

EXHIBIT C

From: Chandrasekar Rathakrishnan [mailto:chandra@fusiongarage.com]
Sent: Saturday, June 27, 2009 3:01 PM
To: Michael Arrington
Cc: Heather Harde
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