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VIA ELECTRONIC MAIL

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New York, NY 10119Melissa Ryan Clark, Esq.
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New York, NY 10119Re: Ceglia v. Zuckerberg and Facebook, Inc., No. 1:10-cv-569 (RJA)

Dear Mr. Dumain, Ms. Young, and Ms. Clark:

We write concerning your obligations under Federal Rule of Civil Procedure 11.

Defendants have now established — beyond any conceivable doubt and based on objective scientific and forensic evidence — that this lawsuit is a fraud and a lie. That evidence, detailed in Defendants' Motion to Dismiss and supporting sworn expert reports, proves that your client Paul Ceglia and his co-conspirators have forged documents, fabricated emails, and destroyed electronic evidence. *See* Doc. Nos. 319, 324-335.

Among the overwhelming evidence of Ceglia's criminal fraud is the authentic contract between Mr. Zuckerberg and StreetFax, Inc. That contract mentions only StreetFax and says nothing about Facebook. As you know, Ceglia scanned that contract to his computer on the morning of March 3, 2004; sent it to Jim Kole at Sidley Austin just minutes later (signing one of the transmittal letters "Paul"); and then corresponded with Kole about that contract in the following days. Defendants discovered the authentic contract on Ceglia's own computer and the Sidley Austin server, where it has resided since 2004. *See* Doc. No. 319 at 28-34.

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You know all of this. Indeed, Defendants' Motion to Dismiss and supporting sworn expert reports simply confirmed what the evidence has demonstrated for months. As early as July 1, 2011, based on Defendants' overwhelming showing that your client fabricated the "Work for Hire" contract underlying this fraudulent lawsuit, the Court ordered expedited discovery. *See* Order (Doc. No. 83). And soon after Defendants uncovered the authentic contract on Ceglia's computer, they described that contract and all of its "authenticating evidence" to the Court during the August 17, 2011 hearing, the transcript of which you have presumably reviewed. *See* Aug. 17, 2011 Oral Arg. Tr. at 111-13.

In a transparent attempt to deflect attention from Defendants' discovery of the authentic contract, Ceglia publicly accused Mr. Zuckerberg of personally "plant[ing]" the document on his computer. *See* Emil Protalinski, "Exclusive: Paul Ceglia says Facebook is doing the forgery," ZDNet, August 16, 2011. One day later, Ceglia's former counsel Jeffrey Lake followed his client's lead, speculating in open court during the August 17th hearing that the actual contract was "made by Mr. Zuckerberg and planted on Mr. Ceglia's computers." Aug. 17, 2011 Oral Arg. Tr. at 19. Mr. Lake's outrageous suggestion was met with open skepticism from the Court — for good reason, as there is absolutely no evidence to support such frivolous and outlandish allegations. During the following months, Mr. Lake's successor Dean Boland maintained these spurious allegations, describing the authentic contract as "obviously forged," accusing Facebook of "hacking" to plant the authentic contract on Ceglia's computer, and stating that Mr. Zuckerberg has "admitted forgery" — all false allegations of criminal misconduct. *See* Tr. (12/13/11), at 146-47; Doc. No. 176 at 2, 4; Doc. No. 199, at 9-10.

You now appear to have joined your co-counsel in embracing Ceglia's libelous falsehood. When asked about Ceglia's transmittal of the authentic contract to Kole, Mr. Dumain responded, "It didn't take sophisticated hacking to send something from that account." Shayndi Raice, "Facebook Claims Fraud By Man Suing For Stake," Wall Street Journal, March 27, 2012. Like Mr. Boland, you did not identify any evidentiary or factual support to justify this false allegation — nor could you.

In the face of the overwhelming evidence of Ceglia's criminal fraud, Federal Rule of Civil Procedure 11 obligates both you and your law firm to reassess the factual basis for continuing to prosecute this fraudulent lawsuit; as you are no doubt aware, a law firm itself can be sanctioned for an individual lawyer's failure to discharge his duty to make further inquiry. "Confronted with a charge that an allegation of the complaint is false, counsel has a responsibility to re-examine the basis upon which that assertion is made and either to abandon it or to be sure that there is a factual predicate for it before pressing further with it." *Morris v. Wachovia Securities, Inc.*, 2007 WL 2126344, 3:02cv797, at *12 (E.D. Va. July 20, 1997) (holding Milberg Weiss LLP jointly liable for multiple Rule 11 violations of Milberg lawyer); *see also Reichmann v. Neumann*, 533 F. Supp. 2d 307, 323-24 (S.D.N.Y. 2008)

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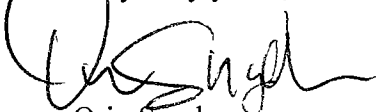
(sanctioning lawyer for failing to make further inquiry into client's inconsistent allegations and for "retaining a handwriting expert in the hope of generating [a favorable] expert opinion" rather than conducting an objective assessment). Here, Defendants have issued far more than a "charge that an allegation of the complaint is false" — they have submitted overwhelming evidence that nearly all of the allegations underlying Ceglia's fraudulent lawsuit are false.

Of course, this heightened duty to investigate merely supplements an attorney's fundamental obligation to present only those allegations that "have evidentiary support" and a proper purpose. *See* Fed. R. Civ. P. 11(b)(1), (3). Rule 11 also forbids the making of "false, misleading, improper, or frivolous representations." *See Williamson v. Recovery Ltd. P'ship*, 542 F.3d 43, 51 (2d Cir. 2008). Your continued reliance on the forged documents underlying this fraudulent lawsuit would clearly violate Rule 11.

In these circumstances, you cannot be litigating this case in good faith. Six other law firms have previously withdrawn from representing your client, which itself imposes a heightened duty to investigate and further confirms that your client is perpetrating a massive fraud. And the "Lawsuit Overview" document that Ceglia tried to suppress evinces the bad-faith profit motive that has driven this case from the beginning.

We reserve all rights, including the right to move for the imposition of sanctions against you and your client under Rule 11(c). Our clients take very seriously the misconduct that pervades this fraudulent lawsuit and reserve all of their rights and remedies against all participants. Guide your conduct accordingly.

Very truly yours,



Orin Snyder