch just wrote an update on the Techcrunch Tablet Prototype B.

It's our software that is running on the tablet as demonstrated in the videos embedded in the article. We continue to work with Louis Monier on the feature set and the user experience. We are thrilled with this progress and would like to take the opportunity to thank Michael and Louis for giving us the opportunity to work with them on the Techcrunch Tablet.

Its early days yet but we are big believers of the Browser As An Operating System and the Techcrunch Tablet Initiative.

http://74.125.155.132/search?q=cache:P_-Nbt67tloJ:www.fusiongarage.com/blog/+http://www.fusiongarage.com/blog&cd=1&... 12/4/2009

A nice way to begin 2009 here at FusionGarage !

[chandra General](#), [TechCrunch Tablet browser](#), [operating system](#), [techcrunch tablet](#)

Garage Is Open !

January 19th, 2009
[4 comments](#)

Hey there,

We are finally out in the open after spending almost a year in stealth !

It all started with the following lead :

“What if the browser could boot without an OS ? How different would the world be ? “

We spent 2008 working on the above lead and are excited

with the progress we have made.

More details to follow in subsequent posts.

Garage Is Open!

[chandra General](#), [Garage](#), [General](#)

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EXHIBIT 7



TechCrunch Tablet Update: Prototype B

by Michael Arrington on January 19, 2009

It's time for an update on the progress we've made on the low cost touch screen tablet that I first wrote about in July 2008 when I asked for a dead simple touch screen web tablet that boots right to the browser. Here's our first post on the tablet, which we're now calling the CrunchPad Internally.

The idea is to get a new type of device into people's hands for as cheap as possible (we were aiming for \$200, it looks like \$299 is more realistic). It fits perfectly on your lap while you are sitting in front of the TV, so you can look up stuff on Wikipedia or IMDB as you channel surf. It plays Flash video flawlessly so you can watch movies and TV shows on Hulu or Joost or wherever. Or listen to music on MySpace Music. Or use TokBox to have a video chat with your parents. Then check email and call it a day. Facebook, MySpace, YouTube, Hulu, Wikipedia, Google Docs and Gmail are the killer apps for this device.

Because the device skips the resource-sucking parts of the operating system and focuses on one application – the browser – very low end hardware can be used and still give users a desktop-like Internet browsing experience.

We built a working but very humble Prototype A in August. It barely booted, but once it did it was a working touch screen web tablet built on very low end hardware. And when I surfed the web with it, I knew I wanted one that worked properly.

Since August a lot has happened. First, we now have a team lead -- Louis Monier -- Louis, formerly the founder/CTO of AltaVista (he's credited with building one of the first Internet search engines), has also spent time at eBay (head of the Advanced Technology Group), Google and Cull. Louis left Cull in the Fall and has been spending his spare time working with outside teams to build the new prototype. He's in love with the project, and we're lucky to get his time.

Second, we've completed Prototype B of the CrunchPad and are ready to show it to you. I include pictures and video to show it in action.

CrunchPad Prototype B

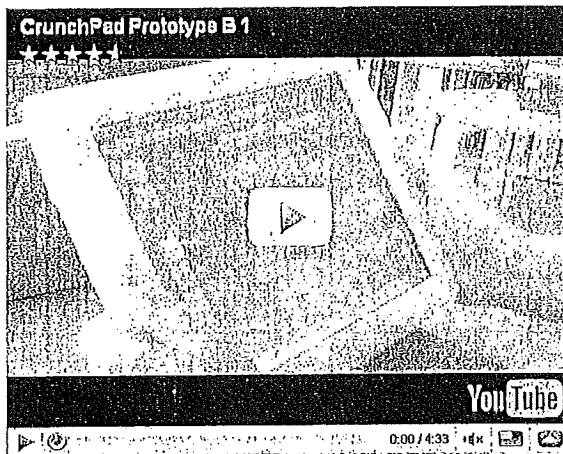
The device has a 12-inch touchscreen with a 4:3 aspect ratio (which is ideal for web browsing in my opinion). It is powered with a Via Nano processor, which has performed at par with the Intel Atom in our testing. 1 GB of ram (its more than we need) and a 4 GB flash drive to store the OS and browser and any cache. Resolution is 1024x768, which means the vast majority of websites are viewed in full width without scrolling. The device also has wifi, an accelerometer (so when you turn the screen on its side you can view more of a web page), a camera and a four cell battery. Total cost of the device, when we include estimates for the case, codecs and other miscellaneous items, is just over \$200. Prototype B is actually much less expensive because the screen we used isn't very good. The price estimate includes a much better, more expensive LCD.

The case, which was designed and built by David Yarnell and Greg Laller from Dynacore, is 12.5" x 9.7" x 1.3". It's about twice as thick as it needs to be without further engineering -- we just built in a safety thickness in case of heat or other issues. The device weighs three pounds, partially due to the extra batteries we've stuffed into it to see how long we can run it without power. Still, the device weighs in at 2 oz less than the 10" eeePC.

The software: currently we're running a full install of Ubuntu Linux on the prototype with a custom Webkit browser. A lot of the work done to date has been on the drivers and the virtual keyboard, which you can see in the videos. The software has been created by Singapore-based Fusion Garage, who continue to work with Louis on the feature set and user experience.

More pictures:

Here are the videos:

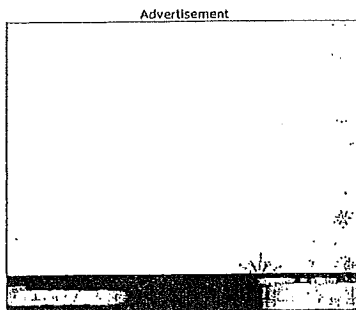


What's next?

We've completed our original goal of building a "dead simple and dirt cheap touch screen web tablet to surf the web." The hardware is nearing lockdown. Software development is rolling. And we've spent very little money to get to this point.

We've received thousands of comments and emails from people who want this device right now. We've had tremendous support from the community in helping us build the prototypes, and *Via* has been flat out amazing with their support of the project.

We've also gotten quite a bit of interest from the investment community. The real question for us is whether this project has legs and should go forward towards production units, which is a very big step from a working prototype. That would require spinning the company off from the blog and building a team around Louis. It's a decision we haven't made yet.



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117 comments

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EXHIBIT 8



About Those New CrunchPad Pictures

by Michael Arrington on April 10, 2009

A little background for those of you who haven't heard of the CrunchPad: This is the post that kicked off the project. I wanted something I couldn't buy, and found people who said it could be built for a lot less than I imagined. The goal – a very thin and light touch screen computer, sans physical keyboard, that has no hard drive and boots directly to a browser to surf the web. The operating system exists solely to handle the hardware drivers and run the browser and associated applications. That's it.

The key uses: Internet consumption. The virtual keyboard will make data entry a pain other than for entering credentials, quick searches and maybe light emails. This machine isn't for data entry. But it is for reading emails and the news, watching videos on Hulu, YouTube, etc., listening to streaming music on MySpace Music and imeem, and doing video chat via tokbox. The hardware would consist of netbook appropriate chipsets (Intel Atom or Via Nano), at least a 12 inch screen, a camera for photos and video, speakers and a microphone. Add a single USB port, power in and sound out, and you're done. If you want more features, this ain't for you.

Price? It can be built for less than \$250, including packaging. Add in fixed costs and other stuff you have to deal with (like returns), and you can sell it for \$300 and probably not go out of business. Physical design is important, and the software is the key to winning.

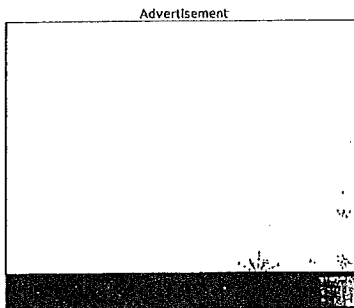
We stumbled through an initial prototype that barely booted, but we finished it in a month. Prototype B was much more impressive and usable. That effort was led by Louis Monier, with software developed by Singapore-based Fusion Garage and industrial design work by David Yarnell and Greg Laller from Dynacept.

Anyway, we've continued to tinker with the project, which is referred to as Mike's Science Project Internally (or, "that thing"). But we certainly aren't ready to talk about anything more at this point. But we did meet with Fusion Garage again today to test out the most recent prototype (B.52). This is a significant step forward from Prototype B because the software stack is now entirely customized. The last version had a full install of Ubuntu Linux with a custom Webkit browser. This version has a bottom-up linux operating system and a new version of the browser. We also switched from Via to the Intel Atom chip. The total software footprint is around 100 MB total, which is a solid achievement. Also, this time the ID and hardware work was driven by Fusion Garage out of Singapore.

In fact, all the credit should go to Fusion Garage. But frankly we weren't planning on talking about it at all, it just isn't the right time yet. But, to make a long story short, someone accidentally published some photos we took to the web, they were seen and shortly were everywhere (see lots lots lots lots lots more). Even our own CrunchGear couldn't resist.

Ok, so now that what's done is done, where do things stand? Well, I'm not ready to say yet. But one thing I've learned about hardware in the last year is that you need partners to actually make things happen, and the credit for what we saw today goes entirely to the Fusion Garage team. Those guys are rock stars.

Here's are pictures of the various prototypes in chronological order if you're interested. The first was our initial conceptual drawing.



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117 comments

LaLa Was Bought By Apple For \$17 Million, Not \$80 Million
83 comments

Microsoft Looks For Don Dodge Replacement
72 comments

Google Aims To Push The Speed Of Light With Realtime Results. Seriously.
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EXHIBIT 9

From: 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>
To: giles saunders <giles@fusiongarage.com>; arulprasad
<arulprasad@fusiongarage.com>
Sent: 5/14/2009 8:13:19 PM
Subject: Fwd: first set to get u going,,,next one coming after this

next set of slides....

arul shld tell story of how we got to tc50....

tc50 story..... (maybe can use this pic as cover for tat,,, here we come SF.... dsc0391

dsc0023

then dsc 0088, dsc 0123,, dsc 0248 , dsc0242

effects from not sleeping for days..... dsc0171

mobilize (arul shld talk abt the mobilize story)

slides will be with following photos....

dsc0766, dsc 0801, dsc 0821

then arul shld focus on collaboration with techcrunch..... (slide shld say.....the meeting with the man itself... n here arul can talk abt how we met mike and how the collaboration came abt) , dsc 1398

then taiwn idf...(shld talk abt how we got there etc...) photo wld be dsc 1944

then shld have a slide that tlks thru the evolution of the collaboration with techcrunch....prototype b then prototype c....
(show photos of crunchpad here)

----- Forwarded message -----

From: Chandrasekar Rathakrishnan <chandra@fusiongarage.com>

Date: Fri, May 15, 2009 at 10:56 AM

Subject: first set to get u going,,,next one coming after this

To: giles saunders <giles@fusiongarage.com>, arulprasad <arulprasad@fusiongarage.com>

Presentation

1st part....

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the first 3 slides on fg getting techcrunched...

4th slide should say "Journey of Fusion Garage" bottom tagline shld say how a singapore startup went global....

5th slide onwars.... shld be the "the beginning days"

photos used wld be as follows :

BK Thinktank : P1190153.JPG, p1190163.

outside storytelling: p1190141.jpg

first days: p1190219

shopping at ikea p1190221

setting up: p91190222

new office :p1190702, p1190700

product discussions: p1190463

after a hard day's work..... p1190838.jpg

(arul will say this after the above... as u can see .., we have worked very hard..... how hard ?s... its time to bring on my co-speaker, bok, looking at him, this is how hard we have worked....bok then n now... with bok on stage...bok will remain on stage.... while arul continues his presentation....)

EXHIBIT 10

From: 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>
To: Hedirman Supian <hedirman@mediacorp.com.sg>
Sent: 4/13/2009 9:57:32 PM
Subject: Re: Articles and Update

Kinda of :) in the midst of finalising some stuff...still confidential but will keep u posted.

cheers

On Tue, Apr 14, 2009 at 12:12 PM, Hedirman Supian <hedirman@mediacorp.com.sg> wrote:
Thanks Chandra, I saw these updates as well. So now you guys are handling the product design as well?

Hedirman

From: Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]
Sent: 14 April 2009 11:57
To: Hedirman Supian

Subject: Fwd: Articles and Update

Hi Hedirman ,

Hope this mail finds you well. Just a quick update on things....we had articles written on us a couple of days back...

fyi and reference.... pls let me know if you have any questions.....

The article from mike ..

<http://www.techcrunch.com/2009/04/10/about-those-new-crunchpad-pictures/>

the first few articles documenting the leak! & some others

<http://www.crunchgear.com/2009/04/09/crunchtablet-hits-the-net-a-little-early/>
<http://www.businessinsider.com/crunchpad-2009-4>
<http://www.engadget.com/2009/04/09/leaked-pics-of-the-crunchpad-make-it-look-dangerously-close-to-a/>
<http://www.kojakfull.com/techcrunch-tablet-is-totally-awesome.html>
<http://spamflet.posterous.com/crunchpad-the-next-big-must-have-gadget>
<http://www.seanpercival.com/blog/2009/04/10/crunchpad-tilf/>
<http://blog.dustincurtis.com/could-arrington-have-pulled-off-the-crunchpad>
<http://blog.wired.com/gadgets/2009/04/leaked-photos-w.html>
<http://blogs.courierpostonline.com/gogogadget/2009/04/10/if-apple-wont-build-a-touchscreen-tablet-techcrunch-will/>
<http://presata.com/wp/software/crunchpad-photos-of-techcrunchs-delicious-burgaswebcom-tablet-techcrunch-8/>
<http://mobilitysite.com/2009/04/the-crunchpad-leaks-engadget-breaks-the-story/>
<http://smartech.blogtery.com/2009/04/12/first-crunchpad-tablet-pc-images-go-live/>
<http://arabcrunch.com/2009/04/crunchpad-shipping-soon.html>

<http://www.ehomeupgrade.com/2009/04/09/near-finalized-crunchpad-photos-inadvertently-hit-the-net/>
<http://www.gottabemobile.com/2009/04/09/techcrunchs-crunchpad-makes-a-showing-pretty-sexy/>
<http://www.lorenheiny.com/2009/04/09/12-crunchpad-to-support-capacitive-touch/>

Summaries (after a day of news...good read)

<http://www.engadget.com/2009/04/10/michael-arrington-drops-science-on-crunchpad-still-wont-sell-u/>
<http://www.lockergnome.com/forian/2009/04/12/crunchpad-leak-roundup/>
<http://i.gizmodo.com/5207334/all-about-the-crunchpad-web-tablet#viewcomments>

"With immediate effect, we have changed our email domain to mediacorp.com.sg"

IMPORTANT: This message is intended for the recipient named above. It may contain confidential or privileged information. If you are not the intended recipient, please notify the sender immediately by replying to this message and then delete it from your system. Any form of unauthorized use or dissemination is prohibited. Risks are inherent in all internet communication. Each recipient is responsible for protecting its system from viruses and/or other harmful code and/or device. The sender is not responsible, and hereby disclaims all liabilities arising from or in relation to any viruses and/or other harmful code and/or device.

EXHIBIT 11



CrunchPad: The Launch Prototype

by Michael Arrington on June 3, 2009

We've been working hard behind the scenes on the CrunchPad since our [last update in April](#), and have just about nailed down the final design for the device. We're showing the conceptual drawings here today. In another few weeks we'll have the first working prototypes in our office.

This launch prototype is another significant step forward from the last prototype. The screen is now flush with the case and we've decreased the overall thickness to about 18 mm. The case will be aluminum, which is more expensive than plastic but is sturdier and lets us shave a little more off the overall thickness of the device.

I believe the device now actually looks better than the original concept design we published last summer. Compare the images below to the first prototype and you can see how far we've come. If you're interested, here's [Prototype B](#). Pictures of [Prototype C](#), which is the device we're actually demo'ing to people now, are [here](#).

A lot has happened behind the scenes, too. Our partner [Fusion Garage](#) continues to drive the software forward, and we are in deep discussions with key partners to bring the device to market. If you'd like to see the previous CrunchPad in action, we have a previously-private video [available on YouTube](#) that shows our vision for the user interface and the last version of the software stack. This is a Linux based operating system and a WebKit based browser. The device boots directly into the browser.

The next time we talk about the CrunchPad publicly will be at a special press and user event in July in Silicon Valley. If you'd like to be emailed when new news comes out, send an email to crunchpad@techcrunch.com and we'll put you on the list.

Here is the near-final industrial design for the CrunchPad:

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EXHIBIT 12

From: Heather Harde on behalf of /O=MSE16/OU=FIRST ADMINISTRATIVE
GROUP/CN=RECIPIENTS/CN=HEATHER
Sent: Saturday, June 20, 2009 05:13 AM
To: Chandrasekar Rathakrishnan
CC: 'Michael Arrington'
Subject: RE: Payments

I called the bank this afternoon and there are no wires on Saturday. Best I can do is Monday morning.

From: Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]
Sent: Friday, June 19, 2009 3:26 PM
To: Heather Harde
Subject: Fwd: Payments

as requested

----- Forwarded message -----

From: Chandrasekar Rathakrishnan <chandra@fusiongarage.com>
Date: Tue, Jun 16, 2009 at 7:25 AM
Subject: Payments
To: Michael Arrington <editor@techcrunch.com>, Heather Harde <heather@techcrunch.com>

Mike / Heather ,

I need help with advancing some payments for vendors to ensure that we stay the course on timeline.

The 2 grps that need some payment advance is the touchpanel and mechan guys.

TI, has already given us the drawings for touchpanel and lcd bonding.

but we need them to release the sensor/controller design for the main board to pegatron almost immediately.

For that we need to pay them the NRE fees. pls note that these fees are for work leading to production and not "wasted" cost.

so basically, its cost that can be capitalized under production. I have attached the proforma for this payment in this mail.

I am out of options at the moment so need your help on this but i do think i will be able to raise interim funding/loan by mth's end.

If needed, when i raise interim funding/loan, this can be refunded back to TC to keep it clean.

The amount required to be paid to TI is a total of USD 23,500. It will be very helpful if this payment can be made by tomorrow.

The other guys that need to be paid is the grp in singapore that is helping with the mechan alongside our id guy n pegatron.

this is lawton n yeo and we need to pay a portion of their fees . i m still trying to manage this and will let u know later this week if this is required.

This, if required would be for abt sgd 20,000.

Thanks,
Chandra

TC00009666

EXHIBIT 13

From: 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>
To: Michael Arrington <editor@techcrunch.com>
CC: Heather Harde <heather@techcrunch.com>
Sent: 6/27/2009 3:00:57 PM
Subject: Re: moving forward

Mike,

This mail might appear a bit long but pls stay with me as I outline my thoughts leading to my decision. (yes, i answer your question at the end)

I had some long chats with some of my investors & creditors.

The crux is you need to acquire a "clean" company (FusionGarage) to make this deal work at your end.

Accordingly, the offer is 35 % of CrunchPad for FusionGarage (inclusive of all equity, stock options and loans flushed) .

The tricky bit of the deal has been the issue of flushing loans as part of the above offer.

The total loans outstanding is about USD 500k. At my end , i only see 3 ways of making this work.

1) All loans remain outstanding until the next round of funding and gets converted then at a small discount to the price of that round
or gets repaid at that point as part of the raising.

I can make the above option work and I prefer this option for obvious reasons but I understand its off the table. so, that's that.

2) All loans convert as part of this round of raising.

Understand, this is not a preferred option as it results in greater dilution for all involved. It will be another 16 % dilution , assuming a valuation of 3 million. So, this option is out as well.

3) All loans convert prior to acquisition and CrunchPad acquires a "clean" company for 35 %.

Understand that this is the only option if the other 2 options are off the table. The only way I see this working is that I assign my equity portion of CrunchPad arising from my direct equity in FusionGarage to investors and creditors. That would mean that I assign the total of 20 % to investors and creditors. So, that leaves me with just the stock options grant which is proposed at 11 %.

With all that said and as mentioned previously, even while going with option 3, I would need to return about USD 75 K out of the outstanding loans. The rest can be converted as per option 3.

So, after having thought about this again for the whole of last night and this morning, I will do this deal even if it means the only

possibility is option 3.

Having said that, I would like to humbly request that you consider increasing the offer to acquire FusionGarage. It will be great if you

would consider increasing the offer of 35 % to 40 % instead. This would give me that bit more to play with.

To be clear, I am not saying that I will only do this if the offer is increased by 5 %.

I am saying that while I would be thankful for that, I **will do the** deal even if it stays 35% .

I hope the above answers your question with no ambiguity.

Thanks,
Chandra

On Sat, Jun 27, 2009 at 2:17 PM, Michael Arrington <editor@techcrunch.com> wrote:
Chandra,

You don't seem to be able to speak authoritatively for your investors and creditors. For reputation reasons I'm forced to notify our investors the deal is off.

Let's talk Monday and see where we stand. At this point it looks like our position is to turn the project off completely.

Copying Keith so that he can gracefully wind down discussions he is leading.

Mike

On Jun 26, 2009, at 9:58 PM, Chandrasekar Rathakrishnan <chandra@fusiongarage.com> wrote:

Mike,

Thanks for writing an email to investors. Understand why it's not easy and am thankful that you are trying.

My position has not changed. I want to make this work with you guys and have been keen on the acquisition.

Am prepared to do everything it takes to close the acquisition etc.

Pls let me know how it goes with the investors.

Thanks,
Chandra

On Sat, Jun 27, 2009 at 12:37 PM, Michael Arrington <editor@techcrunch.com> wrote:
Chandra,

I'm putting together a long email to investors this evening outlining where we stand and why they should consider an investment without the asian money. It isn't going to be easy, but I'll try.

One thing that just isn't clear is where you stand wrt our offer to acquire the company. I don't want to make representations about your position that aren't accurate. Please let me know.

Mike

EXHIBIT 14

From: 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>
To: Heather Harde <heather@techcrunch.com>
CC: J Michael Arrington <editor@techcrunch.com>; Louis Monier <louis.monier@gmail.com>
Sent: 11/13/2008 8:06:20 PM
Subject: Re: Next steps

Hi Heather,

Thanks for the revert. I understand the rationale behind pushing back discussions till financing is finalized at your end at the end of this month.

I will make arrangements to meet in person in early December and will push back my current trip.

I think it will be good to progress discussions to figure options for structure to work together in the meantime.

Pls let me know your thoughts i.r.t above and how we could progress those discussions in the meantime.

Many thanks,
Chandra

On Fri, Nov 14, 2008 at 6:55 AM, Heather Harde <heather@techcrunch.com> wrote:

Chandra,

We remain enthusiastic about working together on our tablet project. At this stage, it makes more sense to hold off on an in-person meeting until we finalize our own financing at the end of this month. It will make most sense to meet in person early December. If you want to do a call next week with Michael and Louis next week to continue to push forward on strategic discussions, I'll happily arrange. Please don't misinterpret this as a lack of interest—on the contrary, we're working hard on this end to line things up to have a productive discussion with you as soon as we can execute quickly. Any updates, please let Louis and me know.

Best regards,

Heather

310.871.4351 cell / heather@techcrunch.com

EXHIBIT 15

From: 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>
To: Michael Arrington <editor@techcrunch.com>
Sent: 8/31/2009 8:34:00 AM
Subject: Re: Update

its obvious, you have not slept much tonight :) just sent you more shots of the front etc of the first completely assembled unit.

we will be working round the clock this week to integrate software. i expect to get most things up by beginning next week.

btw, we are already booting from power on to home screen in 11 secs right now excluding bios. including bios is 20 secs.

if we exclude bios, we are booting faster than most nokia phones , iphone etc.

we should be able to get whole system down including bios to 10 secs by this weekend.

we will still have work to do when we get there but it should be 80 percent there when we get to SF. Planning to head out on Wed next week and get there same day wed evening.

will need your help with support letters for visa for a few of the guys. will send separate email on that this morning pst.

thanks,
chandra

On Mon, Aug 31, 2009 at 9:31 PM, Michael Arrington <editor@techcrunch.com> wrote:
yeah, going public with them isn't going to happen.

i'd like to see the front as well.

On Aug 31, 2009, at 5:05 AM, Chandrasekar Rathakrishnan wrote:

Sent u whatever I have on my phone. Will forward u the other pics as soon as my guys send it over. also sent u pics comparing our device with mac air. Am out but still reach able on my mobile.

Also , pls do not go public with these photos . Strongly believe that we should do one big bang n reveal this at press conf. We are almost there n I will be over there next week.

Thanks,
Chandra

On 8/31/09, Chandrasekar Rathakrishnan <chandra@fusiongarage.com> wrote:
Ok. Will send u those un cased ones that I have taken previously on my iPhone. Pls
Bear with me as they come in individual emails. Thanks

On 8/31/09, Michael Arrington <editor@techcrunch.com> wrote:
pls send photos now even without casing, and more later.

On Aug 31, 2009, at 4:28 AM, Chandrasekar Rathakrishnan wrote:

Will send as much as I can n asap.
We casing up unit again as we were doing integration.
Will then take the photos n send over. N pls hold off any decisions
till u see working units when I get there nxt wk. Thanks

On 8/31/09, Michael Arrington <editor@techcrunch.com> wrote:
i need you to send me photos, lots of them, today.

Part of the issue right now is with best buy. I have to email him by
8 am EST today, which is an hour from now. I'd like to see these
photos before then.

On Aug 31, 2009, at 3:58 AM, Chandrasekar Rathakrishnan wrote:

Mike,

Pls do not kill the project as yet. Pls hold off a week.

I will fly to SF sometime mid next week with all of the new devices
etc.

We just got the newly assembled complete unit (with touchscreen
etc).

We working hard to do software integration right now.

And trust me, the device rocks! its slimmer than macbook air and
its really really nice.

Seeing the device is the best way of proving that.

I will send you some pictures later today and I am doing so
reluctantly as seeing the device is a way bigger wow.

I know how to deal with Pegatron and some of the challenges that we
are currently facing. We can overcome these challenges.

Its going to be easier to discuss this in person and I will there
sometime mid next week.

I will come up with a team of guys so that we can continue fixing
issues and getting product ready.

If we decide to move forward and get the product launched at TC50
or separate press event, then i will have my team to back me and
get the product where it needs to be.

There is little time and we need to be working through next week to get product to a good state and I am not going to be able to do it alone.

So team of guys will fly with me. The commitment to make this happen is obvious and I can underline that any further than suggesting that a team of guys are going to come with me to the states.

I will need your help with letters to suggest purpose of visit to facilitate visa application of the guys from India and will send a separate email on that later tonight.

I would need those letters by end monday your time pls as we need 5 to 7 days for visa application.

I was going to write these emails sometime tonight your time but your call came before my updates.

Pls hold off and give me time till next week to come over and sort all of this.

Will send email with photos of the device later today.

Thanks,
Chandra

EXHIBIT 16



September 3rd 2009

American Embassy
27 Napier Road
Singapore 258508

ATTN : VISA OFFICER

Dear Madam/Sir

Re: Application For Business Visa (B1) For Entry to United States Of America

Applicant: Miss Choppa Jayalakshmi

Purpose of Entry: Business Visitor

This letter is provided in support of Miss Choppa Jayalakshmi's request allowing her entry to United States of America for temporary business purposes.

FusionGarage Pte Ltd

We confirm that FusionGarage is a company incorporated in Singapore and with its registered address at 120 Lower Delta Road, Cendex Building, #07-16, Singapore 169208

Fusion Garage is currently in discussions to be acquired by a company incorporated and with its primary business in the United States of America. Company in concern is known as TechCrunch (www.techcrunch.com)

TechCrunch and FusionGarage have been working as partners for the last 12 months on a web tablet product.

The web tablet will be launched during TechCrunch50, a global event to be held in San Francisco on 14th and 15th of September 2009.

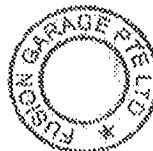
During the event, the web tablet will be unveiled publicly for the first time and pre-orders of the device will be made available.

FusionGarage has been driving the development efforts. Unfortunately and unexpectedly, the development of the device is facing major last minute technical glitches and requires immediate fixing.

However, the web tablets are currently in assembly in the US and our engineers are required to be in the US to debug and fix the unexpected technical issues that has arisen.

Failure to fix the technical problems will lead to a no-show at TechCrunch50 on September 14th and will result in huge financial losses for FusionGarage. This will bring the survivability of FusionGarage in question and could lead to much consternation.

Accordingly, FusionGarage would need to, on an urgent basis fly three of its employees (of different expertise) to San Francisco to immediately audit, debug and solve the technical issues at hand.



CHAND

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Given the tight deadline on hand and with the launch publicly announced for Sep 14th 2009, FusionGarage would need its engineers on-site to fix the issues as early as possible during the week of 6th September and no later than the 9th of September.

The technical issues at hand were completely unexpected and could not have been planned for. Please be assured that FusionGarage had considered all other possible alternatives before concluding that having Miss Choppa Jayalakshmi onsite is the only possibility in giving us the best chance of fixing the technical issues.

Accordingly, FusionGarage confirms that Miss Choppa Jayalakshmi is an employee of Fusion Garage Pte Ltd since Nov 24th 2008 and requires her immediate presence in San Francisco to audit and fix the unexpected but critical technical issues.

This is critical as Miss Choppa Jayalakshmi is an expert in the area of gesture recognition and her technical expertise is required in fixing these unexpected technical issues.

Miss Choppa Jayalakshmi is the only employee with the relevant experience and expertise needed in auditing and fixing the unexpected technical issues.

Given the unexpected technical issues, the criticality of having to fix these issues, the close proximity of date of launch (14th September 2009) and Miss Choppa Jayalakshmi's expertise in the area of gesture recognition, FusionGarage respectfully requests that Miss Choppa Jayalakshmi is granted a business visa.

Miss Choppa Jayalakshmi will return to Singapore on or before 30th September 2009.

In this regard we confirm that FusionGarage

- will ensure repatriation of Miss Choppa Jayalakshmi on or before 30th September 2009.

FusionGarage would like to reiterate that the technical issues were completely unexpected and needs to fix the issues prior to 14th September or risk going out of business.

Our Request

Given the foregoing, we respectfully request that a visa for entry to United States of America be issued to Miss Choppa Jayalakshmi. Should you require any further information, please do not hesitate to contact me at +65 96705425. We thank you for your consideration of this request and look forward to your favorable response.

Yours faithfully;



Chandrasekar Rathakrishnan

C.E.O

FusionGarage Pte Ltd





September 2nd 2009

American Embassy
27 Napier Road
Singapore 268508

ATTN : VISA OFFICER

Dear Madam/Sir

Re: Request For Emergency Visa Appointment

Applicant: Mr. Tundagura Venkata Sundara Deepak

Purpose of Entry: Business Visitor

This letter is provided in support of Mr. Tundagura Venkata Sundara Deepak's request for an emergency visa appointment.

FusionGarage Pte Ltd

We confirm that FusionGarage is a company incorporated in Singapore and with its registered address at 120 Lower Delta Road, Cendex Building, #07-16, Singapore 169208

Fusion Garage is currently in discussions to be acquired by a company incorporated and with its primary business in the United States of America. Company in concern is known as TechCrunch (www.techcrunch.com)

TechCrunch and FusionGarage have been working as partners for the last 12 months on a web tablet product.

The web tablet will be launched during TechCrunch50, a global event to be held in San Francisco on 14th and 15th of September 2009.

During the event, the web tablet will be unveiled publicly for the first time and pre-orders of the device will be made available.

FusionGarage has been driving the development efforts. Unfortunately and unexpectedly, the development of the device is facing major last minute technical glitches and requires immediate fixing.

However, the web tablets are currently in assembly in the US and our engineers are required to be in the US to debug and fix the unexpected technical issues that has arisen.

Failure to fix the technical problems will lead to a no-show at TechCrunch50 on September 14th and will result in huge financial losses for FusionGarage. This will bring the survivability of FusionGarage in question and could lead to much consternation.

Accordingly, FusionGarage would need to, on an urgent basis fly two of its employees to San Francisco to immediately audit, debug and solve the technical issues at hand.

Given the tight deadline on hand and with the launch publicly announced for Sep 14th 2009, FusionGarage would need its engineers on-site to fix the issues as early as possible during the week of 7th September and no later than the 9th of September.



The technical issues at hand were completely unexpected and could not have been planned for. Please be assured that FusionGarage had considered all other possible alternatives before concluding that having Mr. Tundagura Venkata Sundara Deepak onsite is the only possibility in giving us the best chance of fixing the technical issues.

Accordingly, FusionGarage confirms that Mr. Tundagura Venkata Sundara Deepak is an employee of Fusion Garage Pte Ltd since Aug 8th 2008 and requires his immediate presence in San Francisco to audit and fix the unexpected but critical technical issues.

This is critical as Mr. Tundagura Venkata Sundara Deepak is an expert in the area of embedded devices and his technical expertise is required in fixing these unexpected technical issues.

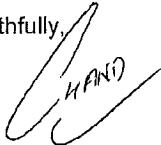
Mr. Tundagura Venkata Sundara Deepak is the only employee with the relevant experience and expertise needed in auditing and fixing the unexpected technical issues.

Given the unexpected technical issues, the criticality of having to fix these issues, the close proximity of date of launch (14th September 2009) and Mr. Tundagura Venkata Sundara Deepak's expertise in the area of embedded devices, FusionGarage respectfully requests that Mr. Tundagura Venkata Sundara Deepak is granted an emergency visa appointment within this week or as soon as it is practically possible.

FusionGarage would like to reiterate that the technical issues were completely unexpected and needs to fix the issues prior to 14th September or risk going out of business.

Please kindly consider the request for an emergency visa appointment favorably. Please do not hesitate to contact me at +65 96705425, should you require any clarifications.

We thank you for your consideration of this request and look forward to your favorable response.

Yours faithfully,


Chandrasekar Rathakrishnan

C.E.O

FusionGarage Pte Ltd



EXHIBIT 17

From: Chandrasekar Rathakrishnan
Sent: Monday, October 12, 2009 08:59 AM
To: brian@techcrunch.com
CC: Michael Arrington
Subject: Re: Update

Brian,

As of now we are still on track. Screens n new panels will were being bonded yesterday.

If that went well, (will know after a day of bonding) then we are good for 10/14. Will hear back today late evening on

status of bonded screens and will update accordingly.

thanks,
chandra

On Sun, Oct 11, 2009 at 1:36 PM, <brian@techcrunch.com> wrote:

Chandra,

Are we still on track to get the new panels tomorrow and in the US by 10/14? Also, are there any other smaller issues outside these 2 primary problems that are being worked which could cause additional delays?

Thanks,
Brian

-----Original Message-----

From: "Chandrasekar Rathakrishnan" <chandra@fusiongarage.com>

Sent: Tuesday, October 6, 2009 4:37pm

To: "Michael Arrington" <editor@techcrunch.com>

Cc: "brian" <brian@techcrunch.com>

Subject: Update

Mike,

here is the update :

2 issues with device at the moment.

1) SSD Stability

This what causes the crashes. Problem being dealt with at 2 levels. Pegatron refine SSD firmware. We stabilize kernel module to ensure a more accurate shutdown of system. Pega feels we should get an updated firmware in about 5 days or so.

2) Touch Panel

Touch is not stable because of current touch panel. There are markings on touch panel . both of these are problems. New supplier will solve both of these problems. We have seen samples and have not seen any markings. We will get the new panels on the 12th of Oct. In the US by 13th/14th Oct.

Team is here with KS in Taiwan. Today is the 6th of Oct. With all of the above, we are looking at having stable

units on the 16th of Oct. 10 days from now.

We are working on stabilizing units , UI etc but without the above 2 things resolved, we cant go on

TC00012352

stage.

We are good to go as soon as the above 2 issues are resolved.

Looking at everything right now, there is a more than a good chance that we will make the target date of 16th.

All of the above is part of development evolution and we have the issues identified and tackled.

Will keep you updated of progress.

Thanks,
Chandra

EXHIBIT 18

From: <brian@techcrunch.com>
To: Chandrasekar Rathakrishnan <chandra@fusiongarage.com>
CC: Laura Boychenko <ea@techcrunch.com>; Michael Arrington
<editor@techcrunch.com>; Liam Casey <liam@pchintl.com>
Sent: 10/27/2009 9:38:16 AM
Subject: RE: Will 5 pm for the demo today work ?

I'll be there.

-----Original Message-----

From: "Chandrasekar Rathakrishnan" <chandra@fusiongarage.com>
Sent: Tuesday, October 27, 2009 9:34am
To: "brian" <brian@techcrunch.com>
Cc: "Laura Boychenko" <ea@techcrunch.com>, "Michael Arrington" <editor@techcrunch.com>, "Liam Casey" <liam@pchintl.com>
Subject: Will 5 pm for the demo today work ?

Brian,

Can we meet at 5 pm today at TC office ?

thanks,
Chandra

EXHIBIT 19

From: 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>
To: Michael Arrington <editor@techcrunch.com>
Sent: 11/10/2009 12:16:12 AM
Subject: Re: so seriously, where are we

mike,

sorry but been caught up with various things.
we are almost there. wrapping and tidying up.
only delay been touch panels. new panels got delayed.
they will now be ready by friday. (cleared all hurdles there, so no further delay is anticipated)
i will be able to show off a final product demo either on the 16th or 17th of nov. this is the version that is ready to go live on stage.

on financing am almost there in getting the 2 guys i referenced, on board.
need till end week for them to revert affirmatively.
i might head to new york to meet with an existing investor and one of the new guys this week.

they are traveling together at the moment and will be in NY. might go down to discuss and finalize the deal.
still on the same valuation as discussed previously.
delay have been down to the 2 traveling extensively over the last 2 weeks.

finally, still need the letter of offer from your end.

thanks,
chandra

On Tue, Nov 10, 2009 at 1:19 PM, Michael Arrington <editor@techcrunch.com> wrote:
we're getting very close to thanksgiving. everything is shutting down for the year.

EXHIBIT 20

From: Chandrasekar Rathakrishnan
Sent: Friday, November 13, 2009 06:01 PM
To: Michael Arrington
CC: brian@techcrunch.com; Heather Harde
Subject: Re: my schedule

mike,

thanks for updating. as per my last mail , we are course for getting a lockdown device (with new panel and updated software and abt 5 of them) by late Monday.

will arrange to come over once i have it locked down on monday. yes, we shld target the event in sf.

additionally, i will be in dialogue with the potential investors over the weekend and will revert affirmatively on status of that late weekend.

thanks,
chandra

On Fri, Nov 13, 2009 at 2:00 PM, Michael Arrington <editor@techcrunch.com> wrote:

I'm leaving next saturday morning (before thanksgiving) for washington. I'll be back in January. If we're doing something, it will have to be next week. We happen to be having a crunchup event next week in san francisco. that is the day.

TC00004243

EXHIBIT 21

From: 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>
To: Jonathan Bloom <JonathanBloom@mcgrathpower.com>
Sent: 11/16/2009 4:11:53 AM
Attachments: image002.jpg; image003.jpg; image004.jpg; image001.gif
Subject: Re: FW: Michael Arrington Discusses Status of the CrunchPad

Jon,

Am not in agreement with Ursula. I can understand y Ursula would have such thoughts. however, i believe its unfounded.

Ursula is giving arrington more credit than he deserves :) Got a call from Arrington last night. Answered as did not recognize the number.

Essentially he wanted to know where we were with software and that he wants to meet on Tues and to discuss and launch product at the their realtime event on Friday.

Told me how this deadline cannot be missed and that he was excited about it.

Played along and told him will let him know about meeting on Tuesday tomorrow and that have not been able to connect with investors but have a call on Monday with them.

left that door open to use as a reason to cite inability to accept terms at the last minute.

As you can see its becoming really hard to play along and i do think this it is going to lead to a massive blowup on his part (not perhaps translated in his writing)

when realization hits that I have strung him along.

This is going to be one helluva of a week.

So to wrap up, I do think Ursula is off track with this and that we should not expand energy working that angle. I am dead confident on this one.

Best,
Chandra

2009/11/16 Jonathan Bloom <JonathanBloom@mcgrathpower.com>

Thoughts?

From: Ursula Herrick
Sent: Sunday, November 15, 2009 8:40 AM
To: Jonathan Bloom; Kathryn Walker
Subject: FW: Michael Arrington Discusses Status of the CrunchPad

Jon, Kate,

We need to consider Arrington's comments for our pitch to the media and our launch approach.

I am probably the only one seeing it this way but I continue to think in the back of my mind that Arrington is "keeping Chandra warm" and may have another company doing similar work to Fusion Garage. Reason is that in this latest Gillmor Gang conversation he acts as though he has been involved in the past month in enhancing the software and we hear from Chandra that Arrington has been MIA on it. Either Arrington is stringing Chandra along as a fallback position in case his other device does not come through or that Arrington is truly out of touch on Chandra's progress and is merely talking about it in public with limited information.

It seems to me that Arrington is a smart guy and he has seen the questions posed by *Wired* and others. Wouldn't he be connected with Chandra more closely if an announcement that he talks about coming shortly is truly happening? What would this announcement be if Chandra doesn't know about it? If there is truly an Arrington announcement happening shortly and when Chandra does his announcement, do we need to do anything differently?

I don't want to sound alarmist or anything, but I don't want us to have blinders on either. We just think that we need to consider everything.

Ursula

From: John Kreuzer

Sent: Saturday, November 14, 2009 10:30 PM

To: Ursula Herrick; Kathryn Walker; Jonathan Bloom

Cc: Megan Alpers; 'derekj@mcgrathpower.com'; Timothy J. Polakowski; Amelia Vierra; Rory Mohon; 'johnk@mcgrathpower.com'

Subject: Michael Arrington Discusses Status of the CrunchPad

Hi Team,

I wanted to flag a few articles to the team which posted today and provide readers with an "update on the CrunchPad" from Michael Arrington.

Michael Arrington appeared on the Gillmor Gang on Friday afternoon with Robert Scoble, Saul Hansell of the *New York*

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Times and a couple of other participants from the technology industry. During the podcast, Arrington made his first comments updating viewers on the status of the CrunchPad.

Of note in the posts, Arrington states that “The CrunchPad is steam-rolling along. Costs keep coming down. We’ve been working entirely on the software for the past month, trying to make it perfect to get it to market.” He also mentioned during the broadcast that “we should have good news shortly.”

Here is the [direct link](#) to hear Arrington’s specific comments on the status of the CrunchPad.

The full text of the most relevant posts can be found below.

Thanks,

John

11/14/09

Arrington: CrunchPad Great, Costs Keep Coming Down, \$300 – 400 Price, Good News Shortly

CrunchPad Fans

<http://crunchpadfans.com/2009/11/15/arrington-crunchpad-great-costs-keep-coming-down-300-400/>

It seems the only way you can get Arrington to talk about the CrunchPad is if some of his dear old friends ask him.

In a recent episode of the [Gilmore Gang](#), which is a weekly podcast about technology with Arrington and other tech geeks, **he stated that we will hear something shortly** and that costs are actually coming down.

He says:

The CrunchPad is great actually. It’s actually steam rolling along, everything is good. That stuff about costing was too high, I don’t know where it came from. Actually costs keep coming down. We’ve been working entirely on the software for the last month trying to make it perfect to get it to market. Should be good news on that shortly.

He also says it's going to sell from "somewhere between 300 to 400 dollars" and the cost remains "in the high 200s, sort of all in".

In addition, something we didn't know before, Arrington says there will be some software revenue on the device such as sponsorships "without impacting the user experience" and of these avenues will include revenue from the search bar similar to how Firefox makes money.

It's now November, the promised month for its release. We hope the price will be at the lower end of the range, but I have a feeling it's at \$350-375.

~~~~~  
  
11/14/09

#### **Update on the CrunchPad**

*GottaBeMobile*

<http://www.gottabemobile.com/2009/11/14/update-on-the-crunchpad>

Mike Arrington appeared on the Gilmore Gang and gave a quick update on the CrunchPad. Arrington says his costs are in the high \$200 range and will sell for \$300 to \$400.

**"The CrunchPad is steam-rolling along," Arrington said. "Costs keep coming down. We've been working entirely on the software for the past month, trying to make it perfect to get it to market."**

Arrington sidestepped Robert Scoble's question about how he thinks the CrunchPad will compete with Apple's future tablet. While Arrington is positioning the CrunchPad as a pretty simple device, he says he hopes Apple will produce a high-end slate. The truth of the matter is that mainstream consumers would choose an Apple tablet over a CrunchPad in a heartbeat, even if there's a price premium.

Arrington said he thinks they'll sell 10's of millions of CrunchPads in the next few years.



If you don't have time to watch the full video below, head over to YouTube to skip to the CrunchPad portion of the conversation. Skip to about 38:50.

~~~~~

11/14/09

Sponsorship-supported Crunchpad is alive. 'Steamrolling' says Arrington.

UMPC Portal

<http://www.umpcportal.com/2009/11/sponsorship-supported-crunchpad-is-alive-steamrolling-says-arrington/>

I should have been in bed but I got hooked into an excellent Gilmore Gang videocast this evening. Robert Scoble, Mike Arrington, P Rangaswami, Kevin Marks, and Saul Hansell talk a lot about the iPhone and Droid war, discuss the differences and then, all of a sudden, at about 39 minutes in, the conversation switches to the Crunchpad.

As I watched, I sent three important tweets out:

- "Crunchpad is steamrolling", "costs keep coming down". "big news on that shortly" says @arrington
- Crunchpad is going to sell "for something between three and four hundred dollars", web-only says @arrington
- "soft revenue", "sponsorships" on Crunchpad. Sounds like ad-supported "without impacting the user experience"

\$300-\$400 dollars PLUS advertising (sponsorship) is what everyone will be talking about. For mass-market couch-surfing, that's too expensive. The Archos Android tablet and iPod Touch have already set the pricing bar (and possibly the sizing) for home-based sofa-surfing devices.

To be fair, I don't think Mike Arrington expects the Crunchpad to be selling millions and he understands that the home 'pad' market is just taking off so this, like many other 1st attempt projects, could be more of a learning and branding exercise than anything else. If you think about how Nokia are playing with their Maemo devices it's much the same. They are nurturing awareness and developer support for a time when the market is ripe. That could be 2010, 2011 or beyond but you have to be ready to strike when the conditions are ready.

Clearly the Crunchpad is alive, it's going to cost between 300 and 400 dollars, it's Atom-based, it's going to be sponsorship-supported, web-only and we should expect 'big news' shortly.

~~~~~  
11/14/09

**It's alive, it's Alive, IT'S ALIVE! The CrunchPad gets some new details**

*BestTabletReview.com*

<http://besttabletreview.com/its-alive-the-crunchpad-gets-some-new-details/>

It's become a throw-away joke on Twitter. "Hey @Arrington, where's the CrunchPad?" Recent speculation holds that the device was officially kaput. Then again, it was also voted one of the "ten most brilliant products of 2009?" by Popular Mechanics. Rumors buzz around the CrunchPad like so many bees, but thanks to the keen listening of Chippy from UMPCPortal.com we finally have some new information about this elusive beast.

According to today's Gilmore Gang vidcast (starting around the 39 minute mark) Arrington spills some details on the CrunchPad.

**First, it will have a 12 inch screen, be an "internet only" machine, run an Intel Atom processor and cost between \$300 and \$400. As we suspected, most of the delays have been caused by fine tuning the independent OS and web browser that utilizes internet connected web based operation.**

Basically all of your programs are accessed through the CrunchPad's connection to an online server. The upside is that the CrunchPad uses its limited resources to speed up your surfing process. The bad side is if you have no internet connection you have a slab paperweight.

Another bit of suggestive wording might mean you'll be seeing ads on the CrunchPad when surfing around. In order to keep the price low — and out of the price range and competition of the upcoming Apple Tablet — they may sell sponsorships on CrunchPad programs. We're told that more information will be coming shortly, but we won't hold our breath. We've heard that particular yarn before.

John Kreuzer

Account Executive



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# **EXHIBIT 22**

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**From:** 'Dr. Bruce Lee' <drlee@pacific.net.sg>  
**To:** 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>  
**Sent:** 8/6/2009 12:49:34 AM  
**Subject:** RE: Article

Still don't know what this guy is thinking. I wonder if he has thought about the possibility – however slight - that he might not be a part of the project.

You need to be careful with the Crunchpad name though. If he is not a part of it, you will need contingency plans if you decide to call it something else at the last minute. Better leave the name off for the time being just in case.

No worries on the numbers. We agreed to settle it when you get back. When are you back?

Cheers.

Bruce.

---

**From:** Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]  
**Sent:** Thursday, August 06, 2009 11:42 AM  
**To:** Dr. Bruce Lee  
**Subject:** Article

<http://www.businessinsider.com/arringtons-crunchpad-will-be-a-real-hit-says-best-buy-marketing-boss-2009-8>

Bruce, sorry on the road in taiwan. really busy. will get u the materials as requested no later than weekend when am back.

in the meantime, the above is the latest article on crunchpad.

does not sound like someone who wants to shut project will go and talk to best buy!

anyways it plays in our favor yet again.

best,  
chandra

# **EXHIBIT 23**

**From:** Jonathan Bloom  
**Sent:** Friday, September 18, 2009 4:18 PM  
**To:** [REDACTED]  
**Cc:** Kathryn Walker <KathrynWalker@mcgrathpower.com>  
**Subject:** Interesting Opportunity; Could We Talk Monday?

---

[REDACTED]

Hope things are going well since you got home.

The following information should be considered confidential as it is highly sensitive. I don't mind you talking about it with Marina and, if you have to, Robert to get his take but please keep it to a very small circle of people.

I had an interesting new business meeting today that could provide the "new" MMC-M/P team with another opportunity to collaborate. I will say upfront that this would not be the easiest things we have ever done but we would be looking at a potential budget of [REDACTED] for a six week project.

The prospect is a former client – one that you guys helped us out on some brainstorming with a couple of years ago surrounding Tila Tequila. The founder of that company (which went out of business via lack of new funding) took his core software and began working with Michael Arrington of Tech Crunch to produce what should be an entirely new consumer electronics touch tablet. You can read the buzz about it on Tech Crunch. If you check out that site, search for "Crunch Pad." You can also read a very recent NYT article on the same topic (within the last three weeks or so). My friend's company is called Fusion Garage. The product is at the intersection of two interesting trends: browser-based operating systems (a la Google's Chrome) and touch-tablet computing (a la Apple's forthcoming new offering). I saw the near-production ready prototype today and it is beautiful.

The issue is that my friend (named Chandra) is strongly considering "divorcing" himself from Arrington and going his own way. The product is strong enough to survive the divorce but there would have to be a major launch architected by us within the next six weeks to get ahead of Apple, achieve first-mover status and tamp down what I would expect to be a blow-back from Arrington.

I am wondering if you and I could talk as early as possible on Monday morning. Chandra is scheduled to have an important discussion with Arrington either Monday afternoon or Tuesday morning and I would like to reality-check the launch issue with you. If you prefer, I could talk over the weekend, although Monday would be more sane for me. I can do a call as early as you like Monday morning beginning at 6:15 Pacific time.

Please let me know when you can talk.

Best,

Jon

+++++  
Jonathan Bloom  
CEO

**mcgrath|power**  
public relations & communications

333 W. San Carlos Street #900

) From: Jonathan Bloom  
Sent: Tuesday, September 29, 2009 4:29 PM  
To: [REDACTED]  
Cc: Kathryn Walker <KathrynWalker@mograthpower.com>; Ursula Herrick  
<UrsulaHerrick@mograthpower.com>; Lynne Hosack  
<LynneHosack@mograthpower.com>  
Subject: Next Steps - Potential Technology Client Phone Meeting

---

Hi [REDACTED],

I spoke to our potential shared client that is developing the Web OS-based tablet computer today and things are continuing to progress in the right direction for a working relationship. As I mentioned in a previous email, Chandra is in the final stages of "divorcing" himself from Michael Arrington of TechCrunch fame. The discussions between them are continuing and it appears very likely that Chandra will break things off and go it alone. That will require the launch event and post-event activities that we discussed in our previous conversations.

Based on my conversation with Chandra today, here is the path forward:

1. He will put together an introductory email outlining the product, highlighting links to recent media coverage and overviews of the market for the product. I should have that tomorrow and will forward to you.
2. We would then arrange a phone call between the three of us which he would like to do this Thursday, October 1 at 1:00 p.m. Pacific. The purpose of the call is to ensure that his business goals are articulated, that everybody understands the audience for the product and its capabilities and to have a preliminary discussion on what is feasible for his launch timeframe (no later than early November).
3. Assuming no hiccups on the call, we would then move into paid idea development -- similar to what we did for ADT but also checking that the ideas can be done (reaching out to venues, for example, for availability). We would likely have to hit the ground running shortly after idea/plan approval so the key is to ensure that what we propose can actually be implemented. I am not sure what you guys would charge for this but my gut feel is that we would have to come in [REDACTED] for this activity. Chandra does not mind paying for what he gets but he needs to have our ideas to finish securing his funding out of Singapore. My thought is that we don't try to kill him on the payment for the ideas and make up any difference on the overall project fee which he reiterated would be [REDACTED].
4. Assuming he likes ideas and gets funding, we would rapidly move into implementation mode. For this, I think our roles would be similar in some ways to what we proposed for ADT only with M/P acting as the lead agency and managing the client and MMC focusing on the launch "big idea" and its implementation. I welcome your thoughts on this and am flexible relative to roles and responsibilities. As we have worked with Chandra in the past, it is important to him that M/P faces him on a daily basis.
5. As we discussed, Chandra would have to fund our activities in advance via a bank deposit for the full budget that we would draw down against. This is going to require some planning to ensure that he understands how we will account for use of the budget as the advance payment issue is not standard fare out our way but is something that I know we both believe is essential to making this work within his tight timeframe.

Please let me know your availability for a call this Thursday and if you have any questions.

Best,

Jon

\*\*\*\*\*  
Jonathan Bloom  
CEO

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# **EXHIBIT 24**

**From:** Stuart Tan <stuart@fusiongarage.com>  
**Sent:** Wednesday, September 23, 2009 2:25 PM  
**To:** Alicia Tan <aliciatan78@yahoo.com.sg>  
**Subject:** Re: Read Read!

---

Very nice indeed.

Sorry dear yesterday was totally trashed, take a short nap in the early morning all the way until this noon. Very tired and there are so many things to do and Pegatron is giving me problem again. Threaten to stop project again for reasons that they the payment to be early.

Really suckers these people. anyway still got to deal with them and really miss him and having time with u. love u let's chat later. my schedule we will have another meeting with Michael at around 3-4 pm today and we will be at their office. then i will come back to ks apartment again to work on the project. Cheers

----- Original Message -----

**From:** Alicia Tan  
**To:** Stuart Tan  
**Sent:** Wednesday, September 23, 2009 8:07 PM  
**Subject:** FW: Read Read!

| dear, read this...very meaningful. share with chandra and the rest of ur colleagues. cheers!

.....  
| Try cool new skins, plus more space for friends. [Check it out on Singapore Yahoo! Messenger now.](#)

# **EXHIBIT 25**

October 6, 2009

Fusion Garage  
120 Lower Delta Road  
Cendex Building  
#07-16  
Singapore 169208  
Attn: Chandrasekar Rathakrishnan

Dear Chandra;

We are excited to be working with you and look forward to getting our formal contract signed and focusing all of our efforts on the launch of the Fusion Garage tablet computer.

We understand from our discussion that the official start date for the Fusion Garage Launch Project is still being determined but will likely be the week of October 12. Per your direction, we have scheduled a planning meeting on October 9<sup>th</sup> between yourself, [REDACTED] and me at the McGrath/Power offices in San Jose, CA to brainstorm the Launch, discuss branding and develop a framework for the Launch that can be deployed beginning the week of October 12, 2009, pending your approval.

Our agency policy requires that we have written confirmation to begin work while the formal contract is being finalized. The purpose of this Pre-Engagement Letter is to acknowledge our agreement to work together while we await the formal start date of the Fusion Garage Launch Project and contract approval and to outline the key components of the working relationship and contract.

This Letter summarizes the financial parameters for both the October 9<sup>th</sup> meeting and the Fusion Garage launch project as we understand it today. We require your agreement to the parameters in this Letter prior to our meeting on October 9<sup>th</sup>.

October 9<sup>th</sup> Planning Meeting:

1. As agreed, our fee for the meeting on October 9<sup>th</sup> is [REDACTED]
2. If no decision is made to proceed on the overall launch project by Tuesday, October 13<sup>th</sup>, 2009, we will invoice you for the meeting fee of [REDACTED]
3. If you agree to commence the Fusion Garage Launch Project by Tuesday, October 13 and a contract signed by Friday, October 16<sup>th</sup>, the [REDACTED] meeting fee will be [REDACTED]

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applied to the Fusion Garage Launch Project budget and [REDACTED]

4. All invoices associated with the Planning Meeting are due upon receipt and payable in US dollars.

Fusion Garage Launch Project

The key components of our working relationship and Project contract as we know them today are as follows:

1. McGrath/Power is the agency of record for Fusion Garage. Agency CEO will lead the Fusion Garage program.
2. [REDACTED] is a sub-contracted agency to M/P. Agency President [REDACTED]
3. [REDACTED] will lead the Launch Event portion of Fusion Garage program
3. The minimum fee for the Fusion Garage Launch Project fee will be [REDACTED]
4. The timeframe for the Fusion Garage Launch Project will not exceed 5 months from start date
5. Before beginning work, an advance payment in US dollars for the full Fusion Garage Launch Project fee and anticipated expenses must be deposited into a trust or escrow type account at a local US bank from which payments for services and anticipated expenses will be drawn. McGrath/Power will control the account and provide a monthly reconciliation of funds with corresponding invoices to Fusion Garage.

Thank you for your confidence in us. We look forward to working with you and the team.

Accepted and Agreed

Fusion Garage

By [Signature]  
Chandrasekar Rathakrishnan

Date 6/10/09

Sincerely;

Jonathan Bloom

# **EXHIBIT 26**

---

From: 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>  
Sent: 10/12/2009 1:19:04 PM  
Attachments: summary.doc  
Subject: The writeup

Hello Jon,

Pls find attached. Sorry that it took a while. Was distracted with other issues and con calls with Taiwan last night (monday there).

Tried to encapsulate my thoughts but could be aided with a phone discussion I think.

Pls let me know your thoughts.

Thanks,  
Chandr

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### Basic premise

Every time a new product is launched, the early adopters, the rich and the fashionable are the first to have it. Companies launching new products aim for that as well. The poor or "common" people can almost never dream of having such products at launch. It's akin to reaching for the stars. Think of the IPHONE, KINDLE, or PALM PREI Y should the above remain the case? "HOPE" is an attempt to change that.

### Charlie and the Chocolate

Charlie and the Chocolate factory summarize the premise the best.

Charlie Bucket is a poor boy living with his parents and four grandparents in a tiny house. Charlie supplements the meager family income by delivering newspapers after school. The family, along with the rest of the world, learns that the chocolate maker, Mr Willy Wonka, has hidden five Golden Tickets amongst his Wonka Bars. The finders of these special tickets will be given a full tour of his world-renowned but tightly-guarded candy factory, as well as a lifetime supply of chocolate. Charlie wants to take part in the search, but cannot afford to buy vast quantities of chocolate like most other participants.

The contest becomes a worldwide mania, with people resorting to increasingly desperate and unscrupulous measures to find the tickets, and anyone who succeeds becomes front-headline news and a worldwide celebrity.

"I draw parallels of the above to a new product launch; its hype and the rush of the rich and fashionable in getting their hands on it. Contributes to the initial high pricing, cycles of increased hype and more wanting to get their hands on the given product. The poor or commoners are effectively locked out."

Soon, four of the tickets are found by, respectively, Augustus Gloop, a gluttonous German boy; Veruca Salt, a spoiled British girl; Violet Beauregarde, a gum-chomping American girl; and Mike Teevee, a television-obsessed American boy.

Charlie's hopes are dashed when news breaks out that a Paraguayan millionaire has found the final ticket.

"Just like any commoner that watches in awe as the rich and fashionable boast of new products"

The next day, as the Golden Ticket craze dies down, Charlie finds a silver coin in a gutter and uses it to buy a Wonka Bar. Simultaneously, word spreads that the ticket found by the millionaire was a fake. When Charlie opens the bar, he finds the true final ticket inside, and races home to tell his family.

"Stuff dreams are made of. Exactly the feeling we want to create in all with the giveaways. One of dream and hope!"

### **"JooJoo"**

JooJoo is a 12.1-inch "touch" device built with the world of Internet at its core. With just a browser at its core, it allows access to content, news, media, social media and web services quickly and easily. Essentially anything, Internet. It will redefine the print industry with interactive books, papers and magazines.

Tablets have traditionally failed for 2 reasons.

1. Software that did not reflect use cases.
2. Extremely high pricing that did not appeal to target audience of students amongst others. Cost of tablets are above \$ 2000

JooJoo addresses both of the above.

1. Software that centers on browsing
2. Pricing of \$ 449 that appeals to mainstream audience.

JooJoo is the evolution of computing that began with mainframes, PCs and laptops.

### **Launch Strategy**

The launch strategy here is to give away 1000 (maybe 2000 devices) to a school or a select group of handpicked students or people who could be helped with access to Internet.

Just like Charlie with the chocolate factory, create hope in students/people. Let them discover hope. It's not always that the rich and fashionable are the first to cool new products. "Hope!"

This is in sync with product "Traits" as well. Empowerment, Liberalization and Open are just some traits associated with the Internet.

The giveaways accentuate this. The low cost pricing of the product when contrasted with tablets of today reflects the intent of making /behind this.

What's the motivation for me to do these giveaways at launch?

Born and raised in Singapore, middle-class boy. Father bought him his 1st PC at 12 in 1992. Dad was earning SGD 2.8 K then. Bought a PC that was the equivalent of his salary at that time.

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Always wondered y rich kids should have access to the coolest products. Y were the rest always late to the game and for no fault of theirs? Y did companies price products out of the reach of commoners?

Started my first company at 21 in Singapore. Many said I was crazy and will fail. Battled through and raised 13 million USD. Burnt and crashed after 7 years. Did not give up. Got going again immediately. Started my current company at 28.

Again many said was crazy to attempt the product we are launching today. Not easy to launch consumer devices. Cannot achieve pricing. No chance against big boys. Audacious to think I can compete and launch in the US etc. These were just some of the things that naysayers said.

But we did. And same investors, who backed my last company, came back to back me again. For everyone who suggested, I could not do this and should not dream, there are others who gave me the support, backing and more importantly the chance to try.

If not for my dad giving me a chance with the gift of a pc when I was 12, I would not be here. He taught me to dream and gave me hope with that gift.

I am now doing exactly that, giving back to society. I want to seed the dream of the next generation by giving them the gift of hope.

Want to break the myth that new products are only accessible to the rich and fashionable.

[REDACTED]

# **EXHIBIT 27**

From: 'Jonathan Bloom' <JonathanBloom@mcgrathpower.com>  
Cc: Chandra <chandra@fusiongarage.com>  
Sent: 10/19/2009 2:13:17 PM  
Attachments: image003.jpg; image004.jpg; image001.gif; image002.jpg; Oprah Update 10.17.09.docx  
Subject: Summary Of Ideas To Date

Chandra,

As I mentioned, [REDACTED] and I met a few times last week to discuss the preliminary framework for the following:

1. Arrington Positioning/Initial News Cycle
2. Overall Launch Approach
3. [REDACTED]
4. Branding/Product Naming
5. Apple Threat
6. CES

(NOTE: We are using JuJu as the working company and product name for the purposes of this discussion.)

While we did not develop a full PR plan, per se, we did agree on several paths moving forward and would like to talk with you jointly when [REDACTED] returns from a second trip (he went on to a client meeting in St. Kitts and should be back by the weekend).

The following should give you a top line of where we are at and provide you and I with a jumping off point for our discussion today at 3:30. If you are in agreement with us, we will move forward with a plan.

Time is running short -- we need to begin work ASAP and I need us to work through the contract as well.

Arrington Positioning - Company Launch:

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The Arrington issue must be dealt with first -- in fact, we view it as the beginning of the company launch cycle.

Approach: We would like to use every appropriate online/offline reporter (eliminating any that may be overly friendly with Arrington) that has written about the product in detail to date as vehicles to establish that you are now the owner of the product, to debut your company and begin to demo the product in person. We would also like to meet with analysts in tandem with the first wave of reporters. On the tone of these meetings, [REDACTED] and I recommend overcompensating on the Arrington issue -- going as far as possible to compliment his vision while also taking polite credit for the actual design work. The goal here is to stay as far away as possible from any in-print arguments with him and, instead, simply say that we "acted in good faith but a firm business arrangement could not be met. Michael's vision lives on through JuJu."

Desired End Result: News stories highlighting our perspective on the Arrington issue, the announcement of JuJu as a company and third party validation for the stories via analysts.

Timeline: Within 2 weeks; once positioning is approved and product is fully demonstrable with units for review

#### Overall Product Launch Approach:

We fundamentally agree that the product must get visible immediately with multiple activities ongoing in tandem to kick off the pre-order period and beat Apple to the punch.

Approach:

Part One:

We believe that we must undertake offline and online activities simultaneously with a blend of traditional activities (reviews, mainstream news announcement of the product's availability via pre-order) and online (community building, blogger outreach, and "special" activities to drive traffic to your site for pre-orders). Bill and I firmly agree that a major consumer event should be considered only after the product receives the first one or two waves of visibility. We need product for reviews and other demonstrations ASAP.

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Part Two:

One of the "special activities" we discussed was enlisting "Social Media Celebrities" and put the JuJu SM (SM=social media; see branding section below) in their hands to get their endorsement. To make this work, we would tie in with a well known charity that benefits children (perhaps a literacy organization) and use the charity hook to get the celebrities involved. We would seed the product to these "celebrities" and then hold a charity fundraising event (probably in LA or New York) to launch the product to the broader social media audiences. However, the key to the success of this would be a comprehensive on-line and social media campaign that gets people talking about the JuJu SM and the great user experience as a build up to the event. We would treat it more like a Hollywood movie premier than a typical product launch. Obviously, this is a large-scale undertaking and would require planning time.

Timeline: Within 4-8 weeks for Part One activities; 2-4 months for Part Two special idea

See attached memo from [redacted]. We both like your idea but we both also believe that the chances are very, very slim that this will happen this year. Let's give it a shot but not count on it definitively.

Timeline: ASAP

Branding:

We went over our notes from our in-person discussion and came up with the following:

*Key product attributes:*

Ease of use  
Speed (boots fast)  
Attainable/broad appeal

*Positioning idea:*

The Internet is all about content, and JuJu is the perfect device for interacting with on-line content and participating in social media activities. We would position it as the first device that is *built specifically for the needs of the "socially connected" and how they interact with on-line content.*

*Possible product naming architecture:*

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- u SM (Social Media/wi-fi)
- u SM G3 (broadband)

This provides the opportunity to create additional products in the future that follow the same naming convention, but gives a fair amount of flexibility in those options.

Summary:

As you and I have not had a chance to connect and update each other on Arrington discussions, product availability, etc., we can't really go much farther on planning. Once we talk today, we can determine where we are at and appropriate next steps.

Best,

Jon

+++++

Jonathan Bloom

o



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San Jose, CA 95110

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- ☎ (408) 200-3760 direct
- ☎ (408) 885-9317 fax

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ner Agency, The Worldcom Group

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# **EXHIBIT 28**

**From:** Stuart Tan <stuart@fusiongarage.com>  
**Sent:** Monday, October 19, 2009 7:17 AM  
**To:** katrina.chang (張惠琴) <katrina.chang@gigabyte.com.tw>; KSTan\_FG <kstan@fusiongarage.com>; Stuart Tan <stuart@fusiongarage.com>  
**Cc:** maurice.wu (吳盛光) <maurice.wu@gigabyte.com.tw>; alex.meng (孟慶瑜) <alex.meng@gigabyte.com.tw>  
**Subject:** Project kick-off

---

Dear Katrina,

These are the items that will take place over the next few days.

- On Monday and Tuesday, KS will send those require information to you and your team. That include the ME CAD file, product specification. We will focus on the N270 + ION chip, please get all these information to your R&D team quickly on Tuesday for the study.
- KS Tan will arrive on Tuesday evening and start the actual discussion with your team on Wednesday once they have gone through the files.
- I will be arriving on Wednesday morning and I hope to meet the R&D team and your senior management team, this is to present Crunchpad and our launch plan in US.
- I need your help to setup the meeting with Intel Taiwan and Nvidia on Wednesday, please make sure I can have a discussion with them quickly on this Wednesday.
- Katrina, KS will send some time with your team and I am targetting to get the schedule and the actual project started within this week. Since we have already performed quite a bit on the EVT stage with the previous ODM and our expectation is that we will be able to spin the 1st board and EVT with Gigabyte quickly. The ID will be the finalise and your ME team will have access to this CAD file that we have performed quite a bit on the reliability testing with the previous partner.

Katrina, KS will focus on the R&D development with your team starting from today and myself I will work with you on the remaining commercial matter. I will like to sign off the MOU on Wednesday and I want to get the actual agreement in quickly as well. On Wednesday I will share more on our marketing plan and the launch preparation.

I look forward to this development together. Cheers.

Regards  
Stuart Tan

----- Original Message -----

**From:** katrina.chang (張惠琴)  
**To:** KSTan\_FG ; Stuart Tan  
**Sent:** Monday, October 19, 2009 4:10 PM  
**Subject:** RE: MOU

Hi KS,

Could you please send me your Z530 spec requirement and N270? Our R&D wants to review it and assign the team member.

Thanks,

*Katrina Chang*  
*ODM Sales Division*  
*Network & Communication Business Unit*

GIGABYTE TECHNOLOGY CO., LTD.  
No. 6, Bau Chiang Road, Hsin-Tien, Taipei 231, Taiwan  
Tel: +886-2-8912-4888 Ext.4709  
Cell: +886-955-928287  
E-mail: [katrina.chang@gigabyte.com.tw](mailto:katrina.chang@gigabyte.com.tw)

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**From:** katrina.chang (張惠琴)  
**Sent:** Monday, October 19, 2009 3:34 PM  
**To:** 'KSTan\_FG'; 'Stuart Tan'  
**Subject:** RE: MOU

Hi KS, Stuart,

I'm waiting for the R&D leader to assign the team member list. Once available, I will keep you informed.

Regards,

*Katrina Chang*  
ODM Sales Division  
Network & Communication Business Unit

GIGABYTE TECHNOLOGY CO., LTD.  
No. 6, Bau Chiang Road, Hsin-Tien, Taipei 231, Taiwan  
Tel: +886-2-8912-4888 Ext.4709  
Cell: +886-955-928287  
E-mail: [katrina.chang@gigabyte.com.tw](mailto:katrina.chang@gigabyte.com.tw)

---

**From:** KSTan\_FG [<mailto:kstan@fuslongarage.com>]  
**Sent:** Monday, October 19, 2009 2:27 PM  
**To:** katrina.chang (張惠琴); 'Stuart Tan'  
**Subject:** RE: MOU

Katrina,

Is the team formed?  
Have the FTP sites setup?  
Can I have the email & name of the PM?


Thanks  
KSTan

---

**From:** katrina.chang (張惠琴) [<mailto:katrina.chang@gigabyte.com.tw>]  
**Sent:** Monday, 19 October, 2009 12:05 PM  
**To:** Stuart Tan  
**Cc:** KSTan\_FG  
**Subject:** RE: MOU

Hi Stuart,

As discussed, please be informed the following:

Gigabyte will be responsible for negotiating with Intel for the chipset pricing. FG will handle the pricing negotiation and RMA/DOA on touch panel and SSD directly with suppliers. Gigabyte will charge approximately  handling cost for Buy and Sell components.

I will modify the MOU for our management approval then send it to you. Please let me know if any query.

Regards,

*Katrina Chang*

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ODM Sales Division  
Network & Communication Business Unit

GIGABYTE TECHNOLOGY CO., LTD.  
No. 6, Bau Chiang Road, Hsin-Tien, Taipei 231, Taiwan  
Tel: +886-2-8912-4888 Ext.4709  
Cell: +886-955-928287  
E-mail: [katrina.chang@gigabyte.com.tw](mailto:katrina.chang@gigabyte.com.tw)

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**From:** Stuart Tan [mailto:[stuart@fusiongarage.com](mailto:stuart@fusiongarage.com)]  
**Sent:** Monday, October 19, 2009 9:30 AM  
**To:** [katrina.chang](mailto:katrina.chang@gigabyte.com.tw) (張惠琴); Stuart Tan  
**Cc:** KSTan\_FG  
**Subject:** Re: MOU

Dear Katrina,

Noted. I agreed with you on this point, as we want to ensure Gigabyte is getting the best price for Fusion Garage. This is applied to the Bill Of Materials, Customized Tooling parts, Certification and any other components for this product. We will get those information such as the part number and supplier names, you might not provide those quote that you are getting your suppliers.

Katrina, KS Tan has sent you a list. I need your help to kick-off this project internally today. KS will need those information in order to start the communication with. I will be in Taiwan on Wednesday to sign off the MOU and we will need to get to the actual agreement quickly. For the project I am expecting to kick-off today due to the tight timeline.

Cheers  
Regards  
Stuart Tan

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----- Original Message -----  
**From:** [katrina.chang](mailto:katrina.chang@gigabyte.com.tw) (張惠琴)  
**To:** Stuart Tan  
**Sent:** Friday, October 16, 2009 6:20 PM  
**Subject:** RE: MOU

Hi Stuart,

I'd like to make it clear that we can provide our vendor's company name and our quotation to you. You may consign the price to us or get the price directly from our vendor. However, we are unable to provide you with our vendor's quotation due to NDA.

- 3rd party components quotation and costing – To be provided to FG for verification on the payment to Gigabyte. Example Tooling Supplier and Customized parts suppliers. FG reserve the rights to make recommendation and 3rd party quote on these Approved Vendor List.
- 3rd party certification quotation and costing – To be provide to FG for verification on the payment to Gigabyte. FG reserve the rights to make recommendation on these Approved Test Houses.

Please feel free to call me if you'd like to have a discussion.

Thanks,

Katrina Chang  
ODM Sales Division  
Network & Communication Business Unit

GIGABYTE TECHNOLOGY CO., LTD.  
No. 6, Bau Chiang Road, Hsin-Tien, Taipei 231, Taiwan  
Tel: +886-2-8912-4888 Ext.4709

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Cell: +886-955-928287  
E-mail: [katrina.chang@gigabyte.com.tw](mailto:katrina.chang@gigabyte.com.tw)

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**From:** Stuart Tan [<mailto:stuart@fuslongarage.com>]  
**Sent:** Friday, October 16, 2009 12:32 PM  
**To:** katrina.chang (張惠琴)  
**Cc:** maurice.wu (吳盛光); alex.meng (孟慶瑜)  
**Subject:** MOU

Dear Katrina,

I have attached the MOU based on our earlier discussion, the item that you need to confirm is the percentage of the progressive payment for NRE. I look forward to your reply and I hope to get the confirmation before I leave Taiwan today.

KS Tan will be back on Monday for the kick-off with your team and I might be in Taiwan early week on-route to San Francisco. I am happy to work together with you and your team and I hope to have a overall project presentation to all your management when I come back next week so that all parties are aware of our project development and our launch plan.

Looking forward to your confirmation on this relationship. Cheers.

Regards  
Stuart Tan

P.S. You can call KS number if you need to talk to me today. My flight back is 6pm today.

No virus found in this incoming message.

Checked by AVG - [www.avg.com](http://www.avg.com)

Version: 8.5.422 / Virus Database: 270.14.20/2444 - Release Date: 10/18/09 09:04:00

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**From:** 'Stuart Tan' <stuart@fusiongarage.com>  
**To:** henryliu@csicare.com <henryliu@csicare.com>  
**CC:** ericchuah@csicare.com <ericchuah@csicare.com>; Chandra Rathakrishnan  
<chandra@fusiongarage.com>  
**Sent:** 10/25/2009 12:50:58 AM  
**Subject:** Follow-up on the agreement

Dear Henry,

I have already briefed my lawyer in Singapore for the agreement, I am expecting to receive this on Monday. Also can you provide a profile of CSL to us as I want to start discussing with Gigabyte (Our ODM partner) for the sourcing of Crunchpad. I wanted to start the preparation with them to give us a better term for the production and delivery. Currently they are asking for a

[REDACTED]

Cheers  
Regards  
Stuart Tan

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FG0032911



# **EXHIBIT 29**

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**From:** 'Stuart Tan' <stuart@fusiongarage.com>  
**To:** Chandrasekar Rathakrishnan <chandra@fusiongarage.com>; Stuart Tan <stuart@fusiongarage.com>  
**Sent:** 11/6/2009 3:15:18 PM  
**Subject:** Re: HP Mini sample

noted, I will continue to push and this will be an on-going effort

----- Original Message -----

**From:** Chandrasekar Rathakrishnan

**To:** Stuart Tan

**Sent:** Saturday, November 07, 2009 6:59 AM

**Subject:** Re: HP Mini sample

thanks stuart. will revert.

can you please push giga very hard and ensure we get board and bios etc by 25th-27th Nov so that we can make the 3rd dec press event.

ask them to add more resources , go more 24 hr etc.

give them a [REDACTED] incentive if they meet this timeline and end jan timeline and we pay them this incentive when we ship our first units.

thanks,  
chandra

On Sat, Nov 7, 2009 at 6:57 AM, Stuart Tan <stuart@fusiongarage.com> wrote:  
Dear Chandra,

Some notes on the HP mini prototype:

- The power on/Off led is not working, just press on the button and release you will see a white spot on the middle left side of the LCD, this indicate the product is power up (There is a white LED lighting up below the LCD panel.
- Please make sure that you put the charger into the product as there is no battery.
- Power down is the same, just press and release it will power down as normal.
- I have sent Phillip some notes on the problem on this wifi function.
- Please check again on the wifi log on, also I noticed the setting for the wifi is not working on this version. U need to plug in the keyboard and perform the wicd-client -n command to call up the setting for WIFI.

Let me know the testing result for this sample. Be careful not to subject this device to too much shock as the wire might get lose (Almost 40 wires went under the surgery knife and I am afraid any of them might go loose.)

Cheers  
Regards  
Stuart Tan

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# **EXHIBIT 30**

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**From:** 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>  
**To:** Jonathan Bloom <JonathanBloom@mcgrathpower.com>; Kathryn Walker  
<KathrynWalker@mcgrathpower.com>  
**Sent:** 11/11/2009 3:30:14 AM  
**Attachments:** Video Outline for Launch of JooJoo 11 09 09 edits.docx  
**Subject:** Script with comments

Jon/Kate,

Here is the script with my comments. Will be awake by 11 am , should you want to discuss this.

As mentioned previously, this not re-edit but just comments.

Thanks,  
Chandra

## Video Outline/Script for Launch of JooJoo

### 1. Intro: Black background with white type

**What if the Web was only 9 seconds away?**

*Then the second line is added*

What if the Web was only 9 seconds away?

**How different would your world be?**

### 2. Note: Chandra appears on screen. His name and title appears on the bottom of the screen to identify him for a few moments. Chandra uses the teleprompter to help deliver the message.

Hello. I'm ChandrasekarRathakrishnan and I'm the CEO of Fusion Garage.

Fusion Garage started more than a year ago in Singapore with two questions that needed answers. What if a browser could boot without an OS? How different would the world be?

We introduced ourselves to Michael Arrington when he wondered aloud in his TechCrunch blog whether a dead simple and dirt cheap touch screen Web tablet to surf the Web could be built. His vision was simple. Build a device that connects to the Web quickly and easily. Data input would be through an iPhone-like touch screen keyboard. Its browser would be its operating system. It would run on Linux and Firefox and be built entirely on open source hardware. His dream was to turn it on, bypass any desktop interface and reach the Internet in seconds.

So that was his initial vision. Linux firefox and bypass desktop etc. I see where you are going with this. But we are now not running linux, firefox n bypassing the desktop. He was thinking of an hack while we had a system

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that was built from ground up for the purpose. A browser os. So we need to clearly not confuse his initial approach with what we ended up doing. Coz they are different. This para is confusing as it seem to insinuate that we have done linux and firefox.

Why? With Google docs, Gmail and Skype, and you have a device that can connect to everything that you use every day from social networks to photo sites, from email to document creation. The key would be to package this in a light-weight, portable device that's as thin as possible.

That's our vision. Do we need to have this up here and how we getting it thin was important ?

When we first met with Arrington we showed him how our technology could make his vision for the device he called the "CrunchPad" possible. You probably saw some of our initial prototypes in photos circulating around the blogosphere or on YouTube.

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Despite the pictures and videos, you've probably heard the speculation in the industry about whether this device can be built. Perhaps you've read how Popular Mechanics placed CrunchPad at the top of its list of the 10 Most Brilliant Products of 2009 and may have asked how an unreleased product could have received such accolades.

Y does the popular mechanics award and how we got that without launching be a topic of discussion here ?

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You've probably wondered when you would see this product and when you will be able to get your hands on one.

The wait is over. Fusion Garage has developed a device that not only fulfills the initial vision for the "CrunchPad" but takes it steps further in both hardware and software design. I'm here today to tell you that we are announcing the JooJoo

So this paragraph here seem to suggest that we took crunchpad concept and went further with it and did joojoo and are now announcing it. We have to keep in mind that, Mike is going to say crunchpad is dead or not going to make it or something to that effect. We need to clearly make the case that we could not agree on biz terms, and that crunchpad is now going to be called JooJoo. Not that this is an offshoot of crunchpad or to that effect. We need to clearly make the link that this is crunchpad with a different name,

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So just to summarize, we need to clearly link ourselves as the team behind crunchpad and all. Make the breakup clear and make sure that its made known that crunchpad will now launch under another name.

*Note: Chandra picks up the JooJoo and the camera focuses in on the JooJoo.*

Here it is — the JooJoo. It's real and it's the first touch screen device that allows you to connect to the Web in seconds.

You will be able to pre-order this device for \$XXX starting on December X. Orders for the first 2,000 devices will be taken from the Fusion Garage Website and the product will ship in the first quarter of 2010.

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This entire paragraph needs to be dropped. We just should say unveiling 2<sup>nd</sup> Dec.

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### 3. Capabilities section: Black background with white type

#### **What If a browser could boot in 9 seconds?**

*Note: The camera is directed at the JooJoo with Chandra's voice providing the commentary. Since the camera is not on Chandra, Chandra is reading from the script for provide the voiceover. Astop watch in the lower, right-hand corner to show how fast the browser boots up.*

With just a browser at its core, the JooJoo connects you to your world of content, news, social media and web services quickly and easily through the Internet.

*Note: Chandra starts his demo of the device by pressing the "on" button at which time a stop watch appears in the corner ticking off the seconds. The clock stops at 9 seconds. In the nine seconds that the device is booting up Chandra is starting to give the demo.*

As you can see, our browser connects you directly to the Web in nine seconds. Your PC can take two minutes and even your iPhone can take about 30 seconds.

We should just stop here and go no further. And again make reference to just the dec 2<sup>nd</sup> unveiling.

Formatted: Superscript

Let me show you how the JooJoo can easily connect you to the Web.

*Note: At this point the camera is still focused on the screen of the JooJoo and Chandra shows how to pull content from the Web.*

By connecting to the thousands of applications on the Web, you can access content quickly, use apps like Google Docs to create documents, or use your Gmail account to send email.

#### 4. Closing with the user experience: Black background with white type

**How different would your world be?**

*Note: Chandra returns for the close.*



The JooJoo is designed for anyone who lives on the Web and enjoys having access to the Internet wherever they are. JooJoo users can watch high-resolution videos and listen to music through headphone jacks or can access any content available on the Web, such as content on Hulu, YouTube or Pandora or other content that's saved to the cloud.

I look forward to telling you more about the JooJoo on December X when we start to take orders for the JooJoo.

Until then, thank you.

5. Closing Graphic: Black background with white type

**[www.fusiongarage.com](http://www.fusiongarage.com)**

For more information on the JooJoo, check us out on our website  
[www.fusiongarage.com](http://www.fusiongarage.com).

# **EXHIBIT 31**

**From:** Jonathan Bloom  
**Sent:** Thursday, November 12, 2009 8:24 AM  
**To:** Chandrasekar Rathakrishnan <chandra@fusiongarage.com>  
**Cc:** Kathryn Walker <KathrynWalker@mcgrathpower.com>; Ursula Herrick <UrsulaHerrick@mcgrathpower.com>  
**Subject:** RE: Script with comments

---

Hi Chandra,

Kate, Ursula and I have tried to take the concept of your edits and bring them forward into a new draft of the script.

Unfortunately, the three of us are seeing/hearing things differently regarding some critical aspects of the script/your edits and what we had originally intended for the video to accomplish – at least from my perspective. I am very pleased with how the script is written and how it flows – Ursula and Kate did a nice job on this – but I personally have concerns that need to be addressed ASAP for us to remain on schedule for our Saturday shoot.

The key areas I/we are struggling with are as follows:

1. Overall purpose of the video – I believe you/us are not on the same page with the intent of the video and that is coming through in the script. I believe the video needs to simply establish the fact that the device has changed since its original vision, was fully developed by FG, that FG is now on its own and separate from Arrington and the that product is real, working and available in early December. The associated goal of the video is to get you out there as the face of FG and the new category – along with establishing you as the real driver behind the product's birth. Right now, it feels like we are mixing those objectives with some "product introduction" elements. This could very well be confusion internally at M/P but it needs to get sorted ASAP for us to finish the script.
  - a. This is a strategy issue primarily but involves messaging as well.
2. How much we want to disclose now versus in our media interviews the week of 12/1 regarding the end of your relationship with Arrington. We have to give out at least one specific statement on the end of the relationship as it is germane to establishing FG as a sole entity and establishing FG as a viable supplier of the product. Too much info, however, dilutes the impact of our interviews during the week of 12/1. Additionally, too much info gives Arrington fodder to comment on during a period in which we are not commenting. That is not what we want to open ourselves up to.
  - a. This is a strategy and messaging issue
3. The opening of the video – the two "questions" that pop up on the screen – are just not doing it for me. I don't feel they capture the essence of what the product is really intended to do for people. They are not true consumer-facing messages and I am concerned that they don't set the right tone.
  - a. This is a major messaging issue.
4. Arrington's original product concept/specs and what FG did to go beyond that – we don't seem to be crisp on this and I believe it is important to differentiate. The question is how much of it do we want to disclose in the video and how much do we want to save for later? Right now, the script reads as if we built it the way he wanted it and are now taking the product away from him and simply changing the name. This is not where I would like us to be. I am also not fully sure that M/P really understands the differences in how the product has evolved and where FG deserves credit versus Arrington.
  - a. This, too, is a major messaging issue.
5. Pricing – I am uncomfortable disclosing pricing now for two reasons – the first is I am not convinced we have a final-final price and, more importantly, I believe the higher than originally quoted price is not going to be received well and that will negatively flavor coverage during a period in which we are not commenting. In

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essence, we will be turning our story against us before we are even out telling our story in person.

a. This also is a major messaging issue.

6. Product detail/use cases – I am not sure we want to go into too much detail on this in the video as, in my opinion, this goes against initial strategy.

a. This is a relatively minor strategy issue

As you can see, having established messaging is at the root of the majority of our concerns. All of us need to be on the same page with key messages and the accompanying storyline. Right now, we are not there.

We need finalized messaging. Are you planning on delivering your messaging to us as you had promised or is it now time, perhaps, for you to step out of the drafting process and simply let us handle it.

As you and Kate are together in NY, perhaps the three of us should do a conference call today? Ursula needs to get the script to the videographer ASAP to stay on schedule for Saturday.

Thoughts?

Jon

**From:** Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]

**Sent:** Wednesday, November 11, 2009 3:30 AM

**To:** Jonathan Bloom; Kathryn Walker

**Subject:** Script with comments

Jon/Kate,

Here is the script with my comments. Will be awake by 11 am , should you want to discuss this.

As mentioned previously, this not re-edit but just comments.

Thanks,  
Chandra

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# **EXHIBIT 32**

---

**From:** Chandrasekar Rathakrishnan  
**Sent:** Tuesday, November 17, 2009 02:50 PM  
**To:** Michael Arrington  
**CC:** Heather Harde  
**Subject:** no good news

Mike,

no good news to update. updated hardware is still on its way , so that's a timing issue. friday will be a challenge now.

got delayed at taiwan's end. but the bigger issue is the required investment.

I had a conf call with Bruce last night. (An existing shareholder who is looking to co-invest and is a friend of the 2 new investors who were to be part of the new round).

and it was not a good call. Pls see his email note to me (below) for the details. I am in predicament and it's unenviable.

We need the investment but they are not willing to proceed on the current structure as proposed by CrunchPad.

I have spent the night deliberating on this and I cannot substantiate my arguments against the issues raised.

I know the counter proposal from Bruce is going to upset you greatly but I have no choice but to put it forth.

They are pretty resolute and it's extremely hard for me to ignore my fiduciary responsibility.

Unless there is an alternative funding available at the right terms , it's hard for me to turn this down.

Given its importance, I am heading to Miami to meet with them to discuss the situation further but doubt their position will change significantly.

I am going to get on my connection flight to Miami in the next few minutes and

I will be in the air for the next couple of hours or so and out of circulation during that time.

Given the urgency of the matter, pls let me have your thoughts.

Thanks,  
Chandra

----- Forwarded message -----

From: <drlee@pacific.net.sg>  
Date: Tue, Nov 17, 2009 at 11:51 PM  
Subject: Rejection of Arrington's "offer"  
To: chandra@fusiongarage.com

Hello Chandra,

Thanks for taking the time to discuss things. I just wanted to drop a note to recap our conversation.

As I mentioned to you, the shareholders have expressed concern that there is no formal offer letter from TechCrunch. They are also not happy with the verbal offers that you have relayed. We had been prepared to consider an offer of 12% last December based on your comments about the value that Michael Arrington and his team would add - coupled with the fact that we were still early in the development of the device and your recommendations that a merger would be the best way to move

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forward.

However, since that time, we as your shareholders (and you/your development team) have assumed all related operational and developmental costs of the device. We have told you at several points that based on our significant investments, we would be willing to entertain an offer of 50%, if not significantly more. You have argued an offer of 25% on their behalf until you were blue in the face - suggesting that Michael Arrington/TechCrunch would bring connections, funding and marketing valuable in bringing the device to market faster.

We appreciate that Arrington and his team have generated marketing/awareness via their blog posts and relationships in the technology community over the last year. However, we feel strongly that this awareness is of minor value without a product to back it up - a product funded completely by your investors and shareholders and developed by your team at Fusion Garage with no formal contract in place with Arrington/TechCrunch.

The dialogue that we have been having feels like you are saying that Fusion Garage should do all the work, the shareholders should assume all risk, then you merge the company and Arrington/TechCrunch hold substantially more shares than the original investors? Given their lack of formal commitment to the development of this device, we feel that it is not for them to dictate terms. Why would we grant them a controlling stake in the company when they have invested nothing and have contributed nothing tangible?

I am not disputing that Arrington and TechCrunch do have some value. However, I am disputing the pricing of this value. I am prepared, along with my two friends, to invest at the 10 million pre-money. This is because we recognize the potential of what Fusion Garage is developing. However, at that valuation and by giving up control to Arrington and team, you are suggesting that they are bringing a value of 5 million to the table. Marketing valued at 5 million? You could get so much more value for the buck if you were to spend that kind money for marketing in other ways.

I appreciate that you respect Arrington and value his friendship, but from my perspective the agreement that you have presented to me demonstrates that he is looking after his own interests. I, along with your other shareholders, look to you to protect our interests. Because of this, we are rejecting the deal that you have presented to us outright. If you decide to proceed with this deal as it was presented to us, I will not co-invest resulting in the two new investors pulling out as well.

We still acknowledge that Arrington and TechCrunch bring some value to your business endeavor. If you would like to continue the relationship with Arrington/TechCrunch, I am proposing that we structure the deal differently. We would grant share options in Fusion Garage to Arrington and team, not to exceed a total of 10 % of the enlarged capital of the company. The percentage would be non-negotiable.

If he agrees to our terms, we would have Arrington assume the role of visionary/evangelist/marketing head and Fusion Garage would acquire the rights to use the Crunchpad brand and name. Personally, I don't think the name is all that important but you seem to be somewhat attached to the name.

This option grant would be done before the new round is assumed. This ensures new investors do not get diluted. I understand you are of the opinion that the above proposal may not hold with Arrington, but we are willing to back and invest in Fusion Garage with or without Arrington and Crunchpad. The above proposal has the unequivocal support of the existing shareholders and the new investors.

Collectively, we all agree that time is running out. We strongly believe that we need to launch with or without Arrington/TechCrunch ASAP. The investment is ready and the documents can be signed off quickly allowing you to focus on execution. Hence, I have to emphasize that you need this resolved by the end of this weekend or risk potential investment dissipating.

You are the founder and CEO of Fusion Garage. I trust that you will carry out your fiduciary duty as expected. I am available to meet in Miami tomorrow afternoon. Eric is here as well. Call me when you get into Miami.

Let's discuss in greater detail then.

Bruce

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# **EXHIBIT 33**



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**From:** 'Jonathan Bloom' <JonathanBloom@mcgrathpower.com>  
**To:** Chandrasekar Rathakrishnan <chandra@fusiongarage.com>  
**Sent:** 11/17/2009 6:10:12 AM  
**Subject:** RE: Email note to arrington- pls reply asap as I am hoping to send this out no later than 7 am PST on Tues. (today depending on when u see this note)

Reading this now

**From:** Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]  
**Sent:** Monday, November 16, 2009 9:50 PM  
**To:** Jonathan Bloom  
**Cc:** Kathryn Walker  
**Subject:** Email note to arrington- pls reply asap as I am hoping to send this out no later than 7 am PST on Tues. (today depending on when u see this note)

Jon,

the note below the line is intended to be from the investor to me. while the note immediately below is the one that I send along with the forwarded note from investors.

pls let me know what you think asap as I got to send this out by 6 or 7 pm on Tues morning. As u can see from arrington's last mail, its impossible to hold out any longer.

thanks and sorry for getting this to u later than expected.

Mike,

no good news to update. updated hardware is still on its way , so that's a timing issue. got delayed at taiwan's end.

but the bigger issue is the required investment.

I had a conf call with Bruce last evening EST (An existing shareholder who is looking to co-invest and is a friend of the other 2 new investors who were to be part of the new round).

and it was not a good call. Pls see his email note to me (below) for the details.

I am in predicament and its unenviable.

We need the investment but they are not willing to proceed on the current structure as proposed by CrunchPad.

I have spent the night deliberating on this and I cannot substantiate my arguments against the issues raised.

I know the counter proposal from Bruce is going to upset you greatly but I have no choice but to put it forth.

They are pretty resolute and its extremely hard for me to ignore my fiduciary responsibility.

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Unless there is an alternative funding available at the right terms , its hard for me to turn this down.

Given its importance, I am heading to NY to meet with them to discuss the situation further but doubt their position will change significantly.

I will be in the air for 6 hours or so shortly and out for circulation during that time. Given the urgency of the matter, pls let me have your thoughts.

Thanks,  
Chandra

---

So. A note to recap our conversation earlier.

The shareholders are not at all happy with the latest "perceived" offer from Techcrunch.

There is no official offer letter to speak of despite you suggesting it was forthcoming on several occasions.

The offer derived from the cap table provided for from their end has not changed from the last "offer" in May.

Your shareholders, team and you have taken all the risk to date including all related operational and developmental costs of the Crunchpad.

They have done nothing of note with the exception of "marketing". Granted, Arrington's writing has created awareness but what's that worth

without the execution and product to back it ? We were prepared to take an offer of 12 % last dec. At that stage, you argued about the value

Arrington and team would bring to table and that we were still early in our development.

You were clear that the merger would be for the best of both outfits. However things has not gone according to plan, has it ?

We heard nothing from them for 4 months and the project was dead till u showed up in their offices in April with the then prototype build of the

hardware and software. You brought the project from dead by assuming all responsibility, leadership and risk and working the whole assortment of

hardware, software, design and packaging.

The shareholders argued at that stage , that the offer of 12 % was out of hand given that we had done all the work and deserved at least 50 % if not more.

You came back with an offer of 25 % and argued in their favor and suggested, they will bring connections, funding , marketing and help bring this to market faster.

Again, none of that had happened. In Dec 08, they were to assume all responsibility except for software , which we

brought to the table.

But with the exception of blog posts on Techcrunch, they have done nothing. They might have tried but if trying was good enough, then there would be way more winners

in the world of start-ups than there are.

In fact, I would argue that they have delayed your own go to market because of the time lost in trying to make all of this work.

And from the general updates, that we have been getting from you over the last 6 months, we have not gained any confidence whatsoever that they have the necessary business

know-how to get this to market and win.

Their reluctance to assume responsibility of the project affirmatively from the beginning has been appalling.

Even to this date, there is no contract whatsoever and its easy for them to walk if "shit" hits the fan.

So in essence, you do all the work , assume all risk and merge the company for a song when the time is right as dictated by them.

And , you are expected to bring in the funding as well. There is something very wrong with this "picture".

They wanting control despite doing nothing is just embarrassing.

What gives you the confidence that if they could not execute thus far, that they are going to in the future ?

Past performance though not a be-all and end-all , its still a solid indicator.

I am not disputing that Arrington and Techcrunch do have their value. I am disputing the pricing of this value.

I am prepared to invest along with my 2 friends at the 10 million pre-money.

This is because we recognize the potential .

At that valuation and by giving up control to Arrington and team, you are suggesting that they are bringing a value of 5 million to the table.

And, this is excluding the massive dilution everyone here takes.

That is just ridiculous. Marketing valued at 5 million ? Even 10 % (Valued at 1 million) is rich.

You could get so much more value for the buck if you were to spend that kind money for marketing in other ways.

I appreciate that you respect Arrington and his friendship. But that is no reason to do a bad deal.

He clearly is looking after his own interests, so why shouldn't you do the right thing for the company ?

I have made it clear to you that this is not just a bad deal. Its a non-starter.

So as suggested, the existing shareholders are rejecting the deal outright.

If you decide to proceed with this bad deal, I will not co-invest resulting in the 2 new investors pulling out as well.

We are prepared to back you and your team. We see the value of Arrington and Techcrunch from a marketing perspective as well.

So I suggest that we structure the deal with Crunchpad differently. We grant share options in FusionGarage to Arrington and team.

This should not exceed a total of 10 % of the enlarged capital of FusionGarage.

In exchange, we have Arrington assume the role of visionary/evangelist/marketing head and acquire the rights to use the Crunchpad brand and name.

This option grant should be done before the new round is assumed. This ensures new investors do not get diluted.

So in essence, I am proposing that we turn the deal on its head and do a 180 degree reversal of the original structure.

This is the reverse of Crunchpad buying FusionGarage. This makes the most sense given the almost exclusive role FusionGarage has played in

furthering this and recognizes the continued risk and responsibility that it has to assume on a on-going basis.

I understand you are of the opinion that the above proposal may not hold with Arrington and its conceivable that he shuts down the Crunchpad initiative.

I have made it clear that we are willing to back and invest in FusionGarage with or without Arrington and Crunchpad.

I want to be clear that the above proposal has the unequivocal support of the existing shareholders and the new investors.

Time is running out and you need to understand that we need to launch with or without Crunchpad asap.

The investment is ready and the documents can be signed off quickly allowing you to focus on execution.

Hence, I have to emphasize that you need this resolved either way by end of this weekend or risk the possibility of the potential investment dissipating.

You are the founder and CEO of FusionGarage. I trust that you will carry out your fiduciary duty as expected.

I have to urge you to do the right thing by the Company.

I am available to meet in New York tomorrow afternoon. Eric is here as well. Call me when you get into New York.

Let's discuss in greater detail then.

Best.



---

**From:** 'Kathryn Walker' <KathrynWalker@mcgrathpower.com>  
**To:** Jonathan Bloom <JonathanBloom@mcgrathpower.com>; Chandrasekar Rathakrishnan <chandra@fusiongarage.com>  
**Sent:** 11/17/2009 6:46:52 AM  
**Subject:** RE: Pls peruse this version instead -----Fwd: Rejection of Arrington's "offer"

Chandra and Jon,

I am in agreement with the points that Jon made below on the overall tone of the note from Bruce – in particular with the idea that if the note could be toned down a bit it may be of assistance.

I also thought that the note from Bruce (in addition to being in a different font/font color) needs to be structured a bit differently. Everyone has their own personal style in their structure of emails and my concern is that the note from Bruce is written more in Chandra's style than in something that would be attributed to a third party – this is in things like the line spacing/break of graphs, etc.

If we're cutting and pasting the note without a sending history, I think you're at least going to have to include some parts of the header, ie Bruce's full name with email address removed, a date sent and a subject line.

To echo Jon's previous email, I am happy to assist as needed. I know that you're in a time crunch, so please let us know if you'd like us to directly edit text, etc.

Best,

Kate

**From:** Jonathan Bloom  
**Sent:** Tuesday, November 17, 2009 6:30 AM  
**To:** Chandrasekar Rathakrishnan  
**Cc:** Kathryn Walker  
**Subject:** RE: Pls peruse this version instead -----Fwd: Rejection of Arrington's "offer"

1. You need to change the front between the two emails – it is unlikely that you and your investor use identical fonts
2. I assume you are not cutting and pasting "Bruce's" email to/from line into his note to you because you don't want to drag his name into this mess, correct? I think without it, though, it opens you up to speculation that you are making this up – does he know Bruce, ever heard you mention him in the past? Does he know ETA? Do they have a web presence? If so, they will likely get pulled in any way and it would be better if the note looks like it was actually

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sent to you

3. I would take any references to MA out of quotes (such as "marketing") – it sounds via the quotes like Bruce is mocking him and that isn't good
4. The overall tone of Bruce's note is really, really negative. Is that the way the guy is in real life? Does it have to be that harsh?

Overall, the points are made in Bruce's note but it seems to go on a bit too long and it rambles somewhat. As I don't know the guy's personality and as I don't know if MA knows/has spoken to Bruce, it is difficult for me to determine if the note is within character or not. I would recommend, though, shortening it, making it sound less attack-like on MA and more "it's just business and this isn't good business". if you can give me a bit more time, I could do the editing myself but I know you want this out by 7 this morning.

My phone is turned off as the kids are still sleeping but I am on email as you can see. Let me know what you want to do.

KATE: any other comments?

**From:** Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]  
**Sent:** Tuesday, November 17, 2009 1:40 AM  
**To:** Jonathan Bloom  
**Cc:** Kathryn Walker  
**Subject:** Pls peruse this version instead -----Fwd: Rejection of Arrington's "offer"

Jon,

Pls peruse this version instead. Cleaned up after another read. below is my note to mike n below that is the "note from my investor to me" that is to be passed on.

thanks

-----

Mike,

no good news to update. updated hardware is still on its way , so that's a timing issue. got delayed at taiwan's end.

but the bigger issue is the required investment.

I had a conf call with Bruce last evening EST (An existing shareholder who is looking to co-invest and is a friend of the

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other 2 new investors who were to be part of the new round).

and it was not a good call. Pls see his email note to me (below) for the details.

I am in predicament and its unenviable.

We need the investment but they are not willing to proceed on the current structure as proposed by CrunchPad.

I have spent the night deliberating on this and I cannot substantiate my arguments against the issues raised.

I know the counter proposal from Bruce is going to upset you greatly but I have no choice but to put it forth.

They are pretty resolute and its extremely hard for me to ignore my fiduciary responsibility.

Unless there is an alternative funding available at the right terms , its hard for me to turn this down.

Given its importance, I am heading to NY to meet with them to discuss the situation further but doubt their position will change significantly.

I will be in the air for the next couple of hours or so shortly and out for circulation during that time. Given the urgency of the matter, pls let me have your thoughts.

Thanks,  
Chandra

---

Hello Chandra,

Thanks for taking the time to discuss things. I just wanted to drop a note to recap our conversation.

The shareholders are not happy with the supposed "offer" from Techcrunch. There is no official offer letter to speak of despite you suggesting it was forthcoming on several occasions.

The offer derived from the cap table provided by them has not changed from the last "offer" in May.

We as your shareholders, your team and you have taken all the risk to date including ALL related operational and developmental costs of the device.

They have done nothing of note with the exception of "marketing". Granted, Arrington's writing has created awareness but what's the value of that without the execution and product to back it ? We were prepared to consider an offer of 12 % last December. At that stage, you argued about the value Arrington and his team would bring to the table and that we were still early in our development.

You were convinced that a merger would be the best way to move forward. We had our reservations then and our reservations are proving correct. Things have not gone according to plan have they?

We heard nothing from them for 4 months and the project was dead to them until you showed up in their offices in April with the then prototype build of the hardware and software. You brought the project from dead by assuming all responsibility, leadership and risk and working the whole assortment of



hardware, software, design and packaging. And who paid for it all? We the investors/ shareholders.

The shareholders argued at that stage , that the offer of 12 % was out of hand given that we had done all the work and deserved at least 50 % if not significantly more.

You came back with an offer of 25 %, argued until you were blue in the face on their behalf suggesting they will bring connections, funding , marketing and help bring this to market faster. Again, none of that has happened. In the mean time, in order to keep the project alive the shareholders have had to continue to invest more and more funds to keep things going. In Dec 08, they were to assume all responsibility except for software.

But with the exception of blog posts on Techcrunch they have done nothing. They might have tried but if trying was good enough, then there would be more success stories in the world of start-ups wouldn't there?

In fact, I would argue that they have been a detriment to this project by delaying your chance to go to market because of the time lost trying to make all of this work. And from the general updates, that we have been getting from you over the last 6 months, we have not gained any confidence whatsoever that they have the necessary business acumen, skill sets, and contacts to get this to the market and win.

Their reluctance to assume responsibility of the project affirmatively from the beginning has been appalling. To date, there is no contract whatsoever and its easy for them to walk should things implode or should we fail miserably.

So in essence what you are saying is that you should do all the work , the shareholders assume all risk, you merge the company and Mike and his buddies hold substantially more shares than the original investors? Who are they to dictate terms? And , you are expected to bring in the funding as well? Isn't there something very wrong with this picture? Why would they ask for a controlling stake in the company when have invested nothing and contributed nothing? What on earth are they thinking?

What gives you the confidence that if they could not execute thus far, that they are going to in the future? While past performance is not a predictor of future performance, everything they have done to date gives me little confidence.

I am not disputing that Arrington and Techcrunch do have some value. I am disputing the pricing of this value. I am prepared to invest along with my 2 friends at the 10 million pre-money. This is because we recognize the potential.

At that valuation and by giving up control to Arrington and team, you are suggesting that they are bringing a value of 5 million to the table.

And, this is excluding the massive dilution everyone here takes.

That is just ridiculous. Marketing valued at 5 million ? Even 10 % (Valued at 1 million) is rich. You could get so much more value for the buck if you were to spend that kind money for marketing in other ways.

I appreciate that you respect Arrington and his friendship. But that is no reason to do a bad deal. He clearly is looking after his own interests. Shouldn't you look after your interests and more importantly the interest of the company and it's shareholders? Shouldn't you do the right thing for the company?

I have made it clear to you that this is not just a bad deal. Its a non-starter. So as mentioned, the existing shareholders are rejecting the deal outright. If you decide to proceed with this bad deal, I will not co-invest resulting in the 2 new investors pulling out as well.

We are prepared to back you and your team. And despite everything, we still acknowledge that Arrington and Techcrunch brings some value.

So I suggest that we structure the deal with Crunchpad differently. We grant share options in FusionGarage to Arrington and team.

This should not exceed a total of 10 % of the enlarged capital of FusionGarage. This is non negotiable. Don't come back to me asking for more because it will be this percentage or less. Not more. We've wasted enough time on this.

If he agrees to our terms, we have Arrington assume the role of visionary/evangelist/marketing head and acquire the rights to use the Crunchpad brand and name. Personally I don't think the name is all that important but you seem to be somewhat attached to the name.

This option grant should be done before the new round is assumed. This ensures new investors do not get diluted.

So we are proposing that we turn the deal on its head and do a reversal of the original structure. This makes the most sense given the virtually exclusive role FusionGarage has played in furthering this and recognizes the continued risk and responsibility that it has assumed to this point.

I understand you are of the opinion that the above proposal may not hold with Arrington and I think it's conceivable that he walks away or kills the project.

I have now made it clear that we are willing to back and invest in FusionGarage with or without Arrington and Crunchpad. The above proposal has the unequivocal support of the existing shareholders and the new investors.

Time is running out and you need to understand that we need to launch with or without Crunchpad asap. The investment is ready and the documents can be signed off quickly allowing you to focus on execution.

Hence, I have to emphasize that you need this resolved by the end of this weekend or risk the possibility of the potential investment dissipating.

You are the founder and CEO of FusionGarage. I trust that you will carry out your fiduciary duty as expected.

I have to urge you to do the right thing for the Company.

I am available to meet in Miami tomorrow afternoon. Eric is here as well. Call me when you get into Miami.

Let's discuss in greater detail then.

Cheers.

Bruce.

Hello Bruce ,

the note below the line is intended to be from you to me. while the note immediately below is the one that I send along with the forwarded note from investors.

pls let me know what you think asap as I got to send this out by 6 or 7 am PST on Tues morning.

thanks and sorry for getting this to u later than expected.

---

So. A note to recap our conversation earlier.

The shareholders are not at all happy with the latest "perceived" offer from Techcrunch.

There is no official offer letter to speak of despite you suggesting it was forthcoming on several occasions.

The offer derived from the cap table provided for from their end has not changed from the last "offer" in May.

Your shareholders, team and you have taken all the risk to date including all related operational and developmental costs of the Crunchpad.

They have done nothing of note with the exception of "marketing". Granted, Arrington's writing has created awareness but what's that worth

without the execution and product to back it ? We were prepared to take an offer of 12 % last dec. At that stage, you argued about the value

Arrington and team would bring to table and that we were still early in our development.

You were clear that the merger would be for the best of both outfits. However things has not gone according to plan, has it ?

We heard nothing from them for 4 months and the project was dead till u showed up in their offices in April with the then prototype build of the

hardware and software. You brought the project from dead by assuming all responsibility, leadership and risk and working the whole assortment of

hardware, software, design and packaging.

The shareholders argued at that stage , that the offer of 12 % was out of hand given that we had done all the work and deserved at least 50 % if not more.

You came back with an offer of 25 % and argued in their favor and suggested, they will bring connections, funding , marketing and help bring this to market faster.

Again, none of that had happened. In Dec 08, they were to assume all responsibility except for software , which we

brought to the table.

But with the exception of blog posts on Techcrunch, they have done nothing. They might have tried but if trying was good enough, then there would be way more winners

in the world of start-ups than there are.

In fact, I would argue that they have delayed your own go to market because of the time lost in trying to make all of this work.

And from the general updates, that we have been getting from you over the last 6 months, we have not gained any confidence whatsoever that they have the necessary business

know-how to get this to market and win.

Their reluctance to assume responsibility of the project affirmatively from the beginning has been appalling.

Even to this date, there is no contract whatsoever and its easy for them to walk if "shit" hits the fan.

So in essence, you do all the work , assume all risk and merge the company for a song when the time is right as dictated by them.

And , you are expected to bring in the funding as well. There is something very wrong with this "picture".

They wanting control despite doing nothing is just embarrassing.

What gives you the confidence that if they could not execute thus far, that they are going to in the future ?

Past performance though not a be-all and end-all , its still a solid indicator.

I am not disputing that Arrington and Techcrunch do have their value. I am disputing the pricing of this value.

I am prepared to invest along with my 2 friends at the 10 million pre-money.

This is because we recognize the potential .

At that valuation and by giving up control to Arrington and team, you are suggesting that they are bringing a value of 5 million to the table.

And, this is excluding the massive dilution everyone here takes.

That is just ridiculous. Marketing valued at 5 million ? Even 10 % (Valued at 1 million) is rich.

You could get so much more value for the buck if you were to spend that kind money for marketing in other ways.

I appreciate that you respect Arrington and his friendship. But that is no reason to do a bad deal.

He clearly is looking after his own interests, so why shouldn't you do the right thing for the company ?

I have made it clear to you that this is not just a bad deal. Its a non-starter.

So as suggested, the existing shareholders are rejecting the deal outright.

If you decide to proceed with this bad deal, I will not co-invest resulting in the 2 new investors pulling out as well.

We are prepared to back you and your team. We see the value of Arrington and Techcrunch from a marketing perspective as well.

So I suggest that we structure the deal with Crunchpad differently. We grant share options in FusionGarage to Arrington and team.

This should not exceed a total of 10 % of the enlarged capital of FusionGarage.

In exchange, we have Arrington assume the role of visionary/evangelist/marketing head and acquire the rights to use the Crunchpad brand and name.

This option grant should be done before the new round is assumed. This ensures new investors do not get diluted.

So in essence, I am proposing that we turn the deal on its head and do a 180 degree reversal of the original structure.

This is the the reverse of Crunchpad buying FusionGarage. This makes the most sense given the almost exclusive role FusionGarage has played in

furthering this and recognizes the continued risk and responsibility that it has to assume on a on-going basis.

I understand you are of the opinion that the above proposal may not hold with Arrington and its conceivable that he shuts down the Crunchpad initiative.

I have made it clear that we are willing to back and invest in FusionGarage with or without Arrington and Crunchpad.

I want to be clear that the above proposal has the unequivocal support of the existing shareholders and the new investors.

Time is running out and you need to understand that we need to launch with or without Crunchpad asap.

The investment is ready and the documents can be signed off quickly allowing you to focus on execution.

Hence, I have to emphasize that you need this resolved either way by end of this weekend or risk the possibility of the potential investment dissipating.

You are the founder and CEO of FusionGarage. I trust that you will carry out your fiduciary duty as expected.

I have to urge you to do the right thing by the Company.

I am available to meet in New York tomorrow afternoon. Eric is here as well. Call me when you get into New York.

Let's discuss in greater detail then.

Best.

# **EXHIBIT 34**

---

**From:** 'Jonathan Bloom' <JonathanBloom@mcgrathpower.com>  
**To:** Chandrasekar Rathakrishnan <chandra@fusiongarage.com>  
**CC:** Kathryn Walker <KathrynWalker@mcgrathpower.com>; Ursula Herrick  
<UrsulaHerrick@mcgrathpower.com>  
**Sent:** 11/17/2009 12:03:47 PM  
**Attachments:** image001.gif; image002.jpg; Arrington Note.11.17.09.docx; image003.jpg  
**Subject:** FW: Edits to Arrington Note

Chandra,

I think Kate did a really nice job on this and I have no further edits.

It is our understanding that you will send this to Bruce and he will send it back via email so that it appears like a legitimate email communication.

Let us know what you think.

Jon

**From:** Kathryn Walker  
**Sent:** Tuesday, November 17, 2009 11:50 AM  
**To:** Jonathan Bloom  
**Subject:** Edits to Arrington Note

Scrubbed email attached. Note that I cut large chunks of the last email to craft this one. Happy to discuss live.

Kathryn Walker

Partner & Senior Vice President



333 W. San Carlos Street #900

San Jose, CA 95110

☒ (401) 884-1639 direct

☒ (408) 885-9317 fax

[www.mcgrathpower.com](http://www.mcgrathpower.com) | [Pass the Mic](#) | [Facebook](#)

Partner Agency, The Worldcom Group

**CONFIDENTIALITY:** The information contained in this email message is intended for the personal and confidential use of the designated recipient(s) named above. This message is intended to be a confidential communication and may involve information or material which is protected under State or Federal privacy laws. If the reader of this message is not the intended recipient or an agent responsible for delivering it to the intended recipient, you are hereby notified that you have received this document in error and that any review, dissemination, distribution or copying of this message is strictly prohibited. If you have received this communication in error, please notify us immediately by phone and return this message to us via email.



# **EXHIBIT 35**

---

**From:** 'Jonathan Bloom' <JonathanBloom@mcgrathpower.com>  
**To:** Chandrasekar Rathakrishnan <chandra@fusiongarage.com>  
**Sent:** 11/17/2009 4:43:15 PM  
**Subject:** RE: no good news

What time are you planning on speaking to him?

**From:** Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]  
**Sent:** Tuesday, November 17, 2009 4:46 PM  
**To:** Jonathan Bloom  
**Subject:** Re: no good news

yeah am sure he does . sure being in miami wld have been fun!

On Wed, Nov 18, 2009 at 8:30 AM, Jonathan Bloom <JonathanBloom@mcgrathpower.com> wrote:

Well, Bruce expects it right? If so, it's all expected. Relax, you're on you're way to Miami!

**From:** Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]  
**Sent:** Tuesday, November 17, 2009 4:33 PM

**To:** Jonathan Bloom  
**Subject:** Re: no good news

yeah :)

mike sent that mail to bruce as well. that last mail from mike.

cheers,  
chandra

On Wed, Nov 18, 2009 at 8:27 AM, Jonathan Bloom <JonathanBloom@mcgrathpower.com> wrote:

Deep breaths....you knew it would be like this, ride with it...it's predictable.

What do you mean Mike CCing Bruce?

**From:** Chandrasekar Rathakrishnan [mailto:[chandra@fusiongarage.com](mailto:chandra@fusiongarage.com)]

**Sent:** Tuesday, November 17, 2009 4:29 PM

**To:** Jonathan Bloom

**Subject:** Re: no good news

am actually pissed now.

heather's tone, mike ccing bruce n sayin i wont let own a piece of the business etc.

On Wed, Nov 18, 2009 at 8:28 AM, Chandrasekar Rathakrishnan <[chandra@fusiongarage.com](mailto:chandra@fusiongarage.com)> wrote:

no. think its a threat. even if he did try , no basis.

but i can see him exploding once he knows no course of action.

On Wed, Nov 18, 2009 at 8:22 AM, Jonathan Bloom <[JonathanBloom@mcgrathpower.com](mailto:JonathanBloom@mcgrathpower.com)> wrote:

You concerned about legal action?

**From:** Chandrasekar Rathakrishnan [mailto:[chandra@fusiongarage.com](mailto:chandra@fusiongarage.com)]

**Sent:** Tuesday, November 17, 2009 4:25 PM

**To:** Jonathan Bloom

**Subject:** Re: no good news

none watsoever.

everything been verbal...emails has been me updating on development but no ideas or anything at all

with any of their ideas being shared via email etc.

On Wed, Nov 18, 2009 at 8:19 AM, Jonathan Bloom <[JonathanBloom@mcgrathpower.com](mailto:JonathanBloom@mcgrathpower.com)> wrote:

No trademarks, contracts, written agreements or inferences in emails, right?

**From:** Chandrasekar Rathakrishnan [mailto:[chandra@fusiongarage.com](mailto:chandra@fusiongarage.com)]

**Sent:** Tuesday, November 17, 2009 4:22 PM

**To:** Jonathan Bloom

CONFIDENTIAL

FG0030069

**Subject:** Re: no good news

tats wat i am wondering!aside from a name, nothing else!

On Wed, Nov 18, 2009 at 8:16 AM, Jonathan Bloom <[JonathanBloom@mcgrathpower.com](mailto:JonathanBloom@mcgrathpower.com)> wrote:

What "rights?"

**From:** Chandrasekar Rathakrishnan [<mailto:chandra@fusiongarage.com>]

**Sent:** Tuesday, November 17, 2009 4:06 PM

**To:** Jonathan Bloom; Kathryn Walker

**Subject:** Fwd: no good news

fyi...now using threats...getting fun....

----- Forwarded message -----

From: **Michael Arrington** <[editor@techcrunch.com](mailto:editor@techcrunch.com)>

Date: Wed, Nov 18, 2009 at 7:59 AM

Subject: Re: no good news

To: heather harde <[heather@techcrunch.com](mailto:heather@techcrunch.com)>, [drlee@pacific.net.sg](mailto:drlee@pacific.net.sg)

Cc: Chandrasekar Rathakrishnan <[chandra@fusiongarage.com](mailto:chandra@fusiongarage.com)>

Chandra,

We can discuss when you return.

It's clear that your investors do not understand that we created this product jointly, and there is no way for either of us to bring it to market without the other party. We'd obviously take legal action against you and any manufacturer of the device if you were to move forward without us in violation of our rights. And regardless, there is no path to success in my opinion even if we were to allow you to do so.

What's most disconcerting to me is the tone of the email. I'd never do business with this person, and I'd never allow him to own any part of any project I work on.

Mike

On Nov 17, 2009, at 3:50 PM, Heather Harde wrote:

CONFIDENTIAL

FG0030070

Chandra,

As you know, I normally defer primary communications on CrunchPad to Michael, since he is founder and CEO of the business. However, Bruce Lee's letter below is so uninformed, inaccurate and insulting that I'm at a total loss for your business purpose in sharing it. Your cover note equally damaging. Strategically, operationally, financially completely wrong. Irreparable for me.

Heather

From: Chandrasekar Rathakrishnan [mailto:[chandra@fusiongarage.com](mailto:chandra@fusiongarage.com)]

Sent: Tuesday, November 17, 2009 2:50 PM

To: Michael Arrington

Cc: Heather Harde

Subject: no good news

Mike,

no good news to update. updated hardware is still on its way , so that's a timing issue. friday will be a challenge now. got delayed at taiwan's end. but the bigger issue is the required investment.

I had a conf call with Bruce last night. (An existing shareholder who is looking to co-invest and is a friend of the 2 new investors who were to be part of the new round).

and it was not a good call. Pls see his email note to me (below) for the details. I am in predicament and it's unenviable.

We need the investment but they are not willing to proceed on the current structure as proposed by CrunchPad.

I have spent the night deliberating on this and I cannot substantiate my arguments against the issues raised.

I know the counter proposal from Bruce is going to upset you greatly but I have no choice but to put it forth.

They are pretty resolute and it's extremely hard for me to ignore my fiduciary responsibility.

Unless there is an alternative funding available at the right terms , it's hard for me to turn this down.

Given its importance, I am heading to Miami to meet with them to discuss the situation further but doubt their position will change significantly.

I am going to get on my connection flight to Miami in the next few minutes and I will be in the air for the next couple of hours or so and out of circulation during that time. Given the urgency of the matter, pls let me have your thoughts.

Thanks,  
Chandra

----- Forwarded message -----

From: <[drlee@pacific.net.sg](mailto:drlee@pacific.net.sg)>

Date: Tue, Nov 17, 2009 at 11:51 PM

Subject: Rejection of Arrington's "offer"

To: [chandra@fusiongarage.com](mailto:chandra@fusiongarage.com)

Hello Chandra,

CONFIDENTIAL

FG0030071

Thanks for taking the time to discuss things. I just wanted to drop a note to recap our conversation.

As I mentioned to you, the shareholders have expressed concern that there is no formal offer letter from TechCrunch. They are also not happy with the verbal offers that you have relayed. We had been prepared to consider an offer of 12% last December based on your comments about the value that Michael Arrington and his team would add – coupled with the fact that we were still early in the development of the device and your recommendations that a merger would be the best way to move forward.

However, since that time, we as your shareholders (and you/your development team) have assumed all related operational and developmental costs of the device. We have told you at several points that based on our significant investments, we would be willing to entertain an offer of 50%, if not significantly more. You have argued an offer of 25% on their behalf until you were blue in the face – suggesting that Michael Arrington/TechCrunch would bring connections, funding and marketing valuable in bringing the device to market faster.

We appreciate that Arrington and his team have generated marketing/awareness via their blog posts and relationships in the technology community over the last year. However, we feel strongly that this awareness is of minor value without a product to back it up – a product funded completely by your investors and shareholders and developed by your team at Fusion Garage with no formal contract in place with Arrington/TechCrunch.

The dialogue that we have been having feels like you are saying that Fusion Garage should do all the work, the shareholders should assume all risk, then you merge the company and Arrington/TechCrunch hold substantially more shares than the original investors? Given their lack of formal commitment to the development of this device, we feel that it is not for them to dictate terms. Why would we grant them a controlling stake in the company when they have invested nothing and have contributed nothing tangible?

I am not disputing that Arrington and TechCrunch do have some value. However, I am disputing the pricing of this value. I am prepared, along with my two friends, to invest at the 10 million pre-money. This is because we recognize the potential of what Fusion Garage is developing. However, at that valuation and by giving up control to Arrington and team, you are suggesting that they are bringing a value of 5 million to the table. Marketing valued at 5 million? You could get so much more value for the buck if you were to spend that kind money for marketing in other ways.

I appreciate that you respect Arrington and value his friendship, but from my perspective the agreement that you have presented to me demonstrates that he is looking after his own interests. I, along with your other shareholders, look to you to protect our interests. Because of this, we are rejecting the deal that you have presented to us outright. If you decide to proceed with this deal as it was presented to us, I will not co-invest resulting in the two new investors pulling out as well.

We still acknowledge that Arrington and TechCrunch bring some value to your business endeavor. If you would like to continue the relationship with Arrington/TechCrunch, I am proposing that we structure the deal differently. We would grant share options in Fusion Garage to Arrington and team, not to exceed a total of 10 % of the enlarged capital of the company. The percentage would be non-negotiable.

If he agrees to our terms, we would have Arrington assume the role of visionary/evangelist/marketing head and Fusion Garage would acquire the rights to use the Crunchpad brand and name. Personally, I don't think the name is all that important but you seem to be somewhat attached to the name.

This option grant would be done before the new round is assumed. This ensures new investors do not get diluted. I understand you are of the opinion that the above proposal may not hold with Arrington, but we are willing to back and invest in Fusion Garage with or without Arrington and Crunchpad. The above proposal has the unequivocal support of the existing shareholders and the new investors.

Collectively, we all agree that time is running out. We strongly believe that we need to launch with or without Arrington/TechCrunch ASAP. The investment is ready and the documents can be signed off quickly allowing you to

focus on execution. Hence, I have to emphasize that you need this resolved by the end of this weekend or risk potential investment dissipating.

You are the founder and CEO of Fusion Garage. I trust that you will carry out your fiduciary duty as expected. I am available to meet in Miami tomorrow afternoon. Eric is here as well. Call me when you get into Miami.

Let's discuss in greater detail then.

Bruce

# **EXHIBIT 36**



---

**From:** 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>  
**To:** Michael Arrington <editor@techcrunch.com>  
**CC:** heather harde <heather@techcrunch.com>  
**Sent:** 11/18/2009 4:36:49 AM  
**Subject:** Re: no good news

Mike,

I understand this came out of the blue but I needed to say where things were as soon as it was made known to me.

Its not good and in the spirit of transparency I forwarded the confidential note.

From investor's perspective he is proposing what he deems as fair and I can't fault him for that.

I do not think the tone of the email was intended the way it might have come across.

Meeting them shortly.

Will call you later today to discuss this.

Thanks,  
Chandra

On Wed, Nov 18, 2009 at 7:59 AM, Michael Arrington <editor@techcrunch.com> wrote:  
Chandra,

We can discuss when you return.

It's clear that your investors do not understand that we created this product jointly, and there is no way for either of us to bring it to market without the other party. We'd obviously take legal action against you and any manufacturer of the device if you were to move forward without us in violation of our rights. And regardless, there is no path to success in my opinion even if we were to allow you to do so.

What's most disconcerting to me is the tone of the email. I'd never do business with this person, and I'd never allow him to own any part of any project I work on.

Mike

On Nov 17, 2009, at 3:50 PM, Heather Harde wrote:

Chandra,

As you know, I normally defer primary communications on CrunchPad to Michael, since he is founder and CEO of the business. However, Bruce Lee's letter below is so uninformed, inaccurate and insulting that I'm at a total loss for your business purpose in sharing it. Your cover note equally damaging. Strategically, operationally, financially completely wrong. Irreparable for me.

Heather

From: Chandrasekar Rathakrishnan [mailto:[chandra@fusiongarage.com](mailto:chandra@fusiongarage.com)]  
Sent: Tuesday, November 17, 2009 2:50 PM  
To: Michael Arrington  
Cc: Heather Harde  
Subject: no good news

Mike,

no good news to update. updated hardware is still on its way , so that's a timing issue. friday will be a challenge now. got delayed at taiwan's end. but the bigger issue is the required investment.

I had a conf call with Bruce last night. (An existing shareholder who is looking to co-invest and is a friend of the 2 new investors who were to be part of the new round).

and it was not a good call. Pls see his email note to me (below) for the details. I am in predicament and it's unenviable.

We need the investment but they are not willing to proceed on the current structure as proposed by CrunchPad.

I have spent the night deliberating on this and I cannot substantiate my arguments against the issues raised.

I know the counter proposal from Bruce is going to upset you greatly but I have no choice but to put it forth.

They are pretty resolute and it's extremely hard for me to ignore my fiduciary responsibility.

Unless there is an alternative funding available at the right terms , it's hard for me to turn this down.

Given its importance, I am heading to Miami to meet with them to discuss the situation further but doubt their position will change significantly.

I am going to get on my connection flight to Miami in the next few minutes and I will be in the air for the next couple of hours or so and out of circulation during that time. Given the urgency of the matter, pls let me have your thoughts.

Thanks,  
Chandra

----- Forwarded message -----

From: <[drlee@pacific.net.sg](mailto:drlee@pacific.net.sg)>  
Date: Tue, Nov 17, 2009 at 11:51 PM  
Subject: Rejection of Arrington's "offer"  
To: [chandra@fusiongarage.com](mailto:chandra@fusiongarage.com)

Hello Chandra,

Thanks for taking the time to discuss things. I just wanted to drop a note to recap our conversation.

As I mentioned to you, the shareholders have expressed concern that there is no formal offer letter from TechCrunch. They are also not happy with the verbal offers that you have relayed. We had been prepared to consider an offer of 12% last December based on your comments about the value that Michael Arrington and his team would add – coupled with the fact that we were still early in the development of the device and your recommendations that a merger would be the best way to move forward.

TC00000626

However, since that time, we as your shareholders (and you/your development team) have assumed all related operational and developmental costs of the device. We have told you at several points that based on our significant investments, we would be willing to entertain an offer of 50%, if not significantly more. You have argued an offer of 25% on their behalf until you were blue in the face – suggesting that Michael Arrington/TechCrunch would bring connections, funding and marketing valuable in bringing the device to market faster.

We appreciate that Arrington and his team have generated marketing/awareness via their blog posts and relationships in the technology community over the last year. However, we feel strongly that this awareness is of minor value without a product to back it up – a product funded completely by your investors and shareholders and developed by your team at Fusion Garage with no formal contract in place with Arrington/TechCrunch.

The dialogue that we have been having feels like you are saying that Fusion Garage should do all the work, the shareholders should assume all risk, then you merge the company and Arrington/TechCrunch hold substantially more shares than the original investors? Given their lack of formal commitment to the development of this device, we feel that it is not for them to dictate terms. Why would we grant them a controlling stake in the company when they have invested nothing and have contributed nothing tangible?

I am not disputing that Arrington and TechCrunch do have some value. However, I am disputing the pricing of this value. I am prepared, along with my two friends, to invest at the 10 million pre-money. This is because we recognize the potential of what Fusion Garage is developing. However, at that valuation and by giving up control to Arrington and team, you are suggesting that they are bringing a value of 5 million to the table. Marketing valued at 5 million? You could get so much more value for the buck if you were to spend that kind money for marketing in other ways.

I appreciate that you respect Arrington and value his friendship, but from my perspective the agreement that you have presented to me demonstrates that he is looking after his own interests. I, along with your other shareholders, look to you to protect our interests. Because of this, we are rejecting the deal that you have presented to us outright. If you decide to proceed with this deal as it was presented to us, I will not co-invest resulting in the two new investors pulling out as well.

We still acknowledge that Arrington and TechCrunch bring some value to your business endeavor. If you would like to continue the relationship with Arrington/TechCrunch, I am proposing that we structure the deal differently. We would grant share options in Fusion Garage to Arrington and team, not to exceed a total of 10 % of the enlarged capital of the company. The percentage would be non-negotiable.

If he agrees to our terms, we would have Arrington assume the role of visionary/evangelist/marketing head and Fusion Garage would acquire the rights to use the Crunchpad brand and name. Personally, I don't think the name is all that important but you seem to be somewhat attached to the name.

This option grant would be done before the new round is assumed. This ensures new investors do not get diluted. I understand you are of the opinion that the above proposal may not hold with Arrington, but we are willing to back and invest in Fusion Garage with or without Arrington and Crunchpad. The above proposal has the unequivocal support of the existing shareholders and the new investors.

Collectively, we all agree that time is running out. We strongly believe that we need to launch with or without Arrington/TechCrunch ASAP. The investment is ready and the documents can be signed off quickly allowing you to focus on execution. Hence, I have to emphasize that you need this resolved by the end of this weekend or risk potential investment dissipating.

You are the founder and CEO of Fusion Garage. I trust that you will carry out your fiduciary duty as expected. I am available to meet in Miami tomorrow afternoon. Eric is here as well. Call me when you get into Miami.

Let's discuss in greater detail then.

Bruce

# **EXHIBIT 37**

---

**From:** 'Jonathan Bloom' <JonathanBloom@mcgrathpower.com>  
**To:** Chandrasekar Rathakrishnan <chandra@fusiongarage.com>  
**Sent:** 11/18/2009 9:18:29 AM  
**Subject:** RE: no good news

understood

**From:** Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]  
**Sent:** Wednesday, November 18, 2009 9:17 AM  
**To:** Jonathan Bloom  
**Subject:** Re: no good news

not the intent. just trying to soften the "blow" from his perspective so that he does not go all nuclear.

dun think it helps anyways. will send heather's reply to me right after this.

On Wed, Nov 18, 2009 at 10:07 PM, Jonathan Bloom <JonathanBloom@mcgrathpower.com> wrote:

It sounds to me like you are going to try to work with him – sentence on investor intent gives an opening. Is that your intent?

**From:** Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]  
**Sent:** Wednesday, November 18, 2009 4:42 AM

**To:** Jonathan Bloom; Kathryn Walker

**Subject:** Fwd: no good news

fyi.my reply to mike

----- Forwarded message -----

**From:** Chandrasekar Rathakrishnan <chandra@fusiongarage.com>  
**Date:** Wed, Nov 18, 2009 at 8:36 PM  
**Subject:** Re: no good news  
**To:** Michael Arrington <editor@techcrunch.com>  
**Cc:** heather harde <heather@techcrunch.com>

Mike,

I understand this came out of the blue but I needed to say where things were as soon as it was made known to me.

CONFIDENTIAL

FG0030270

Its not good and in the spirit of transparency I forwarded the confidential note.

From investor's perspective he is proposing what he deems as fair and I can't fault him for that.

I do not think the tone of the email was intended the way it might have come across.

Meeting them shortly.

Will call you later today to discuss this.

Thanks,  
Chandra

On Wed, Nov 18, 2009 at 7:59 AM, Michael Arrington <[editor@techcrunch.com](mailto:editor@techcrunch.com)> wrote:

Chandra,

We can discuss when you return.

It's clear that your investors do not understand that we created this product jointly, and there is no way for either of us to bring it to market without the other party. We'd obviously take legal action against you and any manufacturer of the device if you were to move forward without us in violation of our rights. And regardless, there is no path to success in my opinion even if we were to allow you to do so.

What's most disconcerting to me is the tone of the email. I'd never do business with this person, and I'd never allow him to own any part of any project I work on.

Mike

On Nov 17, 2009, at 3:50 PM, Heather Harde wrote:

Chandra,

As you know, I normally defer primary communications on CrunchPad to Michael, since he is founder and CEO of the business. However, Bruce Lee's letter below is so uninformed, inaccurate and insulting that I'm at a total loss for your business purpose in sharing it. Your cover note equally damaging. Strategically, operationally, financially completely wrong. Irreparable for me.

Heather

From: Chandrasekar Rathakrishnan [<mailto:chandra@fusiongarage.com>]

Sent: Tuesday, November 17, 2009 2:50 PM

To: Michael Arrington

Cc: Heather Harde

Subject: no good news

Mike,

no good news to update. updated hardware is still on its way , so that's a timing issue. friday will be a challenge now. got delayed at taiwan's end. but the bigger issue is the required investment.

I had a conf call with Bruce last night. (An existing shareholder who is looking to co-invest and is a friend of the 2 new investors who were to be part of the new round).

and it was not a good call. Pls see his email note to me (below) for the details. I am in predicament and it's unenviable.

We need the investment but they are not willing to proceed on the current structure as proposed by CrunchPad.

I have spent the night deliberating on this and I cannot substantiate my arguments against the issues raised.

I know the counter proposal from Bruce is going to upset you greatly but I have no choice but to put it forth.

They are pretty resolute and it's extremely hard for me to ignore my fiduciary responsibility.

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Given its importance, I am heading to Miami to meet with them to discuss the situation further but doubt their position will change significantly.

I am going to get on my connection flight to Miami in the next few minutes and  
I will be in the air for the next couple of hours or so and out of circulation during that time.  
Given the urgency of the matter, pls let me have your thoughts.

Thanks,  
Chandra

----- Forwarded message -----

From: <[drlee@pacific.net.sg](mailto:drlee@pacific.net.sg)>  
Date: Tue, Nov 17, 2009 at 11:51 PM  
Subject: Rejection of Arrington's "offer"  
To: [chandra@fusiongarage.com](mailto:chandra@fusiongarage.com)

Hello Chandra,

Thanks for taking the time to discuss things. I just wanted to drop a note to recap our conversation.

As I mentioned to you, the shareholders have expressed concern that there is no formal offer letter from TechCrunch. They are also not happy with the verbal offers that you have relayed. We had been prepared to consider an offer of 12% last December based on your comments about the value that Michael Arrington and his team would add – coupled with the fact that we were still early in the development of the device and your recommendations that a merger would be the best way to move forward.

However, since that time, we as your shareholders (and you/your development team) have assumed all related operational and developmental costs of the device. We have told you at several points that based on our significant investments, we would be willing to entertain an offer of 50%, if not significantly more. You have argued an offer of 25% on their behalf until you were blue in the face – suggesting that Michael Arrington/TechCrunch would bring connections, funding and marketing valuable in bringing the device to market faster.



We appreciate that Arrington and his team have generated marketing/awareness via their blog posts and relationships in the technology community over the last year. However, we feel strongly that this awareness is of minor value without a product to back it up – a product funded completely by your investors and shareholders and developed by your team at Fusion Garage with no formal contract in place with Arrington/TechCrunch.

The dialogue that we have been having feels like you are saying that Fusion Garage should do all the work, the shareholders should assume all risk, then you merge the company and Arrington/TechCrunch hold substantially more shares than the original investors? Given their lack of formal commitment to the development of this device, we feel that it is not for them to dictate terms. Why would we grant them a controlling stake in the company when they have invested nothing and have contributed nothing tangible?

I am not disputing that Arrington and TechCrunch do have some value. However, I am disputing the pricing of this value. I am prepared, along with my two friends, to invest at the 10 million pre-money. This is because we recognize the potential of what Fusion Garage is developing. However, at that valuation and by giving up control to Arrington and team, you are suggesting that they are bringing a value of 5 million to the table. Marketing valued at 5 million? You could get so much more value for the buck if you were to spend that kind money for marketing in other ways.

I appreciate that you respect Arrington and value his friendship, but from my perspective the agreement that you have presented to me demonstrates that he is looking after his own interests. I, along with your other shareholders, look to you to protect our interests. Because of this, we are rejecting the deal that you have presented to us outright. If you decide to proceed with this deal as it was presented to us, I will not co-invest resulting in the two new investors pulling out as well.

We still acknowledge that Arrington and TechCrunch bring some value to your business endeavor. If you would like to continue the relationship with Arrington/TechCrunch, I am proposing that we structure the deal differently. We would grant share options in Fusion Garage to Arrington and team, not to exceed a total of 10 % of the enlarged capital of the company. The percentage would be non-negotiable.

If he agrees to our terms, we would have Arrington assume the role of visionary/evangelist/marketing head and Fusion Garage would acquire the rights to use the Crunchpad brand and name. Personally, I don't think the name is all that important but you seem to be somewhat attached to the name.

This option grant would be done before the new round is assumed. This ensures new investors do not get diluted. I understand you are of the opinion that the above proposal may not hold with Arrington, but we are willing to back and invest in Fusion Garage with or without Arrington and Crunchpad. The above proposal has the unequivocal support of the existing shareholders and the new investors.

Collectively, we all agree that time is running out. We strongly believe that we need to launch with or without Arrington/TechCrunch ASAP. The investment is ready and the documents can be signed off quickly allowing you to focus on execution. Hence, I have to emphasize that you need this resolved by the end of this weekend or risk potential investment dissipating.

You are the founder and CEO of Fusion Garage. I trust that you will carry out your fiduciary duty as expected. I am available to meet in Miami tomorrow afternoon. Eric is here as well. Call me when you get into Miami.

Let's discuss in greater detail then.

Bruce



# **EXHIBIT 38**

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**From:** 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>  
**To:** brian@techcrunch.com <brian@techcrunch.com>  
**CC:** Michael Arrington <editor@techcrunch.com>  
**Sent:** 10/12/2009 8:58:56 AM  
**Subject:** Re: Update

Brian,

As of now we are still on track. Screens n new panels will were being bonded yesterday.

If that went well, (will know after a day of bonding) then we are good for 10/14. Will hear back today late evening on status of bonded screens and will update accordingly.

thanks,  
chandra

On Sun, Oct 11, 2009 at 1:36 PM, <brian@techcrunch.com> wrote:  
Chandra,

Are we still on track to get the new panels tomorrow and in the US by 10/14? Also, are there any other smaller issues outside these 2 primary problems that are being worked which could cause additional delays?

Thanks,  
Brian

-----Original Message-----

From: "Chandrasekar Rathakrishnan" <chandra@fusiongarage.com>  
Sent: Tuesday, October 6, 2009 4:37pm  
To: "Michael Arrington" <editor@techcrunch.com>  
Cc: "brian" <brian@techcrunch.com>  
Subject: Update

Mike,

here is the update :

2 issues with device at the moment.

1) SSD Stability

This what causes the crashes. Problem being dealt with at 2 levels. Pegatron refine SSD firmware. We stabilize kernel module to ensure a more accurate shutdown of system. Pega feels we should get an updated firmware in about 5 days or so.

2) Touch Panel

Touch is not stable because of current touch panel. There are markings on touch panel , both of these are problems. New supplier will solve both of these problems. We have seen samples and have not seen any markings. We will get the new panels on the 12th of Oct. In the US by 13th/14th Oct.

Team is here with KS in Taiwan. Today is the 6th of Oct. With all of the above, we are looking at having stable units on the 16th of Oct. 10 days from now.

We are working on stabilizing units , UI etc but without the above 2 things resolved, we cant go on stage.

We are good to go as soon as the above 2 issues are resolved.

Looking at everything right now, there is a more than a good chance that we will make the target date of 16th.

All of the above is part of development evolution and we have the issues identified and tackled.

Will keep you updated of progress.

Thanks,  
Chandra

# **EXHIBIT 39**

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**From:** 'Chandrasekar Rathakrishnan' <chandra@fusiongarage.com>  
**To:** Michael Arrington <editor@techcrunch.com>  
**CC:** brian <brian@techcrunch.com>  
**Sent:** 11/4/2009 8:47:15 PM  
**Subject:** Re: ok, let's either do this or not.

am assuming the article in silicon valley insider triggered this mail ?

so yes, we should do this.

have been having calls with investors etc. I should be able to revert affirmatively on that by wknd.

device almost there. next week, we shld have abt 10 of this devices stable and working.

really need the LOI from your end before my wknd calls with investors.

might also have to go to new york on monday for a day or 2 to meet with Eric and bruce (the investors)for a chat. they happen to be in the US for other matters so that helps in closing the loop.

will revert again over the weekend

On Thu, Nov 5, 2009 at 5:46 AM, Michael Arrington <[editor@techcrunch.com](mailto:editor@techcrunch.com)> wrote: