UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:	Edith Ramirez, Chairwoman Julie Brill Maureen K. Ohlhausen Joshua D. Wright Terrell McSweeny		
In the Matter of Jerk, LLC, a limited liabil also d/b/a JERK.Co)))) DOCKET NO. 9361	
John Fanning, individually and as Jerk, LLC.	a member of))))	

EXHIBITS TO COMPLAINT COUNSEL'S STATEMENT OF MATERIAL FACTS AS TO WHICH THERE IS NO GENUINE ISSUE FOR TRIAL

VOLUME 4

CX0100

Exhibit F

CX0100-001

Search Home Profile Acc					
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This agreement was written in English (US). Please note that Section 16 contains certain changes to the general terms for users outside the United States.

Date of Last Revision: August 25, 2010.

Statement of Rights and Responsibilities

This Statement of Rights and Responsibilities ("Statement") derives from the Facebook Principles, and governs our relationship with users and others who interact with Facebook. By using or accessing Facebook, you agree to this Statement.

1. Privacy

Your privacy is very important to us. We designed our Privacy Policy to make important disclosures about how you can use Facebook to share with others and how we collect and can use your content and information. We encourage you to read the Privacy Policy, and to use it to help make informed decisions. 2. Sharing Your Content and Information

- You own all of the content and information you post on Facebook, and you can control how it is shared through your privacy and application settings. In addition: 1. For content that is covered by intellectual property rights, like photos and videos ("IP content"), you specifically give us the following permission, subject to your privacy and application settings: you grant us a non-exclusive, transferable, sub-licensable, royalty-free, worldwide license to use any IP content that you post on or in connection with Facebook ("IP License"). This IP License ends when you delete your IP content or your account unless your content has been shared with others, and they have not deleted it.
 - 2. When you delete IP content, it is deleted in a manner similar to emptying the recycle bin on a computer. However, you understand that removed content may persist in backup copies for a reasonable period of time (but will not be available to others). 3. When you use an application, your content and information is shared with the application. We require applications to respect your privacy, and your agreement
 - with that application will control how the application can use, store, and transfer that content and information. (To learn more about Platform, read our Privacy Policy and About Platform page.)
 - When you publish content or information using the "everyone" setting, it means that you are allowing everyone, including people off of Facebook, to access and use that information, and to associate it with you (i.e., your name and profile picture).
 We always appreciate your feedback or other suggestions about Facebook, but you understand that we may use them without any obligation to compensate you
 - for them (just as you have no obligation to offer them).

3 Safety

- We do our best to keep Facebook safe, but we cannot guarantee it. We need your help to do that, which includes the following commitments:
 - 1. You will not send or otherwise post unauthorized commercial communications (such as spam) on Facebook.
 - 2. You will not collect users' content or information, or otherwise access Facebook, using automated means (such as harvesting bots, robots, spiders, or scrapers) without our permission.
 - 3. You will not engage in unlawful multi-level marketing, such as a pyramid scheme, on Facebook.
 - You will not upload viruses or other malicious code. 4.
 - You will not solicit login information or access an account belonging to someone else. 5.
 - You will not bully, intimidate, or harass any user. 6.
 - You will not post content that: is hateful, threatening, or pornographic; incites violence; or contains nudity or graphic or gratuitous violence.
 - 8. You will not develop or operate a third-party application containing alcohol-related or other mature content (including advertisements) without appropriate age-based restrictions.
 - 9. You will not offer any contest, giveaway, or sweepstakes ("promotion") on Facebook without our prior written consent. If we consent, you take full responsibility for the promotion, and will follow our Promotions Guidelines and all applicable laws.
 - 10. You will not use Facebook to do anything unlawful, misleading, malicious, or discriminatory.
 - You will not do anything that could disable, overburden, or impair the proper working of Facebook, such as a denial of service attack.
 You will not facilitate or encourage any violations of this Statement.

4. Registration and Account Security

Facebook users provide their real names and information, and we need your help to keep it that way. Here are some commitments you make to us relating to registering and maintaining the security of your account:

- 1. You will not provide any false personal information on Facebook, or create an account for anyone other than yourself without permission.
- You will not create more than one personal profile.
 If we disable your account, you will not create another one without our permission.
- You will not use your personal profile for your own commercial gain (such as selling your status update to an advertiser). 4.
- 5.
- 6.
- You will not use Facebook if you are under 13. You will not use Facebook if you are a convicted sex offender. You will keep your contact information accurate and up-to-date.
- 8. You will not share your password, (or in the case of developers, your secret key), let anyone else access your account, or do anything else that might jeopardize the security of your account.
- You will not transfer your account (including any page or application you administer) to anyone without first getting our written permission.
 If you select a username for your account we reserve the right to remove or reclaim it if we believe appropriate (such as when a trademark owner complains) about a username that does not closely relate to a user's actual name).

5. Protecting Other People's Rights

We respect other people's rights, and expect you to do the same.

- 1. You will not post content or take any action on Facebook that infringes or violates someone else's rights or otherwise violates the law.
- We can remove any content or information you post on Facebook if we believe that it violates this Statement.
- 3. We will provide you with tools to help you protect your intellectual property rights. To learn more, visit our How to Report Claims of Intellectual Property Infringement page.
- 4. If we remove your content for infringing someone else's copyright, and you believe we removed it by mistake, we will provide you with an opportunity to appeal.
- 5. If you repeatedly infringe other people's intellectual property rights, we will disable your account when appropriate. 6. You will not use our copyrights or trademarks (including Facebook, the Facebook and F Logos, FB, Face, Poke, Wall and 32665), or any confusingly similar marks, without our written permission.
- 7. If you collect information from users, you will: obtain their consent, make it clear you (and not Facebook) are the one collecting their information, and post a privacy policy explaining what information you collect and how you will use it.
- 8. You will not post anyone's identification documents or sensitive financial information on Facebook.
- 9. You will not tag users or send email invitations to non-users without their consent.
- 6 Mobile
 - 1. We currently provide our mobile services for free, but please be aware that your carrier's normal rates and fees, such as text messaging fees, will still apply. 2. In the event you change or deactivate your mobile telephone number, you will update your account information on Facebook within 48 hours to ensure that your messages are not sent to the person who acquires your old number.
 - 3. You provide all rights necessary to enable users to sync (including through an application) their contact lists with any basic information and contact information that is visible to them on Facebook, as well as your name and profile picture.

7. Payments

If you make a payment on Facebook or use Facebook Credits, you agree to our Payments Terms.

8. Special Provisions Applicable to Share Links

If you include our Share Link button on your website, the following additional terms apply to you:

- 1. We give you permission to use Facebook's Share Link button so that users can post links or content from your website on Facebook.
- You give us permission to use and allow others to use such links and content on Facebook.



3. You will not place a Share Link button on any page containing content that would violate this Statement if posted on Facebook.

9. Special Provisions Applicable to Developers/Operators of Applications and Websites

- If you are a developer or operator of a Platform application or website, the following additional terms apply to you: 1. You are responsible for your application and its content and all uses you make of Platform. This includes ensuring your application or use of Platform meets our Developer Principles and Policies and our Advertising Guidelines.
 - 2. Your access to and use of data you receive from Facebook, will be limited as follows:
 - 1. You will only request data you need to operate your application. 2. You will have a privacy policy that tells users what user data you are going to use and how you will use, display, share, or transfer that data.
 - You will not use, display, share, or transfer a user's data in a manner inconsistent with your privacy policy.
 - 4. You will delete all data you receive from us concerning a user if the user asks you to do so, and will provide a mechanism for users to make such a request
 - You will not include data you receive from us concerning a user in any advertising creative. 5.
 - You will not directly or indirectly transfer any data you receive from us to (or use such data in connection with) any ad network, ad exchange, data broker, or other advertising related toolset, even if a user consents to that transfer or use. 6.
 - We can limit your access to data.
 - You will comply with all other restrictions contained in our Developer Principles and Policies. 8.
 - 3. You will not give us information that you independently collect from a user or a user's content without that user's consent.
 - 4. You will make it easy for users to remove or disconnect from your application.
 - 5. You will make it easy for users to contact you. We can also share your email address with users and others claiming that you have infringed or otherwise violated their rights.
 - 6. You will provide customer support for your application.
 - You will not show third party ads or web search boxes on Facebook.
 - 8. We give you all rights necessary to use the code, APIs, data, and tools you receive from us. 9. You will not sell, transfer, or sublicense our code, APIs, or tools to anyone.
 - 10. You will not misrepresent your relationship with Facebook to others.
 - 11. You may use the logos we make available to developers or issue a press release or other public statement so long as you follow our Developer Principles and Policies
 - 12. We can issue a press release describing our relationship with you.
 - 13. You will comply with all applicable laws. In particular you will (if applicable):
- have a policy for removing infringing content and terminating repeat infringers that complies with the Digital Millennium Copyright Act.
 comply with the Video Privacy Protection Act ("VPPA"), and obtain any opt-in consent necessary from users so that user data subject to the VPPA may be shared on Facebook. You represent that any disclosure to us will not be incidental to the ordinary course of your business.
 - 14. We do not guarantee that Platform will always be free.
 - 15. You give us all rights necessary to enable your application to work with Facebook, including the right to incorporate content and information you provide to us into streams, profiles, and user action stories.
 - 16. You give us the right to link to or frame your application, and place content, including ads, around your application.
 - 17. We can analyze your application, content, and data for any purpose, including commercial (such as for targeting the delivery of advertisements and indexing content for search).

 - To ensure your application is safe for users, we can audit it.
 We can create applications that offer similar features and services to, or otherwise compete with, your application.

10. About Advertisements on Facebook

- Our goal is to deliver ads that are not only valuable to advertisers, but also valuable to you. In order to do that, you agree to the following:
 1. You can use your privacy settings to limit how your name and profile picture may be associated with commercial or sponsored content served by us. You give us
 permission to use your name and profile picture in connection with that content, subject to the limits you place.
 - We do not give your content or information to advertisers without your consent.
 - 3. You understand that we may not always identify paid services and communications as such.

11. Special Provisions Applicable to Advertisers

You can target your specific audience by buying ads on Facebook or our publisher network. The following additional terms apply to you if you place an order through our online advertising portal ("Order"):

- 1. When you place an Order, you will tell us the type of advertising you want to buy, the amount you want to spend, and your bid. If we accept your Order, we will deliver your ads as inventory becomes available.
- You will pay for your Orders in accordance with our Payments Terms. The amount you owe will be calculated based on our tracking mechanisms. 2.
- 3. Your ads will comply with our Advertising Guidelines.
- 4. We will determine the size, placement, and positioning of your ads.
- 5. We do not guarantee the activity that your ads will receive, such as the number of clicks you will get.
- 6. We cannot control how people interact with your ads, and are not responsible for click fraud or other improper actions that affect the cost of running ads. We do, however, have systems to detect and filter certain suspicious activity, learn more here
- 7. You can cancel your Order at any time through our online portal, but it may take up to 24 hours before the ad stops running. You are responsible for paying for those ads.
- 8. Our license to run your ad will end when we have completed your Order. You understand, however, that if users have interacted with your ad, your ad may remain until the users delete it.
- 9. We can use your ads and related content and information for marketing or promotional purposes.
- 10. You will not issue any press release or make public statements about your relationship with Facebook without written permission.
- 11. We may reject or remove any ad for any reason.
- If you are placing ads on someone else's behalf, we need to make sure you have permission to place those ads, including the following:
- 12. You warrant that you have the legal authority to bind the advertiser to this Statement.
- 13. You agree that if the advertiser you represent violates this Statement, we may hold you responsible for that violation.

12. Special Provisions Applicable to Pages

If you create or administer a Page on Facebook, you agree to our Pages Terms.

13. Amendments

- 1. We can change this Statement if we provide you notice (by posting the change on the Facebook Site Governance Page) and an opportunity to comment To get notice of any future changes to this Statement, visit our Facebook Site Governance Page and become a fan.
- 2. For changes to sections 7, 8, 9, and 11 (sections relating to payments, application developers, website operators, and advertisers), we will give you a minimum of three days notice. For all other changes we will give you a minimum of seven days notice. All such comments must be made on the Facebook Site Governance Page.
- 3. If more than 7,000 users comment on the proposed change, we will also give you the opportunity to participate in a vote in which you will be provided alternatives. The vote shall be binding on us if more than 30% of all active registered users as of the date of the notice vote.
- 4. We can make changes for legal or administrative reasons, or to correct an inaccurate statement, upon notice without opportunity to comment.

14. Termination

If you violate the letter or spirit of this Statement, or otherwise create risk or possible legal exposure for us, we can stop providing all or part of Facebook to you. We will notify you by email or at the next time you attempt to access your account. You may also delete your account or disable your application at any time. In all such cases, this Statement shall terminate, but the following provisions will still apply: 2.2, 2.4, 3-5, 8.2, 9.1-9.3, 9.9, 9.10, 9.13, 9.15, 9.18, 10.3, 11.2, 11.5, 11.6, 11.9, 11.12, 11.13, and 14-18.

- 15. Disputes
 - 1. You will resolve any claim, cause of action or dispute ("claim") you have with us arising out of or relating to this Statement or Facebook exclusively in a state or federal court located in Santa Clara County. The laws of the State of California will govern this Statement, as well as any claim that might arise between you and us, without regard to conflict of law provisions. You agree to submit to the personal jurisdiction of the courts located in Santa Clara County, California for the purpose of litigating all such claims. 2. If anyone brings a claim against us related to your actions, content or information on Facebook, you will indemnify and hold us harmless from and against all
 - damages, losses, and expenses of any kind (including reasonable legal fees and costs) related to such claim.
 - 3. WE TRY TO KEEP FACEBOOK UP, BUG-FREE, AND SAFE, BUT YOU USE IT AT YOUR OWN RISK. WE ARE PROVIDING FACEBOOK "AS IS" WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. WE DO NOT GUARANTEE THAT FACEBOOK WILL BE SAFE OR SECURE. FACEBOOK IS NOT RESPONSIBLE FOR THE ACTIONS, CONTENT, INFORMATION, OR DATA OF THIRD PARTIES, AND YOU RELEASE US, OUR DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS FROM ANY CLAIMS AND DAMAGES,

KNOWN AND UNKNOWN, ARISING OUT OF OR IN ANY WAY CONNECTED WITH ANY CLAIM YOU HAVE AGAINST ANY SUCH THIRD PARTIES. IF YOU ARE A CALIFORNIA RESIDENT, YOU WAIVE CALIFORNIA CIVIL CODE §1542, WHICH SAYS: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR." WE WILL NOT BE LIABLE TO YOU FOR ANY LOST PROFITS OR OTHER CONSEQUENTIAL, SPECIAL, INDIRECT, OR INCIDENTAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS STATEMENT OR FACEBOOK, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. OUR AGGREGATE LIABILITY ARISING OUT OF THIS STATEMENT OR FACEBOOK WILL NOT EXCEED THE GREATER OF ONE HUNDRED DOLLARS (\$100) OR THE AMOUNT YOU HAVE PAID US IN THE PAST TWELVE MONTHS. APPLICABLE LAW MAY NOT ALLOW THE LIMITATION OR EXCLUSION OF LIABILITY OR INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU. IN SUCH CASES, FACEBOOK'S LIABILITY WILL BE LIMITED TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.

16. Special Provisions Applicable to Users Outside the United States

We strive to create a global community with consistent standards for everyone, but we also strive to respect local laws. The following provisions apply to users outside the United States:

- 1. You consent to having your personal data transferred to and processed in the United States.
- 2. If you are located in a country embargoed by the United States, or are on the U.S. Treasury Department's list of Specially Designated Nationals you will not engage in commercial activities on Facebook (such as advertising or payments) or operate a Platform application or website.
- 3. Certain specific terms that apply only for German users are available here.
- 17. Definitions
 - 1. By "Facebook" we mean the features and services we make available, including through (a) our website at www.facebook.com and any other Facebook branded or co-branded websites (including sub-domains, international versions, widgets, and mobile versions); (b) our Platform; and (c) other media, software (such as a toolbar), devices, or networks now existing or later developed.
 - 2. By "Platform" we mean a set of APIs and services that enable others, including application developers and website operators, to retrieve data from Facebook or provide data to us.

 - By "information" we mean facts and other information about you, including actions you take.
 By "content" we mean anything you post on Facebook that would not be included in the definition of "information."
 - 5. By "data" we mean content and information that third parties can retrieve from Facebook or provide to Facebook through Platform.
 - 6. By "post" we mean post on Facebook or otherwise make available to us (such as by using an application).
 - 7. By "use" we mean use, copy, publicly perform or display, distribute, modify, translate, and create derivative works of.

 - By "active registered user" we mean a user who has logged into Facebook at least once in the previous 30 days.
 By "application" we mean any application or website that uses or accesses Platform, as well as anything else that receives data from us.

18. Other

- 1. If you are a resident of or have your principle place of business in the US or Canada, this Statement is an agreement between you and Facebook, Inc. Otherwise, this Statement is an agreement between you and Facebook Ireland Limited. References to "us," "we," and "our" mean either Facebook, Inc. or Facebook Ireland Limited, as appropriate.
- 2. This Statement makes up the entire agreement between the parties regarding Facebook, and supersedes any prior agreements.
- 3. If any portion of this Statement is found to be unenforceable, the remaining portion will remain in full force and effect.
- 4. If we fail to enforce any of this Statement, it will not be considered a waiver.
- 5. Any amendment to or waiver of this Statement must be made in writing and signed by us.
- You will not transfer any of your rights or obligations under this Statement to anyone else without our consent.
 All of our rights and obligations under this Statement are freely assignable by us in connection with a merger, acquisition, or sale of assets, or by operation of law or otherwise.
- 8. Nothing in this Statement shall prevent us from complying with the law.
- 9. This Statement does not confer any third party beneficiary rights.

You may also want to review the following documents:

Privacy Policy: The Privacy Policy is designed to help you understand how we collect and use information.

Payment Terms: These additional terms apply to all payments made on or through Facebook.

About Platform: This page helps you better understand what happens when you add a third-party application or use Facebook Connect, including how they may access and use your data.

Developer Principles and Policies: These guidelines outline the policies that apply to applications, including Connect sites.

Advertising Guidelines: These guidelines outline the policies that apply to advertisements placed on Facebook.

Promotions Guidelines: These guidelines outline the policies that apply if you have obtained written pre-approval from us to offer contests, sweepstakes, and other types of promotions on Facebook.

How to Report Claims of Intellectual Property Infringement How to Appeal Claims of Copyright Infringement Pages Terms

To access the Statement of Rights and Responsibilities in several different languages, please use the following links:

French translation (Francais) Italian translation (Italiano) German translation (Deutsch) Spanish translation (Español)

Facebook © 2010 · English (US)

About · Advertising · Developers · Careers · Privacy · Terms · Help

Chat (6)

CX0101

Exhibit G

This agreement was written in English (US). To the extent any translated version of this agreement conflicts with the English version, the English version controls. Please note that Section 16 contains certain changes to the general terms for users outside the United States.

Date of Last Revision: April 26, 2011.

Statement of Rights and Responsibilities

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1. Privacy

Your privacy is very important to us. We designed our <u>Privacy Policy</u> to make important disclosures about how you can use Facebook to share with others and how we collect and can use your content and information. We encourage you to read the Privacy Policy, and to use it to help make informed decisions.

2. Sharing Your Content and Information

You own all of the content and information you post on Facebook, and you can control how it is shared through your <u>privacy</u> and <u>application settings</u>. In addition:

- For content that is covered by intellectual property rights, like photos and videos (IP content), you specifically give us the following permission, subject to your <u>privacy</u> and <u>application settings</u>: you grant us a non-exclusive, transferable, sub-licensable, royalty-free, worldwide license to use any IP content that you post on or in connection with Facebook (IP License). This IP License ends when you delete your IP content or your account unless your content has been shared with others, and they have not deleted it.
- 2. When you delete IP content, it is deleted in a manner similar to emptying the recycle bin on a computer. However, you understand that removed content may persist in backup copies for a reasonable period of time (but will not be available to others).
- 3. When you use an application, your content and information is shared with the application. We require applications to respect your privacy, and your agreement with that application will control how the application can use, store, and transfer that content and information. (To learn more about Platform, read our <u>Privacy Policy</u> and <u>Platform</u> <u>Page</u>.)
- 4. When you publish content or information using the everyone setting, it means that you are allowing everyone, including people off of Facebook, to access and use that information, and to associate it with you (i.e., your name and profile picture).
- 5. We always appreciate your feedback or other suggestions about Facebook, but you understand that we may use them without any obligation to compensate you for them (just as you have no obligation to offer them).

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We do our best to keep Facebook safe, but we cannot guarantee it. We need your help to do that, which includes the following commitments:

- 1. You will not send or otherwise post unauthorized commercial communications (such as spam) on Facebook.
- 2. You will not collect users' content or information, or otherwise access Facebook, using automated means (such as harvesting bots, robots, spiders, or scrapers) without our permission.
- 3. You will not engage in unlawful multi-level marketing, such as a pyramid scheme, on Facebook.
- 4. You will not upload viruses or other malicious code.
- 5. You will not solicit login information or access an account belonging to someone else.
- 6. You will not bully, intimidate, or harass any user.
- 7. You will not post content that: is hateful, threatening, or pornographic; incites violence; or contains nudity or graphic or gratuitous violence.
- 8. You will not develop or operate a third-party application containing alcohol-related or other mature content (including advertisements) without appropriate age-based restrictions.
- 9. You will follow our <u>Promotions Guidelines</u> and all applicable laws if you publicize or offer any contest, giveaway, or sweepstakes ("promotion") on Facebook.
- 10. You will not use Facebook to do anything unlawful, misleading, malicious, or discriminatory.
- 11. You will not do anything that could disable, overburden, or impair the proper working of Facebook, such as a denial of service attack.
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- 3. If we disable your account, you will not create another one without our permission.
- 4. You will not use your personal profile for your own commercial gain (such as selling your status update to an advertiser).
- 5. You will not use Facebook if you are under 13.
- 6. You will not use Facebook if you are a convicted sex offender.
- 7. You will keep your contact information accurate and up-to-date.
- 8. You will not share your password, (or in the case of developers, your secret key), let anyone else access your account, or do anything else that might jeopardize the security of your account.
- 9. You will not transfer your account (including any page or application you administer) to

anyone without first getting our written permission.

10. If you select a username for your account we reserve the right to remove or reclaim it if we believe appropriate (such as when a trademark owner complains about a username that does not closely relate to a user's actual name).

5. Protecting Other People's Rights

We respect other people's rights, and expect you to do the same.

- 1. You will not post content or take any action on Facebook that infringes or violates someone else's rights or otherwise violates the law.
- 2. We can remove any content or information you post on Facebook if we believe that it violates this Statement.
- 3. We will provide you with tools to help you protect your intellectual property rights. To learn more, visit our <u>How to Report Claims of Intellectual Property Infringement</u> page.
- 4. If we remove your content for infringing someone else's copyright, and you believe we removed it by mistake, we will provide you with an opportunity to appeal.
- 5. If you repeatedly infringe other people's intellectual property rights, we will disable your account when appropriate.
- 6. You will not use our copyrights or trademarks (including Facebook, the Facebook and F Logos, FB, Face, Poke, Wall and 32665), or any confusingly similar marks, without our written permission.
- 7. If you collect information from users, you will: obtain their consent, make it clear you (and not Facebook) are the one collecting their information, and post a privacy policy explaining what information you collect and how you will use it.
- 8. You will not post anyone's identification documents or sensitive financial information on Facebook.
- 9. You will not tag users or send email invitations to non-users without their consent.

6. Mobile

- 1. We currently provide our mobile services for free, but please be aware that your carrier's normal rates and fees, such as text messaging fees, will still apply.
- 2. In the event you change or deactivate your mobile telephone number, you will update your account information on Facebook within 48 hours to ensure that your messages are not sent to the person who acquires your old number.
- 3. You provide all rights necessary to enable users to sync (including through an application) their contact lists with any basic information and contact information that is visible to them on Facebook, as well as your name and profile picture.

7. Payments and Deals

- 1. If you make a payment on Facebook or use Facebook Credits, you agree to our <u>Payments</u> <u>Terms</u>.
- 2. If purchase a Deal, you agree to our <u>Deals Terms</u>.
- 3. If you provide a Deal or partner with us to provide a Deal, you agree to the <u>Merchant</u> <u>Deal Terms</u> in addition to any other agreements you may have with us.

8. Special Provisions Applicable to Share Links

If you include our Share Link button on your website, the following additional terms apply to you:

- 1. We give you permission to use Facebook's Share Link button so that users can post links or content from your website on Facebook.
- 2. You give us permission to use and allow others to use such links and content on Facebook.
- 3. You will not place a Share Link button on any page containing content that would violate this Statement if posted on Facebook.

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If you are a developer or operator of a Platform application or website, the following additional terms apply to you:

- 1. You are responsible for your application and its content and all uses you make of Platform. This includes ensuring your application or use of Platform meets our <u>Facebook</u> <u>Platform Policies</u> and our <u>Advertising Guidelines</u>.
- 2. Your access to and use of data you receive from Facebook, will be limited as follows:
 - 1. You will only request data you need to operate your application.
 - 2. You will have a privacy policy that tells users what user data you are going to use and how you will use, display, share, or transfer that data and you will include your privacy policy URL in the <u>Developer Application</u>.
 - 3. You will not use, display, share, or transfer a user's data in a manner inconsistent with your privacy policy.
 - 4. You will delete all data you receive from us concerning a user if the user asks you to do so, and will provide a mechanism for users to make such a request.
 - 5. You will not include data you receive from us concerning a user in any advertising creative.
 - 6. You will not directly or indirectly transfer any data you receive from us to (or use such data in connection with) any ad network, ad exchange, data broker, or other advertising related toolset, even if a user consents to that transfer or use.
 - 7. You will not sell user data. If you are acquired by or merge with a third party, you can continue to use user data within your application, but you cannot transfer user data outside of your application.
 - 8. We can require you to delete user data if you use it in a way that we determine is inconsistent with users' expectations.
 - 9. We can limit your access to data.
 - 10. You will comply with all other restrictions contained in our <u>Facebook Platform</u> <u>Policies</u>.
- 3. You will not give us information that you independently collect from a user or a user's content without that user's consent.
- 4. You will make it easy for users to remove or disconnect from your application.
- 5. You will make it easy for users to contact you. We can also share your email address with users and others claiming that you have infringed or otherwise violated their rights.

- 6. You will provide customer support for your application.
- 7. You will not show third party ads or web search boxes on Facebook.
- 8. We give you all rights necessary to use the code, APIs, data, and tools you receive from us.
- 9. You will not sell, transfer, or sublicense our code, APIs, or tools to anyone.
- 10. You will not misrepresent your relationship with Facebook to others.
- 11. You may use the logos we make available to developers or issue a press release or other public statement so long as you follow our <u>Facebook Platform Policies</u>.
- 12. We can issue a press release describing our relationship with you.
- 13. You will comply with all applicable laws. In particular you will (if applicable):
 - 1. have a policy for removing infringing content and terminating repeat infringers that complies with the Digital Millennium Copyright Act.
 - 2. comply with the Video Privacy Protection Act (VPPA), and obtain any opt-in consent necessary from users so that user data subject to the VPPA may be shared on Facebook. You represent that any disclosure to us will not be incidental to the ordinary course of your business.
- 14. We do not guarantee that Platform will always be free.
- 15. You give us all rights necessary to enable your application to work with Facebook, including the right to incorporate content and information you provide to us into streams, profiles, and user action stories.
- 16. You give us the right to link to or frame your application, and place content, including ads, around your application.
- 17. We can analyze your application, content, and data for any purpose, including commercial (such as for targeting the delivery of advertisements and indexing content for search).
- 18. To ensure your application is safe for users, we can audit it.
- 19. We can create applications that offer similar features and services to, or otherwise compete with, your application.

10. About Advertisements and Other Commercial Content Served or Enhanced by Facebook

Our goal is to deliver ads that are not only valuable to advertisers, but also valuable to you. In order to do that, you agree to the following:

- 1. You can use your <u>privacy settings</u> to limit how your name and profile picture may be associated with commercial, sponsored, or related content (such as a brand you like) served or enhanced by us. You give us permission to use your name and profile picture in connection with that content, subject to the limits you place.
- 2. We do not give your content or information to advertisers without your consent.
- 3. You understand that we may not always identify paid services and communications as such.

11. Special Provisions Applicable to Advertisers

You can target your specific audience by buying ads on Facebook or our publisher network. The following additional terms apply to you if you place an order through our online advertising

portal (Order):

- 1. When you place an Order, you will tell us the type of advertising you want to buy, the amount you want to spend, and your bid. If we accept your Order, we will deliver your ads as inventory becomes available. When serving your ad, we do our best to deliver the ads to the audience you specify, although we cannot guarantee in every instance that your ad will reach its intended target.
- 2. In instances where we believe doing so will enhance the effectiveness of your advertising campaign, we may broaden the targeting criteria you specify.
- 3. You will pay for your Orders in accordance with our <u>Payments Terms</u>. The amount you owe will be calculated based on our tracking mechanisms.
- 4. Your ads will comply with our <u>Advertising Guidelines</u>.
- 5. We will determine the size, placement, and positioning of your ads.
- 6. We do not guarantee the activity that your ads will receive, such as the number of clicks you will get.
- 7. We cannot control how people interact with your ads, and are not responsible for click fraud or other improper actions that affect the cost of running ads. We do, however, have systems to detect and filter certain suspicious activity, learn more <u>here</u>.
- 8. You can cancel your Order at any time through our online portal, but it may take up to 24 hours before the ad stops running. You are responsible for paying for those ads.
- 9. Our license to run your ad will end when we have completed your Order. You understand, however, that if users have interacted with your ad, your ad may remain until the users delete it.
- 10. We can use your ads and related content and information for marketing or promotional purposes.
- 11. You will not issue any press release or make public statements about your relationship with Facebook without written permission.
- 12. We may reject or remove any ad for any reason.
- 13. If you are placing ads on someone else's behalf, we need to make sure you have permission to place those ads, including the following:
 - 1. You warrant that you have the legal authority to bind the advertiser to this Statement.
 - 2. You agree that if the advertiser you represent violates this Statement, we may hold you responsible for that violation.

12. Special Provisions Applicable to Pages

If you create or administer a Page on Facebook, you agree to our Pages Terms.

13. Amendments

- 1. We can change this Statement if we provide you notice (by posting the change on the <u>Facebook Site Governance Page</u>) and an opportunity to comment. To get notice of any future changes to this Statement, visit our <u>Facebook Site Governance Page</u> and become a fan.
- 2. For changes to sections 7, 8, 9, and 11 (sections relating to payments, application developers, website operators, and advertisers), we will give you a minimum of three days notice. For all other changes we will give you a minimum of seven days notice. All

such comments must be made on the Facebook Site Governance Page.

- 3. If more than 7,000 users comment on the proposed change, we will also give you the opportunity to participate in a vote in which you will be provided alternatives. The vote shall be binding on us if more than 30% of all active registered users as of the date of the notice vote.
- 4. We can make changes for legal or administrative reasons, or to correct an inaccurate statement, upon notice without opportunity to comment.

14. Termination

If you violate the letter or spirit of this Statement, or otherwise create risk or possible legal exposure for us, we can stop providing all or part of Facebook to you. We will notify you by email or at the next time you attempt to access your account. You may also delete your account or disable your application at any time. In all such cases, this Statement shall terminate, but the following provisions will still apply: 2.2, 2.4, 3-5, 8.2, 9.1-9.3, 9.9, 9.10, 9.13, 9.15, 9.18, 10.3, 11.2, 11.5, 11.6, 11.9, 11.12, 11.13, and 14-18.

15. Disputes

- 1. You will resolve any claim, cause of action or dispute (claim) you have with us arising out of or relating to this Statement or Facebook exclusively in a state or federal court located in Santa Clara County. The laws of the State of California will govern this Statement, as well as any claim that might arise between you and us, without regard to conflict of law provisions. You agree to submit to the personal jurisdiction of the courts located in Santa Clara County, California for the purpose of litigating all such claims.
- 2. If anyone brings a claim against us related to your actions, content or information on Facebook, you will indemnify and hold us harmless from and against all damages, losses, and expenses of any kind (including reasonable legal fees and costs) related to such claim.
- 3. WE TRY TO KEEP FACEBOOK UP, BUG-FREE, AND SAFE, BUT YOU USE IT AT YOUR OWN RISK. WE ARE PROVIDING FACEBOOK AS IS WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. WE DO NOT GUARANTEE THAT FACEBOOK WILL BE SAFE OR SECURE. FACEBOOK IS NOT RESPONSIBLE FOR THE ACTIONS, CONTENT, INFORMATION, OR DATA OF THIRD PARTIES, AND YOU RELEASE US, OUR DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS FROM ANY CLAIMS AND DAMAGES, KNOWN AND UNKNOWN, ARISING OUT OF OR IN ANY WAY CONNECTED WITH ANY CLAIM YOU HAVE AGAINST ANY SUCH THIRD PARTIES. IF YOU ARE A CALIFORNIA RESIDENT, YOU WAIVE CALIFORNIA CIVIL CODE §1542, WHICH SAYS: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR. WE WILL NOT BE LIABLE TO YOU FOR ANY LOST PROFITS OR OTHER

CONSEQUENTIAL, SPECIAL, INDIRECT, OR INCIDENTAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS STATEMENT OR FACEBOOK, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. OUR AGGREGATE LIABILITY ARISING OUT OF THIS STATEMENT OR FACEBOOK WILL NOT EXCEED THE GREATER OF ONE HUNDRED DOLLARS (\$100) OR THE AMOUNT YOU HAVE PAID US IN THE PAST TWELVE MONTHS. APPLICABLE LAW MAY NOT ALLOW THE LIMITATION OR EXCLUSION OF LIABILITY OR INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU. IN SUCH CASES, FACEBOOK'S LIABILITY WILL BE LIMITED TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.

16. Special Provisions Applicable to Users Outside the United States

We strive to create a global community with consistent standards for everyone, but we also strive to respect local laws. The following provisions apply to users outside the United States:

- 1. You consent to having your personal data transferred to and processed in the United States.
- 2. If you are located in a country embargoed by the United States, or are on the U.S. Treasury Department's list of Specially Designated Nationals you will not engage in commercial activities on Facebook (such as advertising or payments) or operate a Platform application or website.
- 3. Certain specific terms that apply only for German users are available here.

17. **Definitions**

- By Facebook we mean the features and services we make available, including through (a) our website at <u>www.facebook.com</u> and any other Facebook branded or co-branded websites (including sub-domains, international versions, widgets, and mobile versions);
 (b) our Platform; (c) social plugins such as the like button, the share button and other similar offerings and (d) other media, software (such as a toolbar), devices, or networks now existing or later developed.
- 2. By Platform we mean a set of APIs and services that enable others, including application developers and website operators, to retrieve data from Facebook or provide data to us.
- 3. By information we mean facts and other information about you, including actions you take.
- 4. By content we mean anything you post on Facebook that would not be included in the definition of information.
- 5. By data we mean content and information that third parties can retrieve from Facebook or provide to Facebook through Platform.
- 6. By post we mean post on Facebook or otherwise make available to us (such as by using an application).
- 7. By use we mean use, copy, publicly perform or display, distribute, modify, translate, and create derivative works of.
- 8. By active registered user we mean a user who has logged into Facebook at least once in the previous 30 days.

9. By application we mean any application or website that uses or accesses Platform, as well as anything else that receives or has received data from us. If you no longer access Platform but have not deleted all data from us, the term application will apply until you delete the data.

18. **Other**

- 1. If you are a resident of or have your principal place of business in the US or Canada, this Statement is an agreement between you and Facebook, Inc. Otherwise, this Statement is an agreement between you and Facebook Ireland Limited. References to "us," "we," and "our" mean either Facebook, Inc. or Facebook Ireland Limited, as appropriate.
- 2. This Statement makes up the entire agreement between the parties regarding Facebook, and supersedes any prior agreements.
- 3. If any portion of this Statement is found to be unenforceable, the remaining portion will remain in full force and effect.
- 4. If we fail to enforce any of this Statement, it will not be considered a waiver.
- 5. Any amendment to or waiver of this Statement must be made in writing and signed by us.
- 6. You will not transfer any of your rights or obligations under this Statement to anyone else without our consent.
- 7. All of our rights and obligations under this Statement are freely assignable by us in connection with a merger, acquisition, or sale of assets, or by operation of law or otherwise.
- 8. Nothing in this Statement shall prevent us from complying with the law.
- 9. This Statement does not confer any third party beneficiary rights.
- 10. You will comply with all applicable laws when using or accessing Facebook.

You may also want to review the following documents:

- <u>Privacy Policy</u>: The Privacy Policy is designed to help you understand how we collect and use information.
- <u>Payment Terms</u>: These additional terms apply to all payments made on or through Facebook.
- <u>Platform Page</u>: This page helps you better understand what happens when you add a third-party application or use Facebook Connect, including how they may access and use your data.
- <u>Facebook Platform Policies</u>: These guidelines outline the policies that apply to applications, including Connect sites.
- <u>Advertising Guidelines</u>: These guidelines outline the policies that apply to advertisements placed on Facebook.
- <u>Promotions Guidelines</u>: These guidelines outline the policies that apply if you have obtained written pre-approval from us to offer contests, sweepstakes, and other types of promotions on Facebook.
- How to Report Claims of Intellectual Property Infringement
- How to Appeal Claims of Copyright Infringement
- Pages Terms
- To access the Statement of Rights and Responsibilities in several different languages,

change the language setting for your Facebook session by clicking on the language link in the left corner of most pages. If the Statement is not available in the language you select, we will default to the English version.

CX0102

Exhibit H

CX0102-001

This agreement was written in English (US). To the extent any translated version of this agreement conflicts with the English version, the English version controls. Please note that Section 16 contains certain changes to the general terms for users outside the United States.

Date of Last Revision: June 8, 2012.

Statement of Rights and Responsibilities

This Statement of Rights and Responsibilities ("Statement," "Terms," or "SRR") derives from the <u>Facebook Principles</u>, and is our terms of service that governs our relationship with users and others who interact with Facebook. By using or accessing Facebook, you agree to this Statement, as updated from time to time in accordance with Section 14 below. Additionally, you will find resources at the end of this document that help you understand how Facebook works.

1. Privacy

Your privacy is very important to us. We designed our <u>Data Use</u> <u>Policy</u> to make important disclosures about how you can use Facebook to share with others and how we collect and can use your content and information. We encourage you to read the Data Use Policy, and to use it to help you make informed decisions.

2. Sharing Your Content and Information

You own all of the content and information you post on Facebook, and you can control how it is shared through your <u>privacy</u> and <u>application settings</u>. In addition:

- For content that is covered by intellectual property rights, like photos and videos (IP content), you specifically give us the following permission, subject to your privacy and application settings: you grant us a non-exclusive, transferable, sublicensable, royalty-free, worldwide license to use any IP content that you post on or in connection with Facebook (IP License). This IP License ends when you delete your IP content or your account unless your content has been shared with others, and they have not deleted it.
- 2. When you delete IP content, it is deleted in a manner similar to emptying the recycle bin on a computer. However, you understand that removed content may persist in backup copies for a reasonable period of time (but will not be available to others).
- 3. When you use an application, the application may ask for your permission to access your content and information as well as content and information that others have shared with you. We require applications to respect your privacy, and your agreement with that application will control how the application can use, store, and transfer that content and information. (To learn more about Platform, including how you can control what information other people may share with applications, read our <u>Data Use Policy</u> and <u>Platform Page</u>.)
- 4. When you publish content or information using the Public setting, it means that you are allowing everyone, including people off of Facebook, to access and use that information,

and to associate it with you (i.e., your name and profile picture).

5. We always appreciate your feedback or other suggestions about Facebook, but you understand that we may use them without any obligation to compensate you for them (just as you have no obligation to offer them).

3. Safety

We do our best to keep Facebook safe, but we cannot guarantee it. We need your help to keep Facebook safe, which includes the following commitments by you:

- 1. You will not post unauthorized commercial communications (such as spam) on Facebook.
- 2. You will not collect users' content or information, or otherwise access Facebook, using automated means (such as harvesting bots, robots, spiders, or scrapers) without our prior permission.
- 3. You will not engage in unlawful multi-level marketing, such as a pyramid scheme, on Facebook.
- 4. You will not upload viruses or other malicious code.
- 5. You will not solicit login information or access an account belonging to someone else.
- 6. You will not bully, intimidate, or harass any user.
- 7. You will not post content that: is hate speech, threatening, or pornographic; incites violence; or contains nudity or graphic or gratuitous violence.
- 8. You will not develop or operate a third-party application containing alcohol-related, dating or other mature content (including advertisements) without appropriate age-based restrictions.
- 9. You will follow our <u>Promotions Guidelines</u> and all applicable laws if you publicize or offer any contest, giveaway, or sweepstakes ("promotion") on Facebook.
- 10. You will not use Facebook to do anything unlawful, misleading, malicious, or discriminatory.
- 11. You will not do anything that could disable, overburden, or impair the proper working or appearance of Facebook, such as a denial of service attack or interference with page rendering or other Facebook functionality.
- 12. You will not facilitate or encourage any violations of this Statement or our policies.

4. Registration and Account Security

Facebook users provide their real names and information, and we need your help to keep it that way. Here are some commitments you make to us relating to registering and maintaining the security of your account:

- 1. You will not provide any false personal information on Facebook, or create an account for anyone other than yourself without permission.
- 2. You will not create more than one personal account.
- 3. If we disable your account, you will not create another one without our permission.
- 4. You will not use your personal timeline for your own commercial gain (such as selling your status update to an advertiser).

- 5. You will not use Facebook if you are under 13.
- 6. You will not use Facebook if you are a convicted sex offender.
- 7. You will keep your contact information accurate and up-todate.
- 8. You will not share your password (or in the case of developers, your secret key), let anyone else access your account, or do anything else that might jeopardize the security of your account.
- 9. You will not transfer your account (including any Page or application you administer) to anyone without first getting our written permission.
- 10. If you select a username or similar identifier for your account or Page, we reserve the right to remove or reclaim it if we believe it is appropriate (such as when a trademark owner complains about a username that does not closely relate to a user's actual name).

5. Protecting Other People's Rights

We respect other people's rights, and expect you to do the same.

- 1. You will not post content or take any action on Facebook that infringes or violates someone else's rights or otherwise violates the law.
- 2. We can remove any content or information you post on Facebook if we believe that it violates this Statement or our policies.
- 3. We provide you with tools to help you protect your intellectual property rights. To learn more, visit our <u>How to Report</u> <u>Claims of Intellectual Property Infringement</u> page.
- 4. If we remove your content for infringing someone else's copyright, and you believe we removed it by mistake, we will provide you with an opportunity to appeal.
- 5. If you repeatedly infringe other people's intellectual property rights, we will disable your account when appropriate.
- 6. You will not use our copyrights or trademarks (including Facebook, the Facebook and F Logos, FB, Face, Poke, Book and Wall), or any confusingly similar marks, except as expressly permitted by our Brand Usage Guidelines or with our prior written permission.
- 7. If you collect information from users, you will: obtain their consent, make it clear you (and not Facebook) are the one collecting their information, and post a privacy policy explaining what information you collect and how you will use it.
- 8. You will not post anyone's identification documents or sensitive financial information on Facebook.
- 9. You will not tag users or send email invitations to non-users without their consent. Facebook offers social reporting tools to enable users to provide feedback about tagging.

6. Mobile and Other Devices

- 1. We currently provide our mobile services for free, but please be aware that your carrier's normal rates and fees, such as text messaging fees, will still apply.
- 2. In the event you change or deactivate your mobile telephone number, you will update your account information on Facebook within 48 hours to ensure that your messages are

not sent to the person who acquires your old number.

3. You provide consent and all rights necessary to enable users to sync (including through an application) their devices with any information that is visible to them on Facebook.

7. Payments

If you make a payment on Facebook or use Facebook Credits, you agree to our <u>Payments Terms</u>.

8. Special Provisions Applicable to Social Plugins

If you include our Social Plugins, such as the Share or Like buttons on your website, the following additional terms apply to you:

- 1. We give you permission to use Facebook's Social Plugins so that users can post links or content from your website on Facebook.
- 2. You give us permission to use and allow others to use such links and content on Facebook.
- 3. You will not place a Social Plugin on any page containing content that would violate this Statement if posted on Facebook.

9. Special Provisions Applicable to Developers/Operators of Applications and Websites

If you are a developer or operator of a Platform application or website, the following additional terms apply to you:

- 1. You are responsible for your application and its content and all uses you make of Platform. This includes ensuring your application or use of Platform meets our Facebook Platform <u>Policies</u> and our <u>Advertising Guidelines</u>.
- 2. Your access to and use of data you receive from Facebook, will be limited as follows:
 - 1. You will only request data you need to operate your application.
 - 2. You will have a privacy policy that tells users what user data you are going to use and how you will use, display, share, or transfer that data and you will include your privacy policy URL in the <u>Developer Application</u>.
 - 3. You will not use, display, share, or transfer a user's data in a manner inconsistent with your privacy policy.
 - 4. You will delete all data you receive from us concerning a user if the user asks you to do so, and will provide a mechanism for users to make such a request.
 - 5. You will not include data you receive from us concerning a user in any advertising creative.
 - 6. You will not directly or indirectly transfer any data you receive from us to (or use such data in connection with) any ad network, ad exchange, data broker, or other advertising related toolset, even if a user consents to that transfer or use.
 - 7. You will not sell user data. If you are acquired by or merge with a third party, you can continue to use user data within your application, but you cannot transfer user data outside of your application.
 - 8. We can require you to delete user data if you use it in a

way that we determine is inconsistent with users' expectations.

- 9. We can limit your access to data.
- 10. You will comply with all other restrictions contained in our Facebook Platform Policies.
- 3. You will not give us information that you independently collect from a user or a user's content without that user's consent.
- 4. You will make it easy for users to remove or disconnect from your application.
- 5. You will make it easy for users to contact you. We can also share your email address with users and others claiming that you have infringed or otherwise violated their rights.
- 6. You will provide customer support for your application.
- 7. You will not show third party ads or web search boxes on www.facebook.com.
- 8. We give you all rights necessary to use the code, APIs, data, and tools you receive from us.
- 9. You will not sell, transfer, or sublicense our code, APIs, or tools to anyone.
- 10. You will not misrepresent your relationship with Facebook to others.
- 11. You may use the logos we make available to developers or issue a press release or other public statement so long as you follow our Facebook Platform Policies.
- 12. We can issue a press release describing our relationship with you.
- 13. You will comply with all applicable laws. In particular you will (if applicable):
 - 1. have a policy for removing infringing content and terminating repeat infringers that complies with the Digital Millennium Copyright Act.
 - 2. comply with the Video Privacy Protection Act (VPPA), and obtain any opt-in consent necessary from users so that user data subject to the VPPA may be shared on Facebook. You represent that any disclosure to us will not be incidental to the ordinary course of your business.
- 14. We do not guarantee that Platform will always be free.
- 15. You give us all rights necessary to enable your application to work with Facebook, including the right to incorporate content and information you provide to us into streams, timelines, and user action stories.
- 16. You give us the right to link to or frame your application, and place content, including ads, around your application.
- 17. We can analyze your application, content, and data for any purpose, including commercial (such as for targeting the delivery of advertisements and indexing content for search).
- 18. To ensure your application is safe for users, we can audit it.
- 19. We can create applications that offer similar features and services to, or otherwise compete with, your application.

10. About Advertisements and Other Commercial Content Served or Enhanced by Facebook

Our goal is to deliver ads and commercial content that are valuable to our users and advertisers. In order to help us do that, you agree to the following:

1. You can use your privacy settings to limit how your name and

profile picture may be associated with commercial, sponsored, or related content (such as a brand you like) served or enhanced by us. You give us permission to use your name and profile picture in connection with that content, subject to the limits you place.

- 2. We do not give your content or information to advertisers without your consent.
- 3. You understand that we may not always identify paid services and communications as such.

11. Special Provisions Applicable to Advertisers

You can target your desired audience by buying ads on Facebook or our publisher network. The following additional terms apply to you if you place an order through our online advertising portal (Order):

- 1. When you place an Order, you will tell us the type of advertising you want to buy, the amount you want to spend, and your bid. If we accept your Order, we will deliver your ads as inventory becomes available. When serving your ad, we do our best to deliver the ads to the audience you specify, although we cannot guarantee in every instance that your ad will reach its intended target.
- 2. In instances where we believe doing so will enhance the effectiveness of your advertising campaign, we may broaden the targeting criteria you specify.
- 3. You will pay for your Orders in accordance with our <u>Payments</u> <u>Terms</u>. The amount you owe will be calculated based on our tracking mechanisms.
- 4. Your ads will comply with our Advertising Guidelines.
- 5. We will determine the size, placement, and positioning of your ads.
- 6. We do not guarantee the activity that your ads will receive, such as the number of clicks your ads will get.
- 7. We cannot control how clicks are generated on your ads. We have systems that attempt to detect and filter certain click activity, but we are not responsible for click fraud, technological issues, or other potentially invalid click activity that may affect the cost of running ads.
- 8. You can cancel your Order at any time through our online portal, but it may take up to 24 hours before the ad stops running. You are responsible for paying for all ads that run.
- Our license to run your ad will end when we have completed your Order. You understand, however, that if users have interacted with your ad, your ad may remain until the users delete it.
- 10. We can use your ads and related content and information for marketing or promotional purposes.
- 11. You will not issue any press release or make public statements about your relationship with Facebook without our prior written permission.
- 12. We may reject or remove any ad for any reason.
- 13. If you are placing ads on someone else's behalf, you must have permission to place those ads, including the following:
 - 1. You warrant that you have the legal authority to bind the advertiser to this Statement.
 - 2. You agree that if the advertiser you represent violates this Statement, we may hold you responsible for that violation.

12. Special Provisions Applicable to Pages

If you create or administer a Page on Facebook, you agree to our Pages Terms.

13. Special Provisions Applicable to Software

- 1. If you download our software, such as a stand-alone software product or a browser plugin, you agree that from time to time, the software may download upgrades, updates and additional features from us in order to improve, enhance and further develop the software.
- 2. You will not modify, create derivative works of, decompile or otherwise attempt to extract source code from us, unless you are expressly permitted to do so under an open source license or we give you express written permission.

14. Amendments

- 1. We can change this Statement if we provide you notice (by posting the change on the Facebook Site Governance Page) and an opportunity to comment. To get notice of any future changes to this Statement, visit our Facebook Site Governance Page and "like" the Page.
- 2. For changes to sections 7, 8, 9, and 11 (sections relating to payments, application developers, website operators, and advertisers), we will give you a minimum of three days notice. For all other changes we will give you a minimum of seven days notice. Comments to proposed changes will be made on the Facebook Site Governance Page.
- 3. If more than 7,000 users post a substantive comment on a particular proposed change, we will also give you the opportunity to participate in a vote in which you will be provided alternatives. The vote shall be binding on us if more than 30% of all active registered users as of the date of the notice vote.
- 4. If we make changes to policies referenced in or incorporated by this Statement, we may provide notice on the Site Governance Page.
- 5. We can make changes for legal or administrative reasons, or to correct an inaccurate statement, upon notice without opportunity to comment.
- 6. Your continued use of Facebook following changes to our terms constitutes your acceptance of our amended terms.

15. Termination

If you violate the letter or spirit of this Statement, or otherwise create risk or possible legal exposure for us, we can stop providing all or part of Facebook to you. We will notify you by email or at the next time you attempt to access your account. You may also delete your account or disable your application at any time. In all such cases, this Statement shall terminate, but the following provisions will still apply: 2.2, 2.4, 3-5, 8.2, 9.1-9.3, 9.9, 9.10, 9.13, 9.15, 9.18, 10.3, 11.2, 11.5, 11.6, 11.9, 11.12, 11.13, and 15-19.

16. Disputes

- 1. You will resolve any claim, cause of action or dispute (claim) you have with us arising out of or relating to this Statement or Facebook exclusively in a state or federal court located in Santa Clara County. The laws of the State of California will govern this Statement, as well as any claim that might arise between you and us, without regard to conflict of law provisions. You agree to submit to the personal jurisdiction of the courts located in Santa Clara County, California for the purpose of litigating all such claims.
- 2. If anyone brings a claim against us related to your actions, content or information on Facebook, you will indemnify and hold us harmless from and against all damages, losses, and expenses of any kind (including reasonable legal fees and costs) related to such claim. Although we provide rules for user conduct, we do not control or direct users' actions on Facebook and are not responsible for the content or information users transmit or share on Facebook. We are not responsible for any offensive, inappropriate, obscene, unlawful or otherwise objectionable content or information you may encounter on Facebook. We are not responsible for the conduct, whether online or offline, or any user of Facebook.
- 3. WE TRY TO KEEP FACEBOOK UP. BUG-FREE, AND SAFE, BUT YOU USE IT AT YOUR OWN RISK. WE ARE PROVIDING FACEBOOK AS IS WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. WE DO NOT GUARANTEE THAT FACEBOOK WILL ALWAYS BE SAFE, SECURE OR ERROR-FREE OR THAT FACEBOOK WILL ALWAYS FUNCTION WITHOUT DISRUPTIONS, DELAYS OR IMPERFECTIONS. FACEBOOK IS NOT **RESPONSIBLE FOR THE ACTIONS, CONTENT,** INFORMATION, OR DATA OF THIRD PARTIES, AND YOU RELEASE US, OUR DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS FROM ANY CLAIMS AND DAMAGES, KNOWN AND UNKNOWN, ARISING OUT OF OR IN ANY WAY CONNECTED WITH ANY CLAIM YOU HAVE AGAINST ANY SUCH THIRD PARTIES. IF YOU ARE A CALIFORNIA RESIDENT, YOU WAIVE CALIFORNIA CIVIL CODE §1542, WHICH SAYS: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR. WE WILL NOT BE LIABLE TO YOU FOR ANY LOST PROFITS OR OTHER CONSEQUENTIAL. SPECIAL. INDIRECT. OR INCIDENTAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS STATEMENT OR FACEBOOK, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. OUR AGGREGATE LIABILITY ARISING OUT OF THIS STATEMENT OR FACEBOOK WILL NOT EXCEED THE GREATER OF ONE HUNDRED DOLLARS (\$100) OR THE AMOUNT YOU HAVE PAID US IN THE PAST

TWELVE MONTHS. APPLICABLE LAW MAY NOT ALLOW THE LIMITATION OR EXCLUSION OF LIABILITY OR INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU. IN SUCH CASES, FACEBOOK'S LIABILITY WILL BE LIMITED TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.

17. Special Provisions Applicable to Users Outside the United States

We strive to create a global community with consistent standards for everyone, but we also strive to respect local laws. The following provisions apply to users and non-users who interact with Facebook outside the United States:

- 1. You consent to having your personal data transferred to and processed in the United States.
- 2. If you are located in a country embargoed by the United States, or are on the U.S. Treasury Department's list of Specially Designated Nationals you will not engage in commercial activities on Facebook (such as advertising or payments) or operate a Platform application or website.
- 3. Certain specific terms that apply only for German users are available <u>here</u>.

18. **Definitions**

- By "Facebook" we mean the features and services we make available, including through (a) our website at <u>www.facebook.com</u> and any other Facebook branded or cobranded websites (including sub-domains, international versions, widgets, and mobile versions); (b) our Platform; (c) social plugins such as the Like button, the Share button and other similar offerings and (d) other media, software (such as a toolbar), devices, or networks now existing or later developed.
- 2. By "Platform" we mean a set of APIs and services (such as content) that enable others, including application developers and website operators, to retrieve data from Facebook or provide data to us.
- 3. By "information" we mean facts and other information about you, including actions taken by users and non-users who interact with Facebook.
- 4. By "content" we mean anything you or other users post on Facebook that would not be included in the definition of information.
- 5. By "data" or "user data" or "user's data" we mean any data, including a user's content or information that you or third parties can retrieve from Facebook or provide to Facebook through Platform.
- 6. By "post" we mean post on Facebook or otherwise make available by using Facebook.
- 7. By "use" we mean use, copy, publicly perform or display, distribute, modify, translate, and create derivative works of.
- 8. By "active registered user" we mean a user who has logged into Facebook at least once in the previous 30 days.
- 9. By "application" we mean any application or website that uses or accesses Platform, as well as anything else that receives or has received data from us. If you no longer access Platform

but have not deleted all data from us, the term application will apply until you delete the data.

19. **Other**

- 1. If you are a resident of or have your principal place of business in the US or Canada, this Statement is an agreement between you and Facebook, Inc. Otherwise, this Statement is an agreement between you and Facebook Ireland Limited. References to "us," "we," and "our" mean either Facebook, Inc. or Facebook Ireland Limited, as appropriate.
- 2. This Statement makes up the entire agreement between the parties regarding Facebook, and supersedes any prior agreements.
- 3. If any portion of this Statement is found to be unenforceable, the remaining portion will remain in full force and effect.
- 4. If we fail to enforce any of this Statement, it will not be considered a waiver.
- 5. Any amendment to or waiver of this Statement must be made in writing and signed by us.
- 6. You will not transfer any of your rights or obligations under this Statement to anyone else without our consent.
- 7. All of our rights and obligations under this Statement are freely assignable by us in connection with a merger, acquisition, or sale of assets, or by operation of law or otherwise.
- 8. Nothing in this Statement shall prevent us from complying with the law.
- 9. This Statement does not confer any third party beneficiary rights.
- 10. We reserve all rights not expressly granted to you.
- 11. You will comply with all applicable laws when using or accessing Facebook.

You may also want to review the following documents, which provide additional information about your use of Facebook:

- <u>Data Use Policy</u>: The Data Use Policy contains information to help you understand how we collect and use information.
- <u>Payment Terms</u>: These additional terms apply to all payments made on or through Facebook.
- <u>Platform Page</u>: This page helps you better understand what happens when you add a third-party application or use Facebook Connect, including how they may access and use your data.
- <u>Facebook Platform Policies</u>: These guidelines outline the policies that apply to applications, including Connect sites.
- <u>Advertising Guidelines</u>: These guidelines outline the policies that apply to advertisements placed on Facebook.
- <u>Promotions Guidelines</u>: These guidelines outline the policies that apply if you offer contests, sweepstakes, and other types of promotions on Facebook.
- Brand Permissions Center: These guidelines outline the policies that apply to use of Facebook trademarks, logos and screenshots.
- How to Report Claims of Intellectual Property Infringement
- <u>Pages Terms</u>: These guidelines apply to your use of Facebook Pages.
- <u>Community Standards</u>: These guidelines outline our expectations regarding the content you post to Facebook and your activity on Facebook.

To access the Statement of Rights and Responsibilities in several different languages, change the language setting for your Facebook session by clicking on the language link in the left corner of most pages. If the Statement is not available in the language you select, we will default to the English version.

CX0103

Exhibit I

	www.facebook.com/apps/site_scraping_tos_terms.php Email or Phone	Password
facebook	Keep me logged in	Log In Forgot your password?
Sign Up Connect and share with the people in yo		

Date of Last Revision: April 15th, 2010

Automated Data Collection Terms

1. These terms govern your collection of data from Facebook through automated means, such as through harvesting bots, robots, spiders, or scrapers ("Automated Data Collection"), as well as your use of that data.

2. You will not engage in Automated Data Collection without Facebook's express written permission.

3. By obtaining permission to engage in Automated Data Collection you agree to abide by these Automated Data Collection Terms, which incorporate by reference the Statement of Rights and Responsibilities.

4. You agree that your use of data you collect through Automated Data Collection will be confined solely to search indexing for display on the Internet unless granted separate approval by Facebook for alternative usage and display on the Internet.

5. You agree that you will not sell any data collected through, or derived from data collected through, Automated Data Collection.

6. You agree that you will not transfer data collected through Automated Data Collection in aggregated or bulk form.

7. You agree that you will destroy all data you have collected through Automated Data Collection upon Facebook's written request and that you will certify such destruction under penalty of perjury.

8. You agree that Facebook may revoke any permission granted at anytime for any reason and you agree to immediately cease collection and use of data collected through Automated Data Collection on notice of such revocation.

9. You agree to provide an accounting of all uses of data collected through Automated Data Collection within ten (10) days of your receipt of Facebook's request for such an accounting.

10. You agree that you will not circumvent any measures implemented by Facebook to prevent violations of these terms.

11. You agree that you will not violate the restrictions in any robot exclusion header.

12. You agree that you will only use your own true IP address/useragent identity and will not mask your services under the IP address/useragent string of another service.

13. You agree that you will not transfer any approved IP address or useragent to any party without Facebook's express written consent.

14. You agree that any violation of these terms may result in your immediate ban from all Facebook websites, products and services. You acknowledge and agree that a breach or threatened breach of these terms would cause irreparable injury, that money damages would be an inadequate remedy, and that Facebook shall be entitled to temporary and permanent injunctive relief, without the posting of any bond or other security, to restrain you or anyone acting on your behalf, from such breach or threatened breach. Nothing herein shall be construed as preventing Facebook from pursuing any and all remedies available to it, including the recovery of money damages.

15. Nothing herein shall be construed to confer any grant to, or license of, any intellectual property rights, whether by estoppel, by implication, or otherwise.

Clicking here will take you to an application form to apply for permission to engage in Automated Data Collection pursuant to these Automated Data Collection Terms.

Facebook © 2012 · English (US) Mobile · Find Friends · Badges · People · Pages · Apps · Games · Music · About · Create an Ad · Create a Page · Developers · Careers · Privacy · Cookies · Terms · Help

FB-FTC-000048

CX0104

Exhibit J

CX0104-001
Target 1347832075

Account End Date Active true

Credit Cards

Emails	@facebook.com @yahoo.com	
Logins Ip		
Time	2012 11 12 07:42:51 UTC	
Site	WWW	
Ip		
Time	2012 11 02 12:22:03 UTC	
Site	WWW	
_		
Ip		
Time	2012 10 10 13:12:20 UTC	
Site	WWW	
Ip		
Time	2012 10 01 19:34:28 UTC	
Site	WWW	
Ip		
Time	2012 09 27 12:02:00 UTC	
Site	WAP	
Ip		
Time	2012 09 27 12:02:00 UTC	
Site	WAP	
Ір		
-	2012 09 27 06:45:37 UTC	
-		Page 1

FB-FTC-000002

Ip Time	2012 09 26 07:19:30 UTC
Site	WWW
Ір	
Time	2012 09 25 12:23:42 UTC
Ip	
Time	2012 09 25 12:16:30 UTC
Ip	
Time	2012 09 25 12:13:38 UTC
Site	WWW
Ip	
Time	2012 09 17 17:03:31 UTC
Site	WWW
Ip	
Ip Time	2012 09 17 10:51:30 UTC
-	2012 09 17 10:51:30 UTC WAP
Time	
Time Site	
Time Site Ip	WAP
Time Site Ip Time	WAP 2012 09 17 10:51:29 UTC
Time Site Ip Time Site	WAP 2012 09 17 10:51:29 UTC
Time Site Ip Time Site Ip	WAP 2012 09 17 10:51:29 UTC WAP
Time Site Ip Time Site Ip Time	WAP 2012 09 17 10:51:29 UTC WAP 2012 09 17 10:38:58 UTC
Time Site Ip Time Site Ip Time Site	WAP 2012 09 17 10:51:29 UTC WAP 2012 09 17 10:38:58 UTC
Time Site Ip Time Site Ip Time Site Ip	WAP 2012 09 17 10:51:29 UTC WAP 2012 09 17 10:38:58 UTC WWW

FB-FTC-000003

Time Site	2012 07 30 19:19:29 www	1347832075 BSI copy.txt UTC
Ip Time Site	2012 07 26 07:28:17 www	UTC
Ip Time Site	2012 07 23 07:20:34 www	UTC
Ip Time Site	2012 07 15 16:13:43 WAP	UTC
Ip Time Site	2012 07 15 16:13:43 WAP	UTC
Ip Time Site	2012 06 11 17:15:01 www	UTC
Ip Time Site	2012 06 11 17:06:09 www	UTC
Ip Time Site	2012 06 06 18:49:41 www	UTC
Ip Time Site	2012 05 21 20:45:27 WWW	UTC
Ip		

Page 3

FB-FTC-000004

Time Site	1347832075 BSI copy.txt 2012 05 10 09:01:54 UTC WWW
Ip Time Site	2012 05 09 14:57:35 UTC WWW
Ip Time Site	2012 05 09 11:14:13 UTC WWW
Ip Time Site	2012 05 09 09:07:31 UTC WWW
Ip Time Site	2012 05 08 12:57:37 UTC WWW
Ip Time Site	2012 05 08 11:36:25 UTC WWW
Ip Time Site	2012 05 05 12:21:24 UTC WAP
Ip Time Site	2012 05 05 12:21:24 UTC WAP
Logouts	

Logouts Ip					
Time	2012	11	09	18:48:23	UTC
Site	WWW				

Page 4

FB-FTC-000005

Ip Time Site	2012 11 01 14:21:28 UTC WWW
Ip Time Site	2012 10 10 10:25:36 UTC WWW
Ip Time Site	2012 09 25 15:00:58 UTC www
Ip Time Site	2012 09 25 12:31:18 UTC WWW
Ip Time Site	2012 09 25 12:31:18 UTC WWW
Ip Time Site	2012 09 25 12:21:18 UTC WWW
Ip Time Site	2012 09 25 12:21:17 UTC WWW
Ip Time	2012 09 25 12:21:17 UTC
Site Ip Time	WWW 2012 09 25 12:21:17 UTC
Site	WWW

Page 5

FB-FTC-000006

Ір	
Time	2012 09 25 12:21:17 UTC
Site	WWW
Tp	
Ір	
Time	2012 09 25 12:21:17 UTC
Site	WWW
Ір	
Time	2012 09 25 12:21:08 UTC
Site	WWW
Ip	
Time	2012 09 25 12:19:32 UTC
Site	WWW
Ір	
Time	2012 09 25 12:19:32 UTC
Site	WWW
Тр	
Ip 	
Time	2012 09 25 12:13:18 UTC
Site	WWW
Ір	
Time	2012 09 25 12:08:40 UTC
Site	WWW
Ір	
Time	2012 09 17 11:13:24 UTC
Site	WWW
Ір	
Time	2012 08 04 16:58:20 UTC
Site	WWW

FB-FTC-000007

Page 6

Ip	
Time	2012 07 26 07:09:19 UTC
Site	WWW
Ip	
Time	2012 07 20 14:31:23 UTC
Site	2012 07 20 14.31.23 OTC
3116	WWW
Ip	
Time	2012 06 11 17:16:49 UTC
Site	WWW
Ip	
Time	2012 06 11 17:14:36 UTC
Site	WWW
0.00	
Ip	
Time	2012 06 11 07:13:34 UTC
Site	WWW
Ip	
Time	2012 06 11 07:13:34 UTC
Site	WWW
Ip	
Time	2012 06 11 07:13:34 UTC
Site	WWW
Ip	
Time	2012 06 11 07:13:34 UTC
Site	WWW
_	
Ip 	
Time	2012 06 11 07:13:34 UTC
Site	WWW

Page 7

FB-FTC-000008

Ip Time Site	2012 06 11 07:13:34 UTC www
Ip Time Site	2012 06 11 07:13:34 UTC WWW
Ip Time Site	2012 06 11 07:13:34 UTC www
Ip Time Site	2012 06 11 07:13:34 UTC WWW
Ip Time Site	2012 06 11 07:13:34 UTC WWW
Ip Time Site	2012 06 11 07:13:34 UTC WWW
Ip Time	2012 06 11 07:13:34 UTC
Site Ip Time	WWW 2012 06 06 18:51:09 UTC
Site Ip Time	WWW 2012 05 10 08:24:36 UTC
Site	WWW

Page 8

FB-FTC-000009

	134/0320/3 BS1 CO
Ip	
Time	2012 05 09 12:02:10 UTC
Site	WWW
-	
Ip	
Time	2012 05 09 09:27:15 UTC
Site	WWW
Ір	
Time	2012 05 08 12:58:02 UTC
Site	WWW
Ip	8
Time	2012 05 08 12:30:30 UTC
Site	WWW
Ір	
Time	2012 05 08 11:07:01 UTC
Site	WWW
5100	
Name First	
Middle	
Last	
Phone N	umbers
Registr	ation Date 2008 07 18 10:41:59 UTC
Vanity	
-	

Page 9

FB-FTC-000010

CX0105

UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF ADMINISTRATIVE LAW JUDGES

In the Matter of,

I,

Jerk, LLC, a limited liability company, also d/b/a JERK.COM, and

John Fanning, individually and as a member of Jerk, LLC Respondents.

DOCKET NO. 9361

Chief Administrative Law Judge D. Michael Chappell

DECLARATION OF

, make the following declaration:

1. I am an employee of Facebook, Inc. I have personal knowledge of the facts set forth in this declaration, and, if called as a witness, I could and would testify to the following.

2. I am over the age of twenty-one (21) and am competent to give this testimony.

3. In 2011, Facebook received numerous complaints from Facebook users about their names, photos, and other content that they posted on Facebook appearing on Jerk.com without authorization. Facebook investigated these complaints, including by visiting the Jerk.com website.

4. It is my understanding, and I have been informed that, Facebook's counsel sent a cease-and-desist letter to Jerk LLC. I have been informed that Exhibit A is a true and correct copy of the cease-and-desist letter that Facebook's counsel sent to Jerk LLC.

5. It is my understanding, and I have been informed that, counsel for Jerk LLC sent a response to the cease-and-desist letter. I have been informed that Exhibit B is a true and correct copy of a July 2, 2012 letter from Jerk LLC's counsel that Facebook's counsel received in response to the cease-and-desist letter. Pursuant to 28 U.S.C. § 1746, I declare, under the penalty of perjury, that the foregoing is true and correct to the best of my knowledge, information, and belief.



Facebook, Inc.

Signed this $\underline{14}$ day of August 2014

CX0106

Exhibit A

CX0106-001



1201 Third Avenue, Suite 4800 Seattle, WA 98101-3099 PHONE: 206.359.8000 FAX: 206.359.9000 www.perkinscoie.com

 Randy Tyler

 PHONE: (206) 359 3034

 FAX: (206) 359 7262

 EMAIL: RTyler@perkinscoie.com

March 21, 2012

VIA EMAIL AND U.S. MAIL

Jerk LLC 16192 Coastal Highway Lewes, DE 19958 support@jerk.com

RE: Cease and Desist – Abuse of Facebook

Dear Sir or Madam:

We represent Facebook, Inc. ("Facebook"), based in Menlo Park, California. It has come to Facebook's attention that jerk.com purports to obtain and sell information from Facebook. In particular, you purport to operate a marketplace for Facebook content. By doing so, you illegally act as a data broker for Facebook user information. We also understand that Jerk.com may use automated means to collect Facebook user data. These activities violate Facebook's terms and may violate state and federal law.

Facebook demands that you cease this activity immediately.

By soliciting users to buy and sell Facebook user data, you actively induce violations of Facebook's terms. Facebook takes the protection of its users' privacy and the security of their data very seriously, and is committed to keeping Facebook a safe place for users to interact and share information. Facebook has developed its terms to protect its users and facilitate these goals. In relevant part, Facebook's terms prohibit:

- Using a Facebook personal profile for commercial gain;
- Bullying, intimidating, or harassing any Facebook user;

60406 0005/LEGAL23036674.1

ANCHORAGE · BEIJING · BELLEVUE · BOISE · CHICAGO · DALLAS · DENVER · LOS ANGELES · MADISON · NEW YORK PALO ALTO · PHOENIX · PORTLAND · SAN DIEGO · SAN FRANCISCO · SEATTLE · SHANGHAI · WASHINGTON, D.C.

Perkins Coie LLP

March 21, 2012 Page 2

- Collecting users' content or information, or otherwise access Facebook, using automated means (such as harvesting bots, robots, spiders, or scrapers) without Facebook's permission; and
- Transferring Facebook user data to data brokers.

See http://www.facebook.com/terms.php.

In addition to breaching Facebook's terms, Jerk.com may violate the Computer Fraud and Abuse Act, 18 U.S.C. §1030, the California Comprehensive Computer Data Access and Fraud Act, CA Penal Code § 502(c), and state laws prohibiting interference with Facebook's business expectations and interests.

Facebook has taken technical steps to deactivate your Facebook account(s), Pages and Applications and hereby revokes the limited license to access Facebook's site and/or use Facebook services from Jerk LLC, and any of its owners and/or operators. This means that you, your agents, your employees and/or anyone acting on your behalf (collectively "You" or "Your") are no longer authorized to access the Facebook website, use the Facebook development platform, advertise on Facebook, or use any of the services offered by Facebook whatsoever for any reason. Facebook will treat further activity by You on the Facebook website or platform as intentional and unauthorized access to its protected computer network.

Please respond to me in writing no later than Monday, March 26, 2012, confirming that You:

- 1. Either do not collect Facebook user data via automated means, or that You have stopped and will refrain from collecting Facebook user data via automated means;
- 2. Have stopped and will refrain from soliciting individuals to buy or sell Facebook user data;
- 3. Have deleted and destroyed any and all Facebook user data that was obtained through your Jerk.com service, or that is hosted there, including but not limited to user login credentials, usernames, Facebook user photos, profile information, or any other information acquired from the Facebook website;
- 4. Will refrain from accessing the Facebook website(s) and/or using any Facebook services; and
- 5. Will in the future refrain from actively inducing violations of Facebook's Terms.

Should you choose to ignore this letter and continue your current improper conduct, Facebook is continuing to evaluate its options and reserves the right to take whatever measures it believes are

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60406 0005/LEGAL23036674.1
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March 21, 2012 Page 3

necessary to enforce its rights, maintain the quality of its site, and protect its users' privacy and information.

Very truly yours,

' The

Randy Tyler

JRT:JRT

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FB-FTC-000027

CX0106-004

CX0107

Exhibit B

CX0107-001



Maria Crimi Speth

mcs@jaburgwilk.com 602.248.1089 - Direct Phone 602.248.0522 - Main Fax

July 2, 2012

RECEIVED

JUL 0 9 2012

PERKINS COIE

Randy Tyler Perkins Coie 1201 Third Avenue, Suite 4800 Scattle, WA 98101-3099

> Jerk. LLC Response to Cease & Desist Letter

Dear Mr. Tyler,

Re:

taburewilk con

Jaburg Wilk has been retained to represent Jerk, LLC regarding Facebook's cease and desist letter, dated March 21, 2012, but only recently received by Jerk LLC. This letter responds to Facebook's allegations therein regarding Jerk LLC.

Jerk LLC considers the following statements false, defamatory and material intentional misrepresentations:

- "It has come to Facebook's attention that jerk.com purports to obtain and sell information from Facebook."
- "In particular, you purport to operate a marketplace for Facebook content."
- "By doing so you illegally act as a data broker for Facebook user information."
- "We also understand that Jerk.com may use automated means to . collect Facebook user data."

While it is clear that these statements are false, what is unclear is their origin. As was your duty before sending such a letter, I am sure you visited the Jerk.com website. Thus, you know that Jerk.com makes no such statements and engages in no such conduct on the website.

It occurs to me that a disgruntled subject of a Jerk.com posting may have made these misrepresentations to you in an effort to retaliate against Jerk, LLC. If your accusation was based on a third party accusation, I am disappointed that you did not investigate the allegation before making it the subject of a cease and desist letter. We expect that you will provide the information upon which you based your allegations so that we can investigate the cause and source of these misrepresentations.

Gary J. Jaburg Lawrence E. Wilk Roger L. Cohen Mitchell Reichman Beth S Cohn Kiaig J. Marton Scott J Richardson Renald M Horwitz Kathi M. Sandweiss Mervyn T Braude Lauren L. Garner Mana Crimi Speth Michelle C. Lombino Neal H. Bookspan Janessa E. Koenig Mark D. Bogard David N. Farren Valerie L. Marciano David I Allen Laurence B. Hirsch Susan E. Wells Bridget O'Brien Swartz Jennifer R Erickson Rence Gerstman Nathan D. Meyer Kelly Brown Adam S Kunz Laura A Rogal Amy M. Horwitz Nichole H. Wilk

JABURG WILK

Randy Tyler Perkins Coie July 2, 2012 Page 2

It also occurs to me that Facebook may have made the accusations as an attempt to circumvent either the Communications Decency Act or the Digital Millennium Copyright Act or both. If so, then Facebook's allegations constitute unfair competition and may be an antitrust violation.

Your letter also makes misrepresentations about Facebook's policies and conduct. You state, "Facebook takes the protection of its users' privacy and the security of their data very seriously, and is committed to keeping Facebook a safe place for users to interact and share information." In addition, you assert that "Facebook has developed its terms to protect its users and facilitate these goals." In reality, Facebook makes certain content, including the user's photograph, available to anyone on the Internet, regardless of the privacy settings chosen by the user. That content is readily available for any third party to view, use, copy and paste. Unfortunately, many users believe Facebook's assertion that it is committed to keeping Facebook safe and they believe that their content has privacy that it does not have.

As you know, Jerk.com, like Facebook.com, provides a forum for users to post content. If a user of the jerk.com website obtained content from Facebook, such decision was made by the user and not Jerk, LLC. Jerk, LLC provides no guidance nor encouragement regarding where the content should come from except that its Terms and Conditions prohibit infringing any third party's rights. The jerk.com terms provide, "you will NOT post on jerk.com ...any material that infringes or violates another party's rights (including, but not limited to, intellectual property rights, and rights of privacy and publicity)...you will not post, distribute or reproduce in any way any copyrighted material, trademarks, or other proprietary information without obtaining the prior written consent of the owner of such proprietary rights and except as otherwise permitted by law."

You claim jerk.com uses automated means to collect Facebook user data. Again, jerk.com users—not Jerk LLC—post content to jerk.com. This allegation appears to have been made without any basis whatsoever. The assertion is entirely unfounded.

Jerk, LLC has not violated the Computer Fraud and Abuse Act, 18 USC § 1030. As you know, in order to demonstrate that Jerk LLC violated this act, you would need some evidence that Jerk, LLC: (1) knowingly accessed a computer without authorization or exceeding authorized access; (2) knowingly, and with intent to defraud, accessed a protected computer without authorization, or exceeded authorized access; (3) knowingly caused the transmission of a program, information, code, or command, and as a result of such conduct, intentionally

16442-1/MCS/MCS/995519_v1

Randy Tyler Perkins Coie July 2, 2012 Page 3

caused damage without authorization, to a protected computer; (4) knowingly, and with intent to defraud, trafficked in any password or similar information through which a computer may be accessed without authorization; or (5) with intent to extort from any person any money or other thing of value, transmitted any communication containing any threat to cause damage or obtain information from a protected computer. *See* 18 USC 1030. Here again, it is entirely unclear how you even formulated this very serious and completely unfounded assertion.

Jerk, LLC also has not violated the California Comprehensive Computer Data Access and Fraud Act, California Penal Code § 502(c) ("the Act") which defines a violation as: (1) knowingly accessed and without permission altered, damaged, deleted, destroyed, or otherwise used any data, computer, computer system, or computer network in order to either (a) devise or execute any scheme or artifice to defraud, deceive, or extort, or (b) wrongfully control or obtain money, property, or data. (2) Knowingly accessed and without permission taken, copied, or made use of any date from a computer, computer system, or computer network, or takes or copies any supporting documentation, whether existing or residing internal or external to a computer, computer system, or computer network. (3) Knowingly and without permission used or caused to be used computer services. (4) Knowingly accessed and without permission added altered damaged deleted, or destroyed, any data, computer software, or computer programs which reside or exist internal or external to a computer, computer system, or computer network. (5) Knowingly and without permission disrupted or caused the disruption of computer services or denied or caused the denial of computer services to an authorized user of a computer, computer system, or computer network. (6) Knowingly and without permission provided or assisted in providing a means of accessing a computer, computer system, or computer network in violation of this section. (7) Knowingly and without permission accessed or caused to be accessed any computer, computer system, or computer network. (8) Knowingly introduced any computer contaminant into any computer, computer system, or computer network. (9) Knowingly and without permission used the Internet domain name of another individual, corporation, or entity in connection with the sending of one or more electronic mail messages, and thereby damages or causes damage to a computer, computer system, or computer network. See Cal. Penal Code § 502 (West).

Again, Jerk LLC is not accessing Facebook, much less accessing Facebook "without permission." Moreover, if a user of both websites accesses Facebook and copies content from Facebook to jerk.com, Jerk, LLC is not liable for such conduct. You seem to take the position that if a user copies content from Jerk.com and posts it on Facebook.com, Facebook will assume full liability for those actions.

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Randy Tyler Perkins Coie July 2, 2012 Page 4

Moreover, even if Jerk LLC accessed Facebook, Jerk LLC accessing Facebook allegedly in violation of Facebook's terms and conditions and/or or a cease and desist letter would not constitute access "without permission," which is necessary to incur liability under the Act. See Facebook, Inc. v. Power Ventures, Inc., 2010 WL 3291750 (N.D. Cal. July 20, 2010) ("The Court finds that interpreting the statutory phrase 'without permission' in a manner that imposes liability for a violation of a term of use or receipt of a cease and desist letter would create a constitutionally untenable situation in which criminal penalties could be meted out on the basis of violating vague or ambiguous terms of use."); In re iPhone Application Litig., 2011 WL 4403963 (N.D. Cal. Sept. 20, 2011) (same).

As you know, the Communications Decency Act ("CDA") immunizes Jerk LLC from any alleged liability for user generated content that appears on jerk.com. The CDA explicitly states, "[n]o provider...of an interactive computer service shall be treated as the publisher or speaker of any information provided by another information content provider." 47 USC § 230(c)(1). Furthermore, the CDA also immunizes Jerk LLC from any liability under an inconsistent state or local law. *Id.* § 230(c)(3).

Similarly, the DMCA shields Jerk, LLC from liability for copyright infringement where user generated content infringes another's copyright. Also, Facebook does not own the copyright for the user generated content on its website. Thus, I can envision no facts that would justify a claim against Jerk, LLC for copyright infringement based on the user-generated content on its website that may have been obtained from user-generated content on Facebook.com.

In conclusion, Jerk LLC denies any wrongful or illegal conduct and will not cease and desist its lawful conduct. Please direct any future communication regarding Jerk, LLC to our office.

Sincerely,

JABURG & WILK, P.C.

Maria L- Spect

Maria Crimi Speth

MCS:

16442-1/MCS/MCS/995519_v1

CX0109

1223141 1 2 UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION 3 4 5 6 In the Matter of) 7 JERK, LLC, a limited liability company,) 8 also d/b/a JERK.COM, and) Docket No. 9361 9) 10 JOHN FANNING,) 11 individually and as a member of) 12 JERK, LLC.) 13 _____ _) 14 15 16 DEPOSITION OF JOSEPH W. ABRAMS 17 Wednesday, June 18, 2014 18 901 Market Street, San Francisco, California 9:36 a.m. 19 20 21 22 23 24 25

CX0109-005

1 APPEARANCES:

2 ON BEHALF OF THE FEDERAL TRADE COMMISSION: 3 YAN FANG, ATTORNEY BORIS YANKILOVICH, ATTORNEY 4 Federal Trade Commission 901 Market Street, Suite 570 San Francisco, California 94103 5 415.848.5100 Fax 415.848.5184 б E-mail: yfang@ftc.gov / byankilovich@ftc.gov 7 ON BEHALF OF THE WITNESS: 8 9 10 11 ON BEHALF OF JERK, LLC, d/b/a JERK.COM: 12 JABURG & WILK, P.C. 13 MARIA SPETH, ESQ. BY: 3200 North Central Avenue, Suite 2000 14 Phoenix, Arizona 85012. 602.248.1089 Fax 602.248.0522 15 E-mail: mcs@jaburgwilk.com 16 17 ON BEHALF OF JOHN FANNING: 18 ECKERT SEAMANS CHERIN & MELLOTT, LLC PETER F. CARR, II, ESQ. (telephonically) BY: 19 Two International Place, 16th Floor Boston, Massachusetts 02110 20 617.342.6857 Fax 617.342.6899 E-mail: pcarr@eckertseamans.com 21 22 Also Present: and 23 24 25

1	PROCEEDINGS
2	Whereupon,
3	,
4	a witness, called for examination, having been first duly
5	sworn, was examined and testified as follows:
6	EXAMINATION
7	BY :
8	Q Would you please state your full name?
9	A
10	Q Good morning, Again, my name is Yan
11	Fang and I represent the Federal Trade Commission in our
12	suit against Jerk, LLC, doing business as jerk.com and
13	against Mr. John Fanning, which is currently pending
14	before the chief administrative law judge of the Federal
15	Trade Commission.
16	I'm going to give you some preliminary
17	instructions and then I'm going to ask you some questions
18	to find out, you know, what you know about the facts
19	underlying our giving rise to this suit.
20	Are you represented by counsel?
21	A I am.
22	Q And is that counsel ?
23	A , yes.
24	Q Okay. And have you had your deposition taken
25	before?

7

1 shared management in these -- you know, with Jerk and the 2 other ventures?

A Well, look, Facebook is not a venture. Myspace 4 is not a venture. Zelgor was a mobile game company run 5 by his son. John's son. Okay. And ValueSetters has a 6 public board. You can go on the board. It's a public 7 company and there's nobody there that I had recognized 8 or -- even after seeing all these names. But I don't 9 know.

10 Q Okay.

11 A And John is not involved in ValueSetters, as far 12 as I can see.

13 Q Okay. I think then that's -- okay. Let me 14 introduce this document.

MS. SPETH: This does not have a Bates number,16 so we're just going to mark it as Exhibit 47.

17MS. SPETH: So it's never been disclosed before?18MR. YANKILOVICH: I don't believe we've19 disclosed it, but let's delve into what the document is.

20 MS. SPETH: So you're showing this witness an 21 exhibit that you've never disclosed to us before? Do I 22 understand that correctly?

23 MS. FANG: Correct.

24 MS. SPETH: What number is this now?

25 THE REPORTER: 47.

1 THE WITNESS: Look, I can only go back to the 2 beginning and say, for me it was a relatively small 3 amount. It was -- I do these kind of transactions, and 4 the reason for doing the transactions are myriad. And so 5 why this particular one, I can't remember why I did it. 6 BY MS. FANG:

Q Did you want to -- earlier you said sometimes 8 you do it for personal reasons. Did you want to keep up 9 your relationship with Mr. Fanning?

10 A I don't believe that that would have been the 11 reason for doing this investment.

12 Q And when you invested 25,000, did you expect to 13 make some money or --

MS. SPETH: Wow. These questions were asked six 15 hours ago.

16 THE WITNESS: Again, you know, if you want me to 17 answer it, you invest money because you think you're 18 going to make money.

19 BY MS. FANG:

20 Q Okay.

A He wasn't asking me to contribute to a charity.
Q Okay. Yeah. Then was knowing Mr. Fanning one
of the reasons you invested in jerk.com?

24 MS. SPETH: Objection. This question's been 25 asked and answered over and over again.

CX0109-228

CX0112

From: "John Fanning" Subject: Here you go--CONFIDENTIAL DO NOT CIRCULATE Date: November 20, 2008 3:09:36 PM PST To: "

On ebay you can review feedback related to transactions. That feature enables millions of buys and sellers to build relationships based on both trust, and the previous history of business dealings. On Amazon you can review feedback related to millions of specific products and come to trust a product based on the opinions of others who bought that product. Using the Internet movie database (IMDB) you can find out everything you could ever possibly want to know about a movie before you watch it. There are many examples of communities being built around provided useful feedback on, transactions, movies, products etc. Where on the internet can you go to find similar feedback review of people!

Jerk.com will provide a framework for uploading and posting, ratings, reviews, feedback, photos, and data on an individual personal basis. Like Wikipedia this content will be grown organically from the users themselves and reflect the view of the people who have personal first hand knowledge of the jerk.com individual who is profiled.

Jerk.com will be pervasive within the individual's internet experience and across the consumer internet. Initially, Facebook and Myspace applications will keep the Jerk score relevant to the user, while the Jerk API will allow site developers to mash-up a reputation component in their sites. The Jerk score, integrated through the Jerk API, can re-create buyer rankings in eBay and provide an aggregate reputation to even thinly-trafficked sites on the web. This integration will be provided free of charge to site owners in order to gain widespread adoption.

1. Profile Records are created: Anyone who searches the database creates records and helps to build records. The main search page contains First Name Last Name and Email Address. The search engine can also request additional information which is added to the database on each search request. i.e. In order to complete your search request additional information is required. Please enter a zip code_____. The zipcode entered is added to the database record.

2. Each person searching the database provides a rating from 1 to 10 on the individuals Jerk Level. The average rating is displayed for each user from Saint (1) to Jerk (10). This rating is always available to anyone who visits the site and cannot be hidden or removed.

3. Each person searching the database is provided the opportunity to enter a brief description of their interaction with the person displayed in the profile. i.e. This jerks stays up all night long playing loud

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music and harassing the neighborhood. We have had to call the police a dozen times. Before this feedback is posted to the record however, the email address registered for that profile will receive an email displaying the feedback, and providing the jerk the opportunity to dispute the feedback if they are a paying subscriber to jerk.com by simply clicking the dispute button.

4. A user can claim his or her profile by simply replying to an email sent to their email address, and choosing a password. One your record has been claimed, you can dispute any negative info posted there by clicking the dispute option on the record after you log in so long as you are a current paying member of the jerk.com dispute resolution membership service.

5. Once a dispute is created with respect to an item it will not be published until both parties agree on the content of the posting so long as you continue to maintain your active access to the dispute resolution membership service. Your record will however, display the number of outstanding unresolved disputes.

>From a business perspective the powerful positive attributes are :

- New Idea
- Good for society (positive change in behavior)
- Controversial and disruptive (attention from press)
- Strong appeal to teenage demographic
- Strong word of mouth
- Viral via links
- Compelling reason to buy
- Self building content and community
- Simple low cost execution
- Network effect
- Easily adopted into the lexicon
- Economies of scale leverage
- Domain name 2 syllables or less, no spelling confusion
- Self funding prior to tipping point
- No need to ship physical goods
- No need to buy resell content
- Market potential is every person on earth

John W Fanning Chairman Netcapital



2.

CX0115



From:	"John Fanning"
Subject:	Deal
Date:	June 3, 2009 6:45:24 AM PDT
To:	
Cc:	

and I had our board meeting last night and approved issuing Founders shares for 10% of the fully diluted shares of Jerk LLC for \$25,000.00 USD so we have a deal.

Lets reconnect today when you have time. I am in meetings from 11:00ET to 2:00 ET but any other time should be ok.

john



FTC-JERK0001579 CX0115-001

CX0117



From:	"John Fanning"
Subject:	FW: jerk.com
Date:	June 7, 2009 9:24:03 AM PDT
To:	

John W Fanning Chairman Netcapital

From: Sent: Tuesday, June 02, 2009 12:51 PM To: John Fanning Cc: Subject: Re: jerk.com

Hey John

I can see with a site redesign you could decrease the bounce rate, increase time on site and increase profile set ups. I would actually create avatars for the profiles in case people do not want to post the other persons information or their own. I would also create notaJerk.com so people could counter the claims(this creates greater interaction.) JerkMeter.com is what you might consider setting up as opposed to Polling or votes cast, this actually allows people to look and place measurements in a way that is a little different than most voting sites(more graphical). Also I would place in an "upgrade my personality" area that allows users to put in their own comments to either prove the person being a jerk or prove they are not a jerk. This is actually preset actions we place into the site that the users "play" as they do the various actions either virtual or real, they get points to be applied to their profile. This in turn can either decrease their jerkmeter rating or increase it.

What you can then do is offer virtual items they can buy to help their posting. So as an example, they may want to buy a jerk badge so it is posted on the persons(who they are attacking) profile. On the reverse side the jerk may buy an "inyourface" item that will in turn minimize or defend their rating. This may sound a little different but the effect is that it will generate you revenue. Also if you have not done so yet, I would also make it MySpace and Facebook ready(this is a

little more detailed coding) as this is really the audience you want to reach for explosive growth. Let me know your thoughts and if you want to chat via phone, just ell me the best times for you. Thanks

On Tue, Jun 2,	, 2009 at 5:31	AM, John Fanning	<	> wrote:
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9.

Here is the general business concept. Clearly we need to work on the implementation, however as bad as it is, the site is growing pretty fast. I'd like to try to make small incremental changes and see what happens to numbers. The key metrics I think are:

- 1. Traffic/ return users.
- 2. Bounce rate on main page
- 3. Time spent on site
- 4. Number of profiles and rate of growth for profiles.
- 5. Number of votes cast and rate of growth.
- 6. Number of comments entered and growth rate.
- 7. Number of disputes created.
- 8. Number of accounts claimed.

That's it for now I guess.

john

Jerk.Com -- Company Summary

Online reputations are critical to social and business interactions. eBay's growth was as much fueled by its credible reputation management as by its marketplace. Buyers today can review feedback related to transactions. This enables millions of buyers and sellers to build relationships based on trust. On Amazon, product reviews establish trust for otherwise unknown products and authors. However, this trust is brokered: we trust Amazon reviews and eBay reputations not because we believe in the participants but because we believe in Amazon and eBay. Several vendors have made attempts to establish vendor reputation and major social networks provide the infrastructure for a pervasive consumer reputation platform but in neither area has a clear leader emerged, especially since eBay's retreat from tracking buyer reputation in 2008.

Jerk.com provides consumer reputation management. The site is currently in an early-stage alpha release. It offers a framework for posting praise and disputes, computing ratings, and

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10.

gathering feedback and comments; the system provides for users to include photos and personal information.

Designed to offer Wikipedia-like information on doing business and for social interactions on the web, the content is growing organically from the users themselves and reflect the view of the people who have personal first hand knowledge of the profiled individual. As we achieve market penetration, first targeting stranger-stranger transaction venues such as eBay, PayPal, Amazon zShops, and also the online dating space, Jerk.com ratings will become the ubiquitous reputation service across the net. On Jerk.com employees can praise or critic their bosses while those considering a new job opportunity may be able to find what a person is like to work for. Online daters are able to post and read feedback about what a person is like to date. Other vertical applications are abound.

As vendors and intermediaries integrate it into their services offering settings for negative or neutral ratings, users will be more incentivized to integrate a Jerk.com widget into their personal web presence to solicit positive ratings from friends and associates. The Jerk API will allow site developers to mash-up a reputation component in their sites. The Jerk score, integrated through the Jerk API, can re-create recently-deleted buyer rankings in eBay and provide an aggregate reputation to even thinly-trafficked sites on the web. This integration will be provided free of charge to site owners in order to gain widespread adoption.

Surveys have shown that as many as 40% of men registering on on-line dating sites are in a committed relationship. Jerk.com, by allowing participants to rate each other in a venue that exists longitudinally across the net, offers daters the opportunity to rate their dates in a way that will stick with them in every thing they do. Many relationships end with a desire by one party or the other to protect others from the negative aspects of their dating experience, whether it be quirks, personality flaws, or major deceptions. Once again, by focusing on the "jerk" aspect, filing a report on Jerk.com provides a simple, easy interface for a benign form of vengeance. With the dispute resolution steps, the majority of false reports will be easily dismissed while the accurate ones will stick with the offender. A Jerk.com score will stick with offenders, providing a benefit to dating sites who integrate the Jerk widget into their interface and also a third-party reference check for users of those sites that do not.

Topologically similar to dating, the massively-multiplayer on-line role-playing games ("MMO's") such as World of Warcraft involve on-line participants forming groups, often with long-term commitments and with opportunities to profit from deception. As with dating, those victimized by bad actors will be motivated to submit a Jerk Report, resulting in a permanent stain on the MMO character, and, possibly if the connection can be made, the player who controls the character.

However, even if the real-world connection cannot be made, users invest substantial amounts of time in developing their characters and should these characters find themselves earning a bad

FTC-JERK0001583 CX0117-003 reputation in a public way, the consequences will be real and difficult to escape without starting their MMO experience over from the beginning.

Revenue Model

In its start-up phase, Jerk.com is establishing its free consumer service and building its userbase to whom it will later offer value-added services. In the initial phase, Jerk.com will provide reputation services via the web site and the API to partners for up to a set number of transactions per hour free of charge. Once a partner goes beyond half the default minimum, the partner will be required to choose from among the basic and tiered plans, offering either a free or flat-fee base number of monthly transactions plus a small per-transaction overage charge. Note that one option will be to keep the service free up to the default minimum but to establish a payment option for use beyond that threshold. Through the initial phase, use within the Facebook platform will be offered free of charge without limit and eBay use will be charged to sellers and not eBay (aggregated across all products offered; note that for most eBay sellers the service will be free). This revenue model, based on that offered by Craigslist and Google's App Engine platform, will most efficiently drive adoption.

Other potential revenue streams include advertising as well as subscriptions services. For example, users may be charged for access to dispute resolution or other premium and for fee services.

<u>Market</u>

The buyer ratings on eBay were a powerful quantification of online reputations. With the deletion of this feature, originally introduced in 1995 and removed February 20th, 2008, a dramatic void in e-commerce reputation emerged. While many e-commerce aggregators include a variety of on-line tools for vendor ratings, no single tool has achieved the reputation or credibility of eBay ratings and most are tainted by their failure to restrict shill voting on the rated entities. Other vertical applications in social networking, dating, or employment opportunities also lend themselves to the use of the Jerk.com model.

Compelling Investment Thesis

From a business perspective Jerk.com offers a powerful positive potential for a high impact and profitable business model:

New Idea which is controversial and disruptive, hence likely to get good PR attention.

Good for society (positive change in behavior) by tracking and providing feedback on people's behavior and repution we encourage them to turn from jerks to saints.

Strong appeal to teenage demographic with strong viral effect on social networks.

FTC-JERK0001584 CX0117-004

Self building content and community offers simple low cost execution (no need to create, or buy content)

- Powerful brand potential with 2 syllable name easily adopted into the lexicon
- Low funding requirements prior to tipping point
- Large market potential (nearly every person on earth)

John W Fanning

Chairman Netcapital

From: Sent: Tuesday, June 02, 2009 12:52 AM To: John Fanning Cel Subject: Re: jerk.com

hi John... well first you have a great URL :-)... I will put some general thoughts on the site and email it, then we can talk later tomorrow or the next day. What ever is good for you.

On Mon, Jun 1, 2009 at 9:08 PM, John Fanning workers workers wrote:

What can we do to fix this ?

john

John W Fanning

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13.

Chairman Netcapital



----Original Message----From: Sent: Monday, June 01, 2009 2:39 PM To: John Fanning' Subject:

John,

I have spoken with **about** about <u>jerk.com</u>. He has looked at the site and already has a bunch of things he would do to improve things. I'll leave it to you both to connect and have further discussions.

set on	
President/Founder	
Y YOUTGILL I OUTGOL	

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> FTC-JERK0001586 CX0117-006



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> FTC-JERK0001587 CX0117-007

CX0119

The Part Concerned to Character and the Advance

From: "John Fanning" Subject: jerk.com Date: June 7, 2009 10:09:06 AM PDT To:

Below are the wiring instructions for jerk.com. I will send you a certificate for 10% ownership on a fully diluted basis. I have a form for the LLC agreement which we will use which I will forward as well. Our intention is to convert to a C corp. at some point early on, possibly during series A. At that point we will all have founders shares, and the Series A investors will get preferreds.

n Revert warmen in State and State and an an Article and an Article Lange and the State and Article and Article

john

Jerk LLC Wiring Instructions Wire to:

ABA: Jerk LLC Account Number

John W Fanning Chairman Netcapital



FTC-JERK0001593 CX0119-001