

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE FACEBOOK, INC. IPO SECURITIES
AND DERIVATIVE LITIGATION

MDL No. 12-2389 (RWS)

This document relates to the
Consolidated Securities Action:

No. 12-cv-4081 No. 12-cv-4763
No. 12-cv-4099 No. 12-cv-4777
No. 12-cv-4131 No. 12-cv-5511
No. 12-cv-4150 No. 12-cv-7542
No. 12-cv-4157 No. 12-cv-7543
No. 12-cv-4184 No. 12-cv-7544
No. 12-cv-4194 No. 12-cv-7545
No. 12-cv-4215 No. 12-cv-7546
No. 12-cv-4252 No. 12-cv-7547
No. 12-cv-4291 No. 12-cv-7548
No. 12-cv-4312 No. 12-cv-7550
No. 12-cv-4332 No. 12-cv-7551
No. 12-cv-4360 No. 12-cv-7552
No. 12-cv-4362 No. 12-cv-7586
No. 12-cv-4551 No. 12-cv-7587
No. 12-cv-4648

NOTICE OF PENDENCY OF CLASS ACTION

To: All institutional investors that purchased or otherwise acquired Facebook, Inc. (“Facebook” or the “Company”) Class A common stock in or traceable to the Company’s May 17, 2012 initial public offering (“IPO”) between May 17 and 21, 2012, inclusive, and were damaged thereby (the “Institutional Investor Subclass”); and

All retail investors who purchased or otherwise acquired Facebook Class A common stock in or traceable to the Company’s IPO between May 17 and 21, 2012, inclusive, and were damaged thereby (the “Retail Investor Subclass” and, together with the Institutional Investor Subclass, the “Class”).

A federal court has authorized this notice. This is not a solicitation from a lawyer.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. IF YOU ARE A CLASS MEMBER, YOUR RIGHTS WILL BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT. THIS NOTICE ADVISES YOU OF YOUR OPTIONS REGARDING THE CLASS ACTION.

PLEASE DO NOT CALL OR WRITE THE COURT. IF YOU HAVE ANY QUESTIONS AFTER READING THIS NOTICE, YOU SHOULD CONTACT THE ADMINISTRATOR OR CLASS COUNSEL, AS DISCUSSED FURTHER BELOW.

This Notice was prepared pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York (the “Court”) to inform you of a class action lawsuit that is now pending in the Court under the above caption (the “Action”) against (i) Facebook; (ii) certain officers and directors of Facebook (the “Individual Defendants”);¹ and (iii) underwriters of the IPO of Facebook

¹ The “Individual Defendants” are Mark Zuckerberg, Sheryl K. Sandberg, David A. Ebersman, David M. Spillane, Marc L. Andreessen, Erskine B. Bowles, James B. Breyer, Donald E. Graham, Reed Hastings, and Peter A. Thiel.

(the “Underwriter Defendants”)² (collectively, the “Defendants”), and that the Action has been certified by the Court to proceed as a class action on behalf of the Class.

1. The “Subclasses,” as certified by the Court, are:

(i) The Institutional Investor Subclass, consisting of the institutional investors that purchased or otherwise acquired Facebook Class A common stock in or traceable to the Company’s IPO, and were damaged thereby; and

(ii) The Retail Investor Subclass, consisting of all retail investors who purchased or otherwise acquired Facebook Class A common stock in or traceable to the Company’s IPO, and were damaged thereby.

You are a member of the Institutional Investor Subclass if (i) you were allocated Facebook Class A common stock in the Company’s IPO and are listed on the underwriters’ final allocation list of institutional investors, (ii) you purchased Facebook Class A common stock in the secondary market and are classified as an institutional investor under Financial Industry Regulatory Authority Rules 2210 and 4512, or (iii) your institutional investment advisor purchased your Facebook Class A common stock for you with full discretionary authority.

You are a member of the Retail Investor Subclass if you are not otherwise classified as an institutional investor and (i) you were allocated Facebook Class A common stock in the Company’s IPO and are listed on the underwriters’ final allocation list of retail investors, or (ii) you purchased Facebook Class A common stock in the secondary market and are classified as a retail investor under Financial Industry Regulatory Authority Rules 2210 and 4512.

Excluded from the Class/Subclasses by definition are:

Defendants; present or former executive officers of Facebook and their immediate family members; and the following investors: American Century Investment Management Inc.; Blue Ridge Capital, LLC; Capital Research and Management Company; Chilton Investment Company, LLC; Clovis Capital Management, LP; Columbia Management Investment Advisors, LLC; Fidelity Management and Research Company; Jennison Associates LLC; Ian DeBalso; Kingdon Capital Management, LLC; Loews Corp; Maple Lane Capital, LLC; Schroder Investment Management North America Inc.; Soros Fund Management LLC; Surveyor Capital; T. Rowe Price Distribution Group; Teachers Insurance Annuity Association of America; Turner Investments LP; Weiss Multi-Strategy Advisers LLC; Wellington Management Company LLP; and any other investors whose shares were purchased on their behalf by any of the excluded investors with full discretionary authority. Also excluded from the Class is any person or entity that timely and validly requests exclusion from the Class.

The Subclasses are collectively referred to as the “Class.” You are a member of the Class if you purchased or otherwise acquired Class A common stock during the period beginning with the Company’s IPO, which occurred on or about May 17, 2012, through and including the close of trading on May 21, 2012, and were damaged thereby.

² The “Underwriter Defendants” are Morgan Stanley & Co. LLC; J.P. Morgan Securities LLC; Goldman, Sachs & Co.; Allen & Company LLC; Barclays Capital Inc.; Blaylock Robert Van LLC; BMO Capital Markets Corp.; C.L. King & Associates, Inc.; Cabrera Capital Markets, LLC; CastleOak Securities, L.P.; Citigroup Global Markets, Inc.; Cowen and Company, LLC; Credit Suisse Securities (USA) LLC; Deutsche Bank Securities Inc.; E*TRADE Securities LLC; Itau BBA USA Securities, Inc.; Lazard Capital Markets LLC; Lebenthal & Co., LLC; Loop Capital Markets LLC; M.R. Beal & Company; Macquarie Capital (USA) Inc.; Merrill Lynch, Pierce, Fenner & Smith Incorporated; Muriel Siebert & Co., Inc.; Oppenheimer & Co. Inc.; Pacific Crest Securities LLC; Piper Jaffray & Co.; Raymond James & Associates, Inc.; RBC Capital Markets, LLC; Samuel A. Ramirez & Company, Inc.; Stifel, Nicolaus & Company, Incorporated; Wells Fargo Securities, LLC; The Williams Capital Group, L.P.; and William Blair & Company, L.L.C.

You were not “damaged thereby” if you sold all of the Facebook Class A common stock that you purchased or otherwise acquired between May 17 and May 21, 2012 either (1) at a profit or (2) before the stock market closed on May 18, 2012. Defendants also may argue that you were not damaged thereby if you only purchased Facebook stock after May 18, 2012, and Plaintiffs may oppose this argument.

2. This Notice is directed to you because you may be a member of the Class. If you are a member of the Class, your rights will be affected by this Action. If you are not a member of the Class, as defined above, this Notice does not apply to you. If you are uncertain whether you are a member of the Class, please contact Class Counsel listed at paragraph 21 below, or your own attorney.
3. This Notice is not an admission by Defendants or an expression of any opinion of the Court concerning the merits of the Action, or a finding by the Court that the claims asserted by the Class Representatives (defined in paragraph 12 below) are valid. This Notice is intended solely to advise you of the pendency of the Action and of your rights in connection with it. There is no judgment, settlement or monetary recovery at this time. Defendants have denied Class Representatives’ claims and contend that they are not liable for the alleged harm.
4. The definitions of the Class and the Subclasses are subject to change by the Court, pursuant to Rule 23 of the Federal Rules of Civil Procedure.

OVERVIEW AND STATUS OF THIS ACTION

5. Facebook is a worldwide online social networking company. On May 17, 2012, Facebook conducted one of the largest and most highly anticipated initial public offerings in history, selling more than 421 million shares of common stock at \$38 per share, raising \$16 billion from investors.
6. Beginning in May 2012, numerous putative securities class actions were filed against Defendants in various state and federal courts alleging violations of the federal securities laws. Following a hearing before the United States Judicial Panel on Multidistrict Litigation, pursuant to 28 U.S.C. § 1407, on October 4, 2012, the actions were transferred to the Court for pre-trial proceedings.
7. On December 6, 2012, the Court entered an Order consolidating the putative class actions and appointing the North Carolina Department of State Treasurer on behalf of the North Carolina Retirement Systems (“North Carolina DST”), Banyan Capital Master Fund Ltd. (“Banyan”), Arkansas Teacher Retirement System (“Arkansas Teacher”), and the Fresno County Employees’ Retirement Association (“Fresno”) as Lead Plaintiffs for the Action pursuant to the Private Securities Litigation Reform Act of 1995. In the same Order, the Court approved Lead Plaintiffs’ selection of Bernstein Litowitz Berger & Grossmann LLP (“Bernstein Litowitz”) and Labaton Sucharow LLP (“Labaton Sucharow”) as Lead Counsel for the proposed class.
8. On February 28, 2013, Lead Plaintiffs, as well as named plaintiffs Jose G. Galvan and Mary Jane Lule Galvan (the “Galvans”), filed the Consolidated Class Action Complaint (the “Consolidated Complaint”) asserting claims under Sections 11, 12(a)(2), and 15 of the Securities Act of 1933 (the “Securities Act”). The Consolidated Complaint alleges, among other things, that Facebook did not disclose that prior to the May 17, 2012 IPO, Facebook learned that a trend of increasing mobile usage had negatively impacted Facebook’s advertising business, and as a result, the Company cut its revenue estimates for the second quarter of 2012 (the quarter in which Facebook was going public) and the full year. The Consolidated Complaint further alleges that, rather than disclosing these facts, on May 9, 2012, Facebook filed an amended Registration Statement in which it represented that mobile usage “may” impact the Company’s revenues even though the trend had already had a negative impact on the Company’s revenues. The Consolidated Complaint further alleges that Facebook’s stock price declined following news reports published on May 21, 2012 and May 22, 2012.
9. On April 30, 2013, Defendants moved to dismiss the Consolidated Complaint. On December 12, 2013, the Court issued an Opinion and Order, which was entered on December 18, 2013, denying Defendants’ motion to dismiss.

10. On January 10, 2014, Defendants moved to amend and certify the December 12, 2013 Order for interlocutory appeal, which the Court denied on March 13, 2014.
11. On May 9, 2014, Defendants answered the Consolidated Complaint.
12. On December 23, 2014, North Carolina DST, Arkansas Teacher, Fresno, the Galvans, Eric Rand (“Rand”), Paul and Lynn Melton (the “Meltons”), and Sharon Morley (“Morley”) filed a motion for class certification. Following briefing on the motion and oral argument held on October 7, 2015, the Court issued an Opinion granting the class certification motion, appointing North Carolina DST, Arkansas Teacher, Fresno, the Galvans, Rand, the Meltons, and Morley as “Class Representatives” and appointing Bernstein Litowitz and Labaton Sucharow as “Class Counsel.”
13. The parties are currently conducting discovery. A trial date has not yet been scheduled.

YOUR RIGHTS AS A CLASS MEMBER

14. A class action is a type of lawsuit in which one or several individuals or entities prosecute claims on behalf of all members of a group of similarly situated persons and entities to obtain monetary or other relief for the benefit of the entire group. Class actions avoid the necessity of each member of the class having to file his, her, or its own separate lawsuit to obtain relief. Class actions are used to decide legal and factual issues that are common to all members of the class.
15. If you are an institutional investor that purchased or otherwise acquired Facebook Class A common stock in or traceable to the Company’s IPO between May 17 and 21, 2012, inclusive, or you are a retail investor who purchased or otherwise acquired Facebook Class A common stock in or traceable to the Company’s IPO between May 17 and 21, 2012, inclusive, and were damaged thereby, and you are not excluded from the Class by definition, you are a member of the Class. If you are a member of the Class, you have the right to decide whether to remain a member of the Class.
16. If you wish to be excluded from the Class, you must request exclusion in accordance with the procedure set forth in paragraph 18 below. ***If you want to remain a member of the Class, you do not need to do anything at this time other than to retain your documentation reflecting your transactions in Facebook Class A common stock in or traceable to the Company’s IPO, as discussed below in paragraph 17. Please be sure to also retain any other documents (whether printed or electronic) that you have in your possession relating to the Facebook IPO, including media articles and emails you sent or received.*** If you do nothing, and you are a member of the Class, you will stay in the Class. Your decision is important for the following reasons:
 - a. If you remain a member of the Class, you will be bound by all past, present and future orders and judgments in the Action, whether favorable or unfavorable. If any money is awarded to members of the Class, either through a settlement with Defendants or a judgment of the Court after a trial, you may be eligible to receive a share of that award. However, if you remain a member of the Class, you may not pursue a lawsuit on your own behalf with regard to any of the issues in this Action. Pursuant to Rule 23(e)(4) of the Federal Rules of Civil Procedure, it is within the Court’s discretion whether to allow a second opportunity to request exclusion from the Class if there is a settlement or judgment in the Action after a trial. Please note that if you remain a member of the Class, you will not be personally responsible for Class Counsel’s attorneys’ fees or costs. Class Counsel have agreed to represent the Class on a contingent fee basis, which means that they will be awarded fees and costs to be approved by the Court only if they succeed in obtaining a recovery from one or more Defendants. Any attorneys’ fees for Class Counsel will be awarded by the Court from the settlement or judgment, if any, obtained on behalf of the Class. As a member of the Class, you will be represented by Class Counsel. Alternatively, you may remain a member of the Class and elect to be represented by counsel of your own choosing. If you do retain separate counsel, you will be responsible for that attorneys’ fees and expenses and that attorney must enter an appearance on your behalf by filing a Notice of Appearance with the Court and mailing it to Class Counsel at the addresses set forth in paragraph 21 below on or before October 3, 2016.

- b. If you choose to be excluded from the Class, you will not be bound by any judgment in this Action, nor will you be eligible to share in any recovery that might be obtained in this Action. You will retain any right you have to individually pursue any legal rights, if any, that you may have against any Defendants with respect to the claims asserted in the Action. Please note, if you decide to exclude yourself from the Class, you may be time-barred from asserting the claims covered by the Action by a statute of repose. Please refer to paragraphs 18-20 below if you would like to be excluded from the Class.
17. Members of the Class will be eligible to participate in any recovery that might be obtained in the Action. While this Notice is not intended to suggest any likelihood that members of the Class will recover any money, should there be a recovery, Class Members will be required to submit a claim form demonstrating their membership in the Class and documenting their purchases, acquisitions and/or sales of Facebook Class A common stock, and their resulting damages. ***For this reason, please be sure to keep all records of your transactions in Facebook Class A common stock and any other documents (whether printed or electronic) that you have in your possession relating to the Facebook IPO, including media articles and emails you sent or received. DO NOT mail them to Class Counsel or the Administrator at this time.***

HOW TO BE EXCLUDED FROM THE CLASS

18. If you wish to be excluded from the Class, you must specifically request exclusion in accordance with the following procedures. To exclude yourself from the Class, you must send a letter by first-class mail stating that you “request exclusion from the Class in *In re Facebook, Inc., IPO Securities and Derivative Litigation*, MDL No. 12-2389 (S.D.N.Y.)” Your request must: (i) state the name, address, and telephone number of the person or entity requesting exclusion; (ii) state the number of shares of Facebook Class A common stock purchased or acquired by the person or entity requesting exclusion during the period beginning with the Company’s IPO, which occurred on or about May 17, 2012, through and including the close of trading on May 21, 2012; and (iii) be signed by the person or entity requesting exclusion or an authorized representative. You must mail your exclusion request, ***postmarked by no later than October 3, 2016***, to:

In re Facebook, Inc., IPO Securities and Derivative Litigation
c/o A.B. Data, Ltd.
P.O. Box 173007
Milwaukee, WI 53217

You cannot exclude yourself from the Class by telephone or by e-mail, and a request for exclusion shall not be effective unless it contains all the information called for by this paragraph and is postmarked by the date stated above, or is otherwise accepted by the Court.

19. If your request for exclusion complies with the requirements set forth above, the Court will exclude you from the Class, you will not be bound by any orders or judgment in this Action, and you will not be eligible to share in any recovery that might be obtained in this Action.
20. Do not request exclusion from the Class if you wish to participate in this Action as a member of the Class.

CLASS COUNSEL

21. As a member of the Class, you will be represented by Class Counsel, who are:

Salvatore J. Graziano
John Rizio-Hamilton
**BERNSTEIN LITOWITZ BERGER &
GROSSMANN LLP**
1251 Avenue of the Americas
New York, NY 10020
www.blbglaw.com
1-800-380-8496

Thomas A. Dubbs
Thomas G. Hoffman, Jr.
LABATON SUCHAROW LLP
140 Broadway
New York, NY 10005
www.labaton.com
1-888-219-6877

22. As noted above, unless you elect to retain your own personal lawyer, if you remain in the Class, you will not have any direct obligations to pay the costs of the litigation. If there is a recovery by the Class, all costs and expenses of the Action, including Class Counsel's attorneys' fees, will be paid from that recovery in an amount approved by the Court.

PLEASE KEEP YOUR ADDRESS CURRENT

23. To assist the Court and the parties in maintaining an accurate list of Class Members, you are requested to mail notice of any changes in your address to:

In re Facebook, Inc., IPO Securities and Derivative Litigation
c/o A.B. Data, Ltd.
P.O. Box 173007
Milwaukee, WI 53217

24. If this Notice was forwarded to you by the postal service, or if it was otherwise sent to you at an address that is not current, you should immediately contact the Administrator, A.B. Data, Ltd., at the address above or by calling the Administrator toll free at 866-963-9974, and provide the Administrator with your correct address. If the Administrator does not have your correct address, you may not receive notice of important developments in this Action.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

25. This Notice gives only a summary of the lawsuit and the claims asserted by Class Representatives. For more detailed information regarding the Action, you may contact Class Counsel or visit www.FacebookSecuritiesLitigation.com.

NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

26. If, for the beneficial interest of any person or entity other than yourself, you purchased or otherwise acquired Facebook Class A common stock during the period beginning with the Company's IPO, which occurred on or about May 17, 2012, through and including the close of trading on May 21, 2012, you **MUST EITHER** (a) **WITHIN SEVEN (7) CALENDAR DAYS** of receipt of this Notice, request from the Administrator sufficient copies of the Notice to forward to all such beneficial owners and **WITHIN SEVEN (7) CALENDAR DAYS** of receipt of those Notices forward them to all such beneficial owners; or (b) **WITHIN SEVEN (7) CALENDAR DAYS** of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to the Administrator at *In re Facebook, Inc., IPO Securities and Derivative Litigation*, c/o A.B. Data, Ltd., P.O. Box. 173007, Milwaukee, WI 53217. If you choose the first option, you must send a statement to the Administrator confirming that the mailing was made and you must retain your mailing records for use in connection with any further notices that may be provided in the Action. If you choose the second option, the Administrator will send a copy of the Notice to the beneficial owners. ***Upon full and timely compliance with these directions***, such nominees may seek reimbursement of their reasonable expenses actually incurred by providing the Administrator with proper documentation supporting the expenses for which reimbursement is sought.

PLEASE DO NOT CALL OR WRITE THE COURT.

Dated: August 4, 2016

BY ORDER OF THE COURT:
United States District Court
For the Southern District of New York