

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK

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PAUL D. CEGLIA,

Plaintiff,

v.

MARK ELLIOT ZUCKERBERG and
FACEBOOK, INC.,

Defendants.
----- x

Civil Action No. 1:10-cv-00569-
RJA

**ANSWER AND
AFFIRMATIVE DEFENSES**

Defendants Mark Elliot Zuckerberg (“Zuckerberg”) and Facebook, Inc. (“Facebook”) (collectively, the “Defendants”), by and through the undersigned counsel, hereby respectfully submit their Answer to the First Amended Complaint (“Amended Complaint”) of plaintiff Paul D. Ceglia (“Plaintiff”) pursuant to Rule 8 of the Federal Rules of Civil Procedure.

GENERAL DENIAL

This lawsuit is a brazen and outrageous fraud on the Court. Plaintiff is an inveterate scam artist whose misconduct extends across decades and borders. His latest and most far-reaching fraud is the Amended Complaint filed in this action, which is based upon a doctored contract and fabricated evidence. Plaintiff alleges that he recently “discovered” a purported contract that now supposedly entitles him to ownership of 50 percent of Zuckerberg’s interest in Facebook. The purported contract was signed in 2003, yet Plaintiff waited until 2010 to file this action — a seven-year delay during which Plaintiff remained utterly silent while Facebook grew into one of the world’s best-known companies. Plaintiff has now come out of the woodwork seeking billions in damages.

Except as otherwise expressly recognized herein, Defendants deny each and every allegation contained in the Amended Complaint. Defendants specifically deny any liability to Plaintiff, and expressly reserve the right to seek to amend and/or supplement their Answer as may be necessary and to seek dismissal and/or sanctions based upon Plaintiff's fraud on the court.

RESPONSE TO SPECIFIC ALLEGATIONS

Defendants state as follows in response to the specific allegations of the Amended Complaint:

NATURE OF THE ACTION

1. Zuckerberg denies the allegations of paragraph 1 of the Amended Complaint, and states that in or about spring 2003 he entered into a written agreement with StreetFax pursuant to which he agreed to perform certain limited services solely in connection with the development of an inoperable and now defunct web site known as StreetFax.com, which provided a database of photographs of traffic intersections for access by insurance adjusters. At no time did Zuckerberg enter into any agreement, written or otherwise, with Plaintiff or anyone affiliated with Plaintiff concerning Facebook or any similar social networking service or web site. To be clear, Zuckerberg did not sign the purported agreement, attached as Exhibit A to the Amended Complaint, which is a "cut-and-paste" job fraudulently manufactured by Plaintiff for this lawsuit. Facebook denies the allegations of paragraph 1 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

2. Paragraph 2 of the Amended Complaint sets forth allegations of law, not fact, to which no response is required. To the extent paragraph 2 of the Amended Complaint can be

construed to include allegations of fact, Zuckerberg denies the allegations in paragraph 2 of the Amended Complaint. Facebook denies the allegations of paragraph 2 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

3. Zuckerberg denies the allegations of paragraph 3 of the Amended Complaint, and states that he launched his web site, “thefacebook.com,” on or about February 4, 2004. Facebook denies the allegations of paragraph 3 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

4. Defendants deny the allegations of paragraph 4 of the Amended Complaint, except admit that Facebook, Inc. is a corporation that was formed in or about July 2004.

PARTIES

5. Defendants deny the allegations of paragraph 5 of the Amended Complaint on the basis that they lack knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

6. Defendants admit the allegation of paragraph 6 of the Amended Complaint.

7. Defendants admit the allegations of paragraph 7 of the Amended Complaint.

JURISDICTION AND VENUE

8. Defendants admit the allegations of paragraph 8 of the Amended Complaint.

9. Paragraph 9 of the Amended Complaint sets forth allegations of law, not fact, to which no response is required.

10. Paragraph 10 of the Amended Complaint sets forth allegations of law, not fact, to which no response is required.

11. Paragraph 11 of the Amended Complaint sets forth allegations of law, not fact, to which no response is required.

12. Defendants deny the allegations of paragraph 12 of the Amended Complaint.

FACTS COMMON TO ALL CLAIMS FOR RELIEF

13. Defendants deny the allegations of paragraph 13 of the Amended Complaint on the basis that they lack knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

14. Defendants deny the allegations of paragraph 14 of the Amended Complaint on the basis that they lack knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

15. Defendants deny the allegations of paragraph 15 of the Amended Complaint on the basis that they lack knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

16. Zuckerberg denies the allegations contained in paragraph 16 of the Amended Complaint, except admits that he responded to an online job listing concerning StreetFax.com. Facebook denies the allegations of paragraph 16 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

17. Zuckerberg denies the allegations contained in paragraph 17 of the Amended Complaint. Facebook denies the allegations of paragraph 17 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

18. Zuckerberg denies the allegations contained in paragraph 18 of the Amended Complaint, and states that he did not begin work on the networking service or web site that came to be known as Facebook until in or about December 2003. Facebook denies the allegations of paragraph 18 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

19. Zuckerberg denies the allegations contained in paragraph 19 of the Amended Complaint. Facebook denies the allegations of paragraph 19 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

20. Zuckerberg denies the allegations contained in paragraph 20 of the Amended Complaint, except admits that he met Ceglia at the lobby of a hotel in or near Boston, Massachusetts, in or about April 2003. Facebook denies the allegations of paragraph 20 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

21. Zuckerberg denies the allegations of paragraph 21 of the Amended Complaint. Facebook denies the allegations of paragraph 21 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

22. Zuckerberg denies the allegations contained in paragraph 22 of the Amended Complaint, except admits that he met Ceglia at the lobby of a hotel in or near Boston, Massachusetts, in or about April 2003. Facebook denies the allegations of paragraph 22 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

23. Zuckerberg denies the allegations contained in paragraph 23 of the Amended Complaint. Facebook denies the allegations of paragraph 23 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

24. Zuckerberg denies the allegations contained in paragraph 24 of the Amended Complaint. Facebook denies the allegations of paragraph 24 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

25. Zuckerberg denies the allegations contained in paragraph 25 of the Amended Complaint. Facebook denies the allegations of paragraph 25 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

26. Zuckerberg denies the allegations contained in paragraph 26 of the Amended Complaint, and states that at no time did he use the name “The Page Book” to refer to Facebook or any predecessor to Facebook. Facebook denies the allegations of paragraph 26 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

27. Zuckerberg denies the allegations contained in paragraph 27 of the Amended Complaint. Facebook denies the allegations of paragraph 27 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

28. Zuckerberg denies the allegations contained in paragraph 28 of the Amended Complaint. Facebook denies the allegations of paragraph 28 of the Amended Complaint on the

basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

29. Zuckerberg denies the allegations contained in paragraph 29 of the Amended Complaint. Facebook denies the allegations of paragraph 29 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

30. Zuckerberg denies the allegations of paragraph 30 of the Amended Complaint. Facebook denies the allegations of paragraph 30 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

31. Zuckerberg denies the allegations of paragraph 31 of the Amended Complaint. Facebook denies the allegations of paragraph 31 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

32. Zuckerberg denies the allegations of paragraph 32 of the Amended Complaint. Facebook denies the allegations of paragraph 32 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

33. Zuckerberg denies the allegations of paragraph 33 of the Amended Complaint. Facebook denies the allegations of paragraph 33 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

34. Zuckerberg denies the allegations of paragraph 34 of the Amended Complaint. Facebook denies the allegations of paragraph 34 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

35. Zuckerberg denies the allegations of paragraph 35 of the Amended Complaint, except admits that in 2003 Zuckerberg received partial payment for some of the work he performed for StreetFax.com, none of which had anything to do with Facebook. Facebook denies the allegations of paragraph 35 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

36. Zuckerberg denies the allegations of paragraph 36 of the Amended Complaint. Facebook denies the allegations of paragraph 36 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

37. Zuckerberg denies the allegations of paragraph 37 of the Amended Complaint. Facebook denies the allegations of paragraph 37 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

38. Zuckerberg denies the allegations of paragraph 38 of the Amended Complaint. Facebook denies the allegations of paragraph 38 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

39. Zuckerberg denies the allegations of paragraph 39 of the Amended Complaint. Facebook denies the allegations of paragraph 39 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

40. Zuckerberg denies the allegations of paragraph 40 of the Amended Complaint. Facebook denies the allegations of paragraph 40 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

41. Zuckerberg denies the allegations of paragraph 41 of the Amended Complaint. Facebook denies the allegations of paragraph 41 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

42. Zuckerberg denies the allegations of paragraph 42 of the Amended Complaint. Facebook denies the allegations of paragraph 42 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

43. Zuckerberg denies the allegations of paragraph 43 of the Amended Complaint. Facebook denies the allegations of paragraph 43 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

44. Zuckerberg denies the allegations of paragraph 44 of the Amended Complaint. Facebook denies the allegations of paragraph 44 of the Amended Complaint on the basis that it

lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

45. Zuckerberg denies the allegations of paragraph 45 of the Amended Complaint. Facebook denies the allegations of paragraph 45 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

46. Zuckerberg denies the allegations of paragraph 46 of the Amended Complaint. Facebook denies the allegations of paragraph 46 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

47. Zuckerberg denies the allegations of paragraph 47 of the Amended Complaint. Facebook denies the allegations of paragraph 47 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

48. Zuckerberg denies the allegations of paragraph 48 of the Amended Complaint. Facebook denies the allegations of paragraph 48 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

49. Zuckerberg denies the allegations of paragraph 49 of the Amended Complaint. Facebook denies the allegations of paragraph 49 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

50. Zuckerberg denies the allegations of paragraph 50 of the Amended Complaint. Facebook denies the allegations of paragraph 50 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

51. Zuckerberg denies the allegations of paragraph 51 of the Amended Complaint. Facebook denies the allegations of paragraph 51 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

52. Zuckerberg denies the allegations of paragraph 52 of the Amended Complaint. Facebook denies the allegations of paragraph 52 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

53. Zuckerberg denies the allegations of paragraph 53 of the Amended Complaint. Facebook denies the allegations of paragraph 53 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

54. Zuckerberg denies the allegations contained in paragraph 54 of the Amended Complaint. Facebook denies the allegations of paragraph 54 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

55. Zuckerberg denies the allegations of paragraph 55 of the Amended Complaint. Facebook denies the allegations of paragraph 55 of the Amended Complaint on the basis that it

lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

56. Zuckerberg denies the allegations of paragraph 56 of the Amended Complaint. Facebook denies the allegations of paragraph 56 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

57. Defendants deny the allegations contained in paragraph 57 of the Amended Complaint, except admit that TheFacebook, Inc. was incorporated under the laws of the State of Delaware on or about July 29, 2004.

58. Zuckerberg denies the allegations contained in paragraph 58 of the Amended Complaint. Facebook denies the allegations of paragraph 58 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

AND AS FOR THE FIRST CLAIM FOR RELIEF
(Declaratory Relief Against Zuckerberg)

59. Defendants repeat and incorporate by reference their response to paragraphs 1-58 above, as though fully set forth herein.

60. Zuckerberg denies the contentions contained in paragraph 60 of the Amended Complaint. Facebook denies the allegations of paragraph 60 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

61. Defendants deny the allegations contained in paragraph 61 of the Amended Complaint on the basis that they lack knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

62. Zuckerberg denies the allegations contained in paragraph 62 of the Amended Complaint. Facebook denies the allegations of paragraph 62 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

63. Paragraph 63 of the Amended Complaint sets forth allegations of law, not fact, to which no response is required. To the extent paragraph 63 of the Amended Complaint can be construed to include allegations of fact, Defendants deny the allegations contained in paragraph 63 of the Amended Complaint.

64. Defendants deny the allegations contained in paragraph 64 of the Amended Complaint.

65. Defendants deny the allegations contained in paragraph 65 of the Amended Complaint.

AND AS FOR THE SECOND CLAIM FOR RELIEF
(Breach of Fiduciary Against Zuckerberg)

66. Defendants repeat and incorporate by reference their response to paragraphs 1-65 above, as though fully set forth herein.

67. Zuckerberg denies the allegations contained in paragraph 67 of the Amended Complaint. Facebook denies the allegations of paragraph 67 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

68. Zuckerberg denies the allegations contained in paragraph 68 of the Amended Complaint. Facebook denies the allegations of paragraph 68 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

69. Zuckerberg denies the allegations contained in paragraph 69 of the Amended Complaint. Facebook denies the allegations of paragraph 69 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

70. Zuckerberg denies the allegations contained in paragraph 70 of the Amended Complaint. Facebook denies the allegations of paragraph 70 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

71. Zuckerberg denies the allegations contained in paragraph 71 of the Amended Complaint. Facebook denies the allegations of paragraph 71 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

AND AS FOR THE THIRD CLAIM FOR RELIEF
(Constructive Fraud Against Zuckerberg)

72. Defendants repeat and incorporate by reference their response to paragraphs 1-71 above, as though fully set forth herein.

73. Zuckerberg denies the allegations contained in paragraph 73 of the Amended Complaint. Facebook denies the allegations of paragraph 73 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

74. Zuckerberg denies the allegations contained in paragraph 74 of the Amended Complaint. Facebook denies the allegations of paragraph 74 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

75. Zuckerberg denies the allegations contained in paragraph 75 of the Amended Complaint. Facebook denies the allegations of paragraph 75 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

76. Zuckerberg denies the allegations contained in paragraph 76 of the Amended Complaint. Facebook denies the allegations of paragraph 76 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

77. Zuckerberg denies the allegations contained in paragraph 77 of the Amended Complaint. Facebook denies the allegations of paragraph 77 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

78. Zuckerberg denies the allegations contained in paragraph 78 of the Amended Complaint. Facebook denies the allegations of paragraph 78 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

79. Zuckerberg denies the allegations contained in paragraph 79 of the Amended Complaint. Facebook denies the allegations of paragraph 79 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

AND AS FOR THE FOURTH CLAIM FOR RELIEF
(Actual Fraud Against Zuckerberg)

80. Defendants repeat and incorporate by reference their response to paragraphs 1-79 above, as though fully set forth herein.

81. Zuckerberg denies the allegations contained in paragraph 81 of the Amended Complaint. Facebook denies the allegations of paragraph 81 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

82. Zuckerberg denies the allegations contained in paragraph 82 of the Amended Complaint. Facebook denies the allegations of paragraph 82 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

83. Zuckerberg denies the allegations contained in paragraph 83 of the Amended Complaint. Facebook denies the allegations of paragraph 83 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

84. Zuckerberg denies the allegations contained in paragraph 84 of the Amended Complaint. Facebook denies the allegations of paragraph 84 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

85. Zuckerberg denies the allegations contained in paragraph 85 of the Amended Complaint. Facebook denies the allegations of paragraph 85 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

86. Zuckerberg denies the allegations contained in paragraph 86 of the Amended Complaint. Facebook denies the allegations of paragraph 86 of the Amended Complaint on the

basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

AND AS FOR THE FIFTH CLAIM FOR RELIEF
(Declaratory Relief Against Zuckerberg and Facebook, Inc.)

87. Defendants repeat and incorporate by reference their response to paragraphs 1-86 above, as though fully set forth herein.

88. Zuckerberg denies the contentions contained in paragraph 88 of the Amended Complaint. Facebook denies the allegations of paragraph 88 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

89. Defendants deny the allegations contained in paragraph 89 of the Amended Complaint on the basis that they lack knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

90. Zuckerberg denies the allegations contained in paragraph 90 of the Amended Complaint. Facebook denies the allegations of paragraph 90 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

91. Paragraph 91 of the Amended Complaint sets forth allegations of law, not fact, to which no response is required. To the extent paragraph 91 of the Amended Complaint can be construed to include allegations of fact, Defendants deny the allegations contained in paragraph 91 of the Amended Complaint.

92. Defendants deny the allegations contained in paragraph 92 of the Amended Complaint.

93. Defendants deny the allegations contained in paragraph 93 of the Amended Complaint.

AND AS FOR THE SIXTH CLAIM FOR RELIEF
(Breach of Contract Against Zuckerberg)

94. Defendants repeat and incorporate by reference their response to paragraphs 1-93 above, as though fully set forth herein.

95. Zuckerberg denies the allegations contained in paragraph 95 of the Amended Complaint. Facebook denies the allegations of paragraph 95 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

96. Zuckerberg denies the allegations contained in paragraph 96 of the Amended Complaint. Facebook denies the allegations of paragraph 96 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

97. Zuckerberg denies the allegations contained in paragraph 97 of the Amended Complaint. Facebook denies the allegations of paragraph 97 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

98. Zuckerberg denies the allegations contained in paragraph 98 of the Amended Complaint. Facebook denies the allegations contained in paragraph 98 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

AND AS FOR THE SEVENTH CLAIM FOR RELIEF

(Breach of the Implied Covenant of Good Faith and Fair Dealing Against Zuckerberg)

99. Defendants repeat and incorporate by reference their response to paragraphs 1-98 above, as though fully set forth herein.

100. Zuckerberg denies the allegations contained in paragraph 100 of the Amended Complaint. Facebook denies the allegations contained in paragraph 100 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

101. Zuckerberg denies the allegations contained in paragraph 101 of the Amended Complaint. Facebook denies the allegations contained in paragraph 101 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

102. Zuckerberg denies the allegations contained in paragraph 102 of the Amended Complaint. Facebook denies the allegations contained in paragraph 102 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

103. Zuckerberg denies the allegations contained in paragraph 103 of the Amended Complaint. Facebook denies the allegations contained in paragraph 103 of the Amended Complaint on the basis that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained therein.

AFFIRMATIVE DEFENSES

For its defenses, Defendants allege, without assuming any burden of proof that would otherwise rest on Plaintiff, as follows:

FIRST AFFIRMATIVE DEFENSE
(Failure to State a Claim)

Plaintiff's Amended Complaint fails to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE
(Fraud on the Court)

Plaintiff's Amended Complaint is barred as a fraud on the court.

THIRD AFFIRMATIVE DEFENSE
(Frivolous Complaint)

Plaintiff's Amended Complaint is wholly insubstantial, frivolous, and not advanced in good faith.

FOURTH AFFIRMATIVE DEFENSE
(Unclean Hands)

The equitable relief Plaintiff seeks in his Amended Complaint is barred by Plaintiff's inequitable conduct, which constitutes unclean hands.

FIFTH AFFIRMATIVE DEFENSE
(Statute of Limitations)

Plaintiff's Amended Complaint is barred by the applicable statute of limitations.

SIXTH AFFIRMATIVE DEFENSE
(Laches)

Plaintiff's Amended Complaint is barred by the doctrine of laches.

SEVENTH AFFIRMATIVE DEFENSE
(Waiver)

Plaintiff's Amended Complaint is barred by waiver.

EIGHTH AFFIRMATIVE DEFENSE
(Estoppel)

Plaintiff's Amended Complaint is barred by the doctrine of judicial and equitable estoppel.

NINTH AFFIRMATIVE DEFENSE
(Adequate Remedy at Law)

To the extent he is entitled to any relief, Plaintiff is not entitled to equitable relief for Plaintiff's Amended First and Fifth Claims for Relief because he has an adequate remedy at law.

TENTH AFFIRMATIVE DEFENSE
(Lack of Justiciable Controversy)

The Court lacks subject matter jurisdiction over Plaintiff's Amended First and Fifth Claims for Relief because a justiciable controversy does not exist.

ELEVENTH AFFIRMATIVE DEFENSE
(Lack of Duty Owed)

Plaintiff's Amended Second Claim for Relief is barred because Defendants did not owe Plaintiff the duties alleged or breach a legal duty owed.

TWELFTH AFFIRMATIVE DEFENSE
(Failure of Consideration)

Plaintiff's Amended Sixth Claim for Relief is barred by a failure of consideration.

THIRTEENTH AFFIRMATIVE DEFENSE
(Failure of Performance)

Plaintiff's Amended Sixth Claim for Relief is barred by a failure of performance.

FOURTEENTH AFFIRMATIVE DEFENSE
(Indefiniteness and Vagueness)

Plaintiff's Amended Sixth Claim for Relief is barred by indefiniteness and vagueness in the alleged contract.

FIFTEENTH AFFIRMATIVE DEFENSE
(Duplicative Claim)

Plaintiff's Seventh Claim for Relief is barred as duplicative of Plaintiff's breach of contract claim.

SIXTEENTH AFFIRMATIVE DEFENSE
(Lack of Injury or Damage)

Plaintiff's Amended Complaint, and each and every purported cause of action contained therein, is barred because Plaintiff has not suffered any injury or damage as a result of any act or conduct by Defendants, Defendants did not directly or proximately cause or contribute to any damage, loss or injury allegedly sustained by Plaintiff, Plaintiff failed to mitigate any damages, and/or the damages alleged were not reasonably foreseeable and are too remote to be recoverable.

SEVENTEENTH AFFIRMATIVE DEFENSE
(Reservation of Rights)

Defendants have insufficient knowledge or information upon which to form a belief as to whether they may have as yet unstated separate and additional defenses available. Defendants reserve the right to amend this Answer to add, delete, or modify defenses based upon legal theories which may or will be divulged through clarification or amendment of Plaintiff's Amended Complaint, through discovery, or through further legal analysis of Plaintiff's claims and positions in this litigation.

PRAYER FOR RELIEF

Wherefore, Defendants respectfully request that the Court dismiss the Amended Complaint with prejudice, award costs, disbursements and attorneys' fees to Defendants, and grant such other and further relief that the Court deems just and proper.

Dated: May 26, 2011
New York, New York

Respectfully submitted,

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