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2012 JUN 20 P 12:30
RICHARD W. NIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

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7 EBERSMAN, DAVID M. SPILLANE, MARC L.
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8 BREYER, DONALD E. GRAHAM, REED HASTINGS
and PETER A. THIEL

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LHK

10 UNITED STATES DISTRICT COURT

11 NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

12 VERNON R. DeMOIS, JR., Individually and On
Behalf of All Others Similarly Situated,

CV 12 3196
CASE NO.

13 Plaintiff,

San Mateo County Superior Court
Case No. CIV-514163

14 v.

HRL

CLASS ACTION

15 FACEBOOK, INC., MARK ZUCKERBERG,
16 DAVID A. EBERSMAN, DAVID M. SPILLANE,
MARC L. ANDREESSEN, ERSKINE B.
17 BOWLES, JAMES W. BREYER, DONALD E.
GRAHAM, REED HASTINGS, PETER A. THIEL,
18 AND MORGAN STANLEY & CO. LLC.,

**NOTICE OF REMOVAL OF STATE
COURT ACTION**

19 Defendants.

20
21 Pursuant to 28 U.S.C. §§ 1331, 1441, and 1446, and 15 U.S.C. § 77v(a), defendants
22 Facebook, Inc., Mark Zuckerberg, David A. Ebersman, David M. Spillane, Marc L. Andreessen,
23 Erskine B. Bowles, James W. Breyer, Donald E. Graham, Reed Hastings, and Peter A. Thiel
24 (collectively, "Defendants") hereby remove this case, and all claims and causes of action therein,
25 from the Superior Court of the State of California for the County of San Mateo to the United States
26 District Court for the Northern District of California. In support of this Notice of Removal,
27 Defendants set forth the following grounds for removal:
28

1 1. On or about May 23, 2012, Plaintiff Vernon R. DeMois, Jr. commenced a civil action
2 in the Superior Court of the State of California for the County of San Mateo, captioned *DeMois v.*
3 *Facebook, Inc., et al.*, Case No. CIV-514163 (the “State Court Action”). True and accurate copies
4 of the Summons and Complaint are attached as Exhibit A.

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

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

8 4. This action is within the original jurisdiction of this Court under 28 U.S.C. § 1331
9 and 15 U.S.C. § 77v(a). The State Court Action is a putative nationwide class action brought against
10 Facebook, certain officers and directors of Facebook, and certain underwriters of Facebook’s May
11 18, 2012 initial public offering (“IPO”) on the NASDAQ stock exchange. The State Court Action
12 alleges violations of the Securities Act of 1933 (the “Securities Act”).

13 5. There are at least 20 cases already pending in the federal district courts that allege
14 claims under the Securities Act. Four are pending in the District Court for the Northern District of
15 California; 16 are pending in the District Court for the Southern District of New York. The four
16 cases in the Northern District of California have been marked as related and are pending before the
17 Honorable Maxine M. Chesney.

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

22 7. This Court has jurisdiction over this case under two federal statutes: 28 U.S.C.
23 § 1331 and Section 22(a) of the Securities Act, 15 U.S.C. § 77v(a). This case is therefore removable
24 under 28 U.S.C. § 1441. Under 28 U.S.C. § 1441(a), “[e]xcept as otherwise expressly provided by
25 Act of Congress, any civil action brought in a State court of which the district courts of the United
26 States have original jurisdiction, may be removed ... to the district court of the United States ...
27 embracing the place where such action is pending.”

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

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

9 The district courts of the United States ... shall have jurisdiction of offenses and
10 violations under this subchapter and under the rules and regulations promulgated by
11 the Commission in respect thereto, and, concurrent with State and Territorial courts,
12 *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.

13 15 U.S.C. § 77v(a) (emphasis added to SLUSA amendments). As amended, Section 22(a) deprives
14 state courts of concurrent jurisdiction over “covered class actions” that raise Securities Act claims.
15 *See Knox v. Agria Corp.*, 613 F. Supp. 2d 419, 425 (S.D.N.Y. 2009); *see also In re Fannie Mae*
16 *2008 Sec. Litig.*, No. 08 Civ. 7831, 2009 WL 4067266, at *2 (S.D.N.Y. Nov. 24, 2009); *Rovner v.*
17 *Vonage Holdings Corp.*, No. 07-178, 2007 WL 446658, at *3-4 (D.N.J. Feb. 7, 2007).

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

19 any single lawsuit in which ... one or more named parties seek to recover damages on
20 a representative basis on behalf of themselves and other unnamed parties similarly
21 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.

22 15 U.S.C. § 77p(f)(2)(A)(i)(II). Plaintiff is a named party seeking to recover damages on a
23 representative basis on behalf of himself and other unnamed parties similarly situated, and common
24 questions of law or fact allegedly predominate over individual questions. (*See Exhibit A.*) Plaintiff
25 also is bringing claims under the Securities Act. This action therefore is a “covered class action”
26 within the meaning of Section 16. Accordingly, state courts do not have jurisdiction over Plaintiff’s
27 putative class action. Federal courts alone have jurisdiction to hear Plaintiff’s putative class action
28 claims under the Securities Act. *See Knox*, 613 F. Supp. 2d at 423.

1 **Section 22(a)'s Removal Ban Does Not Apply.**

2 10. Section 22(a) of the Securities Act also includes an anti-removal provision, which
3 originally prohibited the removal of any Securities Act cases that were brought in state court. As
4 amended by SLUSA, however, Section 22(a) now provides as follows: “[e]xcept as provided in
5 section [16(c)] of [the Securities Act], no case arising under [the Securities Act] and brought in any
6 State court of competent jurisdiction shall be removed to any court of the United States.” 15 U.S.C.
7 § 77v(a) (italics added to SLUSA amendments; underscoring added). This anti-removal provision
8 does not apply here for two independent reasons.

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

15 12. The Court need not reach the second reason why Section 22(a)'s anti-removal
16 provision does not apply, which is supplied by Section 16(c). Section 16(c) allows the removal of
17 “[a]ny covered class action brought in any State court involving a covered security, as set forth in
18 subsection (b),” 15 U.S.C. § 77p(c), which subsection “makes some state-law claims nonactionable
19 through the class-action device in federal as well as state court.” *Kircher v. Putnam Funds Trust*,
20 547 U.S. 633, 637, n.1 (2006) (discussing Section 16(b), 15 U.S.C. § 77p(b)). District courts are
21 divided on the question whether Section 16(c) provides a basis for removing covered class actions
22 that raise only *federal* claims under the Securities Act. Some courts have interpreted Section 16(c)
23 to allow the removal of “covered class actions” raising either state law claims or Securities Act
24 claims. *See, e.g., Rubin v. Pixelplus Co.*, No. 06 Civ. 2964, 2007 WL 778485, at *3-4 (E.D.N.Y.
25 Mar. 13, 2007); *Brody v. Homestore, Inc.*, 240 F. Supp. 2d 1122, 1123-24 (C.D. Cal. 2003). Other
26 courts, however, have interpreted Section 16(c) as permitting removal of “only those ‘covered class
27 actions’ described in § 77p(b) alleging omission or deception based upon *state law*” *Young v.*
28 *Pacific Biosciences of Cal., Inc.*, No. 11-cv-5668, 2012 WL 851509, at *3-4 (N.D. Cal. Mar. 13,

1 2012); *see also West Virginia Laborers Trust Fund v. STEC Inc.*, No. SACV 11-01171, 2011 WL
2 6156945, at *4 (C.D. Cal. Oct. 7, 2011) (discussing the different interpretations and holding that
3 “subsection (c) only allows for removal of actions based on state law”).¹

4 13. In any event, the Court need not address this division of authority over the scope of
5 Section 16(c)’s exception to Section 22(a)’s anti-removal provision. That is because the logically
6 prior question — which *Young* did not address — is whether Section 22(a)’s anti-removal provision
7 applies to this case in the first instance. It does not. As discussed *supra*, Section 22(a) prohibits
8 removal only of cases over which the state courts have “competent jurisdiction.” Because the state
9 court had no jurisdiction over Plaintiff’s “covered class action,” as the result of SLUSA, Section
10 22(a)’s anti-removal provision does not apply and does not prohibit removal of this case. Removal
11 is thus proper under 28 U.S.C. § 1441.

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

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


17 **CONCLUSION**

18 16. WHEREFORE, pursuant to 28 U.S.C. §§ 1331, 1441, and 1446, and 15 U.S.C. §
19 77v(a), Defendants remove this action in its entirety from the Superior Court of the State of
20 California, County of San Mateo, to the United States District Court for the Northern District of
21 California, San Francisco Division.

22
23 ¹ *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 DATED: June 20, 2012

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3
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12
13
14 *Counsel for Facebook, Inc., Mark Zuckerberg, David A. Ebersman, David M. Spillane, Marc L.*
15 *Andreessen, Erskine B. Bowles, James W. Breyer, Donald E. Graham, Reed Hastings and*
16 *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.

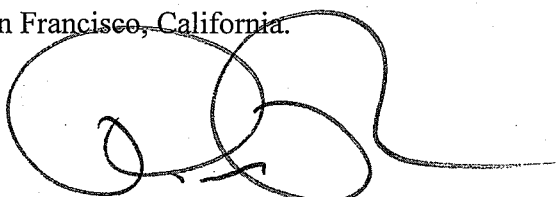
20 **By Personal or Messenger Service**

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

23 **See Attached Service List**

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

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

26 

27 Patrick Postolka

SERVICE LIST

<p>Lionel Z. Glancy Michael Goldberg Robert V. Prongay Casey E. Sadler GLANCY BINKOW & GOLDBERG LLP 1925 Century Park East, Suite 2100 Los Angeles, California 90067 Telephone: 310-201-9150 Facsimile: 310-201-9160</p> <p><i>Attorneys for Plaintiff and Co-Lead Class Counsel</i></p>	<p>Stephen R. Basser Samuel M. Ward BARRACK, RODOS & BACINE One America Plaza 600 West Broadway, Suite 900 San Diego, California 92101 Telephone: 619-230-0800 Facsimile: 619-230-1874</p> <p><i>Co-Lead Class Counsel</i></p>
<p>Frank J. Johnson David Elliot JOHNSON & WEAVER, LLP 110 West "A" Street, Suite 750 San Diego, California 92101 Telephone: 619-230-0063 Facsimile: 619-255-1856</p> <p><i>Co-Lead Class Counsel</i></p>	<p>Neal A. Potischman Samantha H. Knox DAVIS POLK & WARDWELL LLP 1600 El Camino Real Menlo Park, CA 94025 Telephone: (650) 752-2000 Facsimile: (650) 752-2111</p> <p><i>Attorneys for Defendant Morgan Stanley & Co. LLC</i></p>

EXHIBIT A

**SUMMONS
(CITACION JUDICIAL)**

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

FACEBOOK, INC. [See Additional Parties Attachment]

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

VERNON R. DEMOIS, JR.

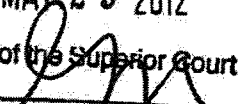
FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

FILED

SAN MATEO COUNTY

MAY 25 2012

Clerk of the Superior Court

By  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), 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), the California Courts Online Self-Help Center (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), 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), en el Centro de Ayuda de las Cortes de California, (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 exentos 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 desechar el caso.


The name and address of the court is:
(El nombre y dirección de la corte es): San Mateo Superior Court
Southern Branch - Hall of Justice - 400 County Center, Redwood City,
California, 94063

CASE NUMBER: CIV 514163
(Número del Caso)

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):
Michael Goldberg, 1925 Century Park East, Suite 2100, Los Angeles, CA 90067 Telephone: (310) 201-9150

DATE: MAY 25 2012
(Fecha)

JOHN C. FITTON
Clerk of Court
(Secretario)

 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

- as an individual defendant.
- as the person sued under the fictitious name of (specify):
- on behalf of (specify):
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 416.80 (authorized person)
 other (specify):
- by personal delivery on (date):

SHORT TITLE:	CASE NUMBER:
DeMois, Jr. v. Facebook, Inc., et al.	

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

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, AND MORGAN STANLEY & CO. LLC.

FILED BY FAX
PURSUANT TO LOCAL RULES

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LIONEL Z. GLANCY (#134180)
MICHAEL GOLDBERG (#188669)
ROBERT V. PRONGAY (#270796)
CASEY E. SADLER (#274241)
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Telephone: (310) 201-9150
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Email: info@glancylaw.com

Attorneys for Plaintiff Vernon R. DeMois, Jr.

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

VERNON R. DeMOIS, JR., Individually
and On Behalf of All Others Similarly
Situating,

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, AND MORGAN STANLEY &
CO. LLC.

Defendants.

Case No.

01V 514163


CLASS ACTION

COMPLAINT

DEMAND FOR JURY TRIAL

FILED
SAN MATEO COUNTY

MAY 25 2012

Clerk of the Superior Court
By 
DEPUTY CLERK

COMPLAINT

1 Plaintiff Vernon R. DeMois, Jr. ("Plaintiff"), by and through his attorneys, alleges the
2 following upon information and belief, except as to those allegations concerning Plaintiff,
3 which are alleged upon personal knowledge. Plaintiff's information and belief is based upon,
4 among other things, his counsel's investigation, which includes without limitation: (a) review
5 and analysis of regulatory filings made by Facebook, Inc. ("Facebook" or the "Company")
6 with the United States Securities and Exchange Commission ("SEC"); (b) review and analysis
7 of press releases and media reports issued by and disseminated by Facebook; and (c) review of
8 other publicly available information concerning Facebook.
9

10 NATURE AND SUMMARY OF THE ACTION

11 1. This is a class action on behalf of persons and/or entities who purchased or
12 otherwise acquired the common stock of Facebook pursuant and/or traceable to the Company's
13 initial public offering (the "IPO" or the "Offering").
14

15 2. Facebook operates as a social networking company worldwide.

16 3. The claims in this action arise from the materially false and/or misleading
17 Registration Statement and Prospectus issued in connection with the Offering. In the IPO, the
18 Company offered for sale 421,233,615 shares of common stock at a price of \$38.00 per share, of
19 which 180,000,000 shares of Class A common were offered by the Company and 241,233,615
20 shares of Class A common stock were offered by existing stockholders. According to the
21 Company, Facebook expects to receive net proceeds of approximately \$6,764,760,000 and
22 selling stockholders expect to receive \$9,066,041,719 from the Offering, after deducting
23 underwriting discounts, commissions and offering related transaction costs.
24
25

26 4. As detailed below, the Registration Statement and Prospectus contained
27 materially false and misleading statements and omitted material information in violation of
28

1 Sections 11 and 15 of the Securities Act of 1933 (the "Securities Act"), 15 U.S.C. §§ 77k and
2 77o.

3 JURISDICTION AND VENUE

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

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

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

20 8. Venue is proper in this Court pursuant to Section 22 of the Securities Act, 15
21 U.S.C. § 77v. Defendant Facebook's principal executive offices are located within this County,
22 the individual defendants conduct business in this County, and many of the acts and transactions
23 alleged herein, including the preparation and dissemination of materially false and/or misleading
24

1 information, occurred in substantial part in this County.

2 **PARTIES**

3 9. Plaintiff Demois purchased Facebook securities pursuant and/or traceable to the
4 Registration Statement issued in connection with the Company's IPO and has been damaged
5 thereby.

6
7 10. Defendant Facebook is a Delaware corporation with its principal executive offices
8 located at 1601 Willow Road, Menlo Park, California 94025.

9 11. Defendant Mark Zuckerberg ("Zuckerberg") was, at all relevant times, Chairman
10 and Chief Executive Officer ("CEO") of Facebook and signed or authorized the signing of the
11 Company's Registration Statement filed with the SEC.

12
13 12. Defendant David A. Ebersman ("Ebersman") was, at all relevant times Chief
14 Financial Officer ("CFO") of Facebook and signed or authorized the signing of the Company's
15 Registration Statement filed with the SEC.

16
17 13. Defendant David M. Spillane ("Spillane") was, at all relevant times, Director of
18 Accounting for Facebook and signed or authorized the signing of the Company's Registration
19 Statement filed with the SEC.

20
21 14. Defendant Marc L. Andreessen ("Andreessen") was, at all relevant times, a
22 director of Facebook and signed or authorized the signing of the Company's Registration
23 Statement filed with the SEC.

24
25 15. Defendant Erskine B. Bowles ("Bowles") was, at all relevant times, a director of
26 Facebook and signed or authorized the signing of the Company's Registration Statement filed
27 with the SEC.

28 16. Defendant James W. Breyer ("Breyer") was, at all relevant times, a director of

1 Facebook and signed or authorized the signing of the Company's Registration Statement filed
2 with the SEC.

3 17. Defendant Donald E. Graham ("Graham") 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.
6

7 18. Defendant Reed Hastings ("Hastings") was, at all relevant times, a director of
8 Facebook and signed or authorized the signing of the Company's Registration Statement filed
9 with the SEC.

10 19. Defendant Peter A. Thiel ("Thiel") was, at all relevant times, a director of
11 Facebook and signed or authorized the signing of the Company's Registration Statement filed
12 with the SEC.
13

14 20. Defendants Zuckerberg, David A. Ebersman, Spillane, Andreessen, Bowles,
15 Breyer, Graham, Hastings and Thiel, are collectively referred to hereinafter as the "Individual
16 Defendants."
17

18 21. Defendant Morgan Stanley & Co. LLC ("Morgan Stanley") served as an
19 underwriter to Facebook in connection with the Offering.

20 **CLASS ACTION ALLEGATIONS**

21 22. Plaintiff brings this action as a class action pursuant to California Code of Civil
22 Procedure Section 382 on behalf of a Class, consisting of all persons and/or entities who
23 purchased or otherwise acquired the common stock of Facebook pursuant and/or traceable to the
24 Company's false and/or misleading Registration Statement and Prospectus issued in connection
25 with the Company's IPO, and who were damaged thereby (the "Class"). Excluded from the
26 Class are Defendants, the officers and directors of the Company, at all relevant times, members
27
28

1 of their immediate families and their legal representatives, heirs, successors or assigns and any
2 entity in which Defendants have or had a controlling interest.

3 23. The members of the Class are so numerous that joinder of all members is
4 impracticable. During the relevant period, Facebook's securities were actively traded on the
5 NASDAQ Stock Exchange (the "NASDAQ"). While the exact number of Class members is
6 unknown to Plaintiff at this time and can only be ascertained through appropriate discovery,
7 Plaintiff believes that there are hundreds or thousands of members in the proposed Class. The
8 Company offered more than 420 million shares of common stock in the IPO. Moreover, record
9 owners and other members of the Class may be identified from records maintained by Facebook
10 or its transfer agent and may be notified of the pendency of this action by mail, using the form of
11 notice similar to that customarily used in securities class actions.
12

14 24. Plaintiff's claims are typical of the claims of the members of the Class as all
15 members of the Class are similarly affected by Defendants' wrongful conduct in violation of
16 federal law that is complained of herein.
17

18 25. Plaintiff will fairly and adequately protect the interests of the members of the
19 Class and have retained counsel competent and experienced in class and securities litigation.

20 26. Common questions of law and fact exist as to all members of the Class and
21 predominate over any questions solely affecting individual members of the Class. Among the
22 questions of law and fact common to the Class are:

24 (a) whether the Securities Act was violated by Defendants' acts as alleged
25 herein;

26 (b) whether statements made by Defendants to the investing public in
27 connection with the Company's IPO omitted and/or misrepresented material facts about the
28

1 business, operations, and prospects of Facebook; and

2 (c) to what extent the members of the Class have sustained damages and the
3 proper measure of damages.

4 27. A class action is superior to all other available methods for the fair and efficient
5 adjudication of this controversy since joinder of all members is impracticable. Furthermore, as
6 the damages suffered by individual Class members may be relatively small, the expense and
7 burden of individual litigation make it impossible for members of the Class to individually
8 redress the wrongs done to them. There will be no difficulty in the management of this action as
9 a class action.
10

11 BACKGROUND

12 28. Facebook operates as a social networking company worldwide.

13 29. On or about February 1, 2012, Facebook filed a registration statement with the
14 SEC on Form S-1. Thereafter, the Company repeatedly amended the Form S-1, including on or
15 about May 16, 2012, when Facebook filed with the SEC the final Form S-1/A (collectively, the
16 "Registration Statement") for the IPO.
17

18 30. On or around May 18, 2012, the Company filed with the SEC its IPO Prospectus
19 (the "Prospectus"), which forms part of the "Registration Statement" that was declared effective
20 on May 17, 2012.
21

22 31. In the IPO, the Company offered for sale 421,233,615 shares of common stock at
23 a price of \$38.00 per share, of which 180,000,000 shares of Class A common were offered by the
24 Company and 241,233,615 shares of Class A common stock were offered by existing
25 stockholders. According to the Company, it expected to receive net proceeds of approximately
26 \$6.8 billion from its IPO after deducting underwriting discounts and commissions, and offering
27
28

1 expenses.

2 **FACEBOOK'S FALSE AND/OR MISLEADING REGISTRATION**
3 **STATEMENT AND PROSPECTUS**

4 32. Under applicable SEC rules and regulations, the Registration Statement was
5 required to disclose known trends, events or uncertainties that were having, and were reasonably
6 likely to have, an impact on the Company's continuing operations.

7 33. However, the Registration Statement failed to disclose that during the IPO
8 roadshow, the lead underwriter, Defendant Morgan Stanley, cut their earnings forecasts and that
9 news of the estimate cut was passed on only to a handful of large investor clients, not to the
10 public. Therefore, the Registration Statement was negligently prepared and, as a result,
11 contained untrue statements of material facts or omitted to state other facts necessary to make the
12 statements made not misleading, and was not prepared in accordance with the rules and
13 regulations governing their preparation.
14

15
16 34. On May 19, 2012, Henry Blodget published an article entitled, "If This Really
17 Happened During The Facebook IPO, Buyers Should Be Mad As Hell..." Therein, the article, in
18 relevant part, stated:

19 Part way through the Facebook IPO roadshow, scattered reports appeared that
20 Facebook had reduced the earnings guidance it was giving research analysts.
21 This seemed bizarre on a number of levels.

22 First, I was unaware that Facebook had ever *issued* any earnings guidance--to
23 research analysts or anyone else.

24 Earnings guidance is *highly material information* (meaning that any investor
25 considering an investment decision would want to know it). It represents a future
26 forecast made by the company. Any time any company gives any sort of forecast,
27 stocks move--because the forecast offers a very well informed view of the future
28 by those who have the most up-to-date information about a company's business.

1 So if Facebook had issued any sort of guidance, even quietly, this should have
2 been made very public by the company and its bankers--especially because
3 millions of individual investors were thinking of buying the stock.

4 Second, if Facebook really had "reduced guidance" mid-way through a series of
5 meetings designed for the sole purpose of selling the stock this would have been
6 *even more highly material information.*

7 Why?

8 Because such a late change in guidance would mean that Facebook's business was
9 deteriorating rapidly--between the start of the roadshow and the middle of the
10 roadshow.

11 Any time a business outlook deteriorates that rapidly, alarm bells start going off
12 on Wall Street, and stocks plunge.

13 So the report that Facebook had "reduced earnings guidance" during the roadshow
14 just seemed like a typical misunderstanding between Wall Street and the public--
15 something lost in translation between what a reporter was hearing from sources
16 and what actually made it into print.

17 But now Reuters has just reported the same thing again. Here's a sentence from a
18 story Reuters just published on the IPO:

19 Facebook also altered its guidance for research earnings last week, during the
20 road show, a rare and disruptive move.

21 Hmmmm.

22 If this really happened, anyone who placed an order for Facebook who was
23 unaware that 1) Facebook had issued any sort of earnings guidance, and 2)
24 reduced that guidance during the roadshow, has every right to be furious.

25 Because this would have been highly material information that some investors
26 had and others didn't--the exact sort of unfair asymmetry that securities laws are
27 designed to prevent.

28 This seems so obvious that I'm still very skeptical of the report. I'll now look into
it. In the meantime, if anyone knows what Facebook did and didn't tell analysts,
I'd be grateful for your help.

35. On this news, shares of the Company's stock declined \$4.20 per share, or 10.99%,
to close on May 21, 2012, at \$34.03 per share, on unusually heavy trading volume.

COMPLAINT

1 36. On May 22, 2012, Henry Blodget published an article entitled, "Facebook
2 Bankers Secretly Cut Facebook's Revenue Estimates in Middle of IPO Roadshow." Therein, the
3 article, in relevant part, stated:

4 And now comes some news about the Facebook (FB) IPO that buyers deserve to
5 be outraged about.

6 Reuters' Alistair Barr is reporting that Facebook's lead underwriters, Morgan
7 Stanley (MS), JP Morgan (JPM), and Goldman Sachs (GS) all cut their earnings
8 forecasts for the company in the middle of the IPO roadshow.

9 This by itself is highly unusual (I've never seen it during 20 years in and around
10 the tech IPO business).

11 But, just as important, news of the estimate cut was passed on only to a handful of
12 big investor clients, not everyone else who was considering an investment in
13 Facebook.

14 This is a huge problem, for one big reason:

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

22 Any investor considering an investment in Facebook would consider an estimate
23 cut from the underwriters' analysts "material information."

24 What's more, it's likely that news of these estimate cuts dampened interest in the
25 IPO among those who heard about them. (Reuters reported exactly this--that some
26 institutions were "freaked out" by the estimate cuts, as anyone would have been.)

27 In other words, during the marketing of the Facebook IPO, investors who did not
28 hear about these underwriter estimate cuts were placed at a meaningful and unfair
information disadvantage. They did not know what a lot of other investors knew,
and they suffered for it.

 Selective dissemination of this sort could be a direct violation of securities laws.
Irrespective of its legality, it is also grossly unfair. The SEC should investigate
this immediately.

1 We first heard rumblings about this last week, and we were so startled that we
2 assumed the reports were wrong. Then, over the weekend, when Reuters reported
3 the basic story again, we said that if it was true, Facebook IPO buyers deserved to
4 be "mad as hell" about it. And now Reuters has the details, and they sound as bad
5 as we had feared.

6 There are a couple of possibilities for what happened.

7 The first one is bad news for Morgan Stanley and the other lead underwriters on
8 the deal.

9 The second is also bad news for Facebook.

10 According to Reuters, the underwriter analysts cut their estimates after Facebook
11 issued an amended IPO prospectus in which the company mentioned, vaguely,
12 that recent trends in which users were growing faster than revenue had continued
13 into the second quarter.

14 To those experienced in reading financial statements, this language was
15 unnerving, because its mere existence could have been taken to mean that
16 Facebook's revenue in the second quarter wasn't coming in as strong as Facebook
17 had hoped (why else would the language have suddenly been added at the 11th
18 hour?)

19 To those who aren't experienced at reading filings, however, the real meaning of
20 this language could easily have been missed. Facebook's users have been growing
21 faster than revenue for a while, so why would it be news that this was continuing?
22 In response to the amendment, meanwhile, all three lead underwriter analysts
23 suddenly cut their estimates.

24 Now, regardless of why the analysts cut their estimates (and this will be
25 important), estimate cuts of any sort are material information, so if this news was
26 given to some institutional clients, it also obviously should have been given to
27 everyone.

28 That's the first problem.

The second potential question and problem is whether Facebook told the
underwriters to cut their estimates--either by directly telling them to, or, more
likely, by "suggesting" that the analysts might want to revisit their estimates in
light of the new disclosures in the prospectus.

If there was any communication at all between Facebook and its underwriters
regarding the analysts' estimates, Facebook will likely be on the hook for this, too.
Speaking as a former analyst, it seems highly unlikely to me that the vague
language in the final IPO amendment would prompt all three underwriter analysts

1 to immediately cut estimates without some sort of nod and wink from someone
2 who knew how Facebook's second quarter was progressing. (To get this message
3 from the language, you really have to read between the lines). But even if this is
4 what happened, it is still unfair that news of the estimate cut wasn't disseminated
5 quickly and clearly to everyone considering buying Facebook's IPO.

6
7 The bottom line is that, even if dissemination laws were followed to the letter
8 (which frankly seems unlikely), the selective disclosure here was grossly unfair.
9 The SEC needs to look into this.

10 And as it does, the SEC should also revisit the practice that allows underwriter
11 analysts to develop estimates that are used to market IPOs to institutional clients
12 but are not shared with the public. In Europe, research analysts publish full
13 reports on companies BEFORE they go public. This is a much better system, and
14 the U.S. should switch to it. But at the very least, the SEC should mandate that
15 any information given to some clients (e.g., earnings estimates and changes in
16 earnings estimates) be given to all clients.

17
18 37. On this news, shares of the Company's stock again declined precipitously, trading
19 as low as \$30.98 per share.

20
21 38. Thereafter, on May 23, 2012, as part of Market Day on MSNBC, in an article
22 titled, "Facebook's Dream IPO is Starting to Look Like a Nightmare." It was reported in that
23 article:

24
25 Capitol Hill is also focused on the company. The Senate Banking Committee
26 said Wednesday it is investigating issues related to Facebook's IPO. The
27 development comes one day after the top financial regulator, the Securities and
28 Exchange Commission, said it would be looking into the company's IPO.

39. On May 23, 2012, Reuters also published an article in which additional claims
were made related to Facebook failing to disclose pertinent information to investors. The article,
entitled, "Regulators, Investors Turn Up Heat over Facebook IPO." The article reported, in
pertinent part:

(Reuters) - Two top U.S. financial regulators said on Tuesday the issues around
the initial public offering of Facebook should be reviewed, putting fresh pressure
on the company, its lead underwriter, Morgan Stanley, and the Nasdaq stock
exchange.

1 Facebook shares closed 8.9 percent lower at \$31, following an 11 percent plunge
2 on Monday. At that price the company has shed more than \$19 billion in market
3 capitalization from its \$38-per-share offering price last week.

4 Reuters reported late Monday that the consumer Internet analyst at lead
5 underwriter Morgan Stanley cut his revenue forecasts for Facebook in the days
6 before the offering, information that was not disclosed to the market before the
7 stock was listed.

8 Facebook itself had urged analysts working for some of the 33 underwriters to
9 lower their estimates ahead of the IPO, according to four sources with direct
10 knowledge of the conversations that were held during the week prior to the IPO.

11 "Facebook changed the numbers. They didn't forecast their business right and
12 they changed their numbers and told analysts," said another source at one of the
13 underwriters with knowledge of the situation

14 The company had issued a revised prospectus on May 9 in which it cautioned
15 about the possible negative impact of Facebook users shifting to mobile
16 platforms, but the vague language fell well short of an explicit warning of lower
17 revenues or earnings. Facebook has yet to make much revenue from mobile
18 advertising.

19 The disclosure of lower forecasts to certain big institutional investors left both
20 Facebook and Morgan Stanley open to accusations of selective disclosure. Many
21 smaller investors who bought Facebook shares in the IPO were left in the dark.

22 A Facebook spokesman declined to comment. . . .

23 40. On this news, shares of the Company's stock again declined and on May 23,
24 2012, closed at nearly 15% below its IPO price.

25 **FIRST CLAIM**
26 **Violation of Section 11 of The Securities Act**
27 **(Against All Defendants)**

28 41. Plaintiff repeats and realleges each and every allegation contained above, except
any allegation of fraud, recklessness or intentional misconduct.

42. This Count is brought pursuant to Section 11 of the Securities Act, 15 U.S.C.
§77k, on behalf of the Class, against all Defendants.

1 were, at the time of the wrongs alleged herein and as set forth herein, controlling persons of
2 Facebook within the meaning of Section 15 of the Securities Act. The Individual Defendants
3 had the power and influence and exercised the same to cause Facebook to engage in the acts
4 described herein.

5
6 53. Individual Defendants' positions made them privy to and provided them with
7 actual knowledge of the material facts concealed from Plaintiff and the Class.

8 54. By virtue of the conduct alleged herein, the Individual Defendants are liable for
9 the aforesaid wrongful conduct and are liable to Plaintiff and the Class for damages suffered.

10 WHEREFORE, Plaintiff prays for relief and judgment, as follows:

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

13
14 (b) Awarding compensatory damages in favor of Plaintiff and the other Class
15 members against all Defendants, jointly and severally, for all damages sustained as a result of
16 Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

17
18 (c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in
19 this action, including counsel fees and expert fees;

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

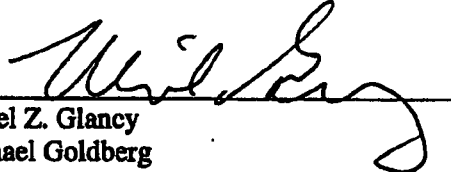
21 (e) Such other and further relief as the Court may deem just and proper.

22 **JURY TRIAL DEMANDED**

23 Plaintiff hereby demands a trial by jury.
24
25
26
27
28

1 Dated: May 25, 2012

GLANCY BINKOW & GOLDBERG LLP

2
3 By: 

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5 Michael Goldberg
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 ATTORNEY FOR (Name): Plaintiff Vernon R. DeMois, Jr.

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MAY 25 2012

CLERK OF THE SUPERIOR COURT
 SAN MATEO COUNTY

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

CASE NAME:
 DeMois, Jr. v. Facebook, Inc., et al.

CIVIL CASE COVER SHEET

Unlimited (Amount demanded exceeds \$25,000) Limited (Amount demanded is \$25,000 or less)

Complex Case Designation
 Counter Joinder
 Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)

CASE NUMBER: **CIV 14163**

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:
- | | | |
|---|---|--|
| <p>Auto Tort</p> <p><input type="checkbox"/> Auto (22)</p> <p><input type="checkbox"/> Uninsured motorist (48)</p> <p>Other PIP/DWD (Personal Injury/Property Damage/Wrongful Death) Tort</p> <p><input type="checkbox"/> Asbestos (04)</p> <p><input type="checkbox"/> Product liability (24)</p> <p><input type="checkbox"/> Medical malpractice (45)</p> <p><input type="checkbox"/> Other PIP/DWD (23)</p> <p>Non-PIP/DWD (Other) Tort</p> <p><input type="checkbox"/> Business tort/unfair business practice (07)</p> <p><input type="checkbox"/> Civil rights (08)</p> <p><input type="checkbox"/> Defamation (13)</p> <p><input type="checkbox"/> Fraud (16)</p> <p><input type="checkbox"/> Intellectual property (19)</p> <p><input type="checkbox"/> Professional negligence (25)</p> <p><input type="checkbox"/> Other non-PIP/DWD tort (35)</p> <p>Employment</p> <p><input type="checkbox"/> Wrongful termination (36)</p> <p><input type="checkbox"/> Other employment (15)</p> | <p>Contract</p> <p><input type="checkbox"/> Breach of contract/warranty (08)</p> <p><input type="checkbox"/> Rule 3.740 collections (09)</p> <p><input type="checkbox"/> Other collections (09)</p> <p><input type="checkbox"/> Insurance coverage (18)</p> <p><input type="checkbox"/> Other contract (37)</p> <p>Real Property</p> <p><input type="checkbox"/> Eminent domain/inverse condemnation (14)</p> <p><input type="checkbox"/> Wrongful eviction (33)</p> <p><input type="checkbox"/> Other real property (26)</p> <p>Unlawful Detainer</p> <p><input type="checkbox"/> Commercial (31)</p> <p><input type="checkbox"/> Residential (32)</p> <p><input type="checkbox"/> Drugs (36)</p> <p>Judicial Review</p> <p><input type="checkbox"/> Asset forfeiture (05)</p> <p><input type="checkbox"/> Petition re: arbitration award (11)</p> <p><input type="checkbox"/> Writ of mandate (02)</p> <p><input type="checkbox"/> Other judicial review (39)</p> | <p>Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403)</p> <p><input type="checkbox"/> Antitrust/Trade regulation (03)</p> <p><input type="checkbox"/> Construction defect (10)</p> <p><input type="checkbox"/> Mass tort (40)</p> <p><input checked="" type="checkbox"/> Securities litigation (28)</p> <p><input type="checkbox"/> Environmental/Toxic tort (30)</p> <p><input type="checkbox"/> Insurance coverage claims arising from the above listed provisionally complex case types (41)</p> <p>Enforcement of Judgment</p> <p><input type="checkbox"/> Enforcement of judgment (20)</p> <p>Miscellaneous Civil Complaint</p> <p><input type="checkbox"/> RICO (27)</p> <p><input type="checkbox"/> Other complaint (not specified above) (42)</p> <p>Miscellaneous Civil Petition</p> <p><input type="checkbox"/> Partnership and corporate governance (21)</p> <p><input type="checkbox"/> Other petition (not specified above) (43)</p> |
|---|---|--|

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. <input type="checkbox"/> Large number of separately represented parties | d. <input type="checkbox"/> Large number of witnesses |
| b. <input checked="" type="checkbox"/> Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve | e. <input type="checkbox"/> Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court |
| c. <input checked="" type="checkbox"/> Substantial amount of documentary evidence | f. <input checked="" type="checkbox"/> 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): 2 - Violations of Section 11 and 15 of the Securities Act;
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 25, 2012
 Michael Goldberg
 (TYPE OR PRINT NAME)

Michael Goldberg
 (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.

FILED BY FAX PURSUANT TO LOCAL RULES



Superior Court of California
County of San Mateo
Civil Department
400 County Center
Redwood City, CA 94063-1655
(650)363-4599
www.sanmateocourt.org

VERNON R. DEMOIS JR Plaintiff(s) vs. FACEBOOK, INC. Defendant(s)	Notice of Complex Case Status Conference Case No.: CIV 514163 Date: 07/25/12 Time: 9:00 AM Dept. 3
Title: VERNON R. DEMOIS, JR. VS FACEBOOK, INC., ET AL	

You are hereby given notice of your Complex Case Status Conference. The date, time and department have been written above. At this conference, the Presiding Judge will decide whether this action is a complex case within the meaning of California Rules of Court ("CRC"), Rule 3.400, subdivision (a) and whether it should be assigned to a single judge for all purposes.

1. In accordance with applicable **San Mateo County Local Rule 2.30**, you are hereby ordered to:
 - a. **Serve copies of this notice, your Civil Case Cover Sheet, and your Certificate Re: Complex Case Designation on all named parties in this action no later than service of your first appearance pleadings.**
 - b. **Give reasonable notice of the Complex Case Status Conference to all named parties in this action, even if they have not yet made a first appearance or been formally served with the documents listed in subdivision (a). Such notice shall be given in the same manner as required for an ex parte application pursuant to CRC 3.1203.**

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 Complex Case Status Conference. Sanctions may include monetary, evidentiary or issue sanctions as well as striking pleadings and/or dismissal.

3. 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 CRC 3.400(a).

4. Any party who files either a Civil Case Cover Sheet (pursuant to CRC 3.401) or a counter or joinder Civil Case Cover Sheet (pursuant to CRC 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.

For further information regarding case management policies and procedures, see the court website at www.sanmateocourt.org

* Telephonic appearances at Complex Case Status Conference are available by contacting CourtCall, LLC, an independent vendor, at least 5 business days prior to the scheduled conference.

CLERK'S CERTIFICATE OF MAILING

I hereby certify that I am the clerk of this Court, not a party to this cause; that I served a copy of this notice on the below date, by placing a copy thereof in separate sealed envelopes addressed to the address shown by the records of this Court, and by then sealing said envelopes and depositing same, with postage fully pre-paid thereon, in the United States Mail at Redwood City, California.

Date: 05/29/12

John C. Fitton,
Court Executive Officer/Clerk

By: GRACIELA MARQUEZ
Deputy Clerk

Copies mailed to:

MICHAEL GOLDBERG
1925 CENTURY PARK EAST
SUITE 2100
LOS ANGELES CA 90067

NOTICE OF CASE MANAGEMENT CONFERENCE

Vernon R. Demopoulos
FILED
SAN MATEO COUNTY

Case No. CIV 5 14 168

vs.

MAY 25 2012

Date: 10/5/12

Clerk of the Superior Court

Time: 9:00 a.m.

Facebook, Inc. By [Signature]
DEPUTY CLERK

Dept. 7 on Tuesday & Thursday
Dept. 7 - 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(m), 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 "Does", "Roes", 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.

* Telephonic appearances at case management conferences are available by contacting Court Clerk [Name] at [Phone Number].

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FILED
SAN MATEO COUNTY

JUN 18 2012

Clerk of the Superior Court
By [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

CIV514163

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

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

6 Defendants.

7 JENNIFER STOKES , Individually and On
8 Behalf of All Others Similarly Situated,

9 Plaintiff,

10 v.

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

Case No. CIV514107
Date Filed: May 23, 2012

1 COMPANY, L.L.C.,

2 Defendants.

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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.,

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,

Case No. CIV514172
Date Filed: May 25, 2012

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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.

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

Case No. CIV514193
Date Filed: May 29, 2012

Plaintiff,

v.

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

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.; WILLIAM 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., 15 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. 20 Facebook, Inc., et al.</i>	CIV514238	May 30, 2012
21 <i>Harvey Lapin v. Facebook, Inc., et al.</i>	CIV514240	May 30, 2012

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:

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

3 Plaintiff,

4 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.~~ *BJP*

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.

12
13
14 DATED: JUN 14 2012

Beth L. Freeman

HON. BETH L. FREEMAN