

# EXHIBIT B

**From:** 'Heather Harde' <heather@techcrunch.com>  
**To:** Chandrasekar Rathakrishnan <chandra@fusiongarage.com>  
**CC:** Michael Arrington <editor@techcrunch.com>  
**Sent:** 12/18/2008 12:09:24 AM  
**Attachments:** FG\_LOI\_121708.doc  
**Subject:** LOI

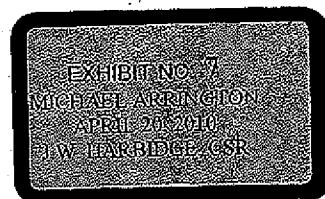
Chandra,

Thanks so much for your patience this past week. Your family has been in my thoughts.

Attached for your review is our letter of intent to acquire Fusion Garage. Please take the necessary time to review our proposal and let us know when you're ready to schedule a follow-up conversation. We remain extremely enthusiastic about combining forces to create a revolutionary new product for mass distribution, and we look forward to moving the discussion forward at an aggressive pace. Best regards,

Heather

310.871.4351 cell / [heather@techcrunch.com](mailto:heather@techcrunch.com)



Confidential

FG00001044

CrunchPad Inc.  
PO Box 638, Menlo Park, CA 94026

December 17, 2008.

Fusion Garage  
120 Lower Delta Road  
#01-16 Cendex Building  
Singapore 169208  
Attn: Chandrasekar Rathakrishnan, Founder & Chief Executive Officer

Dear Chandra:

This letter (this "Letter of Intent") will confirm the mutual intentions of CrunchPad Inc. ("Purchaser") and Fusion Garage ("Target") regarding the acquisition by Purchaser of the outstanding shares of Target. It is understood that this Letter of Intent is intended to set forth the fundamentals of the proposed transaction, but that certain aspects of such transaction may be revised and new issues presented upon further investigation.

1. **Form of Transaction.** Purchaser proposes to acquire all of the business assets and liabilities of Target by acquiring all of the outstanding shares of capital stock of Target. The transaction would be structured as a direct purchase by Purchaser from the stockholders of Target ("Selling Stockholders") *provided that*, in the event that Purchaser, in its sole discretion, determines that the transaction would be more efficiently effected by a merger or an asset sale, Purchaser shall have the right to re-structure the transaction as a merger or an asset sale.

2. **Consideration.** In consideration of all the outstanding shares of capital stock (including approximately 115,000 options for shares that have yet to be granted to current employees and contractors through the Closing Date) of Target, Purchaser proposes to pay the Selling Stockholders an aggregate purchase price equal to eight (8%) percent of CrunchPad Inc. common stock and to assume the cash balance and up to S\$260,000 (Singapore dollars) in third-party indebtedness of Target (the "Purchase Price"). The portion of the purchase price paid to investors of Target shall be vested in full. The portion of the Purchase price paid to the founder and employees of Target shall be subject to vesting as set forth in section 4 of this letter below. The Purchase Price shall be payable by Purchaser on the closing date to be agreed upon by the parties (the "Closing Date"). The Purchase Price is based upon preliminary due diligence conducted by Purchaser on Target and its business and is subject to adjustment downward, to the extent reasonably agreed upon by Purchaser and Target, in the event that (a) issues discovered in the course of Purchaser's due diligence effort lead to a materially lower valuation of Target's business than the valuation determined based upon Purchaser's due diligence prior to the date hereof, or (b) there is a material adverse change in Target's business, assets, financial condition or prospects following the date hereof (or occurring prior to the date hereof but not disclosed to Purchaser as of the date hereof) (a "Material Adverse Change") or (c) the indebtedness or cash balance of Target changes by more than the historic three-month average burn rate of Target. Purchaser will make good-faith efforts to repay a S\$160,000 (Singapore dollars) third-party loan of Target upon the closing a round of financing in excess of \$1 million.

3. **Definitive Agreement.** The terms and conditions governing the acquisition are, subject to the proviso in Section 1 of this Letter of Intent, to be contained in a stock purchase agreement (the "**Stock Purchase Agreement**") that shall be subject, in all respects, to the approval of both parties and their respective professional and financial advisors. The Stock Purchase Agreement shall include, among others, the following terms and conditions:

(a) Customary representations and warranties made by parties to a stock purchase transaction, including without limitation a representation that Target owns all intellectual property necessary or desirable to develop, manufacture, market and sell its products and services and customary investment representations by the Selling Stockholders;

(b) Customary conditions to be satisfied before the parties are obligated to close the transaction, including without limitation (i) the approval of the transaction by the boards of directors of both Purchaser and Target; (ii) the approval of the transaction by the stockholders of Target as provided by law; (iii) receipt of all approvals, authorizations and clearances needed from any governmental or regulatory authority or any other person required for consummation of the transaction; (iv) completion of a due diligence investigation of Target by Purchaser and its advisors, to Purchaser's sole satisfaction; (v) delivery of appropriate legal opinions from counsel to Target; (vi) the absence of injunctions and similar restraints; (vii) the accuracy of representations and warranties and performance of covenants; (viii) there shall not have occurred a Material Adverse Change; (ix) each of the warrants, options and other rights to ownership interest or profit participation in Target shall be cancelled or waived, other than the shares of Target being purchased by Purchaser; and (x) the execution of the employment agreements and non-compete agreements referenced herein.

4. **Key Employees.** The option grants extended to employees and consultants of Target will be subject to four-year vesting with a one-year initial cliff. Chandrasekar Rathakrishnan will be offered a role as VP Software & Co-Founder and will report initially to Louis Monier, the Chief Product Officer. Employees and contractors of Target will report to Rathakrishnan. Operating and reporting responsibilities will be subject to change to reflect the ongoing businesses needs of Purchaser.

5. **Due Diligence.** As soon as practicable after execution of this Letter of Intent, Purchaser, its agents and employees shall be permitted to make a full and complete due diligence review of Target's business and affairs. Target shall cooperate fully with such review, including providing access to its premises and making available all of Target's documents, employees and agents necessary for Purchaser's due diligence review.

6. **Indemnification; Setoff.** Target and the Selling Stockholders shall indemnify Purchaser for any loss, liability or claim, and all costs thereof, incurred in respect of (a) any breach by Target of its representations, warranties or covenants; (b) any failure of Target to perform any of its obligations under the Stock Purchase Agreement; and (c) any claims brought by employees or consultants of Target who were or are terminated prior to the Closing Date. Purchaser shall be entitled to set off any and all amounts under a promissory note to satisfy claims for breaches of representations, warranties and covenants and/or for payment of any other

amounts owed hereunder for a period of twenty four (24) months following the Closing Date, subject to certain agreed upon exceptions.

7. **No-Shop Provision.** In consideration of the mutual covenants set forth herein and the willingness of Purchaser to continue its due diligence and consideration of the proposed transaction, Target and the stockholders of Target party hereto agree that, from the date of this letter until the close of business on 60 days from the date hereof (the "No-Shop Period"), they will negotiate a sale of Target exclusively with Purchaser and that neither Target nor any director, officer, employee, stockholder, representative or agent of Target or its subsidiaries (collectively, "representatives") will, directly or indirectly, solicit, initiate, entertain or encourage any proposals or offers from any third party relating to any merger or consolidation of Target or its subsidiaries, the dissolution of Target or its subsidiaries or the acquisition of all or a material portion of Target's or any of its subsidiaries' capital stock or assets or any similar transaction, or participate in any discussions or negotiations regarding, or furnish to any person any information with respect to, any such transaction. Upon execution of this Letter of Intent, Target shall, and shall cause its representatives to, terminate all discussions and negotiations with all third parties relating to any such transaction.

8. **Confidentiality; Public Announcements.** Neither party shall, without the prior written consent of the other party, disclose to any third party the existence of this Letter of Intent, the identity of Purchaser or Target or the transactions contemplated by this Letter of Intent.

9. **Expenses.** Each party shall be responsible for its own legal, accounting and other fees and expenses related to the transactions contemplated by this Letter of Intent. Each party shall indemnify and hold harmless the other party from any claim for broker's or finder's fees arising from the transactions contemplated by this Letter of Intent by any person claiming to have been engaged by such party.

10. **Termination of Letter of Intent.** The parties will negotiate in good faith to enter into the Stock Purchase Agreement on or before 60 days from the date hereof. Following the 60 day period, the parties intend this exclusivity provision to continue in full force and effect until such time as either party determines that the parties, after negotiating in good faith, are unable to reach agreement on all material business terms and accordingly wish to terminate this agreement. If the parties fail to enter into the Stock Purchase Agreement on or before such date, the understandings contained in this Letter of Intent shall terminate and be of no further force or effect, except for paragraphs 9, 10 to 12, which shall survive any termination of this Letter of Intent.

11. **Governing Law.** This Letter of Intent shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflicts of laws provisions thereof.

12. **Binding Effect.** Except for the provisions of paragraphs 5, 7 to 15, inclusive, each of which shall be deemed to be an agreement and binding upon the parties, it is understood that this Letter of Intent does not constitute nor give rise to any legally binding commitment.

13. **Assignability.** None of the rights of either party hereunder may be assigned, nor may any of the obligations of either party hereunder be delegated, without the prior written consent of the other party; *provided, however*, that Purchaser may assign its rights or delegate its obligations hereunder to any of its affiliates without the prior written consent of Target. This Letter of Intent shall be binding upon and shall inure to the benefit of the respective successors and permitted assigns of the parties hereto to the same extent that it is binding on the parties hereto.

14. **Amendment; Waiver.** No amendment, modification or discharge of this Letter of Intent, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, discharge or waiver is sought. No delay or failure at any time on the part of either party in exercising any right, power or privilege under this Letter of Intent, or in enforcing any provision of this Letter of Intent, shall impair any such right, power or privilege, or be construed as a waiver of such provision, or be construed as a waiver of any default or as any acquiescence therein, or shall affect the right of such party thereafter to enforce each and every provision of this Letter of Intent in accordance with its terms.

15. **Counterparts.** This Letter of Intent may be executed in one or more counterparts, each of which when so executed and delivered will be deemed an original but all of which will constitute one and the same agreement.

Please indicate your acceptance and approval of the foregoing statement of our mutual intentions, which intentions are subject in all respects to the execution and delivery of the Stock Purchase Agreement (except for the provisions of paragraphs 5, 7 to 15, inclusive, which shall be binding on both parties).

Sincerely,

**CrunchPad Inc.**

By: \_\_\_\_\_  
Name: J. Michael Arrington  
Title: CEO

Accepted and Approved  
as of the date first above written:

**Fusion Garage**

By: \_\_\_\_\_  
Name: Chandrasekar Rathakrishnan  
Title: CEO