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 7 EBERSMAN, DAVID M. SPILLANE, MARC L.  
 ANDREESSEN, ERSKINE B. BOWLES, JAMES W.  
 8 BREYER, DONALD E. GRAHAM, REED HASTINGS  
 and PETER A. THIEL

FILED  
 2012 JUN 20 P 2:18  
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 CLERK OF COURT  
 [Signature]

E-filing

CW  
 [Signature]

10 UNITED STATES DISTRICT COURT

11 NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

CV 12 3201

12 KAREN CUKER and BRIAN GRALNICK,  
 Individually and On Behalf of All Others Similarly  
 13 Situated,

CASE NO.

San Mateo County Superior Court  
 Case No. CIV-514238

14 Plaintiffs,

CLASS ACTION

15 v.

**NOTICE OF REMOVAL OF STATE  
 COURT CIVIL ACTION**

16 FACEBOOK, INC., MARK ZUCKERBERG,  
 DAVID A. EBERSMAN, DAVID M. SPILLANE,  
 17 MARC L. ANDREESSEN, ERSKINE B.  
 BOWLES, JAMES W. BREYER, DONALD E.  
 18 GRAHAM, REED HASTINGS, PETER A. THIEL,  
 MORGAN STANLEY & CO. LLC, J.P. MORGAN  
 19 SECURITIES LLC, GOLDMAN, SACHS & CO.,  
 MERRILL LYNCH, PIERCE, FENNER & SMITH  
 20 INCORPORATED, BARCLAYS CAPITAL INC.,  
 ALLEN & COMPANY LLC, CITIGROUP  
 21 GLOBAL MARKETS INC., CREDIT SUISSE  
 SECURITIES (USA) LLC, DEUTSCHE BANK  
 22 SECURITIES INC., RBC CAPITAL MARKETS,  
 LLC, WELLS FARGO SECURITIES, LLC,  
 23 BLAYLOCK ROBERT VAN LLC, BMO  
 CAPITAL MARKETS CORP., C.L. KING &  
 24 ASSOCIATES, INC., CABRERA CAPITAL  
 MARKETS, LLC, CASTLEOAK SECURITIES,  
 25 L.P., COWEN AND COMPANY, LLC., E\*TRADE  
 SECURITIES LLC, ITAÚ BBA USA  
 26 SECURITIES, INC., LAZARD CAPITAL  
 MARKETS LLC, LEBENTHAL & CO., LLC,  
 27 LOOP CAPITAL MARKETS LLC, M.R. BEAL &  
 COMPANY, MACQUARIE CAPITAL (USA)  
 28 INC., MURIEL SIEBERT & CO., INC.,

NOTICE OF REMOVAL OF STATE  
 COURT CIVIL ACTION

1 OPPENHEIMER & CO. INC., PACIFIC CREST  
2 SECURITIES LLC, PIPER JAFFRAY & CO.,  
3 RAYMOND JAMES & ASSOCIATES, INC.,  
4 SAMUEL A. RAMIREZ & COMPANY, INC.,  
5 STIFEL, NICOLAUS & COMPANY,  
6 INCORPORATED, THE WILLIAMS CAPITAL  
7 GROUP, L.P., and WILLIAM BLAIR &  
8 COMPANY, L.L.C.,

Defendants.

9 Pursuant to 28 U.S.C. §§ 1331, 1441, and 1446, and 15 U.S.C. § 77v(a), defendants  
10 Facebook, Inc., Mark Zuckerberg, David A. Ebersman, David M. Spillane, Marc L. Andreessen,  
11 Erskine B. Bowles, James W. Breyer, Donald E. Graham, Reed Hastings, and Peter A. Thiel,  
12 (collectively, “Defendants”) hereby remove this case, and all claims and causes of action therein,  
13 from the Superior Court of the State of California for the County of San Mateo to the United States  
14 District Court for the Northern District of California. In support of this Notice of Removal,  
15 Defendants set forth the following grounds for removal:

16 1. On or about May 23, 2012, Plaintiffs Karen Cuker and Brian Gralnick commenced a  
17 civil action in the Superior Court of the State of California for the County of San Mateo, captioned  
18 *Cuker, et al. v. Facebook, Inc., et al.*, Case No. CIV-514238 (the “State Court Action”). True and  
19 accurate copies of the Summons and Complaint are attached as Exhibit A.

20 2. Defendants have not pled, answered, or otherwise appeared in the State Court Action.

21 3. This Notice of Removal is being filed before the expiration of 30 days after service of  
22 the Summons and Complaint, and is thus timely filed under 28 U.S.C. § 1446(b).

23 4. This action is within the original jurisdiction of this Court under 28 U.S.C. § 1331  
24 and 15 U.S.C. § 77v(a). The State Court Action is a putative nationwide class action brought against  
25 Facebook, certain officers and directors of Facebook, and certain underwriters of Facebook’s May  
26 18, 2012 initial public offering (“IPO”) on the NASDAQ stock exchange. The State Court Action  
27 alleges violations of the Securities Act of 1933 (the “Securities Act”).

28 5. There are at least 20 cases already pending in the federal district courts that allege  
claims under the Securities Act. Four are pending in the District Court for the Northern District of  
California; 16 are pending in the District Court for the Southern District of New York. The four

1 cases in the Northern District of California have been marked as related and are pending before the  
2 Honorable Maxine M. Chesney.

3 6. On June 18, 2012, Facebook, certain of its officers and directors, and certain of the  
4 underwriter defendants filed with the Judicial Panel on Multidistrict Litigation a Motion to Transfer  
5 Actions to the Southern District of New York Pursuant to 28 U.S.C. § 1407 for Coordinated and/or  
6 Consolidated Pretrial Proceedings (the “MDL Motion”).

7 7. This Court has jurisdiction over this case under two federal statutes: 28 U.S.C.  
8 § 1331 and Section 22(a) of the Securities Act, 15 U.S.C. § 77v(a). This case is therefore removable  
9 under 28 U.S.C. § 1441. Under 28 U.S.C. § 1441(a), “[e]xcept as otherwise expressly provided by  
10 Act of Congress, any civil action brought in a State court of which the district courts of the United  
11 States have original jurisdiction, may be removed ... to the district court of the United States ...  
12 embracing the place where such action is pending.”

13 **Section 22(a) Provides Exclusive Federal Jurisdiction Over Securities Act**  
14 **Claims Involving “Covered Class Actions.”**

15 8. Section 22(a) is the jurisdictional provision of the Securities Act. As originally  
16 written, Section 22(a) provided for concurrent jurisdiction between state and federal courts over  
17 Securities Act claims. 15 U.S.C. § 77v(a) (1933). The Securities Litigation Uniform Standards Act  
18 of 1998 (“SLUSA”), 15 U.S.C. § 77p(c), amended Section 22(a) to provide that there will be some  
19 claims or cases brought under the Securities Act over which a state court will no longer have  
20 concurrent jurisdiction:

21 The district courts of the United States ... shall have jurisdiction of offenses and  
22 violations under this subchapter and under the rules and regulations promulgated by  
23 the Commission in respect thereto, and, concurrent with State and Territorial courts,  
24 *except as provided in [Section 16] of this title with respect to covered class actions,*  
of all suits in equity and actions at law brought to enforce any liability or duty created  
by this subchapter.

25 15 U.S.C. § 77v(a) (emphasis added to SLUSA amendments). As amended, Section 22(a) deprives  
26 state courts of concurrent jurisdiction over “covered class actions” that raise Securities Act claims.  
27 *See Knox v. Agria Corp.*, 613 F. Supp. 2d 419, 425 (S.D.N.Y. 2009); *see also In re Fannie Mae*  
28 *2008 Sec. Litig.*, No. 08 Civ. 7831, 2009 WL 4067266, at \*2 (S.D.N.Y. Nov. 24, 2009); *Rovner v.*

1 *Vonage Holdings Corp.*, No. 07-178, 2007 WL 446658, at \*3-4 (D.N.J. Feb. 7, 2007).

2 9. Section 16(f) defines “covered class actions” as including

3 any single lawsuit in which ... one or more named parties seek to recover damages on  
4 a representative basis on behalf of themselves and other unnamed parties similarly  
5 situated, and questions of law or fact common to those persons or members of the  
prospective class predominate over any questions affecting only individual persons or  
members.

6 15 U.S.C. § 77p(f)(2)(A)(i)(II). Plaintiffs are named parties seeking to recover damages on a  
7 representative basis on behalf of themselves and other unnamed parties similarly situated, and  
8 common questions of law or fact allegedly predominate over individual questions. (*See* Exhibit A.)  
9 Plaintiffs also are bringing claims under the Securities Act. This action therefore is a “covered class  
10 action” within the meaning of Section 16. Accordingly, state courts do not have jurisdiction over  
11 Plaintiffs’ putative class action. Federal courts alone have jurisdiction to hear Plaintiffs’ putative  
12 class action claims under the Securities Act. *See Knox*, 613 F. Supp. 2d at 423.

13 **Section 22(a)’s Removal Ban Does Not Apply.**

14 10. Section 22(a) of the Securities Act also includes an anti-removal provision, which  
15 originally prohibited the removal of any Securities Act cases that were brought in state court. As  
16 amended by SLUSA, however, Section 22(a) now provides as follows: “[e]xcept as provided in  
17 section [16(c)] of [the Securities Act], no case arising under [the Securities Act] and brought in any  
18 State court of competent jurisdiction shall be removed to any court of the United States.” 15 U.S.C.  
19 § 77v(a) (italics added to SLUSA amendments; underscoring added). This anti-removal provision  
20 does not apply here for two independent reasons.

21 11. The first is that Section 22(a)’s anti-removal provision only prohibits the removal of  
22 cases brought in a “State court of competent jurisdiction.” 15 U.S.C. § 77v(a). As discussed above,  
23 state courts no longer have jurisdiction to adjudicate a “covered class action” raising Securities Act  
24 claims and are therefore no longer courts of competent jurisdiction with respect to such claims. *See*  
25 *Knox*, 613 F. Supp. 2d at 423. Accordingly, Section 22(a)’s anti-removal provision does not apply  
26 to this action. *See id.* at 425.

27 12. The Court need not reach the second reason why Section 22(a)’s anti-removal  
28 provision does not apply, which is supplied by Section 16(c). Section 16(c) allows the removal of

1 “[a]ny covered class action brought in any State court involving a covered security, as set forth in  
2 subsection (b),” 15 U.S.C. § 77p(c), which subsection “makes some state-law claims nonactionable  
3 through the class-action device in federal as well as state court.” *Kircher v. Putnam Funds Trust*,  
4 547 U.S. 633, 637, n.1 (2006) (discussing Section 16(b), 15 U.S.C. § 77p(b)). District courts are  
5 divided on the question whether Section 16(c) provides a basis for removing covered class actions  
6 that raise only *federal* claims under the Securities Act. Some courts have interpreted Section 16(c)  
7 to allow the removal of “covered class actions” raising either state law claims or Securities Act  
8 claims. *See, e.g., Rubin v. Pixelplus Co.*, No. 06 Civ. 2964, 2007 WL 778485, at \*3-4 (E.D.N.Y.  
9 Mar. 13, 2007); *Brody v. Homestore, Inc.*, 240 F. Supp. 2d 1122, 1123-24 (C.D. Cal. 2003). Other  
10 courts, however, have interpreted Section 16(c) as permitting removal of “only those ‘covered class  
11 actions’ described in § 77p(b) alleging omission or deception based upon *state law* ....” *Young v.*  
12 *Pacific Biosciences of Cal., Inc.*, No. 11-cv-5668, 2012 WL 851509, at \*3-4 (N.D. Cal. Mar. 13,  
13 2012); *see also West Virginia Laborers Trust Fund v. STEC Inc.*, No. SACV 11-01171, 2011 WL  
14 6156945, at \*4 (C.D. Cal. Oct. 7, 2011) (discussing the different interpretations and holding that  
15 “subsection (c) only allows for removal of actions based on state law”).<sup>1</sup>

16 13. In any event, the Court need not address this division of authority over the scope of  
17 Section 16(c)’s exception to Section 22(a)’s anti-removal provision. That is because the logically  
18 prior question — which *Young* did not address — is whether Section 22(a)’s anti-removal provision  
19 applies to this case in the first instance. It does not. As discussed *supra*, Section 22(a) prohibits  
20 removal only of cases over which the state courts have “competent jurisdiction.” Because the state  
21 court had no jurisdiction over Plaintiffs’ “covered class action,” as the result of SLUSA, Section

22  
23 <sup>1</sup> *Luther v. Countrywide Home Loans Servicing LP*, 533 F.3d 1031, 1032 (9th Cir. 2008), is  
24 inapposite. In *Luther*, the Ninth Circuit held that “the Class Action Fairness Act of 2005, which  
25 permits in general the removal to federal court of high-dollar class actions involving diverse parties,  
26 does not supersede § 22(a)’s *specific* bar against removal of cases arising under the [Securities] Act.”  
27 The court did not address whether the SLUSA amendments to Section 22(a) strip state courts of  
28 jurisdiction over class actions raising claims under the Securities Act. Nor did the court have  
occasion to address whether the SLUSA amendments to Section 22(a) create an exception to Section  
22(a)’s anti-removal provision because the parties agreed that the mortgage pass-through certificates  
at issue were not “covered securities.” *Id.* at 1033 n.1; *cf. Madden v. Cowen & Co.*, 576 F.3d 957,  
965 (9th Cir. 2009) (observing in the context of a removed state-law action that “any suit removable  
under SLUSA’s removal provision, § 77p(c), is precluded under SLUSA’s preclusion provision,  
§ 77p(b), and any suit not precluded is not removable”).

1 22(a)'s anti-removal provision does not apply and does not prohibit removal of this case. Removal  
2 is thus proper under 28 U.S.C. § 1441.

3 14. Defendants will promptly serve a copy of this Notice on counsel for Plaintiffs and  
4 will file a copy of this Notice with the Clerk of the Superior Court of the State of California for the  
5 County of San Mateo, pursuant to 28 U.S.C. § 1446(d).

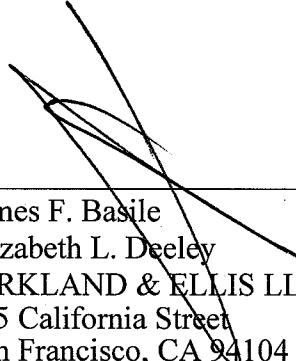
6 15. Undersigned counsel certify that all of the defendants in this action consent to  
7 removal.

8 **CONCLUSION**

9 16. WHEREFORE, pursuant to 28 U.S.C. §§ 1331, 1441, and 1446, and 15 U.S.C. §  
10 77v(a), Defendants remove this action in its entirety from the Superior Court of the State of  
11 California, County of San Mateo, to the United States District Court for the Northern District of  
12 California, San Francisco Division.

13 DATED: June 20, 2012

14  
15 Andrew B. Clubok (*pro hac vice* forthcoming)  
16 Brant W. Bishop, P.C. (*pro hac vice* forthcoming)  
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26 *Andreessen, Erskine B. Bowles, James W. Breyer, Donald E. Graham, Reed Hastings and*  
27 *Peter A. Thiel*

1 **CERTIFICATE OF SERVICE**

2 I, Patrick Postolka, am employed in the County of San Francisco, State of California. I am  
3 over the age of 18 and not a party to the within action; my business address is 555 California Street,  
San Francisco, California 94104.

4 On June 20, 2012, I served a copy of the following document(s) described as:

5 **NOTICE OF REMOVAL OF STATE COURT CIVIL ACTION**

6 on the interested parties in this action as follows:

7  **By Facsimile**

8 By transmitting via facsimile, the document(s) listed above to the fax number set forth below  
9 on this date before 5:00 p.m. I am aware that service is presumed invalid unless the  
10 transmission machine properly issues a transmission report stating the transmission is  
complete and without error.

11  **By U.S. Mail**

12 By placing the document(s) listed above in a sealed envelope with postage thereon fully  
13 prepaid, in the United States mail at San Francisco, California, to the addressee(s) set forth  
below.

14 I am "readily familiar" with the firm's practice of collection and processing correspondence  
15 for mailing. Under that practice, it would be deposited with the U.S. postal service on that  
16 same day with postage thereon fully prepaid at San Francisco, California in the ordinary  
course of business. I am aware that on motion of the party served, service is presumed  
invalid if postal cancellation date or postage meter date is more than one day after date of  
deposit for mailing.

17  **By Overnight Mail**

18 By causing the document(s) listed above to be delivered to the addressee(s) set forth below  
19 on the following business morning by Federal Express Corporation or Express Mail.

20  **By Personal or Messenger Service**

21 By causing the document(s) listed above to be personally served in such envelope by hand to  
the person at the address(s) set forth below:

22 **See Attached Service List**

23 I declare under penalty of perjury that the foregoing is true and correct.

24 Executed on June 20, 2012, at San Francisco, California.

25 

26 \_\_\_\_\_  
27 Patrick Postolka

**SERVICE LIST**

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BARRACK, RODOS & BACINE  
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& Company LLC, Citigroup Global Markets  
Inc., Credit Suisse Securities (USA) LLC,  
Deutsche Bank Securities Inc., RBC Capital  
Markets, LLC, Wells Fargo Securities, LLC,  
Blaylock Robert Van LLC, BMO Capital  
Markets Corp., C.L. King & Associates, Inc.,  
Cabrera Capital Markets, LLC, Castleoak  
Securities, L.P., Cowen and Company, LLC.,  
E\*Trade Securities LLC, Itaú BBA USA  
Securities, Inc., Lazard Capital Markets LLC,  
Lebenthal & Co., LLC, Loop Capital Markets  
LLC, M.R. Beal & Company, Macquarie Capital  
(USA) Inc., Muriel Siebert & Co., Inc.,  
Oppenheimer & Co. Inc., Pacific Crest  
Securities LLC, Piper Jaffray & Co., Raymond  
James & Associates, Inc., Samuel A. Ramirez &  
Company, Inc., Stifel, Nicolaus & Company,  
Incorporated, The Williams Capital Group, L.P.,  
and William Blair & Company, L.L.C.*



Exhibit A

**SUMMONS  
(CITACION JUDICIAL)**

**NOTICE TO DEFENDANT:  
(AVISO AL DEMANDADO):**

SEE ATTACHMENT PAGE FOR DEFENDANTS

**YOU ARE BEING SUED BY PLAINTIFF:  
(LO ESTÁ DEMANDANDO EL DEMANDANTE):**

KAREN CUKER and BRIAN GRALNICK, Individually and On Behalf of All Others Similarly Situated,

FOR COURT USE ONLY  
(SOLO PARA USO DE LA CORTE)

**ENDORSED FILED  
SAN MATEO COUNTY**

MAY 30 2012

Clerk of the Superior Court  
By G. MARQUEZ  
DEPUTY CLERK

**NOTICE** You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), or by contacting your local court or county bar association. NOTE: The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. **¡AVISO!** Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), en el Centro de Ayuda de las Cortes de California ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exantos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desecher el caso.

The name and address of the court is:  
(El nombre y dirección de la corte es):

CAS NO. 514238  
(Número del caso):

Superior Court of the State of California- County of San Mateo  
400 County Center, Redwood City, CA 94063

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:  
(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):  
Stephen R. Bassar, Barrack, 600 W. Broadway, Suite 900, San Diego, CA 92101; (619) 230-0800

DATE: May 30, 2012  
(Fecha)

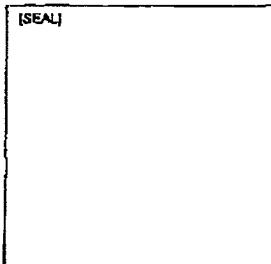
**JOHN G. FITTON**

Clerk, by  
(Secretario)

**G. MARQUEZ**

Deputy  
(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)  
(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons. (POS-010)).



**NOTICE TO THE PERSON SERVED:** You are served

- 1.  as an individual defendant.
- 2.  as the person sued under the fictitious name of (specify):

3.  on behalf of (specify): FACEBOOK, INC.

- under:  CCP 416.10 (corporation)  CCP 416.60 (minor)
- CCP 416.20 (defunct corporation)  CCP 416.70 (conservatee)
- CCP 416.40 (association or partnership)  CCP 416.90 (authorized person)
- other (specify):

- 4.  by personal delivery on (date):

SHORT TITLE: Karen Cuker, et al. v. Facebook, Inc., et al.	CASE NUMBER:
---	--------------

**INSTRUCTIONS FOR USE**

- This form may be used as an attachment to any summons if space does not permit the listing of all parties on the summons.
- If this attachment is used, insert the following statement in the plaintiff or defendant box on the summons: "Additional Parties Attachment form is attached."

List additional parties (Check only one box. Use a separate page for each type of party.):

- Plaintiff
  Defendant
  Cross-Complainant
  Cross-Defendant

FACEBOOK, INC., MARK  
 ZUCKERBERG, DAVID A. EBERSMAN,  
 DAVID M. SPILLANE, MARC L.  
 ANDREESSEN, ERSKINE B. BOWLES, JAMES  
 W. BREYER, DONALD E. GRAHAM, REED  
 HASTINGS, PETER A. THIEL, MORGAN  
 STANLEY & CO., LLC, J.P. MORGAN  
 SECURITIES LLC, GOLDMAN, SACHS & CO.,  
 MERRILL LYNCH, PIERCE, FENNER & SMITH  
 INCORPORATED, BARCLAYS CAPITAL INC.,  
 ALLEN & COMPANY LLC, CITIGROUP  
 GLOBAL MARKETS INC., CREDIT SUISSE  
 SECURITIES (USA) LLC, DEUTSCHE BANK  
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 LLC, WELLS FARGO SECURITIES, LLC,  
 BLAYLOCK ROBERT VAN LLC, BMO  
 CAPITAL MARKETS CORP., C.L. KING &  
 ASSOCIATES, INC., CABRERA CAPITAL  
 MARKETS, LLC, CASTLEOAK SECURITIES,  
 L.P., COWEN AND COMPANY, LLC.,  
 E\*TRADE SECURITIES LLC, ITAÚ BBA USA:  
 SECURITIES, INC., LAZARD CAPITAL  
 MARKETS LLC, LEBENTHAL & CO., LLC,  
 LOOP CAPITAL MARKETS LLC, M.R. BEAL  
 & COMPANY, MACQUARIE CAPITAL (USA)  
 INC., MURIEL SIEBERT & CO., INC.,  
 OPPENHEIMER & CO. INC., PACIFIC CREST  
 SECURITIES LLC, PIPER JAFFRAY & CO.,  
 RAYMOND JAMES & ASSOCIATES, INC.,  
 SAMUEL A. RAMIREZ & COMPANY, INC.,  
 STIFEL, NICOLAUS & COMPANY,  
 INCORPORATED, THE WILLIAMS CAPITAL  
 GROUP, L.P., and WILLIAM BLAIR &  
 COMPANY, L.L.C.,

Defendants.

Page \_\_\_\_\_ of \_\_\_\_\_

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address):  
Stephen R. Bassor 121590  
Barrack, Rodos & Bacine  
600 West Broadway, Suite 900  
San Diego, CA 92101  
TELEPHONE NO.: (619) 230-0800 FAX NO.: (619) 230-1874  
ATTORNEY FOR (Name): Karen Cuker and Brian Gralnick

FOR COURT USE ONLY

RECEIVED

MAY 30 2012

CLERK OF THE SUPERIOR COURT  
SAN MATEO COUNTY

FILE BY FAX

SUPERIOR COURT OF CALIFORNIA, COUNTY OF San Mateo  
STREET ADDRESS: 400 County Center  
MAILING ADDRESS:  
CITY AND ZIP CODE: Redwood City, CA 94063  
BRANCH NAME: Southern Branch, Hall of Justice

CASE NAME:  
Karen Cuker, et al. v. Facebook, Inc., et al.

CIVIL CASE COVER SHEET  
 Unlimited (Amount demanded exceeds \$25,000)  Limited (Amount demanded is \$25,000 or less)  
 Counter  Joinder  
Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)

CIV 5 14888  
JUDGE:  
DEPT:

Items 1-6 below must be completed (see instructions on page 2).

1. Check one box below for the case type that best describes this case:  
Auto Tort:  Auto (22),  Uninsured motorist (46)  
Other P/DPD/W (Personal Injury/Property Damage/Wrongful Death) Tort:  Asbestos (04),  Product liability (24),  Medical malpractice (45),  Other P/DPD/W (23)  
Non-P/DPD/W (Other) Tort:  Business tort/unfair business practice (07),  Civil rights (08),  Defamation (13),  Fraud (16),  Intellectual property (19),  Professional negligence (25),  Other non-P/DPD/W tort (35)  
Employment:  Wrongful termination (38),  Other employment (15)  
Contract:  Breach of contract/warranty (06),  Rule 3.740 collections (09),  Other collections (09),  Insurance coverage (18),  Other contract (37)  
Real Property:  Eminent domain/inverse condemnation (14),  Wrongful eviction (33),  Other real property (26)  
Unlawful Detainer:  Commercial (31),  Residential (32),  Drugs (38)  
Judicial Review:  Asset forfeiture (05),  Petition re: arbitration award (11),  Writ of mandate (02),  Other judicial review (39)  
Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403):  Antitrust/Trade regulation (03),  Construction defect (10),  Mass tort (40),  Securities litigation (28),  Environmental/Toxic tort (30),  Insurance coverage claims arising from the above listed provisionally complex case types (41)  
Enforcement of Judgment:  Enforcement of judgment (20)  
Miscellaneous Civil Complaint:  RICO (27),  Other complaint (not specified above) (42)  
Miscellaneous Civil Petition:  Partnership and corporate governance (21),  Other petition (not specified above) (43)

2. This case  is  is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:  
a.  Large number of separately represented parties d.  Large number of witnesses  
b.  Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve e.  Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court  
c.  Substantial amount of documentary evidence f.  Substantial postjudgment judicial supervision  
3. Remedies sought (check all that apply): a.  monetary b.  nonmonetary; declaratory or injunctive relief c.  punitive  
4. Number of causes of action (specify): 4  
5. This case  is  is not a class action suit.  
6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: May 30, 2012  
Stephen R. Bassor

(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

## INSTRUCTIONS ON HOW TO COMPLETE THE COVER SHEET

**To Plaintiffs and Others Filing First Papers.** If you are filing a first paper (for example, a complaint) in a civil case, you must complete and file, along with your first paper, the *Civil Case Cover Sheet* contained on page 1. This information will be used to compile statistics about the types and numbers of cases filed. You must complete items 1 through 6 on the sheet. In item 1, you must check one box for the case type that best describes the case. If the case fits both a general and a more specific type of case listed in item 1, check the more specific one. If the case has multiple causes of action, check the box that best indicates the primary cause of action. To assist you in completing the sheet, examples of the cases that belong under each case type in item 1 are provided below. A cover sheet must be filed only with your initial paper. Failure to file a cover sheet with the first paper filed in a civil case may subject a party, its counsel, or both to sanctions under rules 2.30 and 3.220 of the California Rules of Court.

**To Parties in Rule 3.740 Collections Cases.** A "collections case" under rule 3.740 is defined as an action for recovery of money owed in a sum stated to be certain that is not more than \$25,000, exclusive of interest and attorney's fees, arising from a transaction in which property, services, or money was acquired on credit. A collections case does not include an action seeking the following: (1) tort damages, (2) punitive damages, (3) recovery of real property, (4) recovery of personal property, or (5) a prejudgment writ of attachment. The identification of a case as a rule 3.740 collections case on this form means that it will be exempt from the general time-for-service requirements and case management rules, unless a defendant files a responsive pleading. A rule 3.740 collections case will be subject to the requirements for service and obtaining a judgment in rule 3.740.

**To Parties in Complex Cases.** In complex cases only, parties must also use the *Civil Case Cover Sheet* to designate whether the case is complex. If a plaintiff believes the case is complex under rule 3.400 of the California Rules of Court, this must be indicated by completing the appropriate boxes in items 1 and 2. If a plaintiff designates a case as complex, the cover sheet must be served with the complaint on all parties to the action. A defendant may file and serve no later than the time of its first appearance a joinder in the plaintiff's designation, a counter-designation that the case is not complex, or, if the plaintiff has made no designation, a designation that the case is complex.

## CASE TYPES AND EXAMPLES

## Auto Tort

Auto (22)—Personal Injury/Property Damage/Wrongful Death  
Uninsured Motorist (46) (if the case involves an uninsured motorist claim subject to arbitration, check this item instead of Auto)

## Other P/DPD/WD (Personal Injury/Property Damage/Wrongful Death) Tort

Asbestos (04)  
Asbestos Property Damage  
Asbestos Personal Injury/Wrongful Death  
Product Liability (not asbestos or toxic/environmental) (24)  
Medical Malpractice (45)  
Medical Malpractice—Physicians & Surgeons  
Other Professional Health Care Malpractice  
Other P/DPD/WD (23)  
Premises Liability (e.g., slip and fall)  
Intentional Bodily Injury/PD/WD (e.g., assault, vandalism)  
Intentional Infliction of Emotional Distress  
Negligent Infliction of Emotional Distress  
Other P/DPD/WD

## Non-P/DPD/WD (Other) Tort

Business Tort/Unfair Business Practice (07)  
Civil Rights (e.g., discrimination, false arrest) (not civil harassment) (08)  
Defamation (e.g., slander, libel) (13)  
Fraud (16)  
Intellectual Property (19)  
Professional Negligence (25)  
Legal Malpractice  
Other Professional Malpractice (not medical or legal)  
Other Non-P/DPD/WD Tort (35)

## Employment

Wrongful Termination (36)  
Other Employment (15)

## Contract

Breach of Contract/Warranty (06)  
Breach of Rental/Lease  
Contract (not unlawful detainer or wrongful eviction)  
Contract/Warranty Breach—Seller Plaintiff (not fraud or negligence)  
Negligent Breach of Contract/Warranty  
Other Breach of Contract/Warranty  
Collections (e.g., money owed, open book accounts) (09)  
Collection Case—Seller Plaintiff  
Other Promissory Note/Collections Case  
Insurance Coverage (not provisionally complex) (18)  
Auto Subrogation  
Other Coverage  
Other Contract (37)  
Contractual Fraud  
Other Contract Dispute

## Real Property

Eminent Domain/Inverse Condemnation (14)  
Wrongful Eviction (33)  
Other Real Property (e.g., quiet title) (26)  
Writ of Possession of Real Property  
Mortgage Foreclosure  
Quiet Title  
Other Real Property (not eminent domain, landlord/tenant, or foreclosure)

## Unlawful Detainer

Commercial (31)  
Residential (32)  
Drugs (38) (if the case involves illegal drugs, check this item; otherwise, report as Commercial or Residential)

## Judicial Review

Asset Forfeiture (05)  
Petition Re: Arbitration Award (11)  
Writ of Mandate (02)  
Writ—Administrative Mandamus  
Writ—Mandamus on Limited Court Case Matter  
Writ—Other Limited Court Case Review  
Other Judicial Review (39)  
Review of Health Officer Order  
Notice of Appeal—Labor  
Commissioner Appeals

## Provisionally Complex Civil Litigation (Cal. Rules of Court Rules 3.400–3.403)

Antitrust/Trade Regulation (03)  
Construction Defect (10)  
Claims Involving Mass Tort (40)  
Securities Litigation (28)  
Environmental/Toxic Tort (30)  
Insurance Coverage Claims (arising from provisionally complex case type listed above) (41)

## Enforcement of Judgment

Enforcement of Judgment (20)  
Abstract of Judgment (Out of County)  
Confession of Judgment (non-domestic relations)  
Sister State Judgment  
Administrative Agency Award (not unpaid taxes)  
Petition/Certification of Entry of Judgment on Unpaid Taxes  
Other Enforcement of Judgment Case

## Miscellaneous Civil Complaint

RICO (27)  
Other Complaint (not specified above) (42)  
Declaratory Relief Only  
Injunctive Relief Only (non-harassment)  
Mechanics Lien  
Other Commercial Complaint Case (non-tort/non-complex)  
Other Civil Complaint (non-tort/non-complex)

## Miscellaneous Civil Petition

Partnership and Corporate Governance (21)  
Other Petition (not specified above) (43)  
Civil Harassment  
Workplace Violence  
Elder/Dependent Adult Abuse  
Election Contest  
Petition for Name Change  
Petition for Relief From Late Claim  
Other Civil Petition

<p>ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address):                  Stephen R. Basser 121590                  Barrack, Rodos &amp; Bacine                  600 West Broadway, Suite 900                  San Diego, CA 92101                  TELEPHONE NO.: (619) 230-0800 FAX NO. (Optional): (619) 230-1874                  E-MAIL ADDRESS (Optional): sbasser@barrack.com                  ATTORNEY FOR (Name): Karen Cuker and Brian Gralnick</p>	<p>FOR COURT USE ONLY  <b>ENDORSED FILED</b>  <b>SAN MATEO COUNTY</b>                  MAY 30 2012                  Clerk of the Superior Court                  By <u>G. MARQUEZ</u>                  DEPUTY CLERK</p>
<p>SUPERIOR COURT OF CALIFORNIA, COUNTY OF San Mateo                  STREET ADDRESS: 400 County Center                  MAILING ADDRESS:                  CITY AND ZIP CODE: Redwood City, CA 94063                  BRANCH NAME: Southern Branch, Hall of Justice</p>	<p>CASE NO. <b>CIV 514238</b></p>
<p>PLAINTIFF/PETITIONER: Karen Cuker, et al.</p>	<p>JUDICIAL OFFICER:</p>
<p>DEFENDANT/RESPONDENT: Facebook, Inc., et al.</p>	<p>DEPT.:</p>
<p style="text-align: center;"><b>NOTICE OF RELATED CASE</b></p>	

FILE BY FAX

Identify, in chronological order according to date of filing, all cases related to the case referenced above.

1.
  - a. Title: Darryl Lazar v. Facebook, Inc., et al.
  - b. Case number: CIV514065
  - c. Court:  same as above  
 other state or federal court (name and address):
  - d. Department: 3
  - e. Case type:  limited civil  unlimited civil  probate  family law  other (specify):
  - f. Filing date: May 22, 2012
  - g. Has this case been designated or determined as "complex?"  Yes  No
  - h. Relationship of this case to the case referenced above (check all that apply):
    - involves the same parties and is based on the same or similar claims.
    - arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact.
    - involves claims against, title to, possession of, or damages to the same property.
    - is likely for other reasons to require substantial duplication of judicial resources if heard by different judges.
    - Additional explanation is attached in attachment 1h
  - i. Status of case:
    - pending
    - dismissed  with  without prejudice
    - disposed of by judgment
  
2.
  - a. Title: Jennifer Stokes v. Facebook, Inc., et al.
  - b. Case number: CIV514107
  - c. Court:  same as above  
 other state or federal court (name and address):
  - d. Department: 3

PLAINTIFF/PETITIONER: Karen Cuker, et al.	CASE NUMBER:
DEFENDANT/RESPONDENT: Facebook, Inc., et al.	

2. (continued)

- e. Case type:  limited civil  unlimited civil  probate  family law  other (specify):
- f. Filing date: May 23, 2012
- g. Has this case been designated or determined as "complex?"  Yes  No
- h. Relationship of this case to the case referenced above (check all that apply):
  - involves the same parties and is based on the same or similar claims.
  - arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact.
  - involves claims against, title to, possession of, or damages to the same property.
  - is likely for other reasons to require substantial duplication of judicial resources if heard by different judges.
  - Additional explanation is attached in attachment 2h
- i. Status of case:
  - pending
  - dismissed  with  without prejudice
  - disposed of by judgment

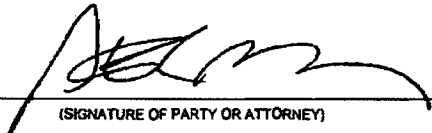
3. a. Title: Vernon R. Demois, Jr. v. Facebook, Inc., et al.

- b. Case number: CIV514163
- c. Court:  same as above  
 other state or federal court (name and address):
- d. Department: 3
- e. Case type:  limited civil  unlimited civil  probate  family law  other (specify):
- f. Filing date: May 25, 2012
- g. Has this case been designated or determined as "complex?"  Yes  No
- h. Relationship of this case to the case referenced above (check all that apply):
  - involves the same parties and is based on the same or similar claims.
  - arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact.
  - involves claims against, title to, possession of, or damages to the same property.
  - is likely for other reasons to require substantial duplication of judicial resources if heard by different judges.
  - Additional explanation is attached in attachment 3h
- i. Status of case:
  - pending
  - dismissed  with  without prejudice
  - disposed of by judgment

4.  Additional related cases are described in Attachment 4. Number of pages attached: 1

Date: May 30, 2012

Stephen R. Bassar  
(TYPE OR PRINT NAME OF PARTY OR ATTORNEY)

  
(SIGNATURE OF PARTY OR ATTORNEY)

PLAINTIFF/PETITIONER: Karen Cuker, et al.	CASE NUMBER:
DEFENDANT/RESPONDENT: Facebook, Inc., et al.	

**PROOF OF SERVICE BY FIRST-CLASS MAIL  
NOTICE OF RELATED CASE**

**(NOTE: You cannot serve the Notice of Related Case if you are a party in the action. The person who served the notice must complete this proof of service. The notice must be served on all known parties in each related action or proceeding.)**

1. I am at least 18 years old and not a party to this action. I am a resident of or employed in the county where the mailing took place, and my residence or business address is *(specify)*:
  
2. I served a copy of the *Notice of Related Case* by enclosing it in a sealed envelope with first-class postage fully prepaid and *(check one)*:
  - a.  deposited the sealed envelope with the United States Postal Service.
  - b.  placed the sealed envelope for collection and processing for mailing, following this business's usual practices, with which I am readily familiar. On the same day correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.
  
3. The *Notice of Related Case* was mailed:
  - a. on *(date)*:
  - b. from *(city and state)*:
  
4. The envelope was addressed and mailed as follows:
 

<ol style="list-style-type: none"> <li>a. Name of person served:</li>   <li>Street address:</li> <li>City:</li> <li>State and zip code:</li> </ol>	<ol style="list-style-type: none"> <li>c. Name of person served:</li>   <li>Street address:</li> <li>City:</li> <li>State and zip code:</li> </ol>
<ol style="list-style-type: none"> <li>b. Name of person served:</li>   <li>Street address:</li> <li>City:</li> <li>State and zip code:</li> </ol>	<ol style="list-style-type: none"> <li>d. Name of person served:</li>   <li>Street address:</li> <li>City:</li> <li>State and zip code:</li> </ol>
  
- Names and addresses of additional persons served are attached. *(You may use form POS-030(P).)*

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date:

(TYPE OR PRINT NAME OF DECLARANT)	(SIGNATURE OF DECLARANT)
-----------------------------------	--------------------------



<b>SHORT TITLE:</b> Karen Cuker, et al. v. Facebook, Inc., et al.	<b>CASE NUMBER:</b>
--	---------------------

**ATTACHMENT (Number):** 4

*(This Attachment may be used with any Judicial Council form.)*

4. a. Title: Elbita Alfonso v. Facebook, Inc., et al.  
 b. Case number: CIV514171  
 c. Court: same as above  
 d. Department: 3  
 e. Case type: unlimited civil  
 f. Filing date: May 25, 2012  
 g. Has this case been designated or determined as "complex?" yes  
 h. Relationship of this case to the case referenced above (check all that apply): arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact.  
 i. Status of case: pending

5. a. Title: Michael Lieber v. Facebook, Inc., et al.  
 b. Case number: CIV514193  
 c. Court: same as above  
 d. Department: 3  
 e. Case type: unlimited civil  
 f. Filing date: May 29, 2012  
 g. Has this case been designated or determined as "complex?" yes  
 h. Relationship of this case to the case referenced above (check all that apply): arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact.  
 i. Status of case: pending

*(If the item that this Attachment concerns is made under penalty of perjury, all statements in this Attachment are made under penalty of perjury.)*

Page 1 of 1

*(Add pages as required)*

Attorney or Party without Attorney (Name/Address) Stephen R. Basser 600 West Broadway, Suite 900 San Diego, CA 92101 Telephone: (619) 230-0800 State Bar No.: 121590 Attorney for: <b>Karen Cuker and Brian Gralnick</b>	FOR COURT USE ONLY  <b>ENDORSED FILED</b> <b>SAN MATEO COUNTY</b>  MAY 30 2012  Clerk of the Superior Court By <b>G. MARQUEZ</b> DEPUTY CLERK
SUPERIOR COURT OF CALIFORNIA COUNTY OF SAN MATEO 400 COUNTY CENTER REDWOOD CITY, CA 94063	
Plaintiff Karen Cuker, et al.	
Defendant Facebook, Inc., et al.	
Certificate Re Complex Case Designation	Case Number <b>CV 514238</b>

FILE BY FAX

**This certificate must be completed and filed with your Civil Case Cover Sheet if you have checked a Complex Case designation or Counter-Designation**

- In the attached Civil Case Cover Sheet, this case is being designated or counter-designated as a complex case [or as not a complex case] because at least one or more of the following boxes has been checked:

  - Box 1 – Case type that is best described as being [or not being] provisionally complex civil litigation (i.e., antitrust or trade regulation claims, construction defect claims involving many parties or structures, securities claims or investment losses involving many parties, environmental or toxic tort claims involving many parties, claims involving mass torts, or insurance coverage claims arising out of any of the foregoing claims).
  - Box 2 – Complex ~~for not complex~~ due to factors requiring exceptional judicial management
  - Box 5 – Is ~~for is not~~ a class action suit.
- This case is being so designated based upon the following supporting information [including, without limitation, a brief description of the following factors as they pertain to this particular case: (1) management of a large number of separately represented parties; (2) complexity of anticipated factual and/or legal issues; (3) numerous pretrial motions that will be time-consuming to resolve; (4) management of a large number of witnesses or a substantial amount of documentary evidence; (5) ~~coordination with related actions~~

~~pending in one or more courts in other counties, states or countries or in a federal court;~~  
(6) whether or not certification of a putative class action will in fact be pursued; and (7) substantial post-judgment judicial supervision]:

See above.

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*(attach additional pages if necessary)*

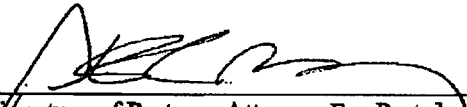
3. Based on the above-stated supporting information, there is a reasonable basis for the complex case designation or counter-designation [or noncomplex case counter-designation] being made in the attached Civil Case Cover Sheet.

\*\*\*\*\*

I, the undersigned counsel or self-represented party, hereby certify that the above is true and correct and that I make this certification subject to the applicable provisions of California Code of Civil Procedure, Section 128.7 and/or California Rules of Professional Conduct, Rule 5-200 (B) and San Mateo County Superior Court Local Rules, Local Rule 2.30.

Dated: May 30, 2012

Stephen R. Bassar  
[Type or Print Name]

  
[Signature of Party or Attorney For Party]

NOTICE OF CASE MANAGEMENT CONFERENCE

**ENDORSED FILED**  
SAN MATEO COUNTY

**CIV 514238**

K CUKER, et al

MAY 30 2012

Case No. \_\_\_\_\_

Date: 10/11/12

vs.

Clerk of the Superior Court  
By G. MARQUEZ  
DEPUTY CLERK

Time: 9:00 a.m.

face book Inc, et al

Dept. 21 on Tuesday & Thursday

Dept. 21 on Wednesday & Friday

You are hereby given notice of your Case Management Conference. The date, time and department have been written above.

1. In accordance with applicable California Rules of Court and Local Rules 2.3(d)1-4 and 2.3(in), you are hereby ordered to:

- a. Serve all named defendants and file proofs of service on those defendants with the court within 60 days of filing the complaint (CRC 201.7).
- b. Serve a copy of this notice, Case Management Statement and ADR Information Sheet on all named parties in this action.
- c. File and serve a completed Case Management Statement at least 15 days before the Case Management Conference [CRC 212(g)]. Failure to do so may result in monetary sanctions.
- d. Meet and confer, in person or by telephone, to consider each of the issues identified in CRC 212(f) no later than 30 days before the date set for the Case Management Conference.

2. If you fail to follow the orders above, you are ordered to show cause why you should not be sanctioned. The Order To Show Cause hearing will be at the same time as the Case Management Conference hearing. Sanctions may include monetary, evidentiary or issue sanctions as well as striking pleadings and/or dismissal.

- 3. Continuances of case management conferences are highly disfavored unless good cause is shown.
- 4. Parties may proceed to an appropriate dispute resolution process ("ADR") by filing a Stipulation To ADR and Proposed Order (see attached form.). If plaintiff files a Stipulation To ADR and Proposed Order electing to proceed to judicial arbitration, the Case Management Conference will be taken off the court calendar and the case will be referred to the Arbitration Administrator. If plaintiffs and defendants file a completed stipulation to another ADR process (e.g., mediation) 10 days prior to the first scheduled case management conference, the case management conference will be continued for 90 days to allow parties time to complete their ADR session. The court will notify parties of their new case management conference date.
- 5. If you have filed a default or a judgment has been entered, your case is not automatically taken off the Case Management Conference Calendar. If "Docs", "Rocs", etc. are named in your complaint, they must be dismissed in order to close the case. If any party is in bankruptcy, the case is stayed only as to that named party.
- 6. You are further ordered to appear in person\* (or through your attorney of record) at the Case Management Conference noticed above. You must be thoroughly familiar with the case and fully authorized to proceed.
- 7. The Case Management judge will issue orders at the conclusion of the conference that may include:
  - a. Referring parties to voluntary ADR and setting an ADR completion date;
  - b. Dismissing or severing claims or parties;
  - c. Setting a trial date.
- 8. The Case Management judge may be the trial judge in this case.

For further information regarding case management policies and procedures, see the court website at [www.sanmateocourt.org](http://www.sanmateocourt.org).

Telephone appearances at case management conferences are available by contacting CourtCall, L.L.C, an independent firm, at least 5 business days prior to the scheduled conference (see attached CourtCall information).

1 BARRACK, RODOS & BACINE  
STEPHEN R. BASSER (121590)  
2 SAMUEL M. WARD (216562)  
3 One America Plaza  
600 West Broadway, Suite 900  
4 San Diego, CA 92101  
(619) 230-0800 – Telephone  
5 (619) 230-1874 – Facsimile  
Email: sbasser@barrack.com  
6 sward@barrack.com

7 BARRACK, RODOS & BACINE  
8 DANIEL E. BACINE  
MARK R. ROSEN (139506)  
9 BETH T. SELTZER  
2001 Market Street, Suite 3300  
10 Philadelphia, PA 19103  
(215) 963-0600 – Telephone  
11 (215) 963-0838 – Facsimile  
12 Email: dbacine@barrack.com  
mrosen@barrack.com  
13 bseltzer@barrack.com

14 *Attorneys for Plaintiffs*  
15 *Karen Cuker and Brian Gralnick*

16 SUPERIOR COURT OF THE STATE OF CALIFORNIA

17 FOR THE COUNTY OF SAN MATEO

18 KAREN CUKER and BRIAN GRALNICK,  
19 Individually and On Behalf of All Others  
Similarly Situated,

20 Plaintiffs,

21 v.

22 FACEBOOK, INC., MARK ZUCKERBERG,  
DAVID A. EBERSMAN, DAVID M.  
23 SPILLANE, MARC L. ANDREESSEN,  
ERSKINE B. BOWLES, JAMES W.  
24 BREYER, DONALD E. GRAHAM, REED  
HASTINGS, PETER A. THIEL, MORGAN  
25 STANLEY & CO. LLC, J.P. MORGAN  
SECURITIES LLC, GOLDMAN, SACHS &  
26 CO., MERRILL LYNCH, PIERCE, FENNER  
& SMITH INCORPORATED, BARCLAYS  
27 CAPITAL INC.,

28 *[Caption continued]*

Complaint

**ENDORSED FILED**  
**SAN MATEO COUNTY**

MAY 30 2012

Clerk of the Superior Court  
By G. MARQUEZ  
DEPUTY CLERK

Case No.: **OV 514238**

CLASS ACTION COMPLAINT FOR

1) Violation of Section 11 of the Securities Act of 1933 (15 U.S.C. §77k);

2) Violation of Section 12(a)(2) of the Securities Act of 1933 (15 U.S.C. §77l); and

3) Violation of Section 15 of the Securities Act of 1933 (15 U.S.C. §77o)

DEMAND FOR JURY TRIAL

**FILE BY FAX**

1 ALLEN & COMPANY LLC, CITIGROUP )  
GLOBAL MARKETS INC., CREDIT )  
2 SUISSE SECURITIES (USA) LLC, )  
DEUTSCHE BANK SECURITIES INC., )  
3 RBC CAPITAL MARKETS, LLC, WELLS )  
FARGO SECURITIES, LLC , BLAYLOCK )  
4 ROBERT VAN LLC, BMO CAPITAL )  
MARKETS CORP., C.L. KING & )  
5 ASSOCIATES, INC., CABRERA CAPITAL )  
MARKETS, LLC, CASTLEOAK )  
6 SECURITIES, L.P., COWEN AND )  
COMPANY, LLC., E\*TRADE SECURITIES )  
7 LLC, ITAU BBA USA SECURITIES, INC., )  
LAZARD CAPITAL MARKETS LLC, )  
8 LEBENTHAL & CO., LLC, LOOP CAPITAL )  
MARKETS LLC, M.R. BEAL & )  
9 COMPANY, MACQUARIE CAPITAL )  
(USA) INC., MURIEL SIEBERT & CO., )  
10 INC., OPPENHEIMER & CO. INC., )  
PACIFIC CREST SECURITIES LLC, PIPER )  
11 JAFFRAY & CO., RAYMOND JAMES & )  
ASSOCIATES, INC., SAMUEL A. )  
12 RAMIREZ & COMPANY, INC., STIFEL, )  
NICOLAUS & COMPANY, )  
13 INCORPORATED, THE WILLIAMS )  
CAPITAL GROUP, L.P., and WILLIAM )  
14 BLAIR & COMPANY, L.L.C., )

15 Defendants.

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1           Plaintiffs, Karen Cuker and Brian Gralnick (collectively "Plaintiffs"), by and through their  
2 undersigned counsel, bring this securities law class action on behalf of all purchasers of common  
3 stock of Facebook, Inc. ("Facebook" or the "Company") pursuant or traceable to the  
4 Registration Statement and Prospectus filed with the United States Securities and Exchange  
5 Commission ("SEC") and issued in connection with the Company's Initial Public Offering (the  
6 "IPO" or the "Offering") on May 18, 2012 (the "Class"). The allegations herein are based upon  
7 the investigation of Plaintiffs' counsel, which included, among other things, a review of SEC  
8 filings, securities analysts' reports, public statements and media reports.

#### 10 **NATURE AND SUMMARY OF THE ACTION**

11           1.       Plaintiffs bring this securities class action individually and on behalf of all  
12 members of the Class seeking redress under Sections 11, 12(a)(2), and 15 of the Securities Act of  
13 1933 (the "Securities Act"), 15 U.S.C. §§ 77k, 77l, and 77o, which impose strict liability for  
14 material misstatements or omissions in a registration statement or prospectus.

15           2.       Facebook operates as a social networking company worldwide. The Company  
16 builds tools that enable users to connect, share, discover, and communicate with each other and  
17 tools that enable developers to build social applications on Facebook or to integrate their  
18 websites with Facebook; and offers products that allow advertisers and marketers to engage with  
19 its users. As of May 2012, Facebook had 900 million monthly users and an average of 526  
20 million daily users in March 2012. The Company was founded in 2004 and is headquartered in  
21 Menlo Park, California. Facebook currently trades on the NASDAQ under the symbol "FB."

22           3.       On or about February 1, 2012, Facebook filed a registration statement on a Form  
23 S-1 with the SEC. Thereafter, the Company repeatedly amended the Form S-1, including on May  
24 16, 2012, when Facebook filed with the SEC the final Form S-1/A (collectively, the  
25 "Registration Statement") for the IPO.

1           4.     On May 9, 2012, the Company filed an amended Form S-1 with the SEC, where  
2 the Company, incompletely and misleadingly, made a statement concerning the potential impact  
3 upon revenue growth arising from a shift by users of Facebook to mobile devices, as mobile  
4 advertising had, to date, been less lucrative for the Company than advertising on desktop  
5 computers. The Defendants' statements, however, were materially misleading because they  
6 already knew that this growing trend was reflected in the results for the second quarter of 2012  
7 and that this trend would significantly, and adversely, impact the Company's revenue.  
8

9           5.     Following this announcement and just three days into the roadshow, the lead  
10 underwriter, Morgan Stanley, as well as other underwriters, revised their revenue estimates for  
11 the Company. As the Complaint will explain in detail below, the problem with these reductions  
12 are two-fold. First, there is a strong likelihood that the revisions of revenue estimates for the  
13 Company were not the product of sudden and independent shifts in analysis by each of the  
14 analysts. Instead, these revisions were guided by the Company, which had confidentially, and  
15 preferentially, shared with Morgan Stanley and other favored institutions whose analysts were  
16 covering the Company, and the Company specifically advised these analysts to cut their  
17 forecasts. Second, Morgan Stanley and the other favored institutions, in turn, only disclosed  
18 these newly reduced revenue figures privately to select major clients who were potential  
19 investors in the IPO, while failing to disclose to the general investing public their suddenly  
20 lowered estimates, which were based upon guidance privately provided to them by the Company.  
21 Together, these actions virtually guaranteed that other investors would be making their decisions  
22 to invest in Facebook's IPO without the benefit of material information given to favored  
23 investors.  
24

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26           6.     Moreover, the information provided to the non-favored investors stressed facts  
27 creating the impression that the value of the Company's shares was poised to increase and that  
28



1 retail investors should get in now before the Company's stock price rose above the offering price  
2 level. Around the same time that Facebook privately shared slowing revenue projections with its  
3 favored institutional customers, it was announcing that the IPO would be priced at \$38.00 a  
4 share, which was above the high end of an already upwardly revised projected range of \$28.00  
5 and \$35.00, and at the time of the final pre-offering range of \$34.00 to \$38.00.  
6

7 7. Then, on or about May 18, 2012, the Company filed with the SEC its IPO  
8 Prospectus ("Prospectus").

9 8. On the same day, Facebook launched the biggest IPO in financial history, valued  
10 at more than **\$16 billion**. The Company offered for sale 421,233,615 shares of common stock at  
11 a price of \$38.00 per share, of which 180,000,000 shares of Class A common were offered by the  
12 Company and 241,233,615 shares of Class A common stock were offered by existing  
13 stockholders. According to the Company, Facebook expected to receive net proceeds of  
14 approximately \$6,764,760,000 and selling stockholders expect to receive net proceeds of  
15 \$9,066,041,719 from the IPO, after deducting underwriting discounts, commissions and offering  
16 related transaction costs.  
17

18 9. In the days that followed the Company's IPO, it proved to be worst performing  
19 IPO of the decade, according to *Bloomberg BusinessWeek*. In the first three days of trading after  
20 the IPO, shares of Facebook tumbled over **18%**.  
21

22 10. The claims alleged herein arise from the materially false and/or misleading  
23 Registration Statement and Prospectus filed with the SEC and issued in connection with the IPO.  
24 As described in detailed below, the Registration Statement and Prospectus contained materially  
25 false and misleading statements and omitted material information in violation of Section 11,  
26 12(a)(2) and 15 of the Securities Act, 15 U.S.C. §§ 77k, 77l and 77o.  
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## JURISDICTION AND VENUE

11. The claims asserted herein arise under Sections 11, 12(a)(2), and 15 of the Securities Act, 15 U.S.C. §§ 77k, 77l, and 77o. This court has jurisdiction over the subject matter of this action pursuant to Section 22 of the Securities Act, 15 U.S.C. § 77v, which explicitly states that “[e]xcept as provided in section 16(c), no case arising under this title and brought *in any State court* of competent jurisdiction shall be removed to any court in the United States.” (Emphasis added.) Section 16(c) of the Securities Act, in turn, refers to “covered class actions,” which are defined lawsuits brought as class actions or brought on behalf of more than 50 persons asserting claims *under state or common law*. Because this is an action asserting federal law claims it does not fall within the definition of a “covered class action” under §16(c) and, therefore, is not removable to federal court under the Securities Litigation Uniform Standards Act of 1998, 15 U.S.C. § 78bb(f).

12. Each Defendant has sufficient contacts with California, or otherwise purposefully avails himself or itself of benefits from California or has property in California so as to render the exercise of jurisdiction over each by the California courts consistent with traditional notions of fair play and substantial justice.

13. The amount in controversy exceeds the jurisdictional minimum of this Court, and the total amount of damages sought exceeds \$25,000.

14. Venue is proper in this Court pursuant to Section 22 of the Securities Act, 15 U.S.C. § 77v. Defendant Facebook’s principal executive offices are located within this County, the individual Defendants conduct business in this County, and many of the acts and transaction alleged herein, including the preparation and dissemination of materially false and/or misleading information, occurred in substantial part in this County.

**PARTIES**

1  
2           15. Plaintiff Karen Cuker purchased 100 shares of Facebook securities at \$40 per share  
3 pursuant and/or traceable to the Registration Statement issued in connection with the Company's  
4 IPO and has been damaged thereby.

5           16. Plaintiff Brian Gralnick purchased 60 shares of Facebook securities at \$39.09 per  
6 share pursuant and/or traceable to the Registration Statement issued in connection with the  
7 Company's IPO and has been damaged thereby.

8           17. Defendant Facebook is a Delaware corporation with its principal executive office  
9 located at 1601 Willow Road, Menlo Park, California 94025. The Company was founded in  
10 2004. Facebook is a social utility and website that connects people with friends and others who  
11 work, study and live around them. Facebook's mission "is to make the world more open and  
12 connected." As described on the Company's website, "[p]eople use Facebook to stay connected  
13 with friends and family, to discover what's going on in the world, and to share and express what  
14 matters to them." As of May 2012, Facebook has over 900 million active users, more than half  
15 of whom access the site on a mobile device.

16           18. Defendant Mark Zuckerberg ("Zuckerberg") was at all relevant times Chairman and  
17 Chief Executive Officer ("CEO") of Facebook and signed or authorized the signing of the  
18 Company's Registration Statement filed with the SEC. Defendant Zuckerberg is the founder of  
19 Facebook and has served as the Company's CEO and as a member of its board of directors since  
20 July 2004. Since January 2012, Defendant Zuckerberg has served as the Chairman of the  
21 Company's board.

22           19. Defendant David A. Ebersman ("Ebersman") was at all relevant times Chief  
23 Financial Officer ("CFO") of Facebook and signed or authorized the signing of the Company's  
24 Registration Statement filed with the SEC.

1           20.     Defendant David M. Spillane ("Spillane") was, at all relevant times, Director of  
2 Accounting for Facebook and signed or authorized the signing of the Company's Registration  
3 Statement filed with the SEC.

4           21.     Defendant Marc L. Andreessen ("Andreessen") was, at all relevant times, director  
5 of Facebook and signed or authorized the signing of the Company's Registration Statement filed  
6 with the SEC. Defendant Andreessen is also a member of the Audit and the Governance  
7 Committees. He has served as a member of Facebook's board since 2008.

8           22.     Defendant Erskine B. Bowles ("Bowles") was, at all relevant times, a director of  
9 Facebook and signed or authorized the signing of the Company's Registration Statement filed  
10 with the SEC. Defendant Bowles is the Chair of the Audit Committee. Defendant Bowles has  
11 served as a member of the Company's board since 2011. He also serves as a member of the  
12 board of directors of Morgan Stanley, the lead underwriters for the IPO.

13           23.     Defendant James W. Breyer ("Breyer") was, at all relevant times, a director of  
14 Facebook and signed or authorized the signing of the Company's Registration Statement filed  
15 with the SEC. Defendant Breyer is the Chair of the Compensation Committee. He has served as a  
16 member of the Company's board since 2005.

17           24.     Defendant Donald E. Graham ("Graham") was, at all relevant times, a director of  
18 Facebook and signed or authorized the signing of the Company's Registration Statement filed  
19 with the SEC. Defendant Graham is the Lead Independent Director, the Chair of the Governance  
20 Committee and a member of the Compensation Committee. He has served as a member of the  
21 Company's board since 2009.

22           25.     Defendant Reed Hastings ("Hastings") was, at all relevant times, a director of  
23 Facebook and signed or authorized the signing of the Company's Registration Statement  
24

1 filed with the SEC. Defendant Hastings is also a member of the Company's Governance  
2 Committee. He has served as a member of the Company's board since 2011.

3 26. Defendant Peter A. Thiel ("Thiel") was, at all relevant times, a director of  
4 Facebook and signed or authorized the signing of the Company's Registration Statement filed  
5 with the SEC. Defendant Thiel is also a member of the Company's Audit Committee. He has served  
6 as a member of the Company's board since 2005.

7  
8 27. Defendants Zuckerberg, Ebersman, Spillane, Andreessen, Bowles, Breyer  
9 Graham, Hastings and Thiel, are collectively referred to hereinafter as the "Individual  
10 Defendants."

11 28. Defendant Morgan Stanley & Co. LLC ("Morgan Stanley") served as the lead  
12 underwriter to Facebook in connection with the Offering.

13  
14 29. Defendant J.P. Morgan Securities LLC ("J.P. Morgan") served as an underwriter to  
15 Facebook in connection with the Offering.

16 30. Defendant Goldman, Sachs & Co. ("Goldman Sachs") served as an underwriter to  
17 Facebook in connection with the Offering.

18 31. Defendant Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch")  
19 served as an underwriter to Facebook in connection with the Offering.

20 32. Defendant Barclays Capital Inc. ("Barclays") served as an underwriter to  
21 Facebook in connection with the Offering.

22 33. Defendant Allen & Company LLC ("Allen") served as an underwriter to Facebook  
23 in connection with the Offering.

24 34. Defendant Citigroup Global Markets Inc. ("Citigroup") served as an underwriter  
25 to Facebook in connection with the Offering.  
26

1           35.     Defendant Credit Suisse Securities (USA) LLC ("Credit Suisse") served as an  
2 underwriter to Facebook in connection with the Offering.

3           36.     Defendant Deutsche Bank Securities Inc. ("Deutsche") served as an underwriter to  
4 Facebook in connection with the Offering.

5           37.     Defendant RBC Capital Markets, LLC ("RBC") served as an underwriter to  
6 Facebook in connection with the Offering.

7           38.     Defendant Blaylock Robert Van LLC ("Blaylock") served as an underwriter to  
8 Facebook in connection with the Offering.

9           39.     Defendant BMO Capital Markets Corp. ("BMO") served as an underwriter to  
10 Facebook in connection with the Offering.

11           40.     Defendant C.L. King & Associates, Inc. ("C.L. King") served as an underwriter to  
12 Facebook in connection with the Offering.

13           41.     Defendant Cabrera Capital Markets, LLC ("Cabrera") served as an underwriter to  
14 Facebook in connection with the Offering.

15           42.     Defendant CastleOak Securities, L.P. ("CastleOak") served as an underwriter to  
16 Facebook in connection with the Offering.

17           43.     Defendant Cowen and Company, LLC. ("Cowen") served as an underwriter to  
18 Facebook in connection with the Offering.

19           44.     Defendant E\*TRADE Securities LLC ("E\*TRADE") served as an underwriter to  
20 Facebook in connection with the Offering.

21           45.     Defendant Itaú BBA USA Securities, Inc. ("Itaú") served as an underwriter to  
22 Facebook in connection with the Offering.

23           46.     Defendant Lazard Capital Markets LLC ("Lazard") served as an underwriter to  
24 Facebook in connection with the Offering.

1           47.    Defendant Lebenthal & Co., LLC (“Lebenthal”) served as an underwriter to  
2 Facebook in connection with the Offering.

3           48.    Defendant Loop Capital Markets LLC (“Loop”) served as an underwriter to  
4 Facebook in connection with the Offering.

5           49.    Defendant M.R. Beal & Company (“M.R. Beal”) served as an underwriter to  
6 Facebook in connection with the Offering.

7           50.    Defendant Macquarie Capital (USA) Inc. (“Macquarie”) served as an underwriter to  
8 Facebook in connection with the Offering.

9           51.    Defendant Muriel Siebert & Co., Inc. (“Muriel”) served as an underwriter to  
10 Facebook in connection with the Offering.

11           52.    Defendant Oppenheimer & Co. Inc. (“Oppenheimer”) served as an underwriter to  
12 Facebook in connection with the Offering.

13           53.    Defendant Pacific Crest Securities LLC (“Pacific Crest”) served as an underwriter to  
14 Facebook in connection with the Offering.

15           54.    Defendant Piper Jaffray & Co. (“Piper Jaffray”) served as an underwriter to  
16 Facebook in connection with the Offering.

17           55.    Defendant Raymond James & Associates, Inc. (“Raymond James”) served as an  
18 underwriter to Facebook in connection with the Offering.

19           56.    Defendant Samuel A. Ramirez & Company, Inc. (“Ramirez”) served as an  
20 underwriter to Facebook in connection with the Offering.

21           57.    Defendant Stifel, Nicolaus & Company, Incorporated (“Stifel”) served as an  
22 underwriter to Facebook in connection with the Offering.

23           58.    Defendant Wells Fargo Securities, LLC (“Wells Fargo”) served as an underwriter  
24 to Facebook in connection with the Offering.





1           64. The members of the Class are so numerous that joinder of all members is  
2 impracticable. After the IPO, Facebook's shares were actively traded on the NASDAQ Stock  
3 Exchange (the "NASDAQ"). While the exact number of Class members is unknown to Plaintiffs  
4 at this time and can only be ascertained through appropriate discovery, Plaintiffs believe that  
5 there are at least thousands of members of the proposed Class. Record owners and other  
6 members of the Class may be identified from records maintained by Facebook or its transfer  
7 agent and may be notified of the pendency of this action by mail, using the form of notice similar  
8 customarily used in securities class actions.  
9

10           65. Plaintiffs' claims are typical of the claims of the members of the Class as all  
11 members of the Class are similarly affected by Defendants' violations of the securities laws  
12 complained of herein.  
13

14           66. Plaintiffs will fairly and adequately protect the interests of the members of the  
15 Class and have retained counsel competent and experienced in class and securities litigation.

16           67. Common questions of law and fact exist as to all members of the Class and  
17 predominate over any questions solely affecting individual members of the Class. Among the  
18 questions of law and fact common to the Class are:

- 19                   a. whether the Defendants violated the Securities Act as alleged herein;  
20                   b. whether the Registration Statement and Prospectus contained untrue  
21 statements of material facts about Facebook and/or misrepresented material facts about the  
22 business, operations, and prospects of Facebook; and  
23                   c. to what extent the members of the Class have sustained damages and the  
24 proper measure of damages.  
25

26           68. A class action is superior to all other available methods for the fair and efficient  
27 adjudication of this controversy since joinder of all members is impracticable. Furthermore, as  
28

1 the damages suffered by individual Class members may be relatively small, the expense and  
2 burden of individual litigation make it impossible for members of the Class to individually  
3 redress the wrongs done to them. There will be no difficulty in the management of this action as  
4 a class action.

5  
6 **THE MATERIALLY FALSE AND/OR MISLEADING STATEMENTS**  
7 **CONTAINED IN THE REGISTRATION STATEMENT AND**  
8 **PROSPECTUS**

9 **The Two Track System of Disclosures in Connection with the IPO**

10 69. The Registration Statement and Prospectus contained untrue statements of  
11 material fact and omitted to state other material facts necessary to make the statements made not  
12 misleading. This was reflected in the disparity between the information Defendants shared with  
13 favored investors compared to the information given to other prospective investors, especially as  
14 it related to Facebook's performance and the impact of shifting consumer preferences on the  
15 Company's revenues.

16 70. Defendants' public statements in the SEC filings contained material  
17 misstatements, omitted to state a material fact required to be stated, or failed to disclose certain  
18 material facts necessary to make the statements not misleading, because each failed to materially  
19 disclose what Facebook had effectively shared with its favored institutions, namely, that  
20 Facebook's revenue and growth rate would be lower than originally disclosed.

21  
22 71. The Registration Statement and Prospectus acknowledged the materiality of  
23 Facebook's performance in generating revenue from users of mobile devices, when it stated on  
24 May 9, 2012 in an amendment to the Registration Statement:

25 *Growth in use of Facebook through our mobile products, where our ability to*  
26 *monetize is unproven, as a substitute for use on personal computers may*  
27 *negatively affect our revenue and financial results.*

1 We had 488 million [monthly active users] who used Facebook mobile products  
2 in March 2012. While most of our mobile users also access Facebook through  
3 personal computers, we anticipate that the rate of growth in mobile usage will  
4 exceed the growth in usage through personal computers for the foreseeable future,  
5 in part due to our focus on developing mobile products to encourage mobile usage  
6 of Facebook. We have historically not shown ads to users accessing Facebook  
7 through mobile apps or our mobile website. In March 2012, we began to include  
8 sponsored stories in users' mobile News Feeds. However, we do not currently  
9 directly generate any meaningful revenue from the use of Facebook mobile  
10 products, and our ability to do so successfully is unproven. We believe this  
11 increased usage of Facebook on mobile devices has contributed to the recent trend  
12 of our daily active users (DAUs) increasing more rapidly than the increase in the  
13 number of ads delivered. If users increasingly access Facebook mobile products  
14 as a substitute for access through personal computers, and if we are unable to  
15 successfully implement monetization strategies for our mobile users, or if we  
16 incur excessive expenses in this effort, our financial performance and ability to  
17 grow revenue would be negatively affected. (Emphasis in original).

11 72. Prior to the IPO, Defendants were aware that the Company's revenues for the  
12 second quarter and full year 2012 were already trending lower than projected due to increased  
13 use of Facebook by mobile device users. However, while expressly warning favored institutions  
14 that revenues would be disappointing, the Registration Statement provided an incomplete and  
15 misleading statement because the Company failed to disclose to investors that Facebook was  
16 *currently experiencing* a severe reduction in revenue growth due to an increase of users of its  
17 Facebook application or website through mobile devices rather than a traditional PC. The  
18 language in the Registration Statement and Prospectus was also materially misleading because it  
19 did not make clear that Facebook's second quarter 2012 revenue was weaker than expected  
20 because of this usage trend. As a result, Plaintiffs and other members of the Class paid an  
21 inflated price for Facebook shares.  
22

24 73. Defendants similarly failed to disclose that during the road show conducted in  
25 connection with the IPO, certain of the Underwriter Defendants reduced their second quarter and  
26 full year 2012 performance estimates for Facebook.  
27

1           74.   Circumstances surrounding the underwriters' development of performance  
2 estimates, and their decision to change those estimates, strongly suggest that these  
3 determinations were not made solely based upon information generally available to the public.  
4 Subsequent to the IPO, it was reported on May 23, 2012 in the *New York Times* in an article  
5 entitled "Questions of Fair Play Arise in Facebook's I.P.O. Process" that "in April, Facebook  
6 briefed about 20 bank analysts on its revenue guidance for the second quarter and the full year,"  
7 and that "[o]n May 9, the day the company submitted a revised public prospectus disclosing its  
8 challenges in mobile advertising, Facebook spoke to the analysts again, telling them that revenue  
9 would come in at the lower end of its forecast." Henry Blodget, a former equity analyst who was  
10 banned for life from the securities industry based upon his actions during the dot.com boom and  
11 bust and who now frequently writes and speaks about the abuses inflicted upon small investors,  
12 connected the dots in an article published in *Business Insider* the day before entitled "Exclusive:  
13 Here's the Inside Story Of What Happened On The Facebook IPO." In that article he explained:  
14

15           And now for some more bombshell news about the Facebook IPO ...  
16

17           Earlier, we reported that the analysts at Facebook's IPO had cut their estimates for  
18 the company in the middle of the IPO roadshow, a highly unusual and negative  
19 event.

20           What we didn't know was why.

21           Now we know.

22           *The analysts cut their estimates because a Facebook executive who knew the  
23 business was weak told them to.*

24           Put differently, the company basically pre-announced that its second quarter  
25 would fall short of analysts' estimates. But it only told the underwriter analysts  
26 about this.

27           The information about the estimate cut was then verbally conveyed to  
28 sophisticated institutional investors who were considering buying Facebook  
Stock, *but not to smaller investors.*

1 (Emphasis in original). An update to Blodget's article also reported that Reuters reporters  
2 "uncovered the before-and-after Facebook estimates that were verbally conveyed to big  
3 investors" and showed how close the original and revised estimates made by four major  
4 underwriters – Morgan Stanley, Bank of America, J.P. Morgan and Goldman Sachs – were to  
5 each other's respective original and revised estimates.  
6

7 75. Such revisions were material information that was not shared with all Facebook  
8 investors, but was instead selectively disclosed by Defendants to certain preferred investors and  
9 at the same time omitted from the Registration Statement and Prospectus. These facts, which  
10 were known and expressed by the some of the Underwriter Defendants, were not contained in the  
11 Registration Statement and Prospectus.

12 76. Just days later, on May 16, 2012, the Company disclosed in an amended Form S-1  
13 filed with the SEC, that it would increase the number of shares being offered by 25 percent.  
14

15 77. Not surprisingly, armed with negative information about the financial future of  
16 Facebook, Goldman Sachs, one of the Underwriter Defendants, decided to sell more stock on the  
17 deal. Entities associated with Goldman Sachs ultimately offered *nearly double* the amount of  
18 shares than originally reported in the Company's earlier filings.

19 78. While the Underwriter Defendants were privately lowering their estimates of the  
20 Company's revenues and revenue growth rate based upon information shared by the Company,  
21 and then sharing this information, in turn, with only select investors, the Company and the  
22 Underwriter Defendants were publicly *upwardly revising* the projected IPO price to the effective  
23 price of \$38 per share, thereby conveying a message that the investment in Facebook securities  
24 was even more desirable and valuable than previously represented. In fact, on May 3, 2012, in  
25 an amended Form S-1 filed with the SEC the Company stated that it was anticipating that the  
26 initial public offering price would be between \$28.00 and \$35.00 per share. The Company  
27

1 confirmed that range again on May 9, 2012. Even more egregious is that on May 15, 2012, at  
2 the same time that the Underwriter Defendants were *lowering* their estimates, the Company  
3 *raised* its anticipated offering range to between \$34.00 and \$38.00.

4           79. On May 22, 2012, *Reuters* reported, in an article entitled “Insight: Morgan  
5 Stanley cut Facebook estimates just before IPO,” that underwriters Morgan Stanley, J.P. Morgan  
6 and Goldman Sachs had all cut their earnings forecasts for the Company in the middle of the  
7 roadshow and that only certain investors were privy to this information.

8           80. According to a May 24, 2012 *Wall Street Journal* article entitled “Some Big Firms  
9 Got Facebook Warnings” (“May 24, 2012 WSJ article”), just three days into the roadshow, after  
10 the filing of the May 9, 2012 amended Form S-1, a Facebook executive individually called 21  
11 sell-side analysts to discuss the contents of the filing. “Morgan Stanley and the other  
12 underwriters sprang into action. In the middle of the roadshow, the banks informed key clients  
13 — including large hedge funds, mutual funds and wealthy individuals — of the declining  
14 revenue prospects at Facebook. This was a significant red flag.”

15           81. A revision in earnings forecast, however, is material information that investors  
16 would rely upon when determining whether to purchase in the IPO. And the fact that only  
17 selective clients received this information is problematic, at best. In this regard, in a May 22,  
18 2012 article entitled “Facebook Bankers Secretly Cut Facebook’s Revenue Estimate in Middle of  
19 IPO Roadshow,” Henry Blodget stated:

20           Selective dissemination. Earnings forecasts are material information, especially  
21 when they are prepared by analysts who have had privileged access to company  
22 management. As lead underwriters on the IPO, these analysts would have had  
23 much better information about the company than anyone else. So the fact that  
24 these analysts suddenly all cut their earnings forecasts at the same time, during  
25 the roadshow, and then this information was not passed on to the broader public,  
26 is a huge problem.



1                   **Tallying the Gains and Losses Arising from Defendants' Actions**

2           85.     In addition, the Underwriter Defendants reaped large financial benefits from the  
3 IPO. First, according to a May 23, 2012, *Wall Street Journal* Blog Deal Journal, "Morgan  
4 Stanley and other underwriters have made a profit of about \$100 million stabilizing Facebook  
5 Inc. stock since trading began on Friday." Moreover, it has been reported that collectively, the  
6 Underwriter Defendants made approximately \$176 million in underwriting fees from sales of  
7 Facebook shares in the IPO. These fees would not have been made if the Registration Statement  
8 and Offering had not contained material misstatements and material omissions.

9  
10          86.     As a result of Defendants materially false and misleading statements, Facebook  
11 closed just \$0.23 above the offering price on May 18, 2012, and in the days after declined to  
12 close at \$34.03 and \$31.00 on May 21, 2012 and May 22, 2012, respectively. On Tuesday, May  
13 29, 2012, the last trading day before the filing of this complaint, Facebook stock closed at  
14 \$28.84, well below the \$38 price at which the Company went public with its IPO.

15  
16                                   **COUNT I**  
17                                   **Violations of Section 11 of the Securities Act**  
18                                   **Against All Defendants**

19          87.     The averments of paragraphs 1 through 86 are incorporated as if fully set forth  
20 herein.

21          88.     Defendant Facebook, as issuer of its shares in the IPO, is strictly liable to the  
22 purchasers and holders of the shares obtained in the IPO for the material misstatements and  
23 omissions in the Registration Statement and Prospectus. The Individual Defendants as  
24 signatories of the Registration Statement, directors and/or officers of Facebook, and controlling  
25 persons of the issuer, owed to the purchasers and holders of the shares obtained through the  
26 Registration Statement and Prospectus the duty to make a reasonable and diligent investigation of  
27 the statements contained therein to ensure that such statements were true and correct, and that



1 there were no omissions of material facts required to be stated in order to make the statements  
2 contained therein not misleading.

3         89. The Underwriter Defendants acted as underwriters for the IPO. As such, the  
4 Underwriter Defendants were responsible for the contents of the Registration Statement and  
5 Prospectus and owed to the purchasers and holders of the shares obtained through the  
6 Registration Statement and Prospectus the duty to make a reasonable and diligent investigation  
7 of the statements contained therein to ensure that such statements were true and correct, and that  
8 there were no omissions of material facts required to be stated in order to make the statements  
9 contained therein not misleading. Had the Individual Defendants and Underwriter Defendants  
10 exercised reasonable care, they would have known of the material misstatements and omissions  
11 contained in or omitted from the Registration Statement and Prospectus as set forth herein. As  
12 such, the Individual Defendants and Underwriter Defendants are liable to the Class. Further,  
13 based on the material misstatements and omissions contained in or omitted from the Registration  
14 Statement and Prospectus as set forth herein, Defendant Facebook is strictly liable to the Class.  
15

16  
17         90. Defendants issued and disseminated, caused to be issued and disseminated, and  
18 participated in the issuance and dissemination of material misstatements to the investing public  
19 which were contained in the Registration Statement and Prospectus, which misrepresented or  
20 failed to disclose, *inter alia*, the facts set forth above. By reason of the conduct herein alleged,  
21 each Defendant violated Section 11 of the Securities Act.  
22

23         91. As a direct and proximate result of Defendants' acts and omissions in violation of  
24 Section 11 of the Securities Act, Plaintiffs and the Class suffered substantial damage in  
25 connection with their ownership of Facebook's shares purchased pursuant to and/or traceable to  
26 the Registration Statement and Prospectus.  
27



1 solicitation included offering, soliciting and selling shares, and participating in the preparation of  
2 the untruthful and/or materially misleading Registration Statement and Prospectus.

3         99. The 12(a)(2) Defendants owed to the purchasers of Facebook's shares, including  
4 Plaintiffs and other members of the Class, the duty to conduct a reasonable and diligent  
5 investigation of the statements contained in the IPO materials, including the Registration  
6 Statement and Prospectus, to ensure that such statements were true and that there was no  
7 omission to state a material fact required to be stated in order to make the statements contained  
8 therein not misleading. Had the 12(a)(2) Defendants conducted a reasonable and diligent  
9 investigation, they would have known of the misstatements and omissions contained in the IPO  
10 materials as set forth above.

11  
12         100. Plaintiffs and other members of the Class purchased or otherwise acquired  
13 Facebook's shares pursuant to and/or traceable to the defective Registration Statement and  
14 Prospectus. Plaintiffs did not know, or in the exercise of reasonable diligence could not have  
15 known, of the untruths and material omissions contained in the Registration Statement and  
16 Prospectus.

17  
18         101. Plaintiffs, individually and representatively, each hereby offer to tender to  
19 Defendants those shares which Plaintiffs and other Class members continue to own, on behalf of  
20 all members of the Class who continue to own such shares, in return for the consideration paid  
21 for those shares together with interest thereon. Class members who have sold their Facebook  
22 shares are entitled to rescissory damages.

23  
24         102. By reason of the conduct alleged herein, the 12(a)(2) Defendants have violated  
25 Section 12(a)(2) of the Securities Act. Accordingly, Plaintiffs and members of the Class who  
26 hold Facebook's shares purchased in the IPO have the right to rescind and recover the  
27 consideration paid for their Facebook shares, and hereby elect to rescind and tender their  
28

1 Facebook shares to Defendants sued herein. Plaintiffs and Class members who may have sold  
2 their Facebook shares are entitled to rescissory damages.

3 103. This action was brought within three years from the time that the shares upon  
4 which this Count is brought were sold to the public, and within one year from the time when  
5 Plaintiffs discovered or reasonably could have discovered the facts upon which this Count is  
6 based.  
7

8 **COUNT III**  
9 **Violations of Section 15 of the Securities Act**  
10 **Against the Individual Defendants Arising from**  
11 **Violations of Section 11 of the Securities Act**

12 104. The averments of paragraphs 1 through 94 are incorporated as if fully set forth  
13 herein.

14 105. This count is asserted against the Individual Defendants and is based upon their  
15 liability under Section 15 of the Securities Act for the Company's primary violations of Section  
16 11 of the Securities Act.

17 106. Individual Defendants, by virtue of their offices, directorships and specific acts  
18 were each, at the time of the IPO as set forth herein, controlling persons of Facebook within the  
19 meaning of Section 15 of the Securities Act.

20 107. By virtue of the conduct alleged herein, the Individual Defendants are each liable  
21 for the aforesaid wrongful conduct and are liable to Plaintiffs and the Class for damages suffered.

22 **COUNT IV**  
23 **Violation of Section 15 of The Securities Act**  
24 **Against the Individual Defendants Arising From**  
25 **Violations of Section 12(a)(2) of the Securities Act**

26 108. The averments of paragraphs 1 through 86 and 95 through 103 are incorporated as  
27 if fully set forth herein.  
28

1 109. This count is asserted against the Individual Defendants based upon their liability  
2 under Section 15 of the Securities Act for the Company's primary violations of Section 12(a)(2)  
3 of the Securities Act as alleged herein.

4 110. Individual Defendants, by virtue of their offices, directorships and specific acts  
5 were each, at the time of the IPO, controlling persons of Facebook within the meaning of Section  
6 15 of the Securities Act. The Individual Defendants had the power and influence and exercised  
7 the same to cause Facebook to engage in the acts described herein as giving rise to defendant  
8 Facebook's liability under Section 12(a)(2) of the Securities Act as alleged herein.  
9

10 111. By virtue of the conduct alleged herein, the Individual Defendants are each liable  
11 for the aforesaid wrongful conduct and are liable to Plaintiffs and the Class for damages suffered  
12 under Section 12(a)(2).  
13

#### 14 **REQUEST FOR RELIEF**

15 WHEREFORE, Plaintiffs respectfully request relief and judgment as follows:

16 (a) Determining that this action is a proper class action under California Code of  
17 Civil Procedure Section 382;

18 (b) Awarding compensatory damages in favor of Plaintiffs and the other Class  
19 members against all Defendants, jointly and severally, for all damages sustained as a result of  
20 Defendants' wrongdoing, in an amount to be proven at trial including interest thereon;  
21

22 (c) Awarding Plaintiffs and the Class their reasonable costs and expenses incurred in  
23 this action, including counsel fees and expert fees;

24 (d) Awarding rescission or rescissory measure of damages; and

25 (e) Granting such additional or different relief as the Court may deem just and proper  
26 or the interests of justice or equity may require.  
27

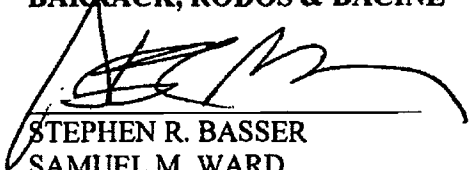
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**JURY TRIAL DEMANDED**

Plaintiffs hereby demand a trial by jury.

Dated May 30, 2012

**BARRACK, RODOS & BACINE**



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*Karen Cuker and Brian Gralnick*

## Civil Appropriate Dispute Resolution (ADR) Information Sheet

Superior Court of California, San Mateo County

*Appropriate Dispute Resolution (ADR) is a way of solving legal problems without going to trial. All types of disputes can be resolved through ADR. The Court encourages you to use some form of ADR before you proceed to trial. The most popular form of ADR is mediation. The Multi-Option ADR Project can help you choose the option that is best for your case and refer you to an experienced ADR provider.*

### What are the Advantages of Using ADR?

- ☞ **Faster** – Traditional litigation can take years to complete but ADR usually takes weeks or months.
- ☞ **Cheaper** – Parties can save on attorneys' fees and litigation costs.
- ☞ **More control & flexibility** – Parties choose the ADR process most appropriate for their case.
- ☞ **Cooperative & less stressful** – In mediation, parties cooperate to find a mutually agreeable solution to their dispute.

### What are the Disadvantages of Using ADR?

- ☞ **You may go to Court anyway** – If you can't resolve your case using ADR, you may still have to spend time and money on your lawsuit.
- ☞ **Not free** – The neutrals charge fees (except in judicial arbitration), but you may qualify for financial aid.

### Are There Different Kinds of ADR?

- ☞ **Mediation** - A neutral person (mediator) helps the parties communicate, clarify facts, identify legal issues, explore settlement options and agree on a solution that is acceptable to all sides.
- ☞ **Judicial Arbitration** – Is an informal hearing where a neutral person (arbitrator) reviews the evidence, hears arguments and makes a decision on your case. In non-binding judicial arbitration, parties have the right to reject the arbitrator's decision and proceed to trial. For more information regarding judicial arbitration, please see the attached sheet or call (650) 363-4896.
- ☞ **Binding Arbitration** - The parties agree ahead of time to accept the arbitrator's decision as final. Parties who choose binding arbitration give up their right to go to Court and their right to appeal the arbitrator's decision.
- ☞ **Neutral Evaluation** - A neutral person (evaluator) listens to the parties, asks them questions about their case, reviews evidence and may hear witness testimony. The evaluator helps the parties identify the most important legal issues in their case and gives them an analysis of the strengths and weaknesses of each side's case. Special neutral evaluation guidelines are available on the Court's website at [www.sanmateocourt.org/adr](http://www.sanmateocourt.org/adr).
- ☞ **Settlement Conference** – Although similar to mediation, the neutral (a judge) may take more control in encouraging parties to settle. Settlement conferences take place at the courthouse. All cases have a mandatory settlement conference approximately 2-3 weeks before the trial date.

Page 1 of 3

### **How Does Voluntary Mediation/Neutral Evaluation Work In San Mateo County?**

- ☞ The person who files the lawsuit (the plaintiff) must include this ADR Information Sheet with the complaint when serving the defendants in the case.
- ☞ All the parties in your case will meet with a judge at your first Case Management Conference (CMC), which is scheduled within 120 days of the filing of the complaint. The judge will speak to you about your voluntary ADR options, encourage you to participate in ADR and ask you to meet with Court ADR staff.
- ☞ If you and the parties decide to use ADR, Local Rule 2.3(i)(3) states that you must file a *Stipulation and Order to ADR* with the Court Clerk's Office. This form lets the Court know both whom you have selected as your ADR neutral and the date of the ADR session.
- ☞ You and the other parties can find your own ADR neutral for the case or use a neutral who is on the Court's ADR Panel.
  - For a list of Court ADR neutrals and their resumes, visit the Court's website at [www.sanmateocourt.org/adr](http://www.sanmateocourt.org/adr). (Go to "Civil ADR Program," "Civil ADR Program Panelist List" and click on any provider's name.)
- ☞ If you decide to do ADR and file a *Stipulation and Order to ADR* at least 10 days before your first CMC, the Court will postpone (continue) your first CMC for 90 days to allow the parties time to resolve the case using ADR. The Clerk's Office will send you a notice with your new CMC date.
- ☞ Within 10 days of completing ADR, you and your lawyer (if you have one) must fill out either an Evaluation By Attorneys or Client Evaluation and mail or fax it to the ADR offices at: 400 County Center, Courtroom 2F, Redwood City, CA 94063; (650) 599-1754 (fax).

### **Do I Have to Pay to Use ADR?**

- ☞ Yes. You and the other parties will pay the ADR neutral directly. However, you do not have to pay the Court for either judicial arbitration or for the mandatory settlement conference that is scheduled before your trial.
- ☞ If you expect to have difficulty paying the ADR provider's fee, ask the ADR Coordinator for a financial aid application. You will need to fill out this application to determine whether or not you qualify for financial assistance.

In San Mateo County, parties also can take their case to the community mediation organization, the Peninsula Conflict Resolution Center ("PCRC"), and have their case mediated by PCRC's panel of trained and experienced volunteer mediators. To learn more about programs and fees, contact PCRC's Manager of Mediation Programs at (650) 513-0330.

For more information, visit the court website at [www.sanmateocourt.org/adr](http://www.sanmateocourt.org/adr) or contact the Multi-Option ADR Project: 400 County Center, Courtroom 2F, Redwood City, CA 94063. (650) 599-1070, (650) 363-4148 / fax: (650) 599-1754

Appropriate Dispute Resolution Information Sheet

Page 2 of 3

Form adopted for Mandatory Use [CA Rule of Court §3.221] Local Court Form ADR-CV-6 (New September, 2010) [www.sanmateocourt.org](http://www.sanmateocourt.org)



Judicial Arbitration, one of the available Appropriate Dispute Resolution (ADR) options, differs from other options in that it is usually court-ordered, unless the parties agree to it.

### What are the Advantages of Using Judicial Arbitration?

- ☛ **Free** -Parties do not have to pay for the arbitrator's fee.
- ☛ **Fast** -Parties are usually given 120 days from the date of the Case Management Conference (CMC) to have their case heard by the appointed arbitrator.
- ☛ **Informal** -The hearing is conducted by an arbitrator who issues an award. (Arbitrators are usually attorneys who practice or have practiced in San Mateo County.)

### What are the Disadvantages of Using Judicial Arbitration?

- ☛ The award issued by the arbitrator is not always binding (unless the parties stipulated otherwise). If any party requests a trial within 30 days of the award, the award becomes void and the case continues on to trial.

### How Does Judicial Arbitration Work in San Mateo County?

- ☛ During your first CMC hearing, the judge may decide to order you to judicial arbitration. You will then receive instructions and a proposed list of arbitrators in the mail.
- ☛ Parties also may agree to judicial arbitration by filing a *Stipulation and Order to ADR* form at least 10 days before the first CMC. The CMC clerk will then vacate your CMC hearing and send the case to arbitration. The parties will receive instructions and a proposed list of arbitrators in the mail.
- ☛ Parties can stipulate (agree) to an arbitrator on the Court's Judicial Arbitration Panel list. Otherwise, proposed names of arbitrators will be sent to the parties.
  - For a list of arbitrators, their resumes, and other information, visit the Court's website at [www.sanmateocourt.org/adr](http://www.sanmateocourt.org/adr). (Go to "Judicial Arbitration Program," "Judicial Arbitration Panelist List" and click on the arbitrator's name. To view the arbitrators by subject matter, click on "Judicial Arbitration Panelists by Subject Matter.")
- ☛ After the arbitration hearing is held and the arbitrator issues an award, the parties have 30 days to turn down/reject the award by filing a Trial de Novo (unless they have stipulated that the award would be binding).
- ☛ If the parties reject the award and request a Trial de Novo, the Court will send out notices to the parties of the Mandatory Settlement Conference date and the trial date.
- ☛ Following your arbitration hearing, you will also receive an evaluation form to be filled out and returned to the Arbitration Administrator.

For more information, visit the court website at [www.sanmateocourt.org/adr](http://www.sanmateocourt.org/adr) or contact  
Judicial Arbitration: 400 County Center, First Floor, Redwood City, CA 94063. Phone:  
(650) 363-4896 and Fax: (650) 365-4897

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address):  TELEPHONE NO.: E-MAIL ADDRESS (Optional): ATTORNEY FOR (Name):  FAX NO. (Optional):	FOR COURT USE ONLY
SUPERIOR COURT OF CALIFORNIA, COUNTY OF STREET ADDRESS: MAILING ADDRESS: CITY AND ZIP CODE: BRANCH NAME:	
PLAINTIFF/PETITIONER: DEFENDANT/RESPONDENT:	
<b>CASE MANAGEMENT STATEMENT</b> (Check one): <input type="checkbox"/> UNLIMITED CASE (Amount demanded exceeds \$25,000) <input type="checkbox"/> LIMITED CASE (Amount demanded is \$25,000 or less)	CASE NUMBER:
A CASE MANAGEMENT CONFERENCE is scheduled as follows: Date: _____ Time: _____ Dept.: _____ Div.: _____ Room: _____ Address of court (if different from the address above): _____ <input type="checkbox"/> Notice of Intent to Appear by Telephone, by (name): _____	

**INSTRUCTIONS: All applicable boxes must be checked, and the specified information must be provided.**

1. Party or parties (answer one):
  - a.  This statement is submitted by party (name):
  - b.  This statement is submitted jointly by parties (names):
  
2. Complaint and cross-complaint (to be answered by plaintiffs and cross-complainants only)
  - a. The complaint was filed on (date):
  - b.  The cross-complaint, if any, was filed on (date):
  
3. Service (to be answered by plaintiffs and cross-complainants only)
  - a.  All parties named in the complaint and cross-complaint have been served, have appeared, or have been dismissed.
  - b.  The following parties named in the complaint or cross-complaint
    - (1)  have not been served (specify names and explain why not):
    - (2)  have been served but have not appeared and have not been dismissed (specify names):
    - (3)  have had a default entered against them (specify names):
  - c.  The following additional parties may be added (specify names, nature of involvement in case, and date by which they may be served):
  
4. Description of case
  - a. Type of case in  complaint  cross-complaint (Describe, including causes of action):

PLAINTIFF/PETITIONER:	CASE NUMBER:
DEFENDANT/RESPONDENT:	

4. b. Provide a brief statement of the case, including any damages. (If personal injury damages are sought, specify the injury and damages claimed, including medical expenses to date [indicate source and amount], estimated future medical expenses, lost earnings to date, and estimated future lost earnings. If equitable relief is sought, describe the nature of the relief.)

(If more space is needed, check this box and attach a page designated as Attachment 4b.)

5. Jury or nonjury trial

The party or parties request  a jury trial  a nonjury trial. (If more than one party, provide the name of each party requesting a jury trial):

6. Trial date

- a.  The trial has been set for (date):
- b.  No trial date has been set. This case will be ready for trial within 12 months of the date of the filing of the complaint (if not, explain):

c. Dates on which parties or attorneys will not be available for trial (specify dates and explain reasons for unavailability):

7. Estimated length of trial

The party or parties estimate that the trial will take (check one):

- a.  days (specify number):
- b.  hours (short causes) (specify):

8. Trial representation (to be answered for each party)

The party or parties will be represented at trial  by the attorney or party listed in the caption  by the following:

- a. Attorney:
  - b. Firm:
  - c. Address:
  - d. Telephone number:
  - e. E-mail address:
  - f. Fax number:
  - g. Party represented:
- Additional representation is described in Attachment 8.

9. Preference

This case is entitled to preference (specify code section):

10. Alternative dispute resolution (ADR)

a. ADR information package. Please note that different ADR processes are available in different courts and communities; read the ADR information package provided by the court under rule 3.221 for information about the processes available through the court and community programs in this case.

- (1) For parties represented by counsel: Counsel  has  has not provided the ADR information package identified in rule 3.221 to the client and reviewed ADR options with the client.
- (2) For self-represented parties: Party  has  has not reviewed the ADR information package identified in rule 3.221.

b. Referral to judicial arbitration or civil action mediation (if available).

- (1)  This matter is subject to mandatory judicial arbitration under Code of Civil Procedure section 1141.11 or to civil action mediation under Code of Civil Procedure section 1775.3 because the amount in controversy does not exceed the statutory limit.
- (2)  Plaintiff elects to refer this case to judicial arbitration and agrees to limit recovery to the amount specified in Code of Civil Procedure section 1141.11.
- (3)  This case is exempt from judicial arbitration under rule 3.811 of the California Rules of Court or from civil action mediation under Code of Civil Procedure section 1775 et seq. (specify exemption):

PLAINTIFF/PETITIONER:	CASE NUMBER:
DEFENDANT/RESPONDENT:	

10. c. Indicate the ADR process or processes that the party or parties are willing to participate in, have agreed to participate in, or have already participated in (check all that apply and provide the specified information):

	The party or parties completing this form are willing to participate in the following ADR processes (check all that apply):	If the party or parties completing this form in the case have agreed to participate in or have already completed an ADR process or processes, indicate the status of the processes (attach a copy of the parties' ADR stipulation):
(1) Mediation	<input type="checkbox"/>	<input type="checkbox"/> Mediation session not yet scheduled <input type="checkbox"/> Mediation session scheduled for (date): <input type="checkbox"/> Agreed to complete mediation by (date): <input type="checkbox"/> Mediation completed on (date):
(2) Settlement conference	<input type="checkbox"/>	<input type="checkbox"/> Settlement conference not yet scheduled <input type="checkbox"/> Settlement conference scheduled for (date): <input type="checkbox"/> Agreed to complete settlement conference by (date): <input type="checkbox"/> Settlement conference completed on (date):
(3) Neutral evaluation	<input type="checkbox"/>	<input type="checkbox"/> Neutral evaluation not yet scheduled <input type="checkbox"/> Neutral evaluation scheduled for (date): <input type="checkbox"/> Agreed to complete neutral evaluation by (date): <input type="checkbox"/> Neutral evaluation completed on (date):
(4) Nonbinding judicial arbitration	<input type="checkbox"/>	<input type="checkbox"/> Judicial arbitration not yet scheduled <input type="checkbox"/> Judicial arbitration scheduled for (date): <input type="checkbox"/> Agreed to complete judicial arbitration by (date): <input type="checkbox"/> Judicial arbitration completed on (date):
(5) Binding private arbitration	<input type="checkbox"/>	<input type="checkbox"/> Private arbitration not yet scheduled <input type="checkbox"/> Private arbitration scheduled for (date): <input type="checkbox"/> Agreed to complete private arbitration by (date): <input type="checkbox"/> Private arbitration completed on (date):
(6) Other (specify):	<input type="checkbox"/>	<input type="checkbox"/> ADR session not yet scheduled <input type="checkbox"/> ADR session scheduled for (date): <input type="checkbox"/> Agreed to complete ADR session by (date): <input type="checkbox"/> ADR completed on (date):

PLAINTIFF/PETITIONER:	<b>CM-110</b>
DEFENDANT/RESPONDENT:	CASE NUMBER:

**11. Insurance**

- a.  Insurance carrier, if any, for party filing this statement (*name*):
- b. Reservation of rights:  Yes  No
- c.  Coverage issues will significantly affect resolution of this case (*explain*):

**12. Jurisdiction**

Indicate any matters that may affect the court's jurisdiction or processing of this case and describe the status.  
 Bankruptcy  Other (*specify*):

Status:

**13. Related cases, consolidation, and coordination**

- a.  There are companion, underlying, or related cases.

- (1) Name of case:
- (2) Name of court:
- (3) Case number:
- (4) Status:

Additional cases are described in Attachment 13a.

- b.  A motion to  consolidate  coordinate will be filed by (*name party*):

**14. Bifurcation**

- The party or parties intend to file a motion for an order bifurcating, severing, or coordinating the following issues or causes of action (*specify moving party, type of motion, and reasons*):

**15. Other motions**

- The party or parties expect to file the following motions before trial (*specify moving party, type of motion, and issues*):

**16. Discovery**

- a.  The party or parties have completed all discovery.
- b.  The following discovery will be completed by the date specified (*describe all anticipated discovery*):

<u>Party</u>	<u>Description</u>	<u>Date</u>
--------------	--------------------	-------------

- c.  The following discovery issues, including issues regarding the discovery of electronically stored information, are anticipated (*specify*):

PLAINTIFF/PETITIONER:  DEFENDANT/RESPONDENT:	CASE NUMBER: <b>CM-110</b>
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**17. Economic litigation**

- a.  This is a limited civil case (i.e., the amount demanded is \$25,000 or less) and the economic litigation procedures in Code of Civil Procedure sections 90-98 will apply to this case.
- b.  This is a limited civil case and a motion to withdraw the case from the economic litigation procedures or for additional discovery will be filed (if checked, explain specifically why economic litigation procedures relating to discovery or trial should not apply to this case):

**18. Other issues**

- The party or parties request that the following additional matters be considered or determined at the case management conference (specify):

**19. Meet and confer**

- a.  The party or parties have met and conferred with all parties on all subjects required by rule 3.724 of the California Rules of Court (if not, explain):
- b. After meeting and conferring as required by rule 3.724 of the California Rules of Court, the parties agree on the following (specify):

20. Total number of pages attached (if any): \_\_\_\_\_

I am completely familiar with this case and will be fully prepared to discuss the status of discovery and alternative dispute resolution, as well as other issues raised by this statement, and will possess the authority to enter into stipulations on these issues at the time of the case management conference, including the written authority of the party where required.

Date:

\_\_\_\_\_  
(TYPE OR PRINT NAME)

▶ \_\_\_\_\_  
(SIGNATURE OF PARTY OR ATTORNEY)

\_\_\_\_\_  
(TYPE OR PRINT NAME)

▶ \_\_\_\_\_  
(SIGNATURE OF PARTY OR ATTORNEY)

Additional signatures are attached.

## **ADR Stipulation and Evaluation Instructions**

In accordance with *Local Rule 2.3(i)(3)*, all parties going to ADR must complete a Stipulation and Order to ADR and file it with the Clerk of the Superior Court. The Office of the Clerk is located at:

Clerk of the Superior Court, Civil Division  
Superior Court of California, County of San Mateo  
400 County Center  
Redwood City, CA 94063-1655

There is no filing fee for filing the stipulation. An incomplete stipulation will be returned to the parties by the Clerk's Office. All stipulations must include the following:

- Original signatures for all attorneys (and/or parties in pro per);
- The name of the neutral;
- Date of the ADR session; and
- Service List (Counsel need not serve the stipulation on parties).

Parties mutually agree on a neutral and schedule ADR sessions directly with the neutral. If parties would like a copy of the court's Civil ADR Program Panelist List and information sheets on individual panelists, they may visit the court's website at [www.sanmateocourt.org/adr](http://www.sanmateocourt.org/adr).

### **If Filing the Stipulation Prior to an Initial Case Management Conference**

To stipulate to ADR prior to the initial case management conference, parties must file a completed stipulation at least 10 days before the scheduled case management conference. The clerk will send notice of a new case management conference date approximately 90 days from the current date to allow time for the ADR process to be completed.

### **If Filing Stipulation Following a Case Management Conference**

When parties come to an agreement at a case management conference to utilize ADR, they have 21 days from the date of the case management conference to file a Stipulation and Order to ADR with the court [*Local Rule 2.3(i)(3)*].

### **Post-ADR Session Evaluations**

*Local Rule 2.3(i)(5)* requires submission of post-ADR session evaluations within 10 days of completion of the ADR process. Evaluations are to be filled out by both attorneys and clients. A copy of the Evaluation By Attorneys and Client Evaluation are attached to the Civil ADR Program Panelist List or can be downloaded from the court's web site.

### **Non-Binding Judicial Arbitration**

Names and dates are not needed for stipulations to judicial arbitration. The Judicial Arbitration Administrator will send a list of names to parties once a stipulation has been submitted. The Judicial Arbitration Administrator can be contacted at (650) 363-4896.

For further information regarding San Mateo Superior Court's Civil ADR and Judicial Arbitration Programs, visit the Court's website at [www.sanmateocourt.org/adr](http://www.sanmateocourt.org/adr) or contact the ADR offices at (650) 599-1070.

Attorney or Party without Attorney (Name, Address, Telephone, Fax, State Bar membership number):	Court Use Only
SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN MATEO Hall of Justice and Records 400 County Center Redwood City, CA 94063-1655 (650) 363-4711	
Plaintiff(s):	Case number:
Defendant(s):	Current CMC Date:

**STIPULATION AND ORDER TO APPROPRIATE DISPUTE RESOLUTION**

Plaintiff will file this stipulation with the Clerk's Office 10 days prior to or 3 weeks following the first Case Management Conference unless directed otherwise by the Court and ADR Director [Local Rule 2.3(i)(3)]. Please attach a Service List.

The parties hereby stipulate that all claims in this action shall be submitted to (select one):

- |   |   |
|---|---|
| <input type="checkbox"/> Voluntary Mediation                        | <input type="checkbox"/> Binding Arbitration (private)                            |
| <input type="checkbox"/> Neutral Evaluation                         | <input type="checkbox"/> Settlement Conference (private)                          |
| <input type="checkbox"/> Non-Binding Judicial Arbitration CRC 3.810 | <input type="checkbox"/> Summary Jury Trial <input type="checkbox"/> Other: _____ |

Case Type: \_\_\_\_\_  
 Neutral's name and telephone number: \_\_\_\_\_ Date of session: \_\_\_\_\_  
 (Required for continuance of CMC except for non-binding judicial arbitration)  
 Identify by name the parties to attend ADR session: \_\_\_\_\_

**Original Signatures**

\_\_\_\_\_  
 Type or print name of  Party without attorney  Attorney for  
 Plaintiff/Petitioner  Defendant/Respondent/Contestant

\_\_\_\_\_  
 (Signature)  
 Attorney or Party without attorney

\_\_\_\_\_  
 Type or print name of  Party without attorney  Attorney for  
 Plaintiff/Petitioner  Defendant/Respondent/Contestant

\_\_\_\_\_  
 (Signature)  
 Attorney or Party without attorney

\_\_\_\_\_  
 Type or print name of  Party without attorney  Attorney for  
 Plaintiff/Petitioner  Defendant/Respondent/Contestant

\_\_\_\_\_  
 (Signature)  
 Attorney or Party without attorney

\_\_\_\_\_  
 Type or print name of  Party without attorney  Attorney for  
 Plaintiff/Petitioner  Defendant/Respondent/Contestant

\_\_\_\_\_  
 (Signature)  
 Attorney or Party without attorney

**IT IS SO ORDERED:**

Date: \_\_\_\_\_

\_\_\_\_\_  
 Judge of the Superior Court of San Mateo County



**SUPERIOR COURT  
OF  
CALIFORNIA  
COUNTY OF  
SAN MATEO**



**LOCAL COURT  
RULES**

**As Amended  
Effective January 1, 2012**

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN MATEO  
Hall of Justice and Records  
400 County Center, 2<sup>nd</sup> Floor  
Redwood City, California 94063**

## CHAPTER 6. CIVIL TRIAL RULES

### Rule 2.20 Trial Motions, Briefs, Statements, and Witness Lists

Upon assignment to a trial department for trial by a jury, each party shall file with that department the following:

- (1) Any in limine motions and response thereto;
- (2) Any trial briefs;
- (3) A concise non-argumentative statement of the case to be read to the jury; and
- (4) A list of possible witness who may testify in the trial to be read to the jury panel by the court.

(Adopted, effective January 1, 2002)

### Rule 2.21 In Limine Motions

Any in limine motions shall be served upon opposing counsel not less than five (5) days prior to trial. Any response shall be served upon the proponent of the motion not later than the first appearance in the Department of the Presiding Judge for trial assignment.

(Adopted, effective January 1, 2002)

### Rule 2.22 Production of Exhibits

Any party intending to offer any exhibit at the time of trial shall be prepared, by the time of assignment to a trial department, with an original and sufficient copies of each such exhibit for all other parties and the court. The court may make, in its discretion, any orders it deems appropriate regarding the exchange and presentations of exhibits.

(Adopted, effective January 1, 2002)

**RULE NUMBERS 2.23 TO 2.29 ARE RESERVED**

## CHAPTER 7. COMPLEX CASES

### Rule 2.30 Determination of Complex Case Designation.

#### **A. Decision of Complex Case to be Made by Presiding Judge**

The Presiding Judge shall decide whether an action is a complex case within the meaning of California Rules of Court, Rule 3.400, subdivision (a), and whether it should be assigned to a single judge for all purposes. All status conferences or other hearings regarding whether an action should be designated as complex and receive a singly assigned judge shall be set in the Presiding Judge's department.

#### **B. Provisional Designation.**

An action is provisionally a complex case if it involves one or more of the following types of claims: (1) antitrust or trade regulation claims; (2) construction defect claims involving many parties or structures; (3) securities claims or investment losses involving many parties; (4) environmental or toxic

tort claims involving many parties; (5) claims involving massive torts; (6) claims involving class actions; or (7) insurance coverage claims arising out of any of the claims listed in subdivisions (1) through (6).

The Court shall treat a provisionally complex action as a complex case until the Presiding Judge has the opportunity to decide whether the action meets the definition in California Rules of Court, Rule 3.400, subdivision (a).

**C. Application to Designate or Counter-Designate an Action as a Complex Case.**

Any party who files either a Civil Case Cover Sheet (pursuant to California Rules of Court, Rule 3.401) or a counter or joinder Civil Case Cover Sheet (pursuant to California Rules of Court, Rule 3.402, subdivision (b) or (c)), designating an action as a complex case in Items 1, 2 and/or 5, must also file an accompanying Certificate Re: Complex Case Designation in the form prescribed by the Court. The certificate must include supporting information showing a reasonable basis for the complex case designation being sought. Such supporting information may include, without limitation, a brief description of the following factors as they pertain to the particular action:

- (1) Management of a large number of separately represented parties;
- (2) Complexity of anticipated factual and/or legal issues;
- (3) Numerous pretrial motions that will be time-consuming to resolve;
- (4) Management of a large number of witnesses or a substantial amount of documentary evidence;
- (5) Coordination with related actions pending in one or more courts in other counties, states or countries or in a federal court;
- (6) Whether or not certification of a putative class action will in fact be pursued; and
- (7) Substantial post-judgment judicial supervision.

A copy of the Certificate Re: Complex Case Designation must be served on all opposing parties. Any certificate filed by a plaintiff shall be served along with the initial service of copies of the Civil Case Cover Sheet (pursuant to California Rules of Court, Rule 3.401), summons, and complaint in the action. Any certificate filed by a defendant shall be served together with the service of copies of the counter or joinder Civil Case Cover Sheet (pursuant to California Rules of Court, Rule 3.402, subdivision (b) or (c)) and the initial first appearance pleading(s).

**D. Noncomplex Counter-Designation.**

If a Civil Case Cover Sheet designating an action as a complex case and the accompanying Certificate Re: Complex Case Designation has been filed and served and the Court has not previously declared the action to be a complex case, a defendant may file and serve no later than its first appearance a counter Civil Case Cover Sheet designating the action as not a complex case. Any defendant who files such a noncomplex counter-designation must also file and serve an accompanying Certificate Re: Complex Case Designation in the form prescribed by this Court and setting forth supporting information showing a reasonable basis for the noncomplex counter-designation being sought.

Once the Court has declared the action to be a complex case, any party seeking the Presiding Judge's decision that the action is not a complex case must file a noticed motion pursuant to Section H below.

**E. Decision by Presiding Judge on Complex Case Designation; Early Status Conference.**

If a Civil Case Cover Sheet designating an action as a complex case and the accompanying Certificate Re: Complex Case Designation have been filed and served, the Presiding Judge shall decide as soon as reasonably practicable, with or without a hearing, whether the action is a complex case and should be assigned to a single judge for all purposes.

Upon the filing of a Civil Case Cover Sheet designating an action as a complex case and the accompanying Certificate Re: Complex Case Designation, the Clerk of the Court shall set a status conference at which the Presiding Judge shall decide whether or not the action is a complex case. This status conference shall be held no later than (a) 60 days after the filing of a Civil Case Cover Sheet by a plaintiff (pursuant to California Rules of Court, Rule 3.401) or (b) 30 days after the filing of a counter Civil Case Cover Sheet by a defendant (pursuant to California Rules of Court, Rule 3.402, subdivision (a) or (b)), whichever date is earlier.

Alternatively, in his or her sole discretion, the Presiding Judge may make the decision on complex case designation and single assignment, without a status conference, based upon the filed Civil Case Cover Sheet and accompanying Certificate Re: Complex Case Designation alone.

**F. Notice.**

The party who seeks a complex case designation or a noncomplex counter-designation must give reasonable notice of the status conference to the opposing party or parties in the action even if they have not yet made a first appearance in the action. Such notice of the status conference shall be given in the same manner as is required for ex parte applications pursuant to California Rule of Court, Rule 379.

**G. Representations to the Court.**

By presenting to the Court a Certificate Re: Complex Case Designation, an attorney or unrepresented party is certifying to the best of that person's knowledge, information, and belief, formed after reasonable inquiry under the circumstances:

- (1) That the complex case designation or noncomplex counter-designation is not being presented for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation;
- (2) That the claims, defenses, or other legal contentions referenced therein are warranted by existing law or by a non-frivolous argument for the extension, modification, or reversal of existing law or the establishment of new law;
- (3) That the statement of supporting information relevant to the complex case designation or noncomplex counter-designation have evidentiary support or are believed, in good faith, likely to have evidentiary support after a reasonable opportunity for further investigation or discovery; and
- (4) That there is a reasonable basis for that party's complex case designation or noncomplex counter-designation.

If, after notice and a reasonable opportunity to be heard, the Court determines that this subpart has been violated, the Court may impose an appropriate sanction upon the attorneys, law firms, or self-represented parties that have violated this subpart.

**H. The Presiding Judge's Continuing Power.**

With or without a hearing, the Presiding Judge may decide, on his or her own motion or on a noticed motion by any party, that a civil action is a complex case or that an action previously declared to be a complex case is not a complex case.

**I. Pilot Program; Sunset Provision. (Repealed, effective 1/1/2007).**

(Adopted, effective July 1, 2004)(Amended, effective July 1, 2005) (Amended, effective January 1, 2006)(Amended, effective January 1, 2007)

**RULE NUMBERS 2.31 TO 2.35 ARE RESERVED**

**CHAPTER 8. ACCESS TO COURT RECORDS**

**Rule 2.36 Public Access and Privacy**

Please reference. California Rules of Court, Rule 1.20.

(Adopted, effective January 1, 2008)

**Rule 2.37 Public Access.**

Exhibits or attachments to a document that are filed or lodged with or otherwise presented to the court, that are not otherwise marked as confidential or sealed, may be subject to public viewing and access either at the courthouse or electronically on-line (California Rules of Court, Rule 2.503, et seq.).

(Adopted, effective January 1, 2008)

**Rule 2.38 Electronic Access.**

Documents that are part of a court record are reasonably made available to the public electronically under the Court's Electronic Imaging program as permitted by California Rules of Court, Rules 2.500, et seq. Documents that are not properly protected by being marked confidential or sealed by court order may be subject to public access as discussed in Rule 2.38.

(Adopted, effective January 1, 2008)

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**FILED**  
SAN MATEO COUNTY

JUN 18 2012

Clerk of the Superior Court  
By David S. [Signature]  
DEPUTY CLERK

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN MATEO

DARRYL LAZAR, Individually and On Behalf  
of All Others Similarly Situated,

Plaintiff,

v.

FACEBOOK, INC., MARK ZUCKERBERG,  
DAVID A. EBERSMAN, DAVID M.  
SPILLANE, MARC L. ANDREESSEN,  
ERSKINE B. BOWLES, JAMES W. BREYER,  
DONALD E. GRAHAM, REED HASTINGS,  
PETER A. THIEL, MORGAN STANLEY &  
CO. LLC, J.P. MORGAN SECURITIES LLC,  
GOLDMAN, SACHS & CO., MERRILL  
LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED, BARCLAYS CAPITAL  
INC., ALLEN & COMPANY LLC,  
CITIGROUP GLOBAL MARKETS INC.,  
CREDIT SUISSE SECURITIES (USA) LLC,  
DEUTSCHE BANK SECURITIES INC., RBC  
CAPITAL MARKETS, LLC, BLAYLOCK  
ROBERT VAN LLC, BMO CAPITAL  
MARKETS CORP., C.L. KING &  
ASSOCIATES, INC., CABRERA CAPITAL  
MARKETS, LLC, CASTLEOAK  
SECURITIES, L.P., COWEN AND  
COMPANY, LLC., E\*TRADE SECURITIES  
LLC, ITAÚ BBA USA SECURITIES, INC.,  
LAZARD CAPITAL MARKETS LLC,  
LEBENTHAL & CO., LLC, LOOP CAPITAL  
MARKETS LLC, M.R. BEAL & COMPANY,  
MACQUARIE CAPITAL (USA) INC.,  
MURIEL SIEBERT & CO., INC.,

Lead Case No. CIV514065

CIV 514238

[Signature]  
**[PROPOSED] ORDER GRANTING  
PLAINTIFFS' MOTION TO  
CONSOLIDATE ALL RELATED  
ACTIONS**

1 OPPENHEIMER & CO. INC., PACIFIC  
2 CREST SECURITIES LLC, PIPER JAFFRAY  
3 & CO., RAYMOND JAMES & ASSOCIATES,  
4 INC., SAMUEL A. RAMIREZ & COMPANY,  
5 INC., STIFEL, NICOLAUS & COMPANY,  
6 INCORPORATED, THE WILLIAMS  
7 CAPITAL GROUP, L.P., and WILLIAM  
8 BLAIR & COMPANY, L.L.C.,

9  
10 **Defendants.**

11 JENNIFER STOKES , Individually and On  
12 Behalf of All Others Similarly Situated,

13  
14 **Plaintiff,**

15  
16 v.

17 FACEBOOK, INC., MARK ZUCKERBERG,  
18 DAVID A. EBERSMAN, DAVID M.  
19 SPILLANE, MARC L. ANDREESSEN,  
20 ERSKINE B. BOWLES, JAMES W. BREYER,  
21 DONALD E. GRAHAM, REED HASTINGS,  
22 PETER A. THIEL, MORGAN STANLEY & CO.  
23 LLC, J.P. MORGAN SECURITIES LLC,  
24 GOLDMAN, SACHS & CO., MERRILL  
25 LYNCH, PIERCE, FENNER & SMITH  
26 INCORPORATED, BARCLAYS CAPITAL  
27 INC., ALLEN & COMPANY LLC, CITIGROUP  
28 GLOBAL MARKETS INC., CREDIT SUISSE  
SECURITIES (USA) LLC, DEUTSCHE BANK  
SECURITIES INC., RBC CAPITAL MARKETS,  
LLC, BLAYLOCK ROBERT VAN LLC, BMO  
CAPITAL MARKETS CORP., C.L. KING &  
ASSOCIATES, INC., CABRERA CAPITAL  
MARKETS, LLC, CASTLEOAK SECURITIES,  
L.P., COWEN AND COMPANY, LLC.,  
E\*TRADE SECURITIES LLC, ITAÚ BBA USA  
SECURITIES, INC., LAZARD CAPITAL  
MARKETS LLC, LEBENTHAL & CO., LLC,  
LOOP CAPITAL MARKETS LLC, M.R. BEAL  
& COMPANY, MACQUARIE CAPITAL (USA)  
INC., MURIEL SIEBERT & CO., INC.,  
OPPENHEIMER & CO. INC., PACIFIC CREST  
SECURITIES LLC, PIPER JAFFRAY & CO.,  
RAYMOND JAMES & ASSOCIATES, INC.,  
SAMUEL A. RAMIREZ & COMPANY, INC.,  
STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, THE WILLIAMS CAPITAL  
GROUP, L.P., and WILLIAM BLAIR &

Case No. CIV514107

Date Filed: May 23, 2012

1 COMPANY, L.L.C.,

2 Defendants.

4 MATTHEW PILGRAM, Individually and On  
5 Behalf of All Others Similarly Situated,

6 Plaintiff,

7 v.

8 FACEBOOK, INC., MARK ZUCKERBERG,  
9 DAVID A. EBERSMAN, DAVID M.  
10 SPILLANE, MARC L. ANDREESSEN,  
11 ERSKINE B. BOWLES, JAMES W. BREYER,  
12 DONALD E. GRAHAM, REED HASTINGS,  
13 PETER A. THIEL, MORGAN STANLEY & CO.  
14 LLC, BARCLAYS CAPITAL INC., ALLEN &  
15 COMPANY LLC, CITIGROUP GLOBAL  
16 MARKETS INC., CREDIT SUISSE  
17 SECURITIES (USA) LLC, DEUTSCHE BANK  
18 SECURITIES INC., RBC CAPITAL MARKETS,  
19 LLC, BLAYLOCK ROBERT VAN LLC, BMO  
20 CAPITAL MARKETS CORP., C.L. KING &  
21 ASSOCIATES, INC., CABRERA CAPITAL  
22 MARKETS, LLC, CASTLEOAK SECURITIES,  
23 L.P., COWEN AND COMPANY, LLC.,  
24 E\*TRADE SECURITIES LLC, ITAÚ BBA USA  
25 SECURITIES, INC., LAZARD CAPITAL  
26 MARKETS LLC, LEBENTHAL & CO., LLC,  
27 LOOP CAPITAL MARKETS LLC, M.R. BEAL  
28 & COMPANY, MACQUARIE CAPITAL (USA)  
INC., MURIEL SIEBERT & CO., INC.,  
OPPENHEIMER & CO. INC., PACIFIC CREST  
SECURITIES LLC, PIPER JAFFRAY & CO.,  
RAYMOND JAMES & ASSOCIATES, INC.,  
SAMUEL A. RAMIREZ & COMPANY, INC.,  
STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, THE WILLIAMS CAPITAL  
GROUP, L.P., and WILLIAM BLAIR &  
COMPANY, L.L.C.,

26 Defendants.

Case No. CIV514111  
Date Filed: May 23, 2012



1 VERNON R. DeMOIS JR., Individually and on  
2 Behalf of All Others Similarly Situated,  
3 Plaintiff

Case No. CIV514163  
Date Filed: May 25, 2012

4 v.

5 FACEBOOK, INC., MARK ZUCKERBERG,  
6 DAVID A. EBERSMAN, DAVID M. SPILLANE,  
7 MARC L. ANDREESSEN, ERSKINE B.  
8 BOWLES, JAMES W. BREYER, DONALD E.  
9 GRAHAM, REED HASTINGS, PETER A.  
10 THIEL, AND MORGAN STANLEY & CO. LLC.

11 Defendants.

12 ELBITA ALFONSO, Individually and on Behalf  
13 of All Others Similarly Situated,  
14 Plaintiff

Case No. CIV514171  
Date Filed: May 25, 2012

15 v.

16 FACEBOOK, INC., MARK ZUCKERBERG,  
17 DAVID A. EBERSMAN, DAVID M. SPILLANE,  
18 MARC L. ANDREESSEN, ERSKINE B.  
19 BOWLES, JAMES W. BREYER, DONALD E.  
20 GRAHAM, REED HASTINGS, PETER A.  
21 THIEL, MORGAN STANLEY & CO. LLC, J.P.  
22 MORGAN SECURITIES LLC, GOLDMAN,  
23 SACHS & CO., MERRILL LYNCH, PIERCE,  
24 FENNER & SMITH INCORPORATED,  
25 BARCLAYS CAPITAL INC., ALLEN &  
26 COMPANY LLC, CITIGROUP GLOBAL  
27 MARKETS INC.C, REDIT SUISSE  
28 SECURITIES (USA) LLC, DEUTSCHE BANK  
SECURITIES INC., RBC CAPITAL MARKETS,  
LLC, and WELLS FARGO SECURITIES, LLC,

Defendants.

1 EDWARD J. SHIERRY, Individually and On  
2 Behalf of All Others Similarly Situated,

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Plaintiff,

v.

FACEBOOK, INC., MARK ZUCKERBERG,  
DAVID E. EBERSMAN, DAVID M.  
SPILLANE, MARC L. ANDREESSEN,  
ERSKINE B. BOWLES, JAMES W. BREYER,  
DONALD E. GRAHAM, REED HASTINGS,  
PETER A. THIEL, MORGAN STANLEY & CO.  
LLC, GOLDMAN, SACHS & CO.,  
BARCLAYS CAPITAL INC., ALLEN &  
COMPANY LLC, CITIGROUP GLOBAL  
MARKETS INC., CREDIT SUISSE  
SECURITIES (USA) LLC, DEUTSCHE  
BANK SECURITIES INC., RBC CAPITAL  
MARKETS, LLC, BLAYLOCK  
ROBERT VAN LLC, BMO CAPITAL  
MARKETS CORP., C.L. KING &  
ASSOCIATES, INC., CABRERA CAPITAL  
MARKETS, LLC, CASTLEOAK SECURITIES,  
L.P, COWEN AND COMPANY, LLC.,  
E\*TRADE SECURITIES, LLC, ITAU  
BBA USA SECURITIES, INC., LAZARD  
CAPITAL MARKETS LLC, LEBENTHAL &  
CO., LLC, LOOP CAPITAL MARKETS LLC,  
M.R. BEAL & COMPANY, MACQUARIE  
CAPITAL(USA) INC., MURIEL SIEBERT &  
CO., INC., OPPENHEIMER & CO. INC.,  
PACIFIC CREST SECURITIES LLC,  
PIPER JAFFRA Y & CO., RAYMOND JAMES  
& ASSOCIATES, INC., SAMUEL  
A. RAMIREZ & COMPANY, INC., STIFEL,  
NICOLAUS & COMPANY, INCORPORATED,  
THE WILLIAMS CAPITAL GROUP, L.P., and  
WILLIAM BLAIR & COMPANY, L.L.C.,

Defendants.

Case No. CIV514172  
Date Filed: May 25, 2012

26 MICHAEL LIEBER, Individually and On Behalf  
27 of All Others Similarly Situated,

28  
Plaintiff,

v.

Case No. CIV514193  
Date Filed: May 29, 2012

1 FACEBOOK INC.; MARK  
2 ZUCKERBURG; DONALD E. GRAHAM;  
3 DAVID A. EBERSMAN; JAMES W.  
4 BREYER; DAVID M. SPILLANE; PETER  
5 A. THIEL; MARC L. ANDREESSEN;  
6 REED HASTINGS; ERSKINE B. BOWLES;  
7 MORGAN STANLEY & CO.  
8 LLC; J.P. MORGAN SECURITIES LLC;  
9 GOLDMAN, SACHS & CO.; MERRILL  
10 LYNCH; E \*TRADE SECURITIES LLC;  
11 OPPENHEIMER & CO., INC.;;  
12 BARCLAYS CAPITAL INC.;;  
13 CITIGROUP GLOBAL MARKETS INC.;;  
14 CREDIT SUISSE SECURITIES (USA)  
15 LLC; PIERCE, FENNER & SMITH  
16 INCORPORATED; ALLEN &  
17 FACEBOOK LLC; DEUTSCHE BANK  
18 SECURITIES INC.;; RBC CAPITAL  
19 MARKETS, LLC; MURIEL SIEBERT & CO.,  
20 INC.;; CABRERA CAPITAL  
21 MARKETS, LLC; BMO CAPITAL  
22 MARKETS CORP.;; CASTLEOAK  
23 SECURITIES, LP.;; LAZARD CAPITAL  
24 MARKETS LLC; PACIFIC CREST  
25 SECURITIES LLC; LOOP CAPITAL  
26 MARKETS LLC; ITAU BBA USA  
27 SECURITIES, INC.;; W ILLIAM BLAIR &  
28 FACEBOOK, L.L.C.;; BLAYLOCK  
ROBERT VAN LLC; LEBENTHAL & CO.  
LLC; M.R. BEAL & FACEBOOK;  
MACQUARIE CAPITAL (USA) INC.;;  
PIPER JAFFRAY & CO.;; COWEN AND  
FACEBOOK, LLC; RAYMOND JAMES  
ASSOCIATES, INC.;; STIFEL,  
NICOLAUS & FACEBOOK,  
INCORPORATED; C.L. KING &  
ASSOCIATES, INC.;; SAMUEL A.  
RAMIREZ & FACEBOOK, INC.;; COWEN  
AND FACEBOOK, LLC; THE WILLIAMS  
CAPITAL GROUP, LP; and Does 1  
through 100, inclusive,

Defendants.

1 KAREN CUKER and BRIAN GRALNICK,  
2 Individually and On Behalf of All Others Similarly  
3 Situated,

3 Plaintiffs,

4 v.

5 FACEBOOK, INC., MARK ZUCKERBERG,  
6 DAVID A. EBERSMAN, DAVID M. SPILLANE,  
7 MARC L. ANDREESSEN, ERSKINE B.  
8 BOWLES, JAMES W. BREYER, DONALD E.  
9 GRAHAM, REED HASTINGS, PETER A.  
10 THIEL, MORGAN STANLEY & CO. LLC, J.P.  
11 MORGAN SECURITIES LLC, GOLDMAN,  
12 SACHS & CO., MERRILL LYNCH, PIERCE,  
13 FENNER & SMITH INCORPORATED,  
14 BARCLAYS CAPITAL INC., ALLEN &  
15 COMPANY LLC, CITIGROUP GLOBAL  
16 MARKETS INC., CREDIT SUISSE  
17 SECURITIES (USA) LLC, DEUTSCHE BANK  
18 SECURITIES INC., RBC CAPITAL MARKETS,  
19 LLC, WELLS FARGO SECURITIES, LLC,  
20 BLAYLOCK ROBERT VAN LLC, BMO  
21 CAPITAL MARKETS CORP., C.L. KING &  
22 ASSOCIATES, INC., CABRERA CAPITAL  
23 MARKETS, LLC, CASTLEOAK SECURITIES,  
24 L.P., COWEN AND COMPANY, LLC.,  
25 E\*TRADE SECURITIES LLC, ITAÚ BBA USA  
26 SECURITIES, INC., LAZARD CAPITAL  
27 MARKETS LLC, LEBENTHAL & CO., LLC,  
28 LOOP CAPITAL MARKETS LLC, M.R. BEAL  
& COMPANY, MACQUARIE CAPITAL (USA)  
INC., MURIEL SIEBERT & CO., INC.,  
OPPENHEIMER & CO. INC., PACIFIC CREST  
SECURITIES LLC, PIPER JAFFRAY & CO.,  
RAYMOND JAMES & ASSOCIATES, INC.,  
SAMUEL A. RAMIREZ & COMPANY, INC.,  
STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, THE WILLIAMS CAPITAL  
GROUP, L.P., and WILLIAM BLAIR &  
COMPANY, L.L.C.,

25 Defendants.

Case No. CIV514238  
Date Filed: May 30, 2012

1 HARVEY LAPIN, Individually and On Behalf of  
2 All Others Similarly Situated,

Case No. CIV514240  
Date Filed: May 30, 2012

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Plaintiff,

v.

FACEBOOK, INC., MARK ZUCKERBERG,  
DAVID A. EBERSMAN, DAVID M. SPILLANE,  
MARC L. ANDREESSEN, ERSKINE B.  
BOWLES, JAMES W. BREYER, DONALD E.  
GRAHAM, REED HASTINGS, PETER A.  
THIEL, MORGAN STANLEY & CO. LLC, J.P.  
MORGAN SECURITIES LLC, GOLDMAN,  
SACHS & CO., MERRILL LYNCH, PIERCE,  
FENNER & SMITH INCORPORATED,  
BARCLAYS CAPITAL INC., ALLEN &  
COMPANY LLC, CITIGROUP GLOBAL  
MARKETS INC., CREDIT SUISSE  
SECURITIES (USA) LLC, DEUTSCHE BANK  
SECURITIES INC., RBC CAPITAL MARKETS,  
LLC, BLAYLOCK ROBERT VAN LLC, BMO  
CAPITAL MARKETS CORP., C.L. KING &  
ASSOCIATES, INC., CABRERA CAPITAL  
MARKETS, LLC, CASTLEOAK SECURITIES,  
L.P., COWEN AND COMPANY, LLC.,  
E\*TRADE SECURITIES LLC, ITAÚ BBA USA  
SECURITIES, INC., LAZARD CAPITAL  
MARKETS LLC, LEBENTHAL & CO., LLC,  
LOOP CAPITAL MARKETS LLC, M.R. BEAL  
& COMPANY, MACQUARIE CAPITAL (USA)  
INC., MURIEL SIEBERT & CO., INC.,  
OPPENHEIMER & CO. INC., PACIFIC CREST  
SECURITIES LLC, PIPER JAFFRAY & CO.,  
RAYMOND JAMES & ASSOCIATES, INC.,  
SAMUEL A. RAMIREZ & COMPANY, INC.,  
STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, THE WILLIAMS CAPITAL  
GROUP, L.P., and WILLIAM BLAIR &  
COMPANY, L.L.C.,

Defendants.

1           Upon Plaintiffs Darryl Lazar, Jennifer Stokes, Matthew Pilgram, Vernon R. Demois Jr.,  
2 Elbita Alfonso, Edward J. Shierry, Michael Lieber, Karen Cuker, Brian Gralnick and Harvey  
3 Lapin (collectively "Movants") *Ex Parte* Application for Approval of Consolidation of Related  
4 Cases and Appointment of Co-Lead Class Counsel, or Alternatively, for an Order Shortening  
5 Time for Hearing Such Motion, and following consideration of the relevant papers and  
6 arguments of counsel, and good cause appearing:

7           **IT IS HEREBY ORDERED** that:

8           The following actions are hereby consolidated for all purposes, including pretrial  
9 proceedings and trial, pursuant to Section 1048 of the *California Code of Civil Procedure*:

<u>Abbreviated Case Name</u>	<u>Case Number</u>	<u>Date Filed</u>
11 <i>Darryl Lazar v. Facebook, Inc. et al.</i> ,	CIV514065	May 22, 2012
12 <i>Jennifer Stokes v. Facebook, Inc. et al</i>	CIV514107	May 23, 2012
13 <i>Matthew Pilgram v. Facebook, Inc. et al</i>	CIV514111	May 23, 2012
14 <i>Vernon R. DeMois, Jr., v. Facebook, Inc.,</i> 15 <i>et al.</i>	CIV514163	May 25, 2012
16 <i>Elbita Alfonso, v. Facebook, Inc., et al,</i>	CIV514171	May 25, 2012
17 <i>Edward J. Shierry, v. Facebook, Inc., et al.</i>	CIV514172	May 25, 2012
18 <i>Michael Lieber v. Facebook, Inc., et al.</i>	CIV514193	May 29, 2012
19 <i>Karen Cuker and Brian Gralnick v.</i> <i>Facebook, Inc., et al.</i>	CIV514238	May 30, 2012
20 <i>Harvey Lapin v. Facebook, Inc., et al.</i>	CIV514240	May 30, 2012

21  
22           Counsel shall promptly notify the Court of any new related cases filed before this Court  
23 and if counsel wish to consolidate such cases, they shall file and serve an appropriate motion or  
24 application.

25           Every pleading filed in these consolidated actions, or in any separate action included  
26 herein, shall bear the following caption:

27  
28

1 DARRYL LAZAR, Individually and On Behalf  
2 of All Others Similarly Situated,

3  
4 Plaintiff,

v.

5 FACEBOOK, INC., MARK ZUCKERBERG,  
6 DAVID A. EBERSMAN, DAVID M.  
7 SPILLANE, MARC L. ANDREESSEN,  
8 ERSKINE B. BOWLES, JAMES W. BREYER,  
9 DONALD E. GRAHAM, REED HASTINGS,  
10 PETER A. THIEL, MORGAN STANLEY &  
11 CO. LLC, J.P. MORGAN SECURITIES LLC,  
12 GOLDMAN, SACHS & CO., MERRILL  
13 LYNCH, PIERCE, FENNER & SMITH  
14 INCORPORATED, BARCLAYS CAPITAL  
15 INC., ALLEN & COMPANY LLC,  
16 CITIGROUP GLOBAL MARKETS INC.,  
17 CREDIT SUISSE SECURITIES (USA) LLC,  
18 DEUTSCHE BANK SECURITIES INC., RBC  
19 CAPITAL MARKETS, LLC, BLAYLOCK  
20 ROBERT VAN LLC, BMO CAPITAL  
21 MARKETS CORP., C.L. KING &  
22 ASSOCIATES, INC., CABRERA CAPITAL  
23 MARKETS, LLC, CASTLEOAK  
24 SECURITIES, L.P., COWEN AND  
25 COMPANY, LLC., E\*TRADE SECURITIES  
26 LLC, ITAÚ BBA USA SECURITIES, INC.,  
27 LAZARD CAPITAL MARKETS LLC,  
28 LEBENTHAL & CO., LLC, LOOP CAPITAL  
MARKETS LLC, M.R. BEAL & COMPANY,  
MACQUARIE CAPITAL (USA) INC.,  
MURIEL SIEBERT & CO., INC.,  
OPPENHEIMER & CO. INC., PACIFIC  
CREST SECURITIES LLC, PIPER JAFFRAY  
& CO., RAYMOND JAMES & ASSOCIATES,  
INC., SAMUEL A. RAMIREZ & COMPANY,  
INC., STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, THE WILLIAMS  
CAPITAL GROUP, L.P., and WILLIAM  
BLAIR & COMPANY, L.L.C.,

Defendants.

Lead Case No. CIV514065

(Consolidated with Case Nos:  
CIV514107, CIV514111,  
CIV514163, CIV514171,  
CIV514172, CIV514193,  
CIV514238, CIV514240)

CLASS ACTION

1 The files of these consolidated actions shall be maintained in one file under Lead Case  
2 No. CIV514065.

3 ~~This Order shall apply to each case, arising out of the same or substantially the same~~  
4 ~~transactions or events as these cases, which is subsequently filed in, removed to or transferred to~~  
5 ~~this Court, including cases transferred to this Court.~~ *BLS*

6 When a case which properly belongs as part of *Darryl Lazar v. Facebook, Inc. et al.*,  
7 Lead Case No. CIV514065, is hereafter filed in the Court or transferred here from another court,  
8 this Court requests the assistance of counsel in calling to the attention of the Clerk of the Court  
9 the filing or transfer of any case which might properly be consolidated as part of the lead case,  
10 and counsel are to assist in assuring that counsel in subsequent actions receive notice of this  
11 Order.

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14 DATED: JUN 14 2012

*Beth L. Freeman*  
\_\_\_\_\_  
HON. BETH L. FREEMAN



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**FILED**  
SAN MATEO COUNTY

JUN 18 2012

Clerk of the Superior Court  
By David Shiner  
DEPUTY CLERK

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN MATEO

DARRYL LAZAR, Individually and On Behalf  
of All Others Similarly Situated,

Plaintiff,

v.

FACEBOOK, INC., MARK ZUCKERBERG,  
DAVID A. EBERSMAN, DAVID M.  
SPILLANE, MARC L. ANDREESSEN,  
ERSKINE B. BOWLES, JAMES W. BREYER,  
DONALD E. GRAHAM, REED HASTINGS,  
PETER A. THIEL, MORGAN STANLEY &  
CO. LLC, J.P. MORGAN SECURITIES LLC,  
GOLDMAN, SACHS & CO., MERRILL  
LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED, BARCLAYS CAPITAL  
INC., ALLEN & COMPANY LLC,  
CITIGROUP GLOBAL MARKETS INC.,  
CREDIT SUISSE SECURITIES (USA) LLC,  
DEUTSCHE BANK SECURITIES INC., RBC  
CAPITAL MARKETS, LLC, BLAYLOCK  
ROBERT VAN LLC, BMO CAPITAL  
MARKETS CORP., C.L. KING &  
ASSOCIATES, INC., CABRERA CAPITAL  
MARKETS, LLC, CASTLEOAK  
SECURITIES, L.P., COWEN AND  
COMPANY, LLC., E\*TRADE SECURITIES  
LLC, ITAÚ BBA USA SECURITIES, INC.,  
LAZARD CAPITAL MARKETS LLC,  
LEBENTHAL & CO., LLC, LOOP CAPITAL  
MARKETS LLC, M.R. BEAL & COMPANY,  
MACQUARIE CAPITAL (USA) INC.,  
MURIEL SIEBERT & CO., INC.,

Lead Case No. CIV514065

CIV 514238

*BLK*  
**[PROPOSED] ORDER GRANTING  
PLAINTIFFS' MOTION TO  
CONSOLIDATE ALL RELATED  
ACTIONS**

1 OPPENHEIMER & CO. INC., PACIFIC  
2 CREST SECURITIES LLC, PIPER JAFFRAY  
3 & CO., RAYMOND JAMES & ASSOCIATES,  
4 INC., SAMUEL A. RAMIREZ & COMPANY,  
5 INC., STIFEL, NICOLAUS & COMPANY,  
6 INCORPORATED, THE WILLIAMS  
7 CAPITAL GROUP, L.P., and WILLIAM  
8 BLAIR & COMPANY, L.L.C.,

9  
10 **Defendants.**

11 JENNIFER STOKES , Individually and On  
12 Behalf of All Others Similarly Situated,

13  
14 **Plaintiff,**

15  
16 v.

17 FACEBOOK, INC., MARK ZUCKERBERG,  
18 DAVID A. EBERSMAN, DAVID M.  
19 SPILLANE, MARC L. ANDREESSEN,  
20 ERSKINE B. BOWLES, JAMES W. BREYER,  
21 DONALD E. GRAHAM, REED HASTINGS,  
22 PETER A. THIEL, MORGAN STANLEY & CO.  
23 LLC, J.P. MORGAN SECURITIES LLC,  
24 GOLDMAN, SACHS & CO., MERRILL  
25 LYNCH, PIERCE, FENNER & SMITH  
26 INCORPORATED, BARCLAYS CAPITAL  
27 INC., ALLEN & COMPANY LLC, CITIGROUP  
28 GLOBAL MARKETS INC., CREDIT SUISSE  
SECURITIES (USA) LLC, DEUTSCHE BANK  
SECURITIES INC., RBC CAPITAL MARKETS,  
LLC, BLAYLOCK ROBERT VAN LLC, BMO  
CAPITAL MARKETS CORP., C.L. KING &  
ASSOCIATES, INC., CABRERA CAPITAL  
MARKETS, LLC, CASTLEOAK SECURITIES,  
L.P., COWEN AND COMPANY, LLC.,  
E\*TRADE SECURITIES LLC, ITAÚ BBA USA  
SECURITIES, INC., LAZARD CAPITAL  
MARKETS LLC, LEBENTHAL & CO., LLC,  
LOOP CAPITAL MARKETS LLC, M.R. BEAL  
& COMPANY, MACQUARIE CAPITAL (USA)  
INC., MURIEL SIEBERT & CO., INC.,  
OPPENHEIMER & CO. INC., PACIFIC CREST  
SECURITIES LLC, PIPER JAFFRAY & CO.,  
RAYMOND JAMES & ASSOCIATES, INC.,  
SAMUEL A. RAMIREZ & COMPANY, INC.,  
STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, THE WILLIAMS CAPITAL  
GROUP, L.P., and WILLIAM BLAIR &

Case No. CIV514107  
Date Filed: May 23, 2012

1 COMPANY, L.L.C.,

2 Defendants.

4 MATTHEW PILGRAM, Individually and On  
5 Behalf of All Others Similarly Situated,

6 Plaintiff,

7 v.

8 FACEBOOK, INC., MARK ZUCKERBERG,  
9 DAVID A. EBERSMAN, DAVID M.  
10 SPILLANE, MARC L. ANDREESSEN,  
11 ERSKINE B. BOWLES, JAMES W. BREYER,  
12 DONALD E. GRAHAM, REED HASTINGS,  
13 PETER A. THIEL, MORGAN STANLEY & CO.  
14 LLC, BARCLAYS CAPITAL INC., ALLEN &  
15 COMPANY LLC, CITIGROUP GLOBAL  
16 MARKETS INC., CREDIT SUISSE  
17 SECURITIES (USA) LLC, DEUTSCHE BANK  
18 SECURITIES INC., RBC CAPITAL MARKETS,  
19 LLC, BLAYLOCK ROBERT VAN LLC, BMO  
20 CAPITAL MARKETS CORP., C.L. KING &  
21 ASSOCIATES, INC., CABRERA CAPITAL  
22 MARKETS, LLC, CASTLEOAK SECURITIES,  
23 L.P., COWEN AND COMPANY, LLC.,  
24 E\*TRADE SECURITIES LLC, ITAÚ BBA USA  
25 SECURITIES, INC., LAZARD CAPITAL  
26 MARKETS LLC, LEBENTHAL & CO., LLC,  
27 LOOP CAPITAL MARKETS LLC, M.R. BEAL  
28 & COMPANY, MACQUARIE CAPITAL (USA)  
INC., MURIEL SIEBERT & CO., INC.,  
OPPENHEIMER & CO. INC., PACIFIC CREST  
SECURITIES LLC, PIPER JAFFRAY & CO.,  
RAYMOND JAMES & ASSOCIATES, INC.,  
SAMUEL A. RAMIREZ & COMPANY, INC.,  
STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, THE WILLIAMS CAPITAL  
GROUP, L.P., and WILLIAM BLAIR &  
COMPANY, L.L.C.,

26 Defendants.

Case No. CIV514111  
Date Filed: May 23, 2012

1 VERNON R. DeMOIS JR., Individually and on  
2 Behalf of All Others Similarly Situated,  
3 Plaintiff

Case No. CIV514163  
Date Filed: May 25, 2012

4 v.

5 FACEBOOK, INC., MARK ZUCKERBERG,  
6 DAVID A. EBERSMAN, DAVID M. SPILLANE,  
7 MARC L. ANDREESSEN, ERSKINE B.  
8 BOWLES, JAMES W. BREYER, DONALD E.  
9 GRAHAM, REED HASTINGS, PETER A.  
10 THIEL, AND MORGAN STANLEY & CO. LLC.

11 Defendants.

12 ELBITA ALFONSO, Individually and on Behalf  
13 of All Others Similarly Situated,  
14 Plaintiff

Case No. CIV514171  
Date Filed: May 25, 2012

15 v.

16 FACEBOOK, INC., MARK ZUCKERBERG,  
17 DAVID A. EBERSMAN, DAVID M. SPILLANE,  
18 MARC L. ANDREESSEN, ERSKINE B.  
19 BOWLES, JAMES W. BREYER, DONALD E.  
20 GRAHAM, REED HASTINGS, PETER A.  
21 THIEL, MORGAN STANLEY & CO. LLC, J.P.  
22 MORGAN SECURITIES LLC, GOLDMAN,  
23 SACHS & CO., MERRILL LYNCH, PIERCE,  
24 FENNER & SMITH INCORPORATED,  
25 BARCLAYS CAPITAL INC., ALLEN &  
26 COMPANY LLC, CITIGROUP GLOBAL  
27 MARKETS INC.C, REDIT SUISSE  
28 SECURITIES (USA) LLC, DEUTSCHE BANK  
SECURITIES INC., RBC CAPITAL MARKETS,  
LLC, and WELLS FARGO SECURITIES, LLC,

Defendants.

1 EDWARD J. SHIERRY, Individually and On  
2 Behalf of All Others Similarly Situated,

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Plaintiff,

v.

FACEBOOK, INC., MARK ZUCKERBERG,  
DAVID E. EBERSMAN, DAVID M.  
SPILLANE, MARC L. ANDREESSEN,  
ERSKINE B. BOWLES, JAMES W. BREYER,  
DONALD E. GRAHAM, REED HASTINGS,  
PETER A. THIEL, MORGAN STANLEY & CO.  
LLC, GOLDMAN, SACHS & CO.,  
BARCLAYS CAPITAL INC., ALLEN &  
COMPANY LLC, CITIGROUP GLOBAL  
MARKETS INC., CREDIT SUISSE  
SECURITIES (USA) LLC, DEUTSCHE  
BANK SECURITIES INC., RBC CAPITAL  
MARKETS, LLC, BLAYLOCK  
ROBERT VAN LLC, BMO CAPITAL  
MARKETS CORP., C.L. KING &  
ASSOCIATES, INC., CABRERA CAPITAL  
MARKETS, LLC, CASTLEOAK SECURITIES,  
L.P, COWEN AND COMPANY, LLC.,  
E\*TRADE SECURITIES, LLC, ITAU  
BBA USA SECURITIES, INC., LAZARD  
CAPITAL MARKETS LLC, LEBENTHAL &  
CO., LLC, LOOP CAPITAL MARKETS LLC,  
M.R. BEAL & COMPANY, MACQUARIE  
CAPITAL(USA) INC., MURIEL SIEBERT &  
CO., INC., OPPENHEIMER & CO. INC.,  
PACIFIC CREST SECURITIES LLC,  
PIPER JAFFRA Y & CO., RAYMOND JAMES  
& ASSOCIATES, INC., SAMUEL  
A. RAMIREZ & COMPANY, INC., STIFEL,  
NICOLAUS & COMPANY, INCORPORATED,  
THE WILLIAMS CAPITAL GROUP, L.P., and  
WILLIAM BLAIR & COMPANY, L.L.C.,

Defendants.

Case No. CIV514172

Date Filed: May 25, 2012

26 MICHAEL LIEBER, Individually and On Behalf  
27 of All Others Similarly Situated,

28  
Plaintiff,

v.

Case No. CIV514193

Date Filed: May 29, 2012

1 FACEBOOK INC.; MARK  
2 ZUCKERBURG; DONALD E. GRAHAM;  
3 DAVID A. EBERSMAN; JAMES W.  
4 BREYER; DAVID M. SPILLANE; PETER  
5 A. THIEL; MARC L. ANDREESSEN;  
6 REED HASTINGS; ERSKINE B. BOWLES;  
7 MORGAN STANLEY & CO.  
8 LLC; J.P. MORGAN SECURITIES LLC;  
9 GOLDMAN, SACHS & CO.; MERRILL  
10 LYNCH; E \*TRADE SECURITIES LLC;  
11 OPPENHEIMER & CO., INC.;;  
12 BARCLAYS CAPITAL INC.;;  
13 CITIGROUP GLOBAL MARKETS INC.;;  
14 CREDIT SUISSE SECURITIES (USA)  
15 LLC; PIERCE, FENNER & SMITH  
16 INCORPORATED; ALLEN &  
17 FACEBOOK LLC; DEUTSCHE BANK  
18 SECURITIES INC.;; RBC CAPITAL  
19 MARKETS, LLC; MURIEL SIEBERT & CO.,  
20 INC.;; CABRERA CAPITAL  
21 MARKETS, LLC; BMO CAPITAL  
22 MARKETS CORP.;; CASTLEOAK  
23 SECURITIES, LP.;; LAZARD CAPITAL  
24 MARKETS LLC; PACIFIC CREST  
25 SECURITIES LLC; LOOP CAPITAL  
26 MARKETS LLC; ITAU BBA USA  
27 SECURITIES, INC.;; W ILLIAM BLAIR &  
28 FACEBOOK, L.L.C.;; BLAYLOCK  
ROBERT VAN LLC; LEBENTHAL & CO.  
LLC; M.R. BEAL & FACEBOOK;  
MACQUARIE CAPITAL (USA) INC.;;  
PIPER JAFFRAY & CO.;; COWEN AND  
FACEBOOK, LLC; RAYMOND JAMES  
ASSOCIATES, INC.;; STIFEL,  
NICOLAUS & FACEBOOK,  
INCORPORATED; C.L. KING &  
ASSOCIATES, INC.;; SAMUEL A.  
RAMIREZ & FACEBOOK, INC.;; COWEN  
AND FACEBOOK, LLC; THE WILLIAMS  
CAPITAL GROUP, LP; and Does 1  
through 100, inclusive,

Defendants.

1 KAREN CUKER and BRIAN GRALNICK,  
2 Individually and On Behalf of All Others Similarly  
3 Situated,

3 Plaintiffs,

4 v.

5 FACEBOOK, INC., MARK ZUCKERBERG,  
6 DAVID A. EBERSMAN, DAVID M. SPILLANE,  
7 MARC L. ANDREESSEN, ERSKINE B.  
8 BOWLES, JAMES W. BREYER, DONALD E.  
9 GRAHAM, REED HASTINGS, PETER A.  
10 THIEL, MORGAN STANLEY & CO. LLC, J.P.  
11 MORGAN SECURITIES LLC, GOLDMAN,  
12 SACHS & CO., MERRILL LYNCH, PIERCE,  
13 FENNER & SMITH INCORPORATED,  
14 BARCLAYS CAPITAL INC., ALLEN &  
15 COMPANY LLC, CITIGROUP GLOBAL  
16 MARKETS INC., CREDIT SUISSE  
17 SECURITIES (USA) LLC, DEUTSCHE BANK  
18 SECURITIES INC., RBC CAPITAL MARKETS,  
19 LLC, WELLS FARGO SECURITIES, LLC,  
20 BLAYLOCK ROBERT VAN LLC, BMO  
21 CAPITAL MARKETS CORP., C.L. KING &  
22 ASSOCIATES, INC., CABRERA CAPITAL  
23 MARKETS, LLC, CASTLEOAK SECURITIES,  
24 L.P., COWEN AND COMPANY, LLC.,  
25 E\*TRADE SECURITIES LLC, ITAÚ BBA USA  
26 SECURITIES, INC., LAZARD CAPITAL  
27 MARKETS LLC, LEBENTHAL & CO., LLC,  
28 LOOP CAPITAL MARKETS LLC, M.R. BEAL  
& COMPANY, MACQUARIE CAPITAL (USA)  
INC., MURIEL SIEBERT & CO., INC.,  
OPPENHEIMER & CO. INC., PACIFIC CREST  
SECURITIES LLC, PIPER JAFFRAY & CO.,  
RAYMOND JAMES & ASSOCIATES, INC.,  
SAMUEL A. RAMIREZ & COMPANY, INC.,  
STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, THE WILLIAMS CAPITAL  
GROUP, L.P., and WILLIAM BLAIR &  
COMPANY, L.L.C.,

Defendants.

Case No. CIV514238  
Date Filed: May 30, 2012

1 HARVEY LAPIN, Individually and On Behalf of  
2 All Others Similarly Situated,

Case No. CIV514240  
Date Filed: May 30, 2012

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Plaintiff,

v.

FACEBOOK, INC., MARK ZUCKERBERG,  
DAVID A. EBERSMAN, DAVID M. SPILLANE,  
MARC L. ANDREESSEN, ERSKINE B.  
BOWLES, JAMES W. BREYER, DONALD E.  
GRAHAM, REED HASTINGS, PETER A.  
THIEL, MORGAN STANLEY & CO. LLC, J.P.  
MORGAN SECURITIES LLC, GOLDMAN,  
SACHS & CO., MERRILL LYNCH, PIERCE,  
FENNER & SMITH INCORPORATED,  
BARCLAYS CAPITAL INC., ALLEN &  
COMPANY LLC, CITIGROUP GLOBAL  
MARKETS INC., CREDIT SUISSE  
SECURITIES (USA) LLC, DEUTSCHE BANK  
SECURITIES INC., RBC CAPITAL MARKETS,  
LLC, BLAYLOCK ROBERT VAN LLC, BMO  
CAPITAL MARKETS CORP., C.L. KING &  
ASSOCIATES, INC., CABRERA CAPITAL  
MARKETS, LLC, CASTLEOAK SECURITIES,  
L.P., COWEN AND COMPANY, LLC.,  
E\*TRADE SECURITIES LLC, ITAÚ BBA USA  
SECURITIES, INC., LAZARD CAPITAL  
MARKETS LLC, LEBENTHAL & CO., LLC,  
LOOP CAPITAL MARKETS LLC, M.R. BEAL  
& COMPANY, MACQUARIE CAPITAL (USA)  
INC., MURIEL SIEBERT & CO., INC.,  
OPPENHEIMER & CO. INC., PACIFIC CREST  
SECURITIES LLC, PIPER JAFFRAY & CO.,  
RAYMOND JAMES & ASSOCIATES, INC.,  
SAMUEL A. RAMIREZ & COMPANY, INC.,  
STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, THE WILLIAMS CAPITAL  
GROUP, L.P., and WILLIAM BLAIR &  
COMPANY, L.L.C.,

Defendants.



1 Upon Plaintiffs Darryl Lazar, Jennifer Stokes, Matthew Pilgram, Vernon R. Demois Jr.,  
 2 Elbita Alfonso, Edward J. Shierry, Michael Lieber, Karen Cuker, Brian Gralnick and Harvey  
 3 Lapin (collectively "Movants") *Ex Parte* Application for Approval of Consolidation of Related  
 4 Cases and Appointment of Co-Lead Class Counsel, or Alternatively, for an Order Shortening  
 5 Time for Hearing Such Motion, and following consideration of the relevant papers and  
 6 arguments of counsel, and good cause appearing:

7 **IT IS HEREBY ORDERED** that:

8 The following actions are hereby consolidated for all purposes, including pretrial  
 9 proceedings and trial, pursuant to Section 1048 of the *California Code of Civil Procedure*:

<u>Abbreviated Case Name</u>	<u>Case Number</u>	<u>Date Filed</u>
11 <i>Darryl Lazar v. Facebook, Inc. et al.,</i>	CIV514065	May 22, 2012
12 <i>Jennifer Stokes v. Facebook, Inc. et al</i>	CIV514107	May 23, 2012
13 <i>Matthew Pilgram v. Facebook, Inc. et al</i>	CIV514111	May 23, 2012
14 <i>Vernon R. DeMois, Jr., v. Facebook, Inc.,</i> 15 <i>et al.</i>	CIV514163	May 25, 2012
16 <i>Elbita Alfonso, v. Facebook, Inc., et al,</i>	CIV514171	May 25, 2012
17 <i>Edward J. Shierry, v. Facebook, Inc., et al.</i>	CIV514172	May 25, 2012
18 <i>Michael Lieber v. Facebook, Inc., et al.</i>	CIV514193	May 29, 2012
19 <i>Karen Cuker and Brian Gralnick v.</i> <i>Facebook, Inc., et al.</i>	CIV514238	May 30, 2012
20 <i>Harvey Lapin v. Facebook, Inc., et al.</i>	CIV514240	May 30, 2012

21  
 22 Counsel shall promptly notify the Court of any new related cases filed before this Court  
 23 and if counsel wish to consolidate such cases, they shall file and serve an appropriate motion or  
 24 application.

25 Every pleading filed in these consolidated actions, or in any separate action included  
 26 herein, shall bear the following caption:

27  
 28

1 DARRYL LAZAR, Individually and On Behalf  
of All Others Similarly Situated,

2 Plaintiff,

3 v.

4 FACEBOOK, INC., MARK ZUCKERBERG,  
5 DAVID A. EBERSMAN, DAVID M.  
6 SPILLANE, MARC L. ANDREESSEN,  
7 ERSKINE B. BOWLES, JAMES W. BREYER,  
8 DONALD E. GRAHAM, REED HASTINGS,  
9 PETER A. THIEL, MORGAN STANLEY &  
10 CO. LLC, J.P. MORGAN SECURITIES LLC,  
11 GOLDMAN, SACHS & CO., MERRILL  
12 LYNCH, PIERCE, FENNER & SMITH  
13 INCORPORATED, BARCLAYS CAPITAL  
14 INC., ALLEN & COMPANY LLC,  
15 CITIGROUP GLOBAL MARKETS INC.,  
16 CREDIT SUISSE SECURITIES (USA) LLC,  
17 DEUTSCHE BANK SECURITIES INC., RBC  
18 CAPITAL MARKETS, LLC, BLAYLOCK  
19 ROBERT VAN LLC, BMO CAPITAL  
20 MARKETS CORP., C.L. KING &  
21 ASSOCIATES, INC., CABRERA CAPITAL  
22 MARKETS, LLC, CASTLEOAK  
23 SECURITIES, L.P., COWEN AND  
24 COMPANY, LLC., E\*TRADE SECURITIES  
25 LLC, ITAÚ BBA USA SECURITIES, INC.,  
26 LAZARD CAPITAL MARKETS LLC,  
27 LEBENTHAL & CO., LLC, LOOP CAPITAL  
28 MARKETS LLC, M.R. BEAL & COMPANY,  
MACQUARIE CAPITAL (USA) INC.,  
MURIEL SIEBERT & CO., INC.,  
OPPENHEIMER & CO. INC., PACIFIC  
CREST SECURITIES LLC, PIPER JAFFRAY  
& CO., RAYMOND JAMES & ASSOCIATES,  
INC., SAMUEL A. RAMIREZ & COMPANY,  
INC., STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, THE WILLIAMS  
CAPITAL GROUP, L.P., and WILLIAM  
BLAIR & COMPANY, L.L.C.,

Defendants.

Lead Case No. CIV514065

(Consolidated with Case Nos:  
CIV514107, CIV514111,  
CIV514163, CIV514171,  
CIV514172, CIV514193,  
CIV514238, CIV514240)

CLASS ACTION

1 The files of these consolidated actions shall be maintained in one file under Lead Case  
2 No. CIV514065.

3 ~~This Order shall apply to each case, arising out of the same or substantially the same~~  
4 ~~transactions or events as these cases, which is subsequently filed in, removed to or transferred to~~  
5 ~~this Court, including cases transferred to this Court.~~ *BLF*

6 When a case which properly belongs as part of *Darryl Lazar v. Facebook, Inc. et al.*,  
7 Lead Case No. CIV514065, is hereafter filed in the Court or transferred here from another court,  
8 this Court requests the assistance of counsel in calling to the attention of the Clerk of the Court  
9 the filing or transfer of any case which might properly be consolidated as part of the lead case,  
10 and counsel are to assist in assuring that counsel in subsequent actions receive notice of this  
11 Order.

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14 DATED: JUN 14 2012

  
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HON. BETH L. FREEMAN

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