Connectu, Inc. v. Facebook, Inc. et al

EXHIBIT 35

Doc. 150 Att. 10

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

CONNECTU, INC.,)

Plaintiff,)

v.) Civil Action) No. 07-10593-DPW

FACEBOOK, INC., MARK

ZUCKERBERG, EDUARDO SAVERIN,

DUSTIN MOSKOVITZ, ANDREW

McCOLLUM, CHRISTOPHER HUGHES

and THEFACEBOOK, LLC,

Defendants.

BEFORE: The Honorable Douglas P. Woodlock,
District Judge

MOTION HEARING

John J. Moakley United States Courthouse
Courtroom No. 1
One Courthouse Way
Boston, Massachusetts 02210
Wednesday, October 17, 2007
2:30 p.m.

Marcia G. Patrisso, RPR, CRR
Official Court Reporter
John J. Moakley U.S. Courthouse
One Courthouse Way, Room 3510
Boston, Massachusetts 02210
(617) 737-8728

Mechanical Steno - Computer-Aided Transcript

Page 2 1 APPEARANCES: QUINN EMANUEL URQUHART OLIVER & HEDGES, LLP 2 By: Richard I. Werder, Jr., Esq. Adam Wolfson, Esq. 3 51 Madison Avenue - 22nd Floor New York, New York 10010 4 - and -GRIESINGER, TIGHE & MAFFEI, LLP 5 By: Daniel P. Tighe, Esq. 176 Federal Street 6 Boston, Massachusetts 02110-2214 On Behalf of the Plaintiff ORRICK, HERRINGTON & SUTCLIFFE, LLP 8 By: I. Neel Chatterjee, Esq. Monte M.F. Cooper, Esq. 9 G. Hopkins Guy III, Esq. Theresa A. Sutton, Esq. 10 1000 Marsh Road Menlo Park, California 94025-1015 11 - and -12 PROSKAUER ROSE LLP By: Steven M. Bauer, Esq. One International Place - 22nd Floor 13 Boston, Massachusetts 02110 On Behalf of the Defendants Facebook, Inc. and 14 Mark Zuckerberg 15 HOLLAND & KNIGHT LLP By: Daniel K. Hampton, Esq. 16 10 St. James Avenue - 11th Floor Boston, Massachusetts 02116 17 On Behalf of the Defendant Eduardo Saverin 18 19 20 21 22 23 24 25

- 1 first. It's Rick Werder from Quinn Emanuel. And before
- 2 I start, we've been admitted pro hac vice. And I just
- 3 want to thank the Court for the courtesy of allowing us
- 4 to appear pro hac vice.
- 5 Mr. Zuckerberg's -- I think Mr. Zuckerberg's
- 6 claim would be comparable to the claim that he's
- 7 fighting with Mr. Saverin over --
- 8 THE COURT: Well, I think the issue is
- 9 whether -- is not whether it's comparable, but what is
- 10 it? Does he get 25 percent?
- MR. WERDER: I think it's 25 percent. Four
- 12 equal shares.
- 13 THE COURT: Where do I see 25 percent here?
- MR. WERDER: You see Paragraph 46 and Paragraph
- 15 67 of the complaint allege --
- 16 THE COURT: No. No, we're talking about summary
- 17 judgment now. You've alleged it -- the issue for
- 18 summary judgment is piercing the allegations. And so I
- 19 have the 30(b)(6) deposition of Mr. Winklevoss --
- MR. WERDER: Yes, your Honor.
- 21 THE COURT: -- I have the interrogatory answer.
- 22 And what is premature? I mean, other than to say
- 23 "indefinite"?
- MR. WERDER: Well, your Honor, you have the
- 25 declaration of Victor Gao.

Page 13 THE COURT: Well, you know, in this district --1 or this circuit -- the creation of declarations 2 afterwards -- not so much Mr. Gao, although I don't know 3 that he adds much to this -- but the one for Mr. 4 Winklevoss is kind of an agonizing reappraisal of what he had earlier said. And I must tell you that unless 6 you can convince me in some fashion that I should 7 consider that in light of the degree of which it 8 contradicts what he's earlier said, I'm not going to 9 consider it. 10 MR. WERDER: Well, your Honor, I'll take a --11 that relates to Mr. Winklevoss's declaration? 12 THE COURT: Yes. Yes. 13 MR. WERDER: Your Honor, Mr. Winklevoss gave, 14 obviously, an extensive deposition. And I think what 15 16 the defendants have done is to parse particular phrases from it, sentences from it, answers from it that they 17 like. But I think if the entire deposition is read, we 18 believe that the deposition is completely consistent 19 20 with the --THE COURT: Well, I've read the entire 21 deposition, or at least what it is -- what's been 22 attached, I guess, to the declaration of -- Mr. Cooper's 23

declaration. I read it. Did you at some point say it

wasn't premature to speak about specific equity stakes?

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Page 14 MR. WERDER: Your Honor, we've cited at least 1 three portions of the transcript in our papers. 2 cited --3 THE COURT: I know you've cited them. I just 4 want to understand where they really contradict him. 5 MR. WERDER: Well, your Honor, on page 67 and 68 6 of the transcript he was asked: "Was there ever any 7 8 discussion at any point with Mr. Zuckerberg about what his share of the partnership would be?" And his answer 9 was, "Other than the fact that he was an equal partner 10 on ConnectU..." and then the answer goes on. 11 12 And then at page --13 THE COURT: What does it mean when he says that there was no specific percentage ownership? I mean, 14 equal partner, all right? That means that he's in for 15 16 25 percent? That's what I'm supposed to do: supposed to translate that into money? 17 MR. WERDER: Well, I think, your Honor, that 18 "equal partner," when there's four partners, implies 25 19 20 percent. 21 THE COURT: Then why does he say that there was no specific percentage ownership discussion? And why 22 did he say that it's premature to speak about specific 23 24 equity stakes?

MR. WERDER: Well, I think that the way that I

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Page 25 THE COURT: Now, what do I do with the 1 2 interrogatory answer? MR. WERDER: Which interrogatory answer are you 3 discussing, your Honor? 4 THE COURT: Let's see. I quess it is in Exhibit 5 of Mr. Cooper's deposition: "They also told me" --6 the plaintiffs -- "Mr. Zuckerberg, that he was an equal opportunity member in the project, " whatever that means, 8 "in enterprise, and an equal opportunity member of the 9 Harvard Connection team based on the amount of 10 contribution and effort each partner made, to be later 11 determined, based on their own ongoing participation and 12 contribution to the enterprise. Mr. Zuckerberg was 13 never asked for any payment as a partner; Mr. Zuckerberg 14 would have monetary compensation in the form of a share 15 in the partnership if the website launched, became 16 popular and could be monetized." 17 Now, he is entitled to a share based on the 18 amount of contribution and effort made inter se, among 19 the partners, to be later determined, which is to say 20 not during the time that this was -- this partnership or 21 team was entered into. 22 MR. WERDER: Yes, your Honor. I have that in 23

front of me at this point. I'm not sure that that's -that that's necessarily inconsistent with Mr.

- 1 Winklevoss's testimony, but the -- certainly some of
- 2 the -- I don't know when -- what contact had been made
- 3 with Mr. Gao, for example, prior to our coming on the
- 4 scene here.
- 5 THE COURT: Well, are you suggesting you're
- 6 going to amend the interrogatory response?
- 7 MR. WERDER: I think that the interrogatory
- 8 response probably will be amended, your Honor, because
- 9 there is more detailed information at this point in
- 10 time.
- 11 THE COURT: Well, here we are with a motion for
- 12 summary judgment in which you have been in a position of
- being able to respond to a 30(b)(6) and of making an
- 14 interrogatory answer, and now because it's an
- uncomfortable one you tell me that there will be a
- 16 revised standard edition of the interrogatory -- perhaps
- 17 the good news version of interrogatory response?
- 18 MR. WERDER: Well, I don't know that it's a good
- 19 news version, your Honor, but it is a version that
- 20 reflects our investigation of the facts since we've
- 21 become involved here.
- THE COURT: I must tell you that we're here on a
- 23 motion for summary judgment as to which there is no
- 24 56(f) motion, and so I'm going to treat it on its
- 25 present basis.

- 1 MR. WERDER: No, I understand that, your Honor.
- 2 And we -- the reason that -- we're not belatedly asking
- 3 for a Rule 56(f) determination, or making a motion of
- 4 that kind. We believe that the motion should be denied
- on the basis of the record that's presently before the
- 6 Court. The interrogatory answer may be a ground for
- 7 impeachment at some point in time; the various
- 8 statements in the deposition can be weighed against one
- 9 another from a credibility perspective when the case
- 10 proceeds.
- But the evidence that we've presented,
- 12 particularly -- and even if we take out the Winklevoss
- 13 declaration, the Narendra declaration and the Gao
- 14 declaration together with the points that we've cited
- 15 from the Winklevoss deposition transcript we believe are
- 16 sufficient to allow the case to proceed and to have a
- 17 jury make a determination of credibility.
- 18 THE COURT: All right. So who's going to
- 19 respond on behalf of --
- 20 MR. WERDER: May I make one additional point,
- 21 your Honor?
- 22 THE COURT: Sure.
- 23 MR. WERDER: And that is the -- in terms of the
- 24 breach of the contract, the case is not like the
- 25 Aretakis case that the defendants cited here because the

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             I, Marcia G. Patrisso, RPR, CRR, Official
 3
     Reporter of the United States District Court, do hereby
 4
     certify that the foregoing transcript constitutes, to
 5
     the best of my skill and ability, a true and accurate
 6
     transcription of my stenotype notes taken in the matter
 7
     of Civil Action No. 07-10593-DPW, ConnectU, Inc., v.
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     Facebook, Inc., et al.
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                       /s/ Marcia G. Patrisso
                       MARCIA G. PATRISSO, RPR, CRR
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                        Official Court Reporter
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