

**From:** Ian Osborne <[REDACTED]>  
**To:** Jeffrey Epstein <jeevacation@gmail.com>  
**Subject:** Re: Investment Update  
**Date:** Thu, 30 Aug 2012 23:37:09 +0000

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It is Yuri's vehicle. But we can use that or any other Investor vehicle that we know...

On Aug 30, 2012 4:03 PM, "Jeffrey Epstein" <jeevacation@gmail.com> wrote:  
yes , of course. what is apoletto.???

On Thu, Aug 30, 2012 at 6:44 PM, Ian Osborne <[REDACTED]> wrote:

Jeffrey - here is the explanation as discussed last night. Would you mind conveying your instruction about dropping any changes that require other shareholder consents to Darren?

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

From: "Jacoby, Craig" <[REDACTED]>  
Date: Aug 30, 2012 1:23 PM  
Subject: Investment Update  
To: "Hosain Rahman" <[REDACTED]>, "Ian Osborne" <[REDACTED]>  
Cc: "Jacoby, Craig" <[REDACTED]>

Ian and Hosain,

As you know, we have been trying to figure out how to satisfy the comments and requests made by Mort without having to recirculate the investment agreements in place with Jawbone's other investors and without having to obtain approvals of those investors to significant amendments of those agreements. We also want to ensure that Mort obtains the same deal that JP Morgan received in connection with its purchases of preferred and common stock.

As we indicated to Darren on Friday and again on Monday, we are proposing that Jawbone make its representations and warranties as of this new closing, and in connection with that Jawbone would provide a fully updated schedule of exceptions, and Jawbone would satisfy all of the same closing conditions that it satisfied with respect to JP Morgan's initial purchase of \$40MM of Series 5 Preferred. This should address many of the comments that Darren made with respect to the Common Stock Purchase Agreement and the Series 5 Preferred Stock Purchase Agreement, which would both be replaced by a single, new purchase agreement. Further, as we indicated on Monday, Jawbone will further propose that all of the representations and warranties that applied to the Series 5 will apply to all of the common and preferred shares purchased under the new agreement. This is more favorable than the terms applicable to JP Morgan.

We also believe we can give Mort comfort that it will be treated as a "Major Investor" under the investor documents without having to obtain approval of the other parties to those documents. Given the affiliation between Mort, Hedosophia and Apoletto and their aggregate share purchases, Jawbone is comfortable agreeing to a side letter in which it would agree to treat all three of those investors as "Major Investors" and extend to them all of the rights and benefits enjoyed by "Major Investors" under Jawbone's Investor Rights Agreement so long as their collective holdings of preferred and common stock was at least equal to 2,000,000 shares. We have already circulated a draft amendment that would expand the

definition of "Registrable Securities" to include the common stock being purchased by Mort, and we do anticipate that our principal investors will quickly sign that document once we circulate it.

As for Mort's other requests pertaining to the Investor Rights Agreement and the other investor documents to which all of our preferred stockholders are parties, those would require a broader amendment and restatement of the applicable documents, and some of them would implicate business points that were the subject of negotiation in prior rounds. As to those points, including comments to the drag along rights, the registration rights, the information rights and the venue provisions, our strong preference would be to leave the existing documents as they were agreed at the initial closing of the Series 5 with JP Morgan.

We hope that this approach will be acceptable to Mort, but we would appreciate your thoughts and comments. Please let me know if you have any questions about this.

Best regards,

**Craig D. Jacoby**

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