COP

SUPREME COURT STATE OF NEW YORK ALLEGANY COUNTY

PAUL D. CEGLIA

VS

SUMMONS

ALLEGANY COUNTY CLERK

FILED

JUN 3 0 2010

Plaintiff

Index # 38798

MARK ELLIOT ZUCKERBERG, Individually and Facebook, Inc.

Defendants

ROBERT L. CHRISTMAN CLERK

TO THE ABOVE NAMED DEFENDANTS:

YOU ARE HEREBY SUMMONED to answer the complaint in this action, and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance, on the Plaintiff's attorney within 30 days after the service of this summons, exclusive of the day of service, where service is made by delivery upon you personally within the state, or within 30 days after completion of service where service is made in any other manner. In case of your failure to appear or answer, Judgment will be taken against you by default for the relief demanded in the complaint.

Trial to be held in the County of Allegany The basis of the venue is Residence of Plaintiff Plaintiff resides in Allegany County

Dated: June 29, 2010

Argentiery Esa.

188 Main Street Hornell, NY 14843

607-324-3232

To the above named Defendants:

THE NATURE OF THE ACTION IS: Declaratory Judgment

The relief sought is: Monetary Damages and 84% Ownership of Facebook, Inc.

ENDORSED

ALLEGANY COUNTY CLERK

FILED

SUPREME COURT ALLEGANY COUNTY

STATE OF NEW YORK

JUN 3 0 2010

PAUL D. CEGLIA

ROBERT L. CHRISTMAN CLERK

Plaintiff

VERIFIED COMPLAINT

VS

Index #38 798

MARK ELLIOT ZUCKERBERG, Individually, and Facebook, Inc.

Defendants

The Plaintiff, as and for his verified complaint against the Defendants, alleges as follows:

- 1. Plaintiff, Paul D. Ceglia, residing at 2558 Hanover Hill Road, Wellsville, Allegany County, New York, 14895 at all times hereinafter mentioned as either the Purchaser and/or the Buyer.
- 2. Defendant Mark Elliot Zuckerberg, upon information and belief, resides at 2 Russell Place, Dobbs Ferry, Westchester County, New York 10522, hereinafter referred to as either the Seller and/or Contractor.
- 3. Upon information and bellef, Facebook, Inc. is a domestic corporation having Its principal office located in the State of New York having been incorporated in New York on August 6, 2009, hereinafter referred to as Facebook, see exhibit A attached hereto and made a part hereof of this complaint.
- 4. On April 28, 2003, the Seller and the Purchaser entered into a written contract, including but not limited to, the Purchaser acquiring Fifty Percent (50%) interest in the business of the Seller and Facebook, see exhibit B attached hereto and made a part hereof of this complaint.
- 5. Upon information and belief, Mark Elliot Zuckerberg is the principal owner of "The Face Book" aka "The Page Book" that are the predecessors in interest to Facebook, Inc.

- 6. Under Paragraph 3 of the contract, the Seller and Purchaser agreed that for each day after January 1, 2004, the Purchaser would acquire an additional 1% interest in the business, per day, until the website was completed.
- 7. Upon information and belief, the website, thefacebook.com, was completed and operational on February 4th, 2004.
- 8. According to the terms of the contract, as of February 4th 2004, the Purchaser had acquired an additional 34% interest in the business for a total of eighty four percent (84%).
- 9. Purchaser paid consideration to the Seller for the contract, upon information and belief, by a check in the amount of One Thousand Dollars (\$1,000.00) to Mark Zuckerberg, on or about November 24th 2003 among other consideration tendered, see exhibit C attached hereto and made a part hereof of this complaint.
- 10. Upon information and belief, the Seller simply transferred the originating website business from TheFacebook.com into Facebook.com, and ultimately into Facebook, Inc. which is a continuum of the Purchaser's acquisition from the date of the contract until the present time, and also a continuum of the business from pre-incorporation to incorporation of Facebook.
- 11 Since April 28th, 2003, the Purchaser has complied with the terms and conditions of the contract and the Seller has failed to similarly comply with the terms of the contract to the detriment of the Purchaser.
- 12. Upon information and belief, Facebook is a closely held corporation of which the Seller is presently the majority stockholder, see exhibit D attached hereto and made a part hereof of this complaint.

WHEREFORE, the Plaintiff, Paul D. Ceglia, hereby demands by Declaratory Judgement against the Defendants, Mark Elliot Zuckerberg, Individually, and Facebook, Inc. for an enforcement of the terms and conditions of the April 23rd 2003 contract wherein Plaintiff would acquire 84% interest of Facebook, Inc. and for a Judgment for an Accounting wherein Plaintiff would obtain a further Judgment against the Defendants in the amount of 84% of any and all monies realized by the Defendants from April 28th 2003 to the present time, along with the costs, disbursements, and attorney fees for this action.

June 29, 2010

Paul A. Argentieri, Esq. Attorney for Plaintiff 188 Main Street Hornell, New York 14843 607-324-3232

STATE OF NEW YORK COUNTY OF ALLEGANY

} **55.**

Paul D. Ceglia, being duly sworn, says that the deponent is the Plaintiff in the within action; that deponent has read the foregoing Verified Complaint, and knows the contents thereof; that the same is true to his own knowledge, except as to matters therein stated to be alleged on information and belief and that as to those matters deponent believes it to be true.

Payl D. Ceglia

Sworn to before me this Day of June, 2010

Notary Public

PAUL A. ARGENTIERI, ESQ.
NOTARY PUBLIC-STATE OF NEW YORK
NO. 02AR4672870
Qualified in Stauben County
My Commission Explices June 30, 20

Entity Information

Page 1 of 2

NYS Department of State

Division of Corporations

Entity Information

The information contained in this database is current through June 25, 2010.

Selected Entity Name: FACEBOOK, INC.

Selected Entity Status Information

Current Entity Name: FACEBOOK, INC. Initial DOS Filing Date: AUGUST 06, 2009

County:

NEW YORK

Jurisdiction:

DELAWARE

Entity Type:

FOREIGN BUSINESS CORPORATION

Current Entity Status: ACTIVE

Selected Entity Address Information

DOS Process (Address to which DOS will mail process if accepted on behalf of the entity) CORPORATION SERVICE COMPANY 80 STATE STREET ALBANY, NEW YORK, 12207

Registered Agent

NONE

This office does not record information regarding the names and addresses of officers, shareholders or directors of nonprofessional corporations except the chief executive officer, if provided, which would be listed above. Professional corporations must include the name(s) and address(es) of the initial officers, directors, and shareholders in the initial certificate of incorporation, however this information is not recorded and only available by viewing the certificate.

*Stock Information

of Shares

Type of Stock

\$ Value per Share

No Information Available

^{*}Stock information is applicable to domestic business cornorations

Entity Information

Page 2 of 2

Name History

Filing Date Name Type Entity Name AUG 06, 2009 Actual FACEBOOK, INC.

A Fictitious name must be used when the Actual name of a foreign entity is unavailable for use in New York State. The entity must use the fictitious name when conducting its activities or business in New York State.

NOTE: New York State does not issue organizational identification numbers.

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"WORK FOR HIRE" CONTRACT

SECTION 1- GENERAL PROVISIONS

1. Definitions

The following terms have the meaning specified when used herein: PURCHASER - Paul Coglia

CONTRACTOR/SBLLER - Mark Zuckerberg, his agents, employees, suppliers, or sub-contractors, furnishing methodists confirment, or

CUSTOMER - StreetFax LLC the entity contracting the construction or other services form the Purchaser or which the goods and/or services provided hereunder are the incorporation byto the work or and required to facilitate completion of Purchaser's contract with much circly.

PRIME CONTRACT - This contract between Purchaser and

Seller.

2. Britico Agreement

The contract between the Purchaser and Seller as a Purchase agreement and 'work made for hire" reflects two separate business ventures, the first being for the work to be performed directly for the StreetFax Database and the Programming language to be provided by Seller.

Second it is the the continued development of the software, program and for the purchase and design of a suitable website for the project Seller has already initiated that is designed to offer the students of Harvard university socess to a wesite similar to a live functioning yearbook with the working tide of "The Face Book"

It is agreed that Purchaser will own a half interest (50%) in the software, that service to a larger audience.

No insurance or promium charges or price increases will be allowed unless authorized by Purchaser in writing. No increase in price from that stated on the face hereof will be considered throughout the duration of the order.

The Apreed upon Cost that the Seller and the Buyer have agreed mean are as follows: Buyer agrees to pay the saller the Sum of \$1000 a piece for the work to be performed for Streetfax and \$1,000 for the work to be performed for "The Page Book".

Late feet are agreed to be a 5% deduction for the seller if the project is not completed by the due date and ar additional 1% deduction for each duy the project is delayed beyond that point.

The agreed upon project due date life the Spreefex software May 31, 2003. For all a west at Saul S A word by Pay 3 7, 2003 / The agreed upon completion for the expanded project with working title "The Face Book" shall be Jasymany 1 2004 and an additional 1% interest in the business will be due the buyer for each day the website is delayed from

Additional funds may be provided for cities project on an as needed buris at the sole discretion of the Buyer.

4. Changes

a) BY PURCHASER - Purchaser agrees that no further revision shall be implemented until or unless approved by the seller. Those revisions

shall be transmitted for written approval to seller. b) BY SELLER - The Seller agrees that no further revision shall be implemented until or unless approved by Buyer. Those revisions shall be transmitted for written approval to the Street Pax Pirchasing Department.

5. Purchaser's Property/Seller's Responsibility For the StreetFax database Buyer agree to pay for and maintain the cost of upkeep for the servers needed for it's operation.

For "The Pace Book" Seller agrees to maintain and act as the sites webmaster and to pay for all domain and hosting expenses from the funds received under this contract, and Selier agrees that he will maintain control of these survices at all times.

Data, drayings, tooling pettoms, materials, specifications, and any other items or information supplied to Seller under this order are the property of the Parchaser and must be returned upon completion of this order. Such homoge and immigrate to be used solely in the performance of the work by the setter and alials not be used or disclosed for any other purpose whatsoever without Patichaser's prior express written consent.

6. Scalement of Controversies

In the event that this purchase order is fur-materials or equipment which is excluded from this Prime Contract, and in the case of disputes between the Purchaser and the Customer or between the Purchaser and the Sellor regarding resterials or equipment to be furnished by the Seller, the Seller agrees to be bound to the same extent this the Purchaser is bound by the terms of the Prime Contract, and by any addial decisions and determinations made thereunder, provided that the Seller shall have the right to participate in the scalement of any dispute to the extern that the Seller will be affected thereby.

programming language, and business interests derived from the expansion of No interest shall accurae on any payment(s) otherwise due the Seiler, which is withhold or delayed as a result of any such dispute, noticent to the extent that the Purchaser is ultimately paid interest on monios due the Seller. The Seller shall not be iteld liable if the Seller follows instructions of the Purchase and it is lear determined that the Purchisea's instructions were not in complete co with the terms and specifications of the Prime Contract. Pending final disposition of a dispute hereunder, the Seller shall carry on the work unless otherwise agreed I writing by the purchaser.

In all immaces the final authority should rest with the final Specifications.

7. Petert Indonnity

Purchaser hold seller harmless for an infringement sollers work may constitute on patents beld by and third party that result from the direct request for the work made by purchases in this "work made for him" agreement. The Seller heroby agrees to be responsible for all claims against the Purchaser of the Castomer for alleged infringentern of patents by reason of the Porchager's or Customer's possession, uso, or sake of any materials or equipment firmished hercunder by the Seller or by resson of the performance of any work hereunder by the Soller. The Seller agrees to defend at it's sole expense all suits against the Purchaser and/or the Customer and to save and hold harmless the Purchaser and the Customer from and against all costs, expensed, judgements, and damages of any kind which the Purchaser or the Customer may be obliged to pay or meur by reason of any such alleged or actual infringement of a patent or patents. The Purchaser and the Customer agree to render whatever assistance it reasonably can I the way of information and access to records for the defense of any such suit. This indemnity that not extend to alleged or sound infringements resulting from the Seller's compliance with the Purchaser's or Customers's design, instructions, processes, or themules provided, however, that the Seller agrees to be responsible if it is reasonable to assume the the Seller should have been aware of a possible alleged or actual infringement resulting from the Purchaser's or Customer's design, instructions, processes, or formulas and falls to notify the Porchasors of such possibility.

8. Assignment of Subcontracting

Neither this order nor any nights, obligations, or monies due hereunder are assignable or transferable (as security for advances or otherwise) without the Purchasor's price written consent, and except as to purchases of new materials or standard communical articles or parts, the Sellec shall not subcontract any mijor portion of the work encompassed by this order without the Purchaser's prior written approval. The Purchaser shall not be required to recognize any assignment or subcontract made without its prior written consent.

The buyer accepts that there will be two other subcommerous working on this project their work will be accepted provided a noncompete and "work made for him agreement" are in place

9. Proprietary Rights

It is acknowledged that this is a work made for hire agreement and that all Intellectual property rights or patent rights are that of Streetfax. Inc. All code in portion of in its complete form remain the property of Streetfax Inc. If the items to be supplied hereunder have been designed in accordance with specifications or data furnished or originated by the Purchaser or its Customer, such items shall not be reproduced accept with the approval of the Purchaser and, as applicable, its Customer and all drawings, photographs, data, software, and other written material or information supplied in connection therewith shall at all times remain the property of the Purchaser or its Customer and be returned promptly upon request at the completion, termination or cancellation of this order. In the event that StreetFax defaults on impayment terms rights would be granted to seller.

10. Termination

A DEFAULT - The Purchaser may terminate this order or any part themeof by written notice if the Seller:

- a) falls to make deliveries or to complete performance of its obligations hereunder within the time specified or in accordance with the agreed schedules unless such failure is due to acts of God, ande or other causes which are beyond the control of the Seller.
- b) Fails to comply with the terms and conditions of the purchase order and does not care such failure within a period of ten (10)calendar doys after written notice thereof.
- Maker an assignment for the benefit of creditors without prior written consent of the Purchaser, becomes insolvent or nibject to proceedings under any law relating to bankruptry, insolvency, or the relief of debtors.

Should the Purchaser elect to tremmate for default, the Purchaser may take possession of all or any of the items to be supplied hereunder which are in the Seller's possession without argued to stage of completion and may complete or cause the work to a completed on such items or may manufacture of produce similar items. Any additional costs or expense incurred by the Purchaser over and above the original purchase price from the Seller plus freight costs shall be for the second of the Seller.

In all events, the Purchaser shall not be or become liable to the Seller or any third party claiming through or under the Seller for any portion of the price of any items that Purchaser elects not to accept following notice of termination for default.

11. Liene

The Seller agrees to deliver the items to be supplied hereunder free and clear of all liens, encumbrances, and clears of laborers or material men and the Purchaser may withhold payment pending receipt of evidence in form and substance satisfactory to it of the absence of such items, claims and edecimbrances.

12. Governing Lyw

This Purchase Order and any material relating thereto shall be governed by the laws of the state in which the Purchaser's officement issues the order is located.

13. Recovery of Damages

If the Seller should recover any damages as a result of antitrust violations in any manner due to price fixing on the part of another manufacturer or Seller, the Seller shall pay over to the Purchaser any agent Purchaser has suffered as a result of the same price fixing within a manufacture determines are recovered by the Seller.

- a) Whenever the Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this order, the Seller shall immediately give notice thereof, including all relevant information with respect thereto, to the Porchaser.
- b) The Seller shall insert the substance of this clause including this paragraph (b) in any subset supply agreement beteinder as to which a labor dispute may delay the timely performance of this order except that each such subsite supply agreement shall provide that in the event its timely performance is delayed or threatened by delay by an actual or posential labor dispute, the subsite Seller shall immediately notify its next higher per Seller or Sellers, as the case may be, of all relevant information with respect to such dispute.

15. Indemnity Requirements for Contractors/Saller Contractor/Verislor shall defend, indemnity and save Street Fax from any and all claims, suits, losees, damages, or expenses, whether caused or contributed by by the negligence of Smert Pax, in agents, or employees, or otherwise, on account of injuries to or death of any and all persons whomstoever, including the Contractor/Vendor, subcontractor, ethildyfes of Contractor/Vendor, the subcontractor. and of State Fex and any and all damage to property to whomsoever belonging, including properly owned by, rented to, or in the care, custody, or control of the parties hereby strong or growing out of or m any marrier connected with the work performed under this contract, or caused or occasioned, in whole or in party by reason of or assing during the presence of the parton or of the profesty of Contractor/Vendor, subcontractors, their employees, or agents upon or in proximity to the property of Street Flax Notwidth tanking the foregoing, nothing herem contained in to be constitted as an indemnification against the sole negligibility of Stillet Fax.

16. Publicity

Saller shall not publish photographs its anticles, give press releases or make speeches about in otherwise publicize the existence or scope of this Purchase Order, or may generalities or details about this Purchase Order without first obtaining the writing consent of Buyer.

17. Sciler's Disclosure

Any information relating to the Seller's designs, manufacturing processes or manufactured products which the Seller tray disclose to the Buyer in connection with the performance of the dontract may be used by the Buyer for any purpose relating to the contract and to its performance without liability therefor to the Seller.

18. General Notes

Seller thall reference this purchase order number on all documents and/or correspondence related to this order.

The signatures below will execute this commen

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Seller - Mark Zückerberg

Mc Zeby 09.28.03

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