

EXHIBIT H

From: paul ceglia <paulceglia@msn.com>
Sent: Sunday, February 22, 2004 9:20 AM
To: mzuckerb@fas.harvard.edu
Subject: Re: Back Payment

Well Mark,

I can understand your situation. I will do my best to try to raise the cash needed to pay the amount requested though I honestly cannot guarantee it. You are right that payment has been made to servepath though regreably through the help of my parents. I have tried in every way to raise investment that has not happened and is likely not to occur in the next 6 days, though rest assured Ill be trying. I am hopefull, though again I know you have heard it before, that this might be the week, after a great meeting on thursday, that USAA signs an unlimited deal. They have been very impressed so far and expressed interest in signing. I dont know if they will, I just know that these little threads of hope are what keep us pushing along.

I understand also that you feel mistrust in our relationship and feel like you have been played along to try to get extra work out of you. I suppose there is truth to it. Though not in the way I understand you to percieve it. We have all worked very hard and very long to make this happen. We are all run out of credit, borrowed from every direction we can borrow from and at this point have no employees that are getting paid. Only owners trying to scrape by until we close our first sale. I myself am close to foreclosure on my house in Wellsville. I understand there is risk for you in not getting paid and Im sure you are smart enough to figure out that if we dont make it then your work is all for naught. I will try to raise as much capital as I can this week mark and hope you will consider perhaps accepting as well some revised promisory note from me that guarantees and superceeds the contract prior guaranteeing you that we intend to make full payment. I am incredibly happy with the database, I would have liked it sooner, but that is a two way street as well, as I am sure you would have liked payment sooner also.

I am begging you to grant us extra time here mark. I know you want to get paid. SO do I. I hope a new promisory note will alleviate your concerns about recieveing future payments. Karin told me that she changed the passwords. Not knowing diddly about databases, it has given her a little peace of mind, that her last two years of work will not fall apart on her in the last part. I really dont want to tell her otherwise, this is not some ploy to take advantage of your good nature, I just relate to what I see. The last thing I want is our database designer pissed off at us long term. That is not good for anybody. I am smart enough to know that if you arent happy then we are all not happy. I hope you see then that not only as a human being that values keeping his word will I pay you but also as a smart businessperson I see that it is the only thing that will long term ensure stability within the site. Im going do do my best this week Mark. Hopefully I can scrape together a few thousand, please also consider the promisory note to alleviate some of the concern on your part.

I hope I hear back from you soon, Paul

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

>To: paul ceglia <paulceglia@msn.com>

>Subject: Re: Back Payment

>Date: Sat, 21 Feb 2004 14:53:46 -0500 (EST)

>

>Paul,

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>You have touched upon an interesting point: that what I am looking for is
>to receive payment, and that this cannot happen if you don't sell your
>product. At this point though, I do not have faith that you will pay me
>at any point in the near future. This seems to follow from many of your
>actions.

>

>First, even while I am demanding payment and you are openly promising to
>grant payment eventually, you are asserting that in accordance with the
>contract, you do not have to pay me the full amount. This does not bestow
>in me any confidence that once you have resources, you will follow through
>with your promises instead of sticking to your assertion that you owe me
>nothing.

>

>Second, you are claiming that you do not have any money to pay me, which
>cannot be true. You have several other employees who, working full time
>even at minimum wage, must make around \$1000/month each. I assume you are
>not withholding their payment since at several points throughout the
>development you have claimed that they have "mouths to feed". And even if
>you are somehow holding their payment until later, you have to pay the
>fees for the server, since such a large company as ServePath surely would
>not make exceptions in their payment policy -- if a company does not meet
>their payment, access to their server gets revoked. With all this money
>that you must have in order to pay all these people, it's a little
>alarming that you haven't thought to pay the person who created the site
>for you at all, much less claim that you cannot pay me.

>

>And third, you are asking me to trust you, and I do not feel as if I can
>do that at this time. Throughout this process, you and Karin have played
>on my willingness to help people and not see them suffer in order to get
>extra work out of me and do things that have not been required of me in
>our agreements. You have repeatedly claimed that people in your
>organization rely on me getting some small function to work in order to
>feed their children, which is ridiculous considering that you haven't made
>any sales at all, and that's the only thing that will feed their children.
>So after dealing with your over-dramaticism for some months now, I am not
>moved by your hyperbolic claims. Further, your threats that removing
>components from the site would carry huge penalties is clearly fabricated,
>as no attorney would say that, first because the right to do that is given
>to me explicitly in the contract, and second because the part I have said
>I will remove is not covered by any contract, and on top of that, I have
>received no payment for it.

>

>I am particularly offended that you'd threaten me with a countersuit when
>there is clearly no case there. If you would like to pursue this, I will

>put you in touch with my attorney.

>

>In light of your correspondences, I have not found reason to leave the
>scroll search feature in the site. Due to the time it took me to get back
>to you, however, I will postpone the deadline for my payment until next
>Saturday.

>

>I must receive \$5,000 by next Saturday at midnight, or the scroll search
>functionality will be removed from the site. This \$5,000 is less than
>half of the balance you owe me (I am owed \$19,500 - \$9000 = \$10,500; add
>in penalties and that's $\$10,500 * 1.02^3 = \$11,140$), but it will serve as
>the beginning of the rest of your payment.

>

>Do not expect me to postpone this further. Again, if you have any
>questions, feel free to email me or if you'd like, I can put you in touch
>with my lawyer.

>

>Mark

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