EXHIBIT B

From: Mark Elliot Zuckerberg <mzuckerb@fas.harvard.edu>

Sent: Saturday, August 16, 2003 2:49 AM To: paul ceglia paulceglia@msn.com>

Subject: Re: A deduction is coming

Paul.

There are several things that need to be said in response to your last email. First of all, I think this project is dragging on longer than either of us expected, but that is for measures out of my team's control. The fact that it took you until late May to purchase the server I told you was needed to proceed, until mid June to get a working design for the site to us, and that you have been requesting additional functionality which Jeff and I have tried to comply with are largely responsible for this project's extended period of development. Jeff and I have worked and produced a site that matches the functionality in our agreed upon specification. I don't know if you are referring to that spec as my spec or yours, but that is what we agreed upon for this phase of development, and there is no room in the contract to alter that. If you look at what was agreed upon, you will find that we have done all that for you and more. As for getting the system working, Jeff and I have performed rigorous tests and cannot recreate any of the errors you are reporting. While we accept the fact that there may be flaws and are fully willing to fix those, we need to understand what you are doing to get those results. Simply saying that the error occurs every time or that images are vanishing doesn't help us solve any problems. If you are getting an error every time you search, then if you tell us what you are doing when you search one time then that might be enough to recreate the error. We really want to get this thing working for you, but you need to help us by telling us what your errors are or we will never be able to fix them.

With the 64mb limit, it was a problem that came up after writing the contract, so there is no way I could have brought it to your attention earlier. I agree that it is not optimal and so I have been working on finding a better solution, but the agreed upon specification does not mention uploading an unlimited amount of images, so technically the system we have developed still meets the specification. That said, we still want to produce the best solution so we won't settle for what we have just because it meets the spec. If there is way to get around the 64mb limit, then you know we will find it. Otherwise, you can at least rest assured knowing that it is impossible (or that only a much more expensive solution is available) and that no other group of developers could have provided it for the same price we are charging either.

Next, we should probably set a final feature set and deadline for this phase of development. There are only two ways I can see the deadline. The first is that the original deadline is irrelevant because of all the administrative delays on your side; and the second is that my team gets two weeks from the time the final design is submitted. If you want to go with the first definition, which seems sort of sketchy to me, we should set a new deadline now and stick to it, no matter what other delays come up. However, it seems more prudent to stick with the second definition,

which is what is listed in the contract, that provides my team with two weeks after the all the materials have been submitted by the designer. If this is the case, then we cannot even define the final deadline yet because you have requested a new banner from Andy which has not been sent to us yet. Either way, your statement that deductions should be imposed is completely unjustified and I think you should revoke it. Once again, I understand that this project is taking longer than either of us expected, and none of us is happy about that. Jeff has a new job to begin, I have other things I want to get done, and you have a business to run. Arguing about deductions to the price does not solve anything and discussion of that matter should be dropped until a final deadline is agreed upon.

Your threat about cancelling the check was also wholely unnecessary and uncalled for, but despite that I can assure that you we will have checked over the upload feature (although not necessarily have gotten past the 64mb limit), added links to the photograph count page, and I will even compromise and add the intersection search feature, which I think you should note is not even mentioned in the specification. In order to make sure the upload feature is working, I will first need to hear from you about what part of it is not working -- what isn't uploading, what you are doing that leads you to believe that things are vanishing, etc.

At this point I can assure you that we've done more than \$8000 worth of work, and probably more than the whole \$18000 of the entire project. We will complete these final requests for you, but we cannot continue to develop for you until we see some money.

And as a last request, I would like to ask you to keep Jeff off of an administrative emails, especially those in which you refer to money. I understand that you had a message specifically for him in there, but in the future perhaps that can be handled in a separate email or I can pass the message along for you.

I will most likely give you a call this weekend if I can't figure out what's wrong with the sections you're reporting errors in from the minimal information you've provided.

Best, Mark

On Fri, 15 Aug 2003, paul ceglia wrote:

- > alright guys, I belive I have been more than patient waiting for you to
- > finish this project. Enough is enough. small things I could understand, the
- > fact that I still cant upload and that the pictures I uploaded last week are
- > gone, half gone or vanished is another. No I wont give you an exact replica
- > of my search since it happens in every attempt, I can not wait another day.
- > I am nearly 200,000 pictures behind in uploading and Mark you never
- > mentioned to me in the contract that it would take place 64mb at a time. as
- > you can imagine it is goijng to take a hell of a long time to get this done.
- > as far as the back end goes you still have not completed what my
- > interpretation of the back end is and it seems very clear that it was to be
- > built to my specs, not yours. More than the allotted time has elapsed and

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> though I sent a check for $5,000 to you today mark, I have thought better of
> it and if by monday I can not upload still, can not search still by
> intersection and cannot link to the intersection by the photocount page, I
> am cancelling the check. this is the third friday in a row tht I am paying a
> back end team to sit on thier asses because you havent deliverd a working
> database. As our contract clearly states, this is going to result in a
> deduction of the total amount owed. Jeff i understnd that you started a new
> job and that it was going to take you as you said a bit longer to reply
> since you couldn't reply during business hours, is that any reason to have
> left me hight and dry all week?. I have a group of people counting on me to
> provide them a living, Food in the mouths of their kids. delays like this
> jeopardize my ability to follow through since I can not yet send out the
> businsess plans to the fourty people on our list because there is no telling
> how the site will react to thier probes, this means I may one day be faced
> with having to let people go, that I dont want to let go, because I havent
> recieved the funding I need. lets get on the ball fellas, Paul
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> Protect your PC - get McAfee.com VirusScan Online
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> Protect your PC - get McAfee.com VirusScan Online > http://clinic.mcafee.com/clinic/ibuy/campaign.asp?cid=3963

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