REDACTED

172.   A true and correct copy of FB-01188663 (February 2015 in which Facebook

employees Michael LeBeau and Yul Kwon update Vernal and others on Growth team's (Olivan)

DECLARATION OF DAVID S. GODKIN IN OPPOSITION TO
DEFENDANTS' SPECIAL MOTIONS TO STRIKE (ANTI-SLAPP) / Case No. CIV 533328

plan to re-introduce tracking the text messages and calls of Android users. Michael LeBeau writes that he is worried about headlines in the press "that say 'Facebook uses new Android update to pry into your private life in ever more terrifying ways – reading your call logs, tracking you in businesses with beacon, etc.'" Yul Kwon then responds to alleviate that concern in writing: "Also the Growth team is now exploring a path where we only request Read Call Log permission, and hold off on requesting any other permissions for now. Based on their initial testing, it seems that this would allow us to upgrade users without subjecting them to an Android permissions dialog at all." In other words, Kwon states that Facebook need not worry about negative press from spying on Android users calls and texts because those users will not know Facebook is in fact spying on them since Facebook will not need to disclose this fact to users when it updates its Android app) is attached hereto as Exhibit 172.

173.   A true and correct copy of FB-01221432 - FB-01221433 (October 31, 2012 email discussion in which Vernal, Purdy, Lessin, Rose and Osofsky prepare for a meeting with Zuckerberg in which they will present to him the "Top 5-10 Partner Deals" for beginning to enforce the reciprocity policy, asking "who would we try to strike a deal with, and what would we try to get") is attached hereto as Exhibit 173.

174.   A true and correct copy of FB-01252038 - FB-01252039 (October 2013 email where due to the inherent privacy flaws of Facebook's Platform design, Vernal writes that a platform app almost "accidentally disclosed earnings ahead of time," which would have "been fatal for Login / Open Graph . etc." Vernal exhorts employees "DO NOT REPEAT THIS STORY OFF OF THIS THREAD. I'm super super serious here" and "do not want this story spreading inside of Facebook or off of this thread at all. I can't tell you how terrible this would have been for all of us had this not been caught quickly. Ling – when you ask Platform Ops about this, please

don't reference the story – just say someone got screwed by this and you want to follow-up") is attached hereto as Exhibit 174.

175. A true and correct copy of FB-00947595 - FB-00947606 (November 2012 email in which Vernal summarizes for Purdy, Rose, Lessin and Osofsky that Platform 3.0 includes "Removing a bunch of APIs (e.g. all the friend ones)" and the "data reciprocity policy" and suggests they announce these changes publicly very soon. Osofsky responds that he and Purdy are already working on a blog post announcing that friend data will be removed to all developers with Jen Taylor and David Swain from Facebook's public relations team) is attached hereto as Exhibit 175.

176. A true and correct copy of FB-01151043 - FB-01151044 (March 2013 email discussion in which Archibong, Bickert, Lessin, Osofsky and Purdy agree that in discussions with Refresh.io, a startup developer Facebook is seeking to acquire, that Facebook staff should communicate to Refresh.io staff during the acquisition discussions that Refresh is violating Facebook policies and therefore, if they do not sell to Facebook, Refresh will likely be shut down in the future. The group further agrees that if the acquisition discussions do not work out, then Facebook will wait until after its earnings calls to shut down Refresh.io in order to avoid the perception that the failed acquisition discussions and the decision to shut down the app are related) is attached hereto as Exhibit 176.

177. A true and correct copy of FB-00947652 (November 2012 email in which Zuckerberg gives Vernal the "green light" to provide games with "special treatment in exchange for a 30% net (21% gross) rev share" such that games will not be affected by PS12N to avoid Facebook losing revenues from game developers) is attached hereto as Exhibit 177.

178. A true and correct copy of FB-00433723 - FB-00433728 (May 2014 chat among Facebook employees in which engineer Sean Kinsey writes regarding Zuckerberg's decision to

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exempt games from PS12N: "we hold developers to different standards – it's pretty amazing that no-one has called us out on this already. We let games get away with things we publicly document we don't allow regular apps to do." Eddie O'Neil responds: "I see the inconsistency, we just decided that it was worth it." Kinsey then responds: "It's ironic that we're exempting the one category where trust is paramount (money is involved) from taking part in building that trust ☺") is attached hereto as Exhibit 178.

179.   A true and correct copy of FB-00109950 - FB-00109957 (August 2012 internal email in which a Growth team (Olivan) project in which Facebook seeks to secretly collect additional information from Android users, including the default camera app, messaging app, and whether the Android user has a non-Google app store downloaded, such as an app store from messaging and gaming platforms like Kakao or Line with whom Facebook competes (FB-00109952)) is attached hereto as Exhibit 179.

180.   A true and correct copy of FB-00089881 - FB-00089884 (November 2013 email in which privacy team employee Matt Scutari notes that Zuckerberg requested the product team explore making the "Only Me" audience setting unsticky, meaning that when a user uploads a photo or other data to Facebook that only she wants to see, Facebook would lapse that strict privacy control after a period of time) is attached hereto as Exhibit 180.

REDACTED

EXHIBIT   172

UNREDACTED   VERSION OF DOCUMENT   SOUGHT TO BE LODGED UNDER SEAL

Michael LeBeau:

>Hey guys, as you all know the growth team is planning on shipping a permissions update on Android at the end of this month. They are going to include the "read call log" permission, which will trigger the Android permissions dialog on update, requiring users to accept the update. They will then provide an in-app opt-in NUX for a feature that lets you continuously upload your SMS and call log history to Facebook to be used for improving things like PYMK, coefficient calculation, feed ranking, etc.

>

>This is a pretty high-risk thing to do from a PR perspective but it appears that the growth team will charge ahead and do it.

>

>Separately, Gravity team had been intending to ship the Bluetooth permission on Android at the same time - in fact we'd already delayed to accommodate more permissions from the growth team, but we didn't realize it was going to be something this risky. We think the risk of PR fallout here is high, and there's some chance that Bluetooth will get pulled into the PR fallout. Screenshot of the scary Android permissions screen becomes a meme (as it has in the past), propagates around the web, it gets press attention, and enterprising journalists dig into what exactly the new update is requesting, then write stories about "Facebook uses new Android update to pry into your private life in ever more terrifying ways - reading your call logs, tracking you in businesses with beacons, etc".

>

>Gravity had a great initial reception. This is because we took painstaking steps to ensure that we had a clear story of user value for the hardware and spoke from a position of transparency but not over-emphasis about the potentially scary bits. But we're still in a precarious position of scaling without freaking people out. If a negative meme were to develop around Facebook Bluetooth beacons, businesses could become reticent to accept them from us, and it could stall the project and its strategy entirely.

>

>So we're still treading very carefully, and of course the growth team is also managing a PR risk of their own with their launch.

>

>Given this, and the fact we have lots to iterate on with iOS, and we can still do non-beacon place tips on Android any time, we've been thinking the safest course of action is to avoid shipping our permission at the same time as "read call log".

>

>Normally we'd have to wait until July for the chance to ship again, since we only ship Android permissions updates a couple times a year as they tank upgrade rates. So our options, aside from the "ship together and pray" option which feels too risky to me, are to wait until July to ship the Bluetooth permission on Android or ask for a special exception to ship our permissions update sooner.

>

>Shipping permissions updates on Android has the downside of tanking upgrade rates, so we try to do it infrequently. But there could be an argument to doing it sooner in this case, as a compromise to allow both teams to continue moving fast, without unnecessarily conflating two PR risks into one.

>

>Wanted to make everyone aware of these options and welcome any thoughts/feedback about this.

1

Ran Makavy:
>I think separating the introduction of the two permissions to different releases makes sense. If there is a case to have another release before July, that would be a good compromise.

Avichal Garg:
>Yeah we should work with Lindsay and Will to figure out if we can do an intermediate release before six months

Avichal Garg:
>And what the optimal timing for that would be

Yul Kwon:
>(y)

Michael Vernal:
>I acknowledge but tend to be less concerned about this risk than you guys are.
>
>I don't think there's a world where we delay the growth permission to give gravity air cover, so I think the real options are what you layout:
>l. Ship now
>2. Try to get an exception in ~April
>3. Ship in July
>
>My honest recommendation would probably be to go out with this launch, but if the team collectively feels strong about holding it I would investigate (2).

Yul Kwon:
>Just as a heads up, I was in a separate meeting with Lindsey today, and I got the impression that Release Eng would be very opposed to an intermediate launch. We should definitely explore this, of course, but should expect strong reservations.

Yul Kwon:
>Also, the Growth team is now exploring a path where we only request Read Call Log permission, and hold off on requesting any other permissions for now.

Yul Kwon:
>Based on their initial testing, it seems that this would allow us to upgrade users without subjecting them to an Android permissions dialog at all.

Yul Kwon:
>It would still be a breaking change, so users would have to click to upgrade, but no permissions dialog screen. They're trying to finish testing by tomorrow to see if the behavior holds true across different versions of Android.

Michael Vernal:
>(y)

Yul Kwon:
>Mike V. - The Growth team's meeting with Mark is scheduled for tomorrow at noon. Javi's admin accidentally left you off the invite, so I asked her to add you. She said she was checking with your admin to see if you could make it, but we haven't heard back. Will you be able to join?

Michael Vernal:

>Eep; will be hard. Will check tomorrow.

Yul Kwon:
>Ok, thanks. This is annoying. The Growth team and Noami agreed that you were critical, but this apparently fell through the cracks when they set up the meeting. The same thing happened to Sheryl and Cox, neither of whom will be attending as a result.

EXHIBIT   173

UNREDACTED   VERSION   OF DOCUMENT   SOUGHT   TO BE LODGED   UNDER   SEAL

From:	Justin Osofsky </O=THEFACEBOOK/OU=FIRST ADMINISTRATIVE
	GROUP/CN = RECIPIENTS/CN=JOSOFSKY>
Sent:	Wednesday, October 31, 2012 11:00 PM
To:	Mike Vernal; Douglas Purdy
Cc:	Sam Lessin; Dan Rose
Subject:	Re: Zuck Follow-Ups & Platform Business Model Conversation Next Week

We're making solid progress on several of the below analyses including the "top 5-10 partner deals", "FB marginal user analysis", and "policy analysis". More generally, I've been thinking about how best to frame up the discussion on Wednesday. I would think of structuring the deck along the following lines (and plan to take a first cut for everyone to review by EOD Friday):

- **Level setting on the status quo:** what data do partners "read" from Platform? Key analysis: volume of API calls by data field.
- **Understanding the value of "read" data:** how valuable is "read" data? Is the value quantifiable? Key analyses:
  - o What value do partners perceive from existing data? ("FB marginal user analysis")
  - o What value does analogous data have in our ads system? We're mapping ad targeting to platform permissions to evaluate the incremental value of each data field in the context of the ads auction.
  - o What data do we not expose today which could have value (e.g., coefficient)? How valuable is this to partners?
  - o What incremental value does the data have over other ways in which developers can acquire info (e.g., iOS)?
- **Capturing the value of "read" data:** what is the best way for FB to capture the value of "read" data? Key analysis: evaluating the pros and cons of the following approaches:
  - o Cost plus
  - o Price per data field
  - o Price per user
  - o Ongoing rev share after a user connects
  - o Custom BD deals (i.e., "top 5-10 partner deals")
  - o "Loss leader": using data to drive incremental value to our ads and payments businesses
- **Preserving the value of "read" data:** what additional changes to platform are required to maintain the value of the data?
  - o API changes: friends' basic info, contact info, extended info, stream API, search API.
  - o Policy changes: competing social networks, reciprocity, size-based restrictions.
- **Evaluating the risks:** what are the risks with the above approaches (e.g., reaction of the developer community)?

....

From: Mike Vernal <vernal@fb.com>
Date: Wednesday, October 31, 2012 8:20 PM
To: Justin Osofsky <josofsky@fb.com>, Douglas Purdy <dmp@fb.com>

1

Cc: Sam Lessin <sl@fb.com>, Dan Rose <drose@fb.com>, Mike Vernal <vernal@fb.com>
Subject: Zuck Follow-Ups & Platform Business Model Conversation Next Week

(FYI for Sam + Dan.)

We have a meeting w/ Zuck+ mteam next Wed @ lOam to continue to platform business model conversation.

I'll be out between then and now, but I'll jump on email and take responsibility for framing that conversation with a deck.

I expect that conversation to be 5-10 minutes of framing and then a broader conversation about how we could price this stuff (some extension of Mark's email this morning).

There's a bunch of analysis we have in-flight that I think it would be good to have written down for the meeting, if/when it comes up:

- Top 5-10 Partner Deals - who would we try to strike a deal with, and what would we try to get. Justin, I assume you're driving this? I think it'd be good to have a straw man here so people can react to it.

- FB User Marginal Value Analysis - for FB partners, how much more valuable is an FB user than a non-FB user. Mark keeps hearing FB users are "way more valuable." We keep telling him that's not substantiated (other than Spotify). We should debug this (and make sure we include games in this analysis). Justin, assume you're driving this?

- Loss Leader Analysis - does the read-side of platform drive meaningful marginal value on the distribution side of the business? If we were to yank the read-side, would that harm the distribution business (both current+ future)? I assume Justin + Doug driving this (Justin analysis for current value, Doug+ Justin for what changes would mean to future monetization).

- API Change Analysis - what is impact on the ecosystem of killing friend information. Doug/Charles/Vlad should drive (we haven't kicked this off yet, but would be good to understand how many apps impacted, biggest apps impacted, whether we'd whitelist folks, etc.)

- Policy Changes - we didn't talk about this on Monday, but we should just be prepared to talk about proposed policy changes. We can just use the slides already prepared.

There are other analyses we're doing, but I don't think they're critical for Wed. We should be doing these and reviewing when ready, though:

- Coefficient Analysis - how would we expose + price coefficient. Charles +Vlad driving.

- OG Monetization Analysis - how valuable is the OG data we're getting, and the opportunity here? Deb/Rohit driving this.

- Click Value Model - how we do change the click value model in feed. Will/Rose driving this.

- Invitations Spee - how we charge for invitations. Assume Gareth is driving this.

Sound reasonable? Anything I missed?

EXHIBIT   174

UNREDACTED   VERSION OF DOCUMENT   SOUGHT TO BE LODGED UNDER SEAL

Michael Vernal:
>Do not forward

Michael Vernal:
>Please see attached story.
>
>Can we:
>
>l. Follow-up on this particular app and make sure what it's doing is clear and not deceptive.
>
>2. Make sure that what we are doing with Login v4 would have unequivocally solved this issue?

Michael Vernal attached 1451451_10101077667582321_276522364_n.jpg

Michael Vernal:
>If it's not clear, the above interaction could have been near-fatal for Facebook Platform **/** Login **/** etc.

Avichal Garg:
>wow that would have been a disaster

Michael Vernal:
>If Mark had accidentally disclosed earnings ahead of time because a platform app violated his privacy ... literally, that would have basically been fatal for Login **/** Open Graph **/** etc.

Avichal Garg:
>holy crap

Michael Vernal:
>Listen guys/gals - DO NOT REPEAT THIS STORY OFF OF THIS THREAD.

Michael Vernal:
>I'm super, super serious here.

Michael Vernal:
>I want us to follow-up on this and respond urgently here, but I also do not want this story spreading inside of Facebook or off of this thread at all. I can't tell you how terrible this would have been for all of us had this not been caught quickly.

Michael Vernal:
>Ling - when you ask Platform Ops about this, please don't reference the story - just say someone got screwed by this and you want to follow-up.

Avichal Garg:
>I put time on everyone's calendar for 5:30PM tomorrow. Unfortunately this was the only time when Jeffrey, Caitlin, and Ling are all free. Doug and I are also free at that time. Alex is booked on his calendar. I will definitely be there.
>
>Let's use that time to debug what happened, figure out how to make sure to resolve it for this particular app, find other apps that may be doing this and get them fixed asap, and figure out if v4 would have prevented this.

Avichal Garg:
>I'll ping Ling off of this thread to get going on the Platform Ops piece of this as necessary

Avichal Garg:
>we can initiate that during the day tomorrow

EXHIBIT   175

UNREDACTED   VERSION   OF DOCUMENT   SOUGHT   TO BE   LODGED   UNDER   SEAL

From:	Charles Jolley </O=THEFACEBOOK/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=CHARLESJ
Sent:	Sunday, November 25, 2012 11:08 PM
To:	Mike Vernal
Cc:	Ime Archibong; Justin Osofsky; Douglas Purdy
Subject:	Re: For review: Platform business model biog post

The other one issue is with requiring full reciprocity - which as I understand it means that if you ready any of our social graph then you must publish back all social actions.

In this sense, the developer is no longer in control except that they could opt completely out of our graph. There is no sense of investment matching the reward; I have a potentially high up front cost to get anything out of FB. I don't have a good framework to think about how this will impact adoption yet; but it seems like a high risk.

-C

On Nov 25, 2012, at 10:50 PM, Mike Vernal <vernal@fb.com>

wrote:

Yes, I think that complexity is a big deal.

The thing I ultimately liked about the social graph for social actions proposal was that it was pretty concrete. If you added an action to a user's profile on your site, then you had to give the user the option to share that back to Facebook, too. You were in control (by controlling whether you surfaced that action in your app / on your site).

This falls apart if apps don't have social actions.

I can only think of two cases where this really worries me -- commerce + messaging.

For Commerce (Apple, Amazon), you might use the social graph to either (a) improve recommendations or (b) drive gifting in a way that doesn't accrue value to us. I don't know how to defend against this.

1

This might be ok -- if you're small, then the quality of your social recommendations and your ability to drive gifting will be limited, and once you get big you're subject to our size clause. The duplicate functionality clause also helps us here.

For Messaging (Line, Kakao), you could grow with our graph but not contribute any social actions back. Here, either the duplicate functionality or the size threshold also helps.

Neither of these answers are super satisfying, though. I think we should just flag these cases and discuss tomorrow.

-mike

From: Charles Jolley <charlesj@fb.com>
Date: Sun, 25 Nov 2012 22:15:32 -0800
To: Mike Vernal <vernal@fb.com>
Cc: lme Archibong <ime@fb.com>, Justin Osofsky <josofsky@fb.com>, Douglas Purdy <dmp@fb.com>
Subject: Re: For review: Platform business model biog post

Have we thought about *I* talked through the complexity and risk we are placing on our developers?

We are asking developers to potentially take on a lot of work in order to integrate with us in the first place, but my concern is that a broadly scoped definition (i.e. "any action you take that is visible to other people") seems like it would introduce a lot of risk for the developer in that they would never know exactly what we might define as in scope *I* out of scope.

-Charles

On Nov 25, 2012, at 9:55 PM, Mike Vernal <vernal@fb.com>

wrote:

Slide 1: I think my litmus test for social action has traditionally been "any action that shows up on a user's profile on your site *I* in your app."

I think Mark's litmus test has been "any action you take that is visible to other people."

I would probably adopt one of these, as I think defining it as "one of four types" is probably too limiting. E.g., I think content creation is clearly in-scope here.

2

Slide 2-4, 6:

- I think every action in "Other publishable content" I would consider a "Social Action" given above definition.

Slide 5:

- iTunes is interesting, because you can't actually see others' listens, watches, reads, etc. yet. So we should probably adjust this to reflect what is actually visible via Ping today? And the right column should be everything else we might ask for?

- Similar for Amazon, I'm not sure what the split is, but I think the left column should be stuff that is a "Social action" per above definition, and right column should be "other stuff we might ask for"

-mike

From: Ime Archibong <ime@fb.com>
Date: Sun, 25 Nov 2012 20:23:42 -0800
To: Charles Jolley <charlesj@fb.com>, Mike Vernal <vernal@fb.com>, Justin Osofsky <josofsky@fb.com>, Douglas Purdy <dmp@fb.com>
Subject: RE: For review: Platform business model biog post

[-a couple folks]

Attached are the draft slides for the total reciprocity discussion. Let me know if there are any changes that need to be made and we'll get those incorporated before locking these slides into Charles' broader deck.

From: Ime Archibong
Sent: Friday, November 23, 2012 11:16 AM
To: Douglas Purdy; Dan Rose; Charles Jolley
Cc: Mike Vernal; Justin Osofsky; Sam Lessin
Subject: RE: For review: Platform business model biog post

Yep. I'm compiling the list/slide right now and will shoot it over to Charles.

From: Douglas Purdy
Sent: Friday, November 23, 2012 10:59 AM
To: Dan Rose; Charles Jolley
Cc: Ime Archibong; Mike Vernal; Justin Osofsky; Sam Lessin
Subject: Re: For review: Platform business model biog post

+Charles who is building the deck. Ime: can you work with charles to get this in the deck?

On Nov 20, 2012, at 8:00 PM, Dan Rose <drose@fb.com> wrote:

Let's also include Flickr on the list so that we can make a decision on that

---

From: Ime Archibong <ime@fb.com>
Date: Tuesday, November 20, 2012 6:32 PM
To: Mike Vernal <vernal@fb.com>, Justin Osofsky <josofsky@fb.com>, Dan Rose<drose@fb.com>, Doug Purdy <dmp@fb.com>
Cc: Sam Lessin<sl@fb.com>
Subject: RE:For review: Platform business model biog post

Agreed. Mark pinged me about Pinterest publishing recently, so TO seems to be his focus.

I'll take a first cut at this.

From: Mike Vernal
Sent: Tuesday, November 20, 2012 6:28 PM
To: Justin Osofsky; Dan Rose; Douglas Purdy; Ime Archibong
Cc: Sam Lessin
Subject: Re: For review: Platform business model biog post

Subjective tier 0. Basically, the apps that Mark knows, loves, and is concerned about.

-mike

From: Justin Osofsky <josofsky@fb.com>
Date: Tue, 20 Nov 2012 18:25:29 -0800
To: Mike Vernal <vernal@fb.com>, Dan Rose<drose@fb.com>, Douglas Purdy <dmp@fb.com>, Ime Archibong <ime@fb.com>
Cc: Sam Lessin<sl@fb.com>
Subject: Re: For review: Platform business model biog post

Great idea. Mike, were you thinking of (a) a specific criterion (e.g., MAU) that we should use to classify the top 20 devs or (b) a more subjective list based on the "tier 0" partners which Mark focuses on (e.g., Pinterest, Netflix, etc.)?

From: Mike Vernal <vernal@fb.com>
Date: Tuesday, November 20, 2012 6:22 PM
To: Dan Rose<drose@fb.com>, Douglas Purdy <dmp@fb.com>, Ime Archibong <ime@fb.com>
Cc: Justin Osofsky <josofsky@fb.com>, Sam Lessin<sl@fb.com>
Subject: Re: For review: Platform business model biog post

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What would be particularly interesting to me would be a list of each and every type of "social action" we'd be expecting them to publish to us. Might also be curious to know what actions on that site we would exclude (if it makes sense to call out any). This will help us establish a shared bar for what "total reciprocity" is.

-mike

From: Dan Rose <drose@fb.com>
Date: Tue, 20 Nov 2012 18:20:41 -0800
To: Douglas Purdy <dmp@fb.com>, Mike Vernal <vernal@fb.com>, lme Archibong <ime@fb.com>
Cc: Justin Osofsky <josofsky@fb.com>, Sam Lessin <sl@fb.com>
Subject: Re: For review: Platform business model biog post

Vernal had a good idea. Justin / lme - let's identify our top 20 developers and put together a straw man for how we will enforce reciprocity with each of them. We need this for the meeting with Mark on Monday to help ground the discussion about what "full reciprocity" actually means from an enforcement perspective.

From: Dan Rose <drose@fb.com>
Date: Tuesday, November 20, 2012 3:27 PM
To: Doug Purdy <dmp@fb.com>, Mike Vernal <vernal@fb.com>
Cc: Justin Osofsky <josofsky@fb.com>, Sam Lessin <sl@fb.com>
Subject: Re: For review: Platform business model biog post

Let's also add a slide on how we will manage the competitive use policy, and whether/how we will enforce differently against large developers who are over the size threshold.

From: Doug Purdy <dmp@fb.com>
Date: Tuesday, November 20, 2012 10:21 AM
To: Mike Vernal <vernal@fb.com>
Cc: Justin Osofsky <josofsky@fb.com>, Dan Rose <drose@fb.com>, Sam Lessin <sl@fb.com>
Subject: Re: For review: Platform business model biog post

I think we need slightly more detail to ensure we are on the same page, but broadly, yes.

On Nov 20, 2012, at 10:16 AM, "Mike Vernal" <vernal@fb.com> wrote:

> We've spent so much time framing it and it feels like so close, that I think I would basically just adopt Mark's framing below and have a really short deck that discusses his numbered points, specifically:
>
> - #1 Enforcement and wording of the reciprocity policy

5

- #3 Brief coefficient discussion (whether it makes sense to give for free for small #of friends)

- #4 Mark's "News Feed" proposal below (requiring apps to give us a News Feed for the user)

- #5 How we charge for excessive API usage (either per call or tiered)

- #6 How we'd test premium engagement features with mobile developers

- Execution plan / next steps (including when we'll come back to discuss Invitations, his #2)

Does that seem reasonable?

-mike

A quick note to ensure that we're coordinated in preparing for next week's discussion:

- Biog post. Doug and I are working with Jen Taylor and Swain to update the prior draft. We'll circulate it to this team once it's ready.

- Deck? If we're preparing a deck for next week's meeting with Mark, please just let me know if I can be helpful in framing things up. Happy to work with Charles, Viad, etc.

- Policy. There are a couple of policy issues in Mark's note: (a) implementing the reciprocity policy and (b) strengthening our enforcement approach. Specifically:

    o Reciprocity. I worked with Ali to take a first cut at this policy which incorporates Mike's concept of providing us with the option to prompt users to pull in data from FB. Draft language: "If your app requests additional information beyond a user's public profile, you must provide users with a prominent option to share the social actions they take within your app back to Facebook (such as engaging with your app's content or creating new user connections). You must easily enable this sharing functionality both within your app and by implementing our Action Syncing Protocol."

    o Enforcement. Historically, we've treated policy enforcement as a secondary function of platform. One of my top priorities is to significantly up level this function, and this will begin by hiring a manager with far different capabilities than previous folks. We're close to extending an offer to an internal candidate who fits this profile (e.g., HLSgrad, a decade as a federal prosecutor, user privacy and law enforcement experience). I'm also working with Colin to develop a more proactive and strategic approach to enforcement in competitive and other key contexts. We met yesterday and he'll send an a/c privileged summary as a next step (I'll provide more thoughts in the context of his note).

6

From: Dan Rose <drose@fb.com>
Date: Tuesday, November 20, 2012 6:41 AM
To: Mike Vernal <vernal@fb.com>, Douglas Purdy <dmp@fb.com>
Cc: Sam Lessin <sl@fb.com>, Justin Osofsky <josofsky@fb.com>
Subject: Re: For review: Platform business model biog post

Justin will work with Doug on this

From: Mike Vernal <vernal@fb.com>
Date: Monday, November 19, 2012 10:52 PM
To: Dan Rose <drose@fb.com>, Doug Purdy <dmp@fb.com>
Cc: Sam Lessin <sl@fb.com>
Subject: Re: For review: Platform business model biog post

Yeah - I've been bucketing all these changes into something I'm calling "Platform 3.0." Specifically:

- Paid Developer Model

- Removing a bunch of APIs (e.g., all the friend ones)

- New invitations model on iOS, Android, etc.

- Removing non-TOSed Friends

- API charging above a certain usage threshold

- Data reciprocity policy

- Action importer spec

- (Potentially) one premium service, just to set the tone for premium services

I think we need to roll all these changes out together as a big package with heavy messaging. This will likely be similar to the Twitter changes they just launched in terms of impact on the ecosystem.

Re: GDP - I actually think we want to get those changes out earlier, since it's a big user win.

Charles +Viad are going to own this from a PM + Eng perspective. Starting on a biog post I think would be a really useful way of clarifying what we're doing here. I think below is a pretty reasonable starting point. Maybe someone (Doug?) could update it based on luck's most recent note, circulate around, and then we can circulate w/ Zuck via email to see if we are correctly memorializing what he's proposing (maybe shoot for next Tuesday, after the Monday meeting where I expect us to agree on luck's proposal).

-mike

7

From: Dan Rose <drose@fb.com>
Date: Fri, 16 Nov 2012 13:38:20 -0800
To: Mike Vernal <vernal@fb.com>, Douglas Purdy <dmp@fb.com>
Cc: Sam Lessin <sl@fb.com>
Subject: Re: For review: Platform business model biog post

Sorry, bad communication. I did this as an exercise to see what it would look like if we moved forward with our strawman proposal from the last meeting.

After you guys have a chance to review and weigh-in, we can decide whether it would be useful to send this to the group that met last week as a way to try to move the discussion forward.

We can also just use it as a way to start preparing for whenever a decision gets made. This exercise also made me realize that we might want to include other decisions - like GDP 3.0 and $49/yr - in the broader announcement so that we package all of the platform changes together at once for developers.

From: Mike Vernal <vernal@fb.com>
Date: Friday, November 16, 2012 11:05 AM
To: Doug Purdy <dmp@fb.com>, Dan Rose <drose@fb.com>
Cc: Sam Lessin <sl@fb.com>
Subject: Re: For review: Platform business model biog post

Yes, I'm confused too. Can we not show this to Zuck yet (I'm booked and want to read this).

More broadly, I agree w/ Doug - I think we need to better coordinate how we're reviewing this stuff w/ Zuck. I want to review+ iterate on this before showing it to Mark.

From: Douglas Purdy <dmp@fb.com>
Date: Fri, 16 Nov 2012 11:03:47 -0800
To: Dan Rose <drose@fb.com>
Cc: Sam Lessin <sl@fb.com>, Mike Vernal <vernal@fb.com>
Subject: Re: For review: Platform business model biog post

I am confused. Why is the goal of this exercise with Zuck?

On Nov 16, 2012, at 11:00 AM, "David Swain" <dswain@fb.com> wrote:

Sam, Mike, Doug -

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We've drafted a hypothetical biog post to help conceptualize how some of the decisions we're considering could be positioned to developers.

Dan would like to show something to Zuck later today. Can each of you take a look through the following (also attached) and provide feedback?

David

Next Steps for Facebook Platform

Over the past five years, our platform has evolved from an ecosystem of apps and games that run on Facebook.com. It emerged as a way for websites to personalize their experience and drive traffic, and increasingly is becoming a key way for mobile apps to be discovered and grow.

Regardless of whether you've built a web or mobile app, developers typically plug into Facebook for one or all of these things.

1. Identity and registration: people can quickly get started in your app or game through Facebook login and our native authorization dialogs.
2. Growth: you can tap into channels like news feed, timeline, App Center, Bookmarks and Requests to reach and re-engage your users on Facebook, whether they're on the web, iOS or Android.
3. Promotion: you can use products like Facebook Pages and ads to accelerate and maintain growth.

Over the next few months, we're making several structural improvements to take into account theincreasing diversity of apps building with Facebook and the feedback we've received from the people who use your apps. Each change is designed to make it easy to take advantage of the core value our platform provides, improve theexperience people have with apps, and build an environment that allows us to continue to invest deeply in the platform.

These changes impact web and mobile apps integrated with Facebook; they do not apply to games that run inside Facebook.com (canvas) where there are different user expectations. Similarly, they don't apply to mobile games that share the same app ID as a canvas game. (paragraph needs to be tuned)

User experience
Helping people quickly get started with apps is one of the core values of our platform, but it's also the area where there's been some confusion and, at times, frustration from users. The following three changes are designed to simplify the experience people have and build long-term trust.

? **Improving the authorization process:** We are splitting the authorization dialog into two distinct screens. By separating these dialogs, it will be easier for people to understand exactly what permissions they are giving your app. The first dialog will allow you to request permission to access

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the basic and extended information you need to streamline the registration process and enable personalized experiences. The second dialog allows you to request permission to post to Facebook on behalf of someone. People can choose to enable this permission if they want to share information with their friends about their activity in an app, such as the music that they listened to on Spotify or the places that they checked-in on Foursquare.

? **Reducing what data is shared.** We are selectively removing data fields to make it easier for people to understand the information they are sharing with your app. Specifically, lesser used or more sensitive information such as inbox messages; friends' basic info, contact info and extended info; and the Stream API will no longer be available. People will continue to be able to share the most commonly used information to build a social app, such as first and last name, birthday, profile picture, gender, location, user ID and extended info (likes, interests, etc.). (point to documentation for more)

? **Helping people find their friends.** People can continue share their Facebook friend connections with your app, but only for those friends who are already using the app. This way, people can tell your app that they are friends with someone using your app, but not share their entire friend list. This better meets peoples' expectations on how their information is shared. For example, people shouldn't have to share their friends' likes and interests with an app because you would already have that information from when their friend chose to connect to your app.

Shared value exchange
Facebook Platform is designed to enable rich social apps, not to be used as a data export tool. Moving forward, if you give people a way to bring their Facebook data with them to improve the experience in your app, you also need to give them a way to share their app activity on Facebook. This preserves the overall health of the app ecosystem for users,developers and Facebook.

Practically, this means that if you ask someone to share his or her Facebook information with your app to provide a more personalized and social experience, you need to give that person the ability to share the activity from your app back to Facebook. For example, Spotify uses Facebook information to customize their experience, and they allow people to share their listening activity back to Facebook.

We've updated our policies to reflect this, and you can learn more here (link).

Premium and paid services
As many of the top iOS, Android and web apps have invested more in social, one of the most common areas of feedback is related to access to stronger support, as well as the ability to use more advanced features of the platform such as Instant Personalization and our recommendation and ranking capabilities. Today we're making this possible with three paid programs:

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FB-00947604

- ? Friend connections: We will begin charging for each connection that is revealed between two users of your app. This will allow us to invest in making this functionality as advanced and valuable as possible. *(Or lead with:* The value of a Facebook-connected user is, on average, X percent more than a non-Facebook user (reference yet to be conducted research or study). Facebook-connected users typically share more and spendmore time and money in apps. To allow us to invest in making this functionality as advanced and valuable as possible, we will being charging a small fee for each connection that is revealed between two users of your app.)
- ? Instant personalization: This program has been used by sites such as TripAdvisor, Rotten Tomatoes, Bing and Yelp to create deeply social experiences. We will continue to role this out on a whitelisted basis to approved partners. Learn more and apply here (link).
- ? Coefficient: We are creating new APIs to more efficiently surface a person's closest friends in your app. For instance, it could show which friends a person could look to for music recommendations, or friends who share other common interests. Learn more and apply here [link].

(Need to explain or link to how we'll charge/fees/specifics, as well as timing for the rollout)

We'll continue to look for ways to develop more advanced premium services that help you build better social apps and reach more users. By moving to a paid model for this advanced functionality, it sets us up to re-invest in the types of technologies and APIs many of you have asked for.

Professionalizing developer support
We consistently hear the desire from our developer community to fix bugs and provide higher quality technical support. Based on your feedback, we're launching a developer support program that will better match what you've come to expect from other platforms. Developers who integrate with Facebook will be required to pay a flat $49 annual fee per app. In exchange, you will receive 2 technical support incidents from our developer support team. Social plugins and Facebook login (or registration plugin /pending decision) remain free and are separate from this program.

As part of the program, we will also enhance our app review process. Learn more here: (link).

<2012_11_16 PlatformChangesDS.docx>

EXHIBIT   176

UNREDACTED   VERSION OF DOCUMENT   SOUGHT TO BE LODGED UNDER SEAL

From:	Douglas Purdy </O=THEFACEBOOK/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN = RECIPIENTS/CN=DOUGLAS PURDY>
Sent:	Tuesday, March 26, 2013 10:59 PM
To:	Ime Archibong; Monika Bickert; Justin Osofsky
Cc:	Sam Lessin; Mike Vernal
Subject:	Re: Next steps w/Refresh.io & Reciprocity

How many engs/product?

From: Ime Archibong <ime@fb.com>
Date: Tuesday, March 26, 2013 10:52 PM
To: Douglas Purdy <dmp@fb.com>, Monika Bickert <monika@fb.com>, Justin Osofsky <josofsky@fb.com>
Cc: Sam Lessin <sl@fb.com>, Mike Vernal <vernal@fb.com>
Subject: RE: Next steps w/Refresh.io & Reciprocity

Yes, we'd let them have publish for #2 ...but every publish use case we discussed felt really forced and awkward. If I was using the app, I wouldn't publish anything.

Their team seems really talented. The app is beautifully designed. The learning algorithms and heuristics they've built (at least what they shared with me) seem well thought out and sophisticated. I bet they could do a bunch more with access to our internal data and engineers.

From: Douglas Purdy
Sent: Tuesday, March 26, 2013 10:48 PM
To: Ime Archibong; Monika Bickert; Justin Osofsky
Cc: Sam Lessin; Mike Vernal
Subject: Re: Next steps w/Refresh.io & Reciprocity

I assume that we would let have publish for #2?

Do you have a read on how good their team is? Note that I don't like the optics if us going with #2, if we ask that about acqui-hire right now.

From: Ime Archibong <ime@fb.com>
Date: Tuesday, March 26, 2013 10:44 PM
To: Monika Bickert <monika@fb.com>, Justin Osofsky <josofsky@fb.com>
Cc: Sam Lessin <sl@fb.com>, Douglas Purdy <dmp@fb.com>
Subject: Next steps w/Refresh.io & Reciprocity

Monika, Justin -

I met with the Refresh team again to brainstorm reciprocity in their app. To be very frank, together we struggled (and I still struggle) to identify any value they could provide to FB that would ever be sufficient to equate a reciprocal value exchange. They are taking a ton of data from us. In fact, the closest we got was if they published the professional graph (aka Linkedin graph) to us, but clearly Linkedin would shut them off immediately.

Optimistically, I think we have a two real options for Refresh.io:

1. Acqui-hire this team and have them work on this at FB. Reminder that that the Identity team is building a similar UEX. @Sam - Any interest here?

1

2. Restrict their access to our APis and data, but let them use login.

If we're not interested in #1, I'd like to move forward and signal #2 to them soon. Ideally, before they continue investing too much in FB. I want to avoid a situation where we let them launch, they get traction, and we're forced to grandfather them in when Platform 3.0 lands.

@Everyone -- Is my thinking off on this? Are there any other options here?

EXHIBIT   177

UNREDACTED   VERSION   OF DOCUMENT   SOUGHT   TO BE LODGED   UNDER   SEAL

From:	Alex Schultz </0 =THEFACEBOOK/OUFIRSTADMINISTRATIVE
	GROUP/CN=RECIPIENTS/CN=ASCHULTZ>
Sent:	Sunday, November 25, 2012 9:57 PM
To:	Mike Vernal
Subject:	RE:Platform Model Thoughts

You got it:)

-----Original Message-----
From: Mike Vernal
Sent: Sunday, November 25, 2012 9:56 PM
To: Alex Schultz
Subject: Re: Platform Model Thoughts

Will do. I really want us to win here, and have been frustrated with my team's execution to date so welcome the help in getting our ducks in a row.

-mike

-----Original Message-----
From: Alex Schultz <aschultz@fb.com>
Date: Sun, 25 Nov 2012 21:50:54 -0800
To: Mike Vernal <vernal@fb.com>
Subject: RE:Platform Model Thoughts

Great... let me help drive this forward as much as needed. I feel we have a chance to really change the direction of our games revenue here AND the success of games developers at the same time.

Also please keep being direct with me (and I'll keep being direct with you). I expect I'll probably upset folks as we go through this and it'll be helpful if you can let me know and guide me through making things work (while still getting to the right result).

Alex

-----Original Message-----
From: Mike Vernal
Sent: Sunday, November 25, 2012 6:46 PM
To: Alex Schultz
Subject: Re: Platform Model Thoughts

Yeah, definitely. I think we're 100% aligned here. I've been pushing Gareth+ Bruce (now Aaron) to have a concrete proposal here, but we've been moving too slowly which is my fault (and something I intend to fix).

-----Original Message-----
From: Alex Schultz <aschultz@fb.com>
Date: Sun, 25 Nov 2012 18:39:42 -0800
To: Mike Vernal <vernal@fb.com>
Subject: Re: Platform Model Thoughts

1

Sweet!

Is this all ok for you?

A

Sent from my iPhone

On Nov 26, 2012, at 11:32 AM, "Mike Vernal" <vernal@fb.com> wrote:

>Yes. Gareth/I will set something up.
>
>-----Original Message-----
> From: Alex Schultz <aschultz@fb.com>
> Date: Sun, 25 Nov 2012 18:31:31 -0800
>To: Mark Zuckerberg <zuck@fb.com>
>Cc: Mike Vernal <vernal@fb.com>, Sean Ryan<seandryan@fb.com>, Dan
>Rose <drose@fb.com>, Sam Lessin<sl@fb.com>, Douglas Purdy
><dmp@fb.com>, Javier Olivan <jolivan@fb.com>, Ed Baker <edb@fb.com>,
>Chris Cox<ccox@fb.com>, Mike Schroepfer <schrep@fb.com>, Chris
>Daniels <chrisd@fb.com>, Sheryl Sandberg <sheryl@fb.com>, David
>Ebersman <ebes@fb.com>, Vladimir Fedorov <vladf@fb.com>, Cory Ondrejka
><cory.ondrejka@fb.com>, Greg Badros <badros@fb.com>, Justin Osofsky
><josofsky@fb.com>, Gareth Davis <gareth@fb.com>, Aaron Brady
><abrady@fb.com>
> Subject: Re: Platform Model Thoughts
>
>Awesome.
>
>We should be able to do something simple in one or two Asian markets
>(where only android matters so we can focus) pretty fast, I hope.
>
> Mike do you just want us all to get together without Zuck since we
>have the green light to go forward?
>
> I am hopping on a plane now but will be in the office Monday.
>
>A
>
>Sent from my iPhone
>
>On Nov 26, 2012, at 10:15 AM, "Mark Zuckerberg" <zuck@fb.com> wrote:
>
»We don't have time for a meeting tomorrow, but I'll give you the
»green light to start exploring this immediately. I agree we really
»want to do this.
»
»As folks have noted, the biggest issue here will be App Center
»distribution. That's what I'm most interested in hearing about and
»learning what our choices are and how difficult this will be. This
»seems like a very large amount of design and technical work and we

2

»need to involve the mobile team in this soon if we want to get
»anything done.
>>
>>
»On Nov 25, 2012, at 4:05 PM, "Mike Vernal" <vernal@fb.com> wrote:
>>
»>+Gareth, Aaron who have been working on a deck/plan around this
>>>
»>Agreed that (a) these games want distribution primarily and (b) we
»>need to move quickly as Kakao + Line are building interesting
>>>businesses here.
>>>
»> My net is that we should decide to have a special program for mobile
»>games where they get special treatment in exchange for a 30% net
»> (21%
»>gross) rev share. We should start small (e.g., ~5 games) and in
»>Asian markets and expand from there if its promising.
>>>
»>We should start with distribution features, but once we have those
»>in place I think this is a good proving ground for premium
»>engagement features like the ones below.
>>>
»> Monday's agenda is really tight (we've got an hour for
»>privacy/browse stuff and an hour for all this platform business
»>model stuff), but I'll talk to the team + Anikka to try to find some
>>>time for Sean, Alex, Gareth, George, Vishu, Aaron, et al. to meet w/
»>Mark about options here.
>>>
»>-mike
>>>
»>From: Sean Ryan <seandryan@fb.com<mailto:seandryan@fb.com>
»> Date: Sun, 25 Nov 2012 10:55:16 -0800
»>To: Dan Rose <drose@fb.com<mailto:drose@fb.com>, Alex Schultz
»> <aschultz@fb.com<mailto:aschultz@fb.com>, Mike Vernal
»> <vernal@fb.com<mailto:vernal@fb.com>, Mark Zuckerberg
»> <zuck@fb.com<mailto:zuck@fb.com>, Sam Lessin
»> <sl@fb.com<mailto:sl@fb.com>, Douglas Purdy
»> <dmp@fb.com<mailto:dmp@fb.com>, Javier Olivan
»> <jolivan@fb.com<mailto:jolivan@fb.com>, Ed Baker
»> <edb@fb.com<mailto:edb@fb.com>, Chris Cox
»> <ccox@fb.com<mailto:ccox@fb.com>, Mike Schroepfer
»> <schrep@fb.com<mailto:schrep@fb.com>, Chris Daniels
»> <chrisd@fb.com<mailto:chrisd@fb.com>, Sheryl Sandberg
»> <sheryl@fb.com<mailto:sheryl@fb.com>, David Ebersman
»> <ebes@fb.com<mailto:ebes@fb.com>, Vladimir Fedorov
»> <vladf@fb.com<mailto:vladf@fb.com>, Cory Ondrejka
»> <cory.ondrejka@fb.com<mailto:cory.ondrejka@fb.com>, Greg Badros
»> <badros@fb.com<mailto:badros@fb.com>, Justin Osofsky
>>> <josofsky@fb.com<mailto:josofsky@fb.com>
»>Subject: RE:Platform Model Thoughts
>>>
»>Watching the aggressive moves by Kakao and Line (Line Pop now #1

3

»>free   IOSgame in 6 countries) to expand their mobile games platforms
»>outside   of their home countries, plus the extraordinary revenue they
»>believe   they can generate, we need to move faster and with a simpler
»>approach   than a complex set of premium read-side services will require.
>>>
»>These devs really want straight distribution first, followed by
»>viral   features as secondary options, meaning we need to be able to
»>experiment   quickly with the mobile UI changes that Alex has
»>suggested   in at least one of the Asian countries to see if we can
>>>drive a few games to massive
»>success.   This is not about driving a higher level of App Center
»>downloads   - it's about king-makinga few gameswhose developersthen
»>tell   everyoneelse. Plusit should show significant financial returns
»>in   countries where we don't makethat much money right now, and if
»>it₁s   done outside of the feed, it won₁t cannibalizeNekoor any
»>other   ads-relatedfeatures - but we needto move faster and with
»>more   wood behind the spear.
>>>
>>>Sean
>>>
>>>From: DanRose
»>Sent: Sunday,November 25, 2012 8:49 AM
»>To: Alex Schultz;Mike Vernal; Mark Zuckerberg;SamLessin;Douglas
»>   Purdy;JavierOlivan;EdBaker;ChrisCox;Mike Schroepfer;Chris
»>   Daniels;SherylSandberg;DavidEbersman;Vladimir Fedorov;Cory
»>   Ondrejka;GregBadros;JustinOsofsky;SeanRyan
»>   Subject:Re:Platform Model Thoughts
>>>
»>   I agreewith Alex'sframing of this. Here'sa few more thoughts as
»>it   relatesto our platform businessmodel:
>>>
»>   Kakaoand Lineare developingdistribution platforms for mobile
»>games,   similarto our desktop canvasplatform. Vernal'steam has
»>been   exploringa similar approachon mobile, but asAlex points out
»>this   model really hingeson our ability to leverageApp Centerfor
»>distribution,   which currently getsvery little traffic on mobile.
»>Changing   our mobile UI to drive more traffic to App Centeris
»>obviously   tied-up in our broader redesign,but worth consideringas
»>we   think through the future of bookmarks,etc.
>>>
»>   Mark's idea is different from what Kakaoand Lineare doing. He's
»>suggesting we offer premium read-sideservices: instant
»>personalization, coefficient, full friends list : to mobile game
»>developers in exchangefor 20-30%net rev-share(net of
»>Apple/Google's take). If mobile gamedeveloperswere willing to do
»>this, it would help usprice theseservicesmore broadly by
»>surfacing data on how muchvalue they create.
>>>
»>   If we did both of theseat the sametime, it would be very powerful.
>>>
»>   Here'sa few additional data points on Kakaoand Lineaswe try to
»>learn   from their success(asAlex said,most of this intelligence

4

>>>is coming from Jess Lee on Sean's team who recently moved to
»>Singapore   to lead our games partnership team in Asia)
>>>
»> Kakao and Line are able to get game developers to sign-up to global
»>exclusivity,   without committing to traffic or revenue guarantees.
»>Getting   featured by them can king-make a game in these markets, so
»>they   have developers lining-up to get into their equivalent of our
>>>app center.
>>>
»>They   charge 30% net rev-share (net of Apple/Google's take), but they
»>don't   publish apps on behalf of their developers. They rely instead
»>on contractual agreements and developers being honest about their
>>>revenue.
»>They   probably also align incentives by featuring apps that generate
»>the   most revenue. (Sean‹ let's try to learn more).
>>>
»> It's becoming a norm in Asia to list the social network with which
»>you're associated in the title of your game (see Alex's screenshots
»>below where LINE or Kakao are listed in the title of these apps), and
»>to   put the social network's favicon in the bottom right corner of
»>your app icon.
>>>
»>From: Alex Schultz<aschultz@fb.com<mailto:aschultz@fb.com»
»>Date: Saturday, November 24, 2012 8:17 PM
»>To: Mike Vernal <vernal@fb.com<mailto:vernal@fb.com», Mark
»>Zuckerberg <zuck@fb.com<mailto:zuck@fb.com»,Sam Lessin
»> <sl@fb.com<mailto:sl@fb.com», Doug Purdy
»> <dmp@fb.com<mailto:dmp@fb.com», Javier Olivan
»> <jolivan@fb.com<mailto:jolivan@fb.com», Ed Baker
»> <edb@fb.com<mailto:edb@fb.com», Chris Cox
»> <ccox@fb.com<mailto:ccox@fb.com»,Mike Schroepfer
»> <schrep@fb.com<mailto:schrep@fb.com»,Dan Rose
»> <drose@fb.com<mailto:drose@fb.com»,Chris Daniels
»> <chrisd@fb.com<mailto:chrisd@fb.com»,Sheryl Sandberg
»> <sheryl@fb.com<mailto:sheryl@fb.com», David Ebersman
»> <ebes@fb.com<mailto:ebes@fb.com»,Vladimir Fedorov
»> <vladf@fb.com<mailto:vladf@fb.com», Cory Ondrejka
»> <cory.ondrejka@fb.com<mailto:cory.ondrejka@fb.com»,Greg Badros
»> <badros@fb.com<mailto:badros@fb.com»,Justin Osofsky
>>><josofsky@fb.com<mailto:josofsky@fb.com»
»>Subject: RE: Platform Model Thoughts
>>>
»>I   asked mark why he added me to this thread (since I wasn₁t in the
»>meetings)   and he said he wanted my input on growth and games.
>>>
»>As   such please take this in that light and I apologize if anything I
»>say   is duplicative or has been discussed before. These are just my
»>thoughts (after mulling on the earlier emails for a while). My reply
»>is   focusing primarily on the [3]partnering with mobile games[2]
»>component of this proposal and I think is in line with what you guys
»>are   saying, just a little more fleshed out tactically. Sean Ryan has
»>taught   me a lot about games over the last half year and so much of

5

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»>this thinking is stuff I have learnt from him.
>>>
»>The actual, tactical, execution on distributing mobile, social,
»>games (without spamming users) will be key to our success. The
»>revenue model/charging for value exchange is much, much easier here
»>(as Zuck points out in his original email). We should simply
»>replicate Kakao's 30% revenue share (post google/apple stake). If
>>>executed right, this could massively re-accelerate revenue from our
»>games business and make it a billion $$$ (web+mobile) business next
»>year. Kakao is already on a $400MM p.a. run rate in just Korea alone.
>>>
»> I am really excited about the chance of us taking our games business
»>from expected decline to massive growth in 2013 but I think we'll
»>need to do some stuff that we aren't, historically, comfortable with.
>>>
»> Detailed thinking:
>>>
>>>- Games payments can be a major revenue growth business again
»>for Facebook if we attack the revenue share models that are kicking
»>ass in Asia right now. Kakaotalk, alone, is reported to be doing
»> >1/3 of our total payments revenue just in Korea
>>>
>>>(http://thenextweb.com/asia/2012/11/20/after-making-money-in-korea-mo
»>bil
>>>e
»> -chat-app-kakao-talk-takes-its-games-service-global/ Sean Ryan &
»>the Asian growth managers deserve a lot of credit in their work to
»>explore these business models and partner interest then surface this
>>>to the canvas revenue and games teams.
»> [Description: kakao games graph 520x329After making money in Korea,
»>mobile chat app KakaoTalk takes its games service global]
>>>
»> - I believe (based on developer feedback) it is more important
»>to solve distribution for the games developers than to focus on
»> social graph and retention
>>>
»> - I feel this way because the useful social graph is really
»>getting commoditized in address books and we know getting 1000
»>friends isn't important, 10-100 is
>>>
»> - Looking at the top apps in TW/KR it seems LINE/Kakao have
»>been good at driving this:
»> [cid:image002.png@01CDCAF9.F6C0A460]
>>>
>>>
»> - In order to do that I think we need to figure out
»>distribution of app center, making it a first class citizen in
»>Facebook.
»> Right now it's not an awesome distribution vehicle for our partners
»>and that's not surprising as it's buried deep in our, hard to find,
»>bookmarks.
>>>

6

»> - I believe we should take a leaf out of the book of other
»>excellent mobile first apps for navigation (Instagram/Kakao
»> Talk/Line/Whatsapp/Spotify/Foursquare) and have a nav bar with our
»>main sections (Timeline, Newsfeed, Messaging, Games/Apps, Other). I
»>think whatsapp, Instagram and spotify have successfully integrated
»>that number of sections really well. I believe we are trying to be
»>too clever on mobile navigation.
>>>
»>[cid:image003.jpg@OlCDCAF9.F6COA460][cid:image004.jpg@OlCDCAF9.F6COA4
»>60]
>>>
»> - At a minimum, we should test this combination of business
»>model (30% rev share post apple/google₁s take) and distribution
»>(through more prominent, heavily editorialized app center) in Asia
»>where we know it's working already.
>>>
»> - Gaming is massively over-indexed there already for us (e.g.
»>Taiwan) and where Sean is doing a brilliant job staffing up and
»>building connections to give us a run at trying this. Can we please
»>have permission to take a run at this business model (including some
»>different nav designs for distribution) in Asia with
»>Sean/Gareth/George?
»>(I would also love to test Brazil, which is about to explode on
»>android/mobile and has a similar chat dynamic to asia, except we own
»>the market, for now).
>>>
»>Alex
>>>
»> p.s. a lot of this is skewed from being in Korea for the last lldays
»>and spending a lot of time with Korean families and colleagues and
»>really seeing how they are using mobile/kakao/etcS Also watching
»>gaming/chat on metro and buses. It has all been super eye opening.
»>One big factor is the number of people with GalaxyNotes out here is
»> ridiculous and those screens are huge.
>>>
»>From: Mike Vernal
»>Sent: Tuesday, November 20, 2012 12:28 AM
»>To: Mark Zuckerberg; Sam Lessin; Douglas Purdy; Javier Olivan; Alex
»>Schultz; Ed Baker; Chris Cox; Mike Schroepfer; Dan Rose; Chris
»> Daniels; Sheryl Sandberg; David Ebersman; Vladimir Fedorov; Cory
»> Ondrejka; Greg Badros; Justin Osofsky
»> Subject: Re: Platform Model Thoughts
>>>
»>+Justin O.
>>>
»>Adding a couple of more thoughts. Again, really excited about this
»>direction:
>>>
»> - As context, we've been talking about all these changes as
»>"Platform 3.0," as it really represents a substantial relaunch of
»>platform. I think there are a lot of changes we'll need to bundle
»>into Platform 3.0, including the Invitations feature. To really be

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»>able to take away non-app-user friends, we also really need to make
»>Invitations an effective channel (requests are really ineffective,
»>especially on mobile). We'll come back to you with mocks and a more
»>concrete product vision in the next few weeks.
>>>
»> - Our intuition around # of friends and usefulness of coefficient
»>was the opposite - if you only have 5-10 friends in an app, then
»>providing coefficient isn't that useful (especially if we're just
»>giving ranked coefficient). It only really becomes useful when you
»> have 20+ friends and you have to rank them for engagement reasons.
»>Given I think it would be awkward to give coefficient free to some
»>threshold, then take it away, then charge for it, I'd probably just
»>keep it as a premium feature.
>>>
»> - We agree we should charge for API usage above a threshold. No
»>strong opinion on tiered model vs. charging above a certain usage
»>level. We should just make sure the tiered model doesn't have weird
»>arbitrage loops (e.g., the top tier makes people feel they can make
»>an infinite# of calls or prices good apps out of the market, etc.).
>>>
»> - I think partnering with mobile games on premium read/engagement
»>features is a really good idea/framing and probably the right
»>go-to-market for these features. Also agree this is lower priority
»>than getting the base model right.
>>>
»>The only thing I was surprised / confused by was the News Feed
»>scenario below (letting a user import everything they can_see_from
»>another app onto Facebook,e.g., all your friends' pins). We
»>haven't talked about that before in-depth, I'm not really sure why
»> Pinterest or others would allow us to do this, etc. Would be good
»>to dive on that use case in person (or if there is someone who can
»>educate me about it in the interim, that would be good).
>>>
»> Like I said, feel really good about that rest.
>>>
»>-mike
>>>
»>From: Mike Vernal <vernal@fb.com<mailto:vernal@fb.com»
»> Date: Mon, 19 Nov 2012 09:59:37 -0800
»>To: Mark Zuckerberg<zuck@fb.com<mailto:zuck@fb.com», Sam Lessin
»> <sl@fb.com<mailto:sl@fb.com», Douglas Purdy
»> <dmp@fb.com<mailto:dmp@fb.com», Javier Olivan
»> <jolivan@fb.com<mailto:jolivan@fb.com», Alex Schultz
»> <aschultz@fb.com<mailto:aschultz@fb.com»,Ed Baker
»> <edb@fb.com<mailto:edb@fb.com», Chris Cox
»> <ccox@fb.com<mailto:ccox@fb.com»,Mike Schroepfer
»> <schrep@fb.com<mailto:schrep@fb.com»,Dan Rose
»> <drose@fb.com<mailto:drose@fb.com»,Chris Daniels
»> <chrisd@fb.com<mailto:chrisd@fb.com»,Sheryl Sandberg
»> <sheryl@fb.com<mailto:sheryl@fb.com»,David Ebersman
»> <ebes@fb.com<mailto:ebes@fb.com»,Vladimir Fedorov
»> <vladf@fb.com<mailto:vladf@fb.com», Cory Ondrejka

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»>   <cory.ondrejka@fb.com<mailto:cory.ondrejka@fb.com»,   Greg Badros
>>> <badros@fb.com<mailto:badros@fb.com>>

»> Subject: Re: Platform Model Thoughts

>>>

»> I'm generally really happy with this direction.

>>>

»>There's   a lot to process here, but one quick question on the
»>reciprocity   point.

>>>

»>As   part of our reciprocity policy, I think we have to require that
»>apps   allow us to enable Facebook integrations _from Facebook_.
»>Basically,   we'd have the Action Importer UI on your Timeline, and
»>when   you clicked "Turn On" we'd let you login to the app and setup
»>continual   importing of your social activity from the app. I think
»>this   is really important for us to actually realize the value of
»>full   reciprocity (otherwise I worry we'll be arguing about pixels on
»>a   partner's site, which won't be that   productive).

>>>

»> I wasn't sure if this impacted your thinking, as you assume below
»>that   25% of data is flowing back to Facebook (which I think is too
»>low,   which is why I want the ability to upsell this from FB).

>>>

»>-mike

>>>

»>From: Mark Zuckerberg <zuck@fb.com<mailto:zuck@fb.com»

»> Date: Mon, 19 Nov 2012 02:53:51 -0800

»>To: Sam Lessin <sl@fb.com<mailto:sl@fb.com»,   Mike Vernal

»>   <vernal@fb.com<mailto:vernal@fb.com»,   Douglas Purdy

»>   <dmp@fb.com<mailto:dmp@fb.com»,   Javier Olivan

»>   <jolivan@fb.com<mailto:jolivan@fb.com»,   Alex Schultz

»>   <aschultz@fb.com<mailto:aschultz@fb.com»,   Ed Baker

»>   <edb@fb.com<mailto:edb@fb.com»,   Chris Cox

»>   <ccox@fb.com<mailto:ccox@fb.com»,   Mike Schroepfer

»>   <schrep@fb.com<mailto:schrep@fb.com»,   Dan Rose

»>   <drose@fb.com<mailto:drose@fb.com»,   Chris Daniels

»>   <chrisd@fb.com<mailto:chrisd@fb.com»,   Sheryl Sandberg

»>   <sheryl@fb.com<mailto:sheryl@fb.com»,   David Ebersman

»>   <ebes@fb.com<mailto:ebes@fb.com»,   Vladimir Fedorov

»>   <vladf@fb.com<mailto:vladf@fb.com»,   Cory Ondrejka

»>   <cory.ondrejka@fb.com<mailto:cory.ondrejka@fb.com»,   Greg Badros
>>> <badros@fb.com<mailto:badros@fb.com>>

»> Subject: Platform Model Thoughts

>>>

»>After   thinking about platform business model for a long time, I
»>wanted   to send out a note explaining where I'm leaning on this. This
»>isn't   final and we'll have a chance to discuss this in person before
»>we   decide this for sure, but since this is complex, I wanted to
»>write   out my thoughts. This is long, but hopefully helpful.

>>>

»>The   quick summary is that I think we should go with full reciprocity
»>and   access to app friends for no charge. Full reciprocity means that
»>apps   are required to give any user who connects to FB a prominent

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»>option   to share all of their social content within that service (ie
»>all   content   that is visible to more than a few people, but excluding
»>1:1   or small group messages) back to Facebook. In addition to this,
»>in   the future, I also think we should develop a premium service for
»>things   like instant personalization and coefficient, but that can be
»>separate   from this next release of platform. A lot more details and
>>>context below.
>>>
»> First, to answer the question of what we should do, the very first
»>question   I developed an opinion on was what we should be optimizing
>>>for.
»>There's   a clear tension between platform ubiquity and charging, so
»>it's   important to first fully explore what we're trying to get out
»>of   platform.
>>>
»>The   answer I came to is that we're trying to enable people to share
»>everything   they want, and to do it on Facebook. Sometimes the best
»>way   to enable people to share something is to have a developer build
»>a   special purpose app or network for that type of content and to
»>make   that app social by having Facebook plug into it. However, that
»>may   be good for the world but it's not good for us unless people
»>also   share back to Facebook and that content increases the value of
»>our   network. So ultimately, I think the purpose of platform -- even
»>the   read side -- is to increase sharing back into Facebook.
>>>
»> If we do this well, we should be able to unlock much more sharing in
»>the   world and on Facebook through a constellation   of apps than we
»>could   ever build experiences for ourselves. We should be able to
»>solve   the audience problem partially by giving people different
»>audiences   in different apps and linking them all together on
»>Facebook. The current state of the world supports that more social
»>apps   enables sharing, so the biggest challenge for us is to link them
»>all   together.
>>>
»>This   makes it somewhat clearer that we want platform to be
»>ubiquitous   and to strongly encourage sharing back to Facebook, but
»>it's   not yet definitively clear that having full reciprocity and no
»>charge   is optimal.
>>>
»> For one thing, it's conceivable that we'd get more net sharing
»>overall   and more net sharing into Facebook if we didn't have a
»>reciprocity   mandate. This would be true if many developers dropped
»>out   over the reciprocity mandate. The reason I don't think they will
»>is that almost no developers will even be giving us the majority of
»>their   data since many of their users won't log in with Facebook and
»>many   of those who do won't choose to share it back to Facebook.
»>Assuming   for a heavily FB-dependent app each of those is 50%
»>participation,   then only 25% of the data is shared to Facebook. As
»>long   as apps always have a sustainable advantage over Facebook, most
»>will   participate. For more sensitive companies like Amazon and Yelp
»>that   value their reviews a lot more, way fewer than 50% of their
»>users   will connect to Facebook, so this will represent a tiny

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»>portion   of their reviews and social data. My guess is that they
»>should   still rationally want to connect with Facebook at these
»>levels,   but if they don't then that probably means they're
»>competitive   with us and we're better off not letting them integrate
»>with   us anyway. This all makes me think full reciprocity is the way
>>>to go.
>>>
»> For charging, the question is whether we could charge and still
»>achieve   ubiquity. Theoretically, if we could do that, it would be
»>better   to get ubiquity and get paid. My sense is there may be some
»>price   we could charge that wouldn't interfere with ubiquity, but
»>this   price wouldn't be enough to make us real money. Conversely, we
»>could   probably make real money if we were willing to sacrifice
»>ubiquity,   but that doesn't seem like the right trade here. After
»>looking   at all the numbers for a while, I'm coming around to the
»>perspective   that the write side of platform is a much bigger
»>opportunity   for us and we should focus the vast majority of our
»>monetization   effort on that and not this.
>>>
»>The   last question is whether we should include app friends (ie the
»>user's   friends who are also using this app). Ultimately, it seems
»>like   this data is what developers want most and if we pulled this
»>out   of the package then most of the value proposition falls apart.
»>This   is especially true if we require full reciprocity without
»>offering   our most valuable data.
>>>
»>So   that's essentially how I got to thinking we should do full
»>reciprocity   with app friends and no charge.
>>>
»>There's   some more nuance to this opinion though:
>>>
»> First, in any model, I'm assuming we enforce our policies against
»>competitors   much more strongly. The good news about full reciprocity
»>is   that for bigger social companies we might otherwise be worried
»>about,   if they're enabling their users to push all of their social
»>content   back into Facebook then we're probably fine with them.
»>However,   for folks like WeChat, we need to enforce a lot sooner.
>>>
»>Second,   if we're limiting friends to app friends, we need to make
»>sure   we build the appropriate distribution tools that developers
»>want   to invite the rest of the user's friends. We keep saying that
»>theoretically   this is part of the write side platform and it's a
»>premium   feature, and those things may be true, but I think we need
»>to   build them and make sure they're ready when we roll this out or
»>else   we're just taking away functionality without replacing it with
»>something   better. It seems like we need some way to fast app switch
»>to   the FBapp to show a dialog on our side that lets you select
»>which   of your friends you want to invite to an app. We need to make
»>sure   this experience actually is possible to build and make as good
>>>as we want, especially on iOS where we're more constrained. We also
»>need   to figure out how we're going to charge for it. I want to make
»>sure   this is explicitly tied to pulling non-app friends out of

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»>friends.get.
>>>
»>Third, there's the data that suggests that if we share app friends
»>only, then most apps will only get fewer than 10 friends from each
»>person. If this is the case, then we may want to consider including
»>coefficient ranking for those app friends for free -- or at least
»>the top 5-10 app friends. This doesn't seem like much leakage and
»> could encourage more people to use our tools by differentiation our
»>product further from anything else that's out there.
>>>
»> Fourth, for products like Ansible and Newsstand, it will be very
»>important to enable people to import their feeds of content from
»>other apps into Facebook. That is, we'd be pulling those people's
»>friends'
»>data from those apps -- eg your friends' pins on Pinterest to make a
»>Pinterest section for you in Newsstand or include the pin images on
»>your Ansible lock/home. Since this is going to be an important
»>upcoming push, we need to consider whether it's still the right
»>thing to remove our own stream.get API if we're requiring full
»>reciprocity. I still want to remove it, but if the spirit is full
»>reciprocity, it may just be difficult to refuse access to the app
»>that are pushing streams into us.
»>The good news is that those services aren't the ones we're typically
»>worried about, so we'd still get to prevent almost all troublesome
»>apps from having it. The bad news is this would prevent us from
»>really deprecating this. I haven't thought through this fully and
»>need to think about it some more.
>>>
»> Fifth, not charging still means people will overuse and abuse our
»>APIs and waste money for us, so I still think we should implement
»>some kind of program where you have to pay if you use too many of
>>>our resources.
»>That said, the goal of this won't be to charge for actual usage so
»>we can build a less precise system of for monitoring than the full
»>accounting systems we would have had to have built for the other
»>system we discussed. What I'm assuming we'll do here is have a few
»>basic thresholds of API usage and once you pass a threshold you
»>either need to pay us some fixed amount to get to the next threshold
»>or you get rate limited at the lower threshold. One basic
»>implementation of this could be to have a few different fees for
»>developers, with basic starting at
»> $100 and then having levels at $10k, $1m, $10m, etc. This should be
»>relatively simple, achieve the goal of controlling costs and make us
>>>some money if we want.
>>>
»> Finally, I want to discuss the premium read services for a bit.
>>>
»> One of the big ideas I took away from our discussions was Ed Baker's
»>framing that every business wants growth, engagement and monetization.
>>>I
»>like this framing because it explains what the read side of platform
>>>is

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>>> -- it increases engagement, or more specifically, it takes a user
»>and turns them into a more engaged user through adding real identity
»>and social connections to them. This is real value and it's
»>different from anything else we do. We have ads and some organic
»>distribution for driving growth, the read side of platform for
»>driving engagement and the ad network and payments for driving
»>monetization. We'll offer the full stack of services.
>>>
»> How our premium read services add value is pretty clear -- through
»>simply eliminating friction. Our free services let you get basic
»>info, app friends and let you pay to get access to a dialog to
»>invite more friends. Developers can always get these critical flows
»>to perform better if they have more of the data and more control
»>though. Through instant personalization, they can encourage a person
»>to sign in more effectively and will therefore convert more
»> unregistered users to ones with real identity and friends. Through
»>coefficient and full friends list, they can upsell a person to
»>invite their friends much more effectively throughout their app as
»>well. I'd estimate that these two things alone would increase
»> conversion by ~20-30% for developers. That means they should be
»>willing to pay us roughly 20-30% of the value of each user who signs
»>up. That's a big deal because engagement is very valuable.
>>>
»> I have a specific proposal for how to get started with this and it's
»>that we should work with mobile games. The feedback we're getting
»>from almost every other type of developer is they don't know how to
»>value our services or really much of their engagement at all. But
»>game developers generally track this and have a better sense. They
»>would certainly be willing to try it out in new games and they'd be
»>able to figure out how well it worked. Once it works for most game
»>developers, then we can start letting other developers in as well.
>>>
»>Working with game developers has a few other nice properties. It
»>means doing something nice for our game developers first and making
»>them feel valued. It's fairly natural to offer IP on mobile since we
»>already offer it to them on canvas. This could also be an important
»>part of helping us transition our canvas business onto mobile if it
»>effectively lets us take a 20-30% cut of the value of FB-connected
>>>users.
>>>
»>On pricing, there are a couple of ways I could see this working.
>>>First, we could charge based on the value our ads auction computes
»>for each user. I'm still fairly confident that's the most efficient
»>way to charge if we can't just take a straight rev share. That said,
»>the second choice, since this is just games, is to actually figure
»>out how to just take a straight revenue share. This might be
»>possible in conjunction with some sort of publisher model for games
»>that I know the team is already thinking about.
>>>
»>This all said, while I'd love to build this premium engagement model
»>as quickly as possible, there's definitely more low hanging fruit on
»>the growth/distribution side that almost all developers will be able

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»>to   use if we build out correctly. So we should probably prioritize
»>that   before premium engagement.
>>>
»>We   also need to first prioritize all the tools required to make
»>these   policies work, including making it so developers can actually
»>share   everything social in their apps back to Facebook if we're
»>requiring   them to offer that option, the premium invite channel that
»>will   replace access to non-app friends, etc.
>>>
»>Overall,   I feel good about this direction. The purpose of platform
»>is to tie the universe of all the social apps together so we can
»>enable   a lot more sharing and still remain the central social hub. I
»>think   this finds the right balance between ubiquity, reciprocity and
»>profit.
>>>
»>Again,   this isn't final but I wanted to let you all know where I'm
»>leaning.   I'm looking forward to discussing when I'm back after
»>Thanksgiving.
»> <imageOOl.jpg>
»> <image002.png>
»> <image003.jpg>
»> <image004.jpg>
» <imageOOl.jpg>
» <image002.png>
» <image003.jpg>
» <image004.jpg>
>

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EXHIBIT   178

UNREDACTED   VERSION OF DOCUMENT   SOUGHT TO BE LODGED UNDER SEAL

Amir Naor:
>Hey guys, Sean mentioned we made a change yesterday to show login v4 on canvas games when they point to graph 2.0. I was able to confirm this is indeed the case. what's the context for this change?

Amir Naor:
>I'm pretty sure we were all aligned that canvas will remain on gdp 2.5 until EOY

Oeyvind Sean Kinsey:
>It's optional

Oeyvind Sean Kinsey:
>Existing games are free to mix versions, but new games should try to work with v2

Constantin Koumouzelis:
>+Niket, this is news to me

Constantin Koumouzelis:
>Sean- so devs can opt into the new login by using the v2.0 OAuth dialog?

Oeyvind Sean Kinsey:
>Niket took part in deciding this

Oeyvind Sean Kinsey:
>correct

Constantin Koumouzelis:
>that sounds reasonable, so long as nothing is forced

Oeyvind Sean Kinsey:
>only new games are forced

Amir Naor:
>when we say "try" how can they opt out?

Constantin Koumouzelis:
>Oh I see...

Oeyvind Sean Kinsey:
>if old games choose no version, or vl.O, then they see gdpv2.5

Oeyvind Sean Kinsey:

>new games have no option, they get gdpv4

Constantin Koumouzelis:
>Hmm, OK, if Niket & Vishu have vetted this we can collect metrics and see how it works out

Oeyvind Sean Kinsey:
>we all want games to move to v4 too, but haven't been able to force old games. But new games should find ways to work equally well on gdpv4, paving the way for old apps to also migrate

Constantin Koumouzelis:
>yeah, I agree with that statement

Amir Naor:
>This is not we were planning for, not what we communicated to partners we talked to. Who was in the loop for this decision?

Niket Biswas:
>yeah this is what we decided a while back

Constantin Koumouzelis:
>but I want to make sure we are sensitive to conversion for new games as well, in terms of growth and TPV - which I have no doubt Niket is on top of

Amir Naor:
>s/not/or

Niket Biswas:
>a 1 year deprecation plan was part of the communication plan

Niket Biswas:
>that's what this is

Niket Biswas:
>am i missing something?

Constantin Koumouzelis:
>I think the disconnect here is new games, as in an App ID that was created post f8

Constantin Koumouzelis:
>they get GDPv4 by default and cannot opt out

Constantin Koumouzelis:
>no 1 year anything

Niket Biswas:
>yeah - might have had a disconnect there, though that is what the login folks decided on, and it seems reasonable as they'll just be new apps. for partners we can make an exception (internal tool does this for test apps already)

Oeyvind Sean Kinsey:
>We focus first and foremost on moving the ecosystem forward, and onto a consistent platform. I'm sure that we'll be able to make exceptions if really needed, but we need to start somewhere.

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FB-00433724

Amir Naor:
>I disagree on having a different rules for different developers - this should be consistent until we are confident on the impact of v4 on the games ecosystem

Amir Naor:
>and tbh this is what we discussed a lot when we agreed on this behavior

Oeyvind Sean Kinsey:
>Amir, the inconsistency is that we hold developers to different standards - it's pretty amazing that no-one has called us out on this already. We let games get away with things we publicly document we don't allow regular apps to do.

Edward O'Neil:
>Wait - this wasn't the plan we agreed upon with everyone, including partnerships, Dan, Mike, Deb, etc.
>
>Plan:
>1/ Canvas remains on GDPv2.5, including existing+ new apps
>
>2/ we test the impact of Login v4 on Canvas apps +games
>
>3/ using data from #2 we assess when it makes sense to disrupt partners [and the FB business] and push them to move from 2.5 => 4
>
>Can we revert to the above plan and discuss before making any public changes?

Edward O'Neil:
>This is not different rules for different developers - it's different timeframes for different developers.
>
>Everyone [including Dan / Deb] agree that we are going to move Canvas to v4.
>
>Given the disruption of this change, we want to make it informed with data and let the data drive /when/ we make the change.

Oeyvind Sean Kinsey:
>I only made the changes I discussed with Jeffrey, which he said Niket was onboard with

Oeyvind Sean Kinsey:
>So to recap, for games created after f8, you want them to still be on v2.5? No-one see the big inconsistency between them having all the changes of platform v2 imposed, but not this one ui change?

Oeyvind Sean Kinsey:
>Or are Games also exempted from being forced into v2?

Edward O'Neil:
>I see the inconsistency, we just decided that it was worth it.
>
>Games are being forced into the underlying model changes [app scoped IDs, friends permissions, etc].
>
>The sensitivity from the games business is around two changes that aren't on Canvas today:
>
>1/ read+ write split
>
>2/ permission x-out

3

Edward O'Neil:
>Niket **/** Vishu **/** Constantin: thoughts?

Constantin Koumouzelis:
>+Vishu

Edward O'Neil:
>/\/\ lol. Good call.

Constantin Koumouzelis:
>That sounds reasonable to me - I wasn't involved in the discussion with Dan/Deb but I understand the sensitivity here.

Oeyvind Sean Kinsey:
>If there's a plan to actually get them over, then I'm fine with making gdpv4 optional only for Games.
>As an aside, what is currently preventing apps from listing as games?

Constantin Koumouzelis:
>This is restricted to canvas only and login review would prevent apps from mis-categorizing to collect reviewable permissions

Constantin Koumouzelis:
>As for the plan to move apps over - I expect we use the next year to collect data for apps that opt-in and optimize the experience

Oeyvind Sean Kinsey:
>What do you mean by restricted to canvas only?

Oeyvind Sean Kinsey:
>We don't currently have any distinction regarding the surface used to request tos

Constantin Koumouzelis:
>you must be a canvas game (category= games, have a canvas implementation and only available in the www oauth dialog)

Constantin Koumouzelis:
>games are prohitbited from using FBLogin for www that are not on canvas AFAIK

Oeyvind Sean Kinsey:
>right, I seem to remember something about this. Which means that canvas isn't really a topic here, only the games classification

Constantin Koumouzelis:
>given that most (all?) games on canvas are in app center, they are also reviewed

Amir Naor:
>It's not a requirement to be listed on the app center, but most developers want to get more traffic and therefore are getting listed and being reviewed. This is on top of login review as Constantin mentioned.

Amir Naor:
>In general, even before f8 (1.0) canvas games were a special case as their were on 2.5 while the rest were on 3.0

4

Amir Naor:
>s/thei r/they

Oeyvind Sean Kinsey:
>What exactly are we planning on doing to actually get games to migrate? And won't this meant that in a years time, game developers who just created a game, will have their *existing* games forced onto a new platform?

Oeyvind Sean Kinsey:
>Or are we just planning on keeping a sliding window?

Edward O'Neil:
>See #1-#3 above. We need to test with some partners, collect data, and use data to drive the timing.
>
>There isn't a plan beyond that yet because we don't have data.
>
>Timing could be 1 year or 3 years.

Oeyvind Sean Kinsey:
>Can we at least limit this to existing big partners? If not we'll be creating an unnecessary amount of churn, for small developers who cannot even find documentation supporting what they are seeing

Amir Naor:
>I think the plan is to use the next couple of month to test this with a few partners (now that's it out) and see what the impact is before making a decision. Once there's an agreement on the tradeoff we are making (driven by data), we'll probably need a breaking change notice before forcing the v4 dialog on canvas. The change developers will need to do will be around login only as they are already experiencing all the other changes features of 2.0.

Oeyvind Sean Kinsey:
>Amir - rhetorical question - but how do you announce a breaking change to something which isn't even documented behavior (actually counter to documented behavior)?

Edward O'Neil:
>Sean: let's do this for all of Canvas. Easier to explain that way.
>
>Amir: let's not consider the mechanics of making the change in this thread.

Oeyvind Sean Kinsey:
>I'll try to get a fix in tomorrow

Amir Naor:
>weird i just got some of the messages (out of order) ... :/hate when this happens. Anyway, thanks for addressing this Sean.

Oeyvind Sean Kinsey:
>Can you make something available for whomever will be working on actually supporting this from a technical point of view, regarding reasoning, timelines etc, too?

Edward O'Neil:
>Great - thanks, Sean.
>
>Amir: let's consider the follow-up questions around who to test with and opt-in separately.

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Oeyvind Sean Kinsey:
>Just so it's clear, I'm not in this to disrupt the Games business (or the money business), but I do think we need someone to keep pushing you guys in that direction.
>
>We've had games on v2 2 years after v3 was launched (and we knew back then that we wanted to get games off of v2), and we now plan on letting them continue on this for up to 3 more years. Let this be the last time we do this.

Constantin Koumouzelis:
>(y)

Edward O'Neil:
>Strong agree.

Oeyvind Sean Kinsey:
>It's ironic that we're exempting the one category where trust is paramount (money is involved) from taking part in building that trust:)

Amir Naor:
>Eddie, I'll follow up separately on the next steps and questioned that were brought up here.
>
>Sean, totally agree with you that we should aim for a consistent platform. I think we are on the right track getting there.

Vishu Gupta:
>(y)

EXHIBIT   179

UNREDACTED   VERSION OF DOCUMENT   SOUGHT TO BE LODGED UNDER SEAL

Here's the recap of the meeting today:

What is launching

The team will launch on **Tuesday** (8/7). The launch will be an announcement via a developer biog post of the App Install ad unit and the buy flow for developers. Both of these will be gated to select partners and PMDs. We will also release the iOS SDK with the Neko phone home code. This SDK will be ungated and available to all developers. As before, the phone home and ad exclusion uses will not work until Wilde is released.

The opt out

Nipun wasn't at the meeting so I spoke on behalf of the Ads team on this one. We're having Fisch sync back with Dan to discuss what exactly was agreed to in terms of what gets covered when we move to the iOS opt out. I wanted to make it very clear to the team that we should not commit all our potential use cases to be dependent on this opt out if Apple only ever intends to use it with regard to OBA. Fisch is also going to have a more detailed summary written out for Elliot, who wanted something in writing in case we are ever questioned about the content of the conversation.

We are having a meeting with Brian Boland tomorrow (will forward the meeting invite) to discuss the iOS opt out, as I believe this is the worst of all worlds for Ads to have a cross-app opt out that covers all use cases with no incentive for users to remain opted in.

Neko Blurb for HPM

Neko: The privacy team continued to work with the Project Neko, policy comms, and tech comms teams to refine plans for our launch of an iOS mobile measurement solution, which will be included in our SOK and our release of the new Facebook app, codenamed Wilde, which is scheduled for release in late August. The current plan is a Tuesday (Aug 7) launch approach that eliminates many of the most controversial use scenarios for this data. This will include the use of collected information only for aggregate analytics (such as conversion tracking) and ad exclusion (not showing an ad for an app you already have) and will retain information in identifiable from for only a very short period of time. The team has had a series of conversations with the people at Apple to ensure that they will be supportive of the product once it is announced and to agree on a common user data control when we launch future products based on Neko data. Please contact Erin, Rob, or Aldo with any feedback about the launch.

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From: Erin Egan<erinegan@fb.com>

Date: Wed, 1 Aug 2012 17:55:41 -0700

To: Aldo King <aiking@fb.com>, Rob Sherman <robsherman@fb.com>

Subject: FW: HPM 07-29-12

Aldo -   Where did we come out after the mtg tonight? Can you update the attached to make sure it's accurate?

From: Marne Levine <marne.levine@fb.com>

Date: Sun, 29 Jui 2012 17:43:10 -0700

To: PublicPolicy <PublicPolicy@fb.com>

Cc: Elliot Schrage<elliot@fb.com>, Maureen O'Hara <maureen@fb.com>

Subject: HPM 07-29-12

(Sorry about the yellow highlighting on JEF.Tried everything to get rid of it but it won't go away....)

<u>Highlights</u>

Policy Management:
- **Dating Targeting:** We revised our policy to allow advertisers to target users who haven't indicated that they are "married" or "in a relationship" (instead of only allowing targeting of "single" users). This targeting capability is only currently available for dating, but the ads product team is working to expand it to other verticals (like political) and make it available via self-serve. This is a big win for the dating vertical specifically, but also supports our efforts to examine "good" revenue opportunities resulting from policy relaxation/changes.

- **Cyberbullying:**   Some specific, difficult bullying cases led us to expand our bullying coverage for content that is objectively bullying. We've added prohibitions of (a) coordinated exclusion (e.g. "let's not sit with James at lunch"), (b) coordinated dislike (e.g. "for everyone who hates Emily") and (c) coordinated name-calling (e.g. "Anthony is cheater") of <u>private individuals</u> even when UO is unable to match the name of the reporting person to the post.

- **Charity-Related Payments Policy:** The Risk and Legal teams have determined that an overwhelming majority of apps using Facebook Payments to solicit funds are likely fraudulent (based on investigation and the fact that we charge 30% service fees). As a result, we changed our policy to require our permission to use Facebook Payments to solicit, collect, or transfer funds for charitable causes. This should help our Risk and POps team more efficiently enforce against fraudulent apps.

- **Project Family:** We had a very productive meeting with Mark and the Project Family team this week. Mark has decided to pause on Project Family and reassess in a few months. He was very appreciative of all the work that has gone into the product and briefings to date, and understands the need to make concessions on friending and messaging to address concerns raised by policymakers and the safety groups, but he wants to continue to evaluate the impact on our app ecosystem. We will be working on ways we can continue to help shape the

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COPPA regs and overall debate on this issue over the next few weeks but, in the meantime, we're taking a breath and won't likely regroup on this until we can make more progress with the FTC and gather more data around the benefits of moving forward. Please let Erin know if you have any questions.

- **Neko:** The privacy team continued to work with the Project Neko, policy comms, and tech comms teams to refine plans for our launch of an iOS mobile measurement solution, which will be included in our SOK and our release of the new Facebook app, codenamed Wilde, which is scheduled for release in late August. Although things continue to remain in flux, we have settled on a launch approach that eliminates many of the most controversial use scenarios for this data. Instead, we will use collected information only for aggregate analytics (such as conversion tracking) and ad exclusion (not showing an ad for an app you already have) and will retain information in identifiable form for only a very short period of time. In addition, Erin has had a series of positive conversations with Apple's Director of Global Privacy about this rollout, and we are working to ensure that Apple will be supportive of the product once it is announced. <u>An initial draft of policy messaging around this roll out is attached</u>. Please contact Erin and Rob with any feedback.

- **Data Collection on Android:** In addition to Project Neko, which relates to mobile measurement, several other Facebook teams are working on leveraging data collection from our Android app. First, we'll be collecting users' location data and matching it with cell site IDs. This information will be stored in anonymous form but will allow us to roll out location-aware "feature phone" products in the future. Second, the growth team wants to begin collecting certain limited information about whether users have a non-Google app store enabled and which default applications they are using for certain Facebook functions (camera, messages, etc.) for competitive analysis and product improvement purposes. The privacy team is working with the team to determine the best alternatives for collecting this information while minimizing policy risk. Finally, we are working with the Facebook for Android team to improve controls around device-level data that a third-party bug reporting tool sends us when a user's Android app crashes.

- **GroupM:** Rob worked with the legal and media solutions teams on negotiation of an agreement with GroupM, which will govern GroupM's ability to collect data about Facebook users when we display ads from GroupM clients. Although the negotiation was somewhat contentious, we expect that it will close with a positive outcome in the coming days.

- **Messaging setting changes:** Erin, Rob, and Aldo met with the product and legal teams to discuss possible changes to several privacy settings that govern how users can be contacted on Facebook. Many of these changes, which are intended to make it easier to find friends on Facebook and anticipate future changes to make our Messaging product closer to a traditional email/text message tool, could result in fewer choices for users who wish to avoid communicating on Facebook, so the privacy team will be working over the next few weeks to develop an approach that meets our product goals but also gives users choice about their Facebook experiences.

- Jgf: Mf:~ifa~~y[@I~@~~@r~pg[~90 tb@@q()Q()rni§/@lll~()f §g(;i~It~C:hQ()lggi@§i\fbrC:fglifa~ th@t§g(;i@I t~C:hm21931~§;()L1t>r9~ilc:@m9r~th@ri§~trfllic?o9f@C:9r19mi#~19~. ~@ff4\m11q~~t@m9n~ti~@ti9rll@ri~t0@tt C:9r1§9it~w\fitbth@r~?9rt'§@lwh9r~ §~√~r@h9m~h~~s9 t9 b@1?th~rn ~~ey~rllrl~@r§t~mtb@√@lll~~~§9C:i~~@~ With§99i~1~9nm21<?si~§f8A r~w~r9ingt9 $~~n~wArk?~vPffW'i~n @vAr~1>1~f?2rtn1m~99iti9n tPln~

US Congressional Update:

- **Senate Cybersecurity:**   By a vote of 84-11, the Senate agreed to proceed to the Rockefeller/Lieberman/Collins/Feinstein cybersecurity bill. At week's end, a handful of technology companies- mainly those that would benefit offering cybersecurity solutions, like Cisco, Intel, and MSFT-- offered support for proceeding to the bill. Other Internet companies like Yahoo and Google share some of our concerns about current provisions in the bill about the critical infrastructure protection requirements. At this stage, Members from both sides of the aisle are filing relevant amendments, including a Republican wholesale substitute measure. We expect fast and furious negotiations about which amendments will be voted upon. The situation remains fluid, and we'll have a better sense by late on Monday whether the bill can survive partisan differences and actually pass. For now, we continue to keep our powder dry publicly, and work through our trade associations and industry coalitions to flag concerns.

- **House Privacy Regulation Amendment:**   Reps. John Conyers (D-MI) and Hank Johnson (D-GA) offered a privacy amendment on the House Floor that would basically single out and exempt privacy regulations from a Republican sponsored "regulatory relief" bill. The amendment failed 159 - 259, with 2 Republicans voting yes and 25 Democrats voting no. While the bill itself will not ultimately become law, this was a good marker vote on where members may fall on future proposals to legislate on privacy. Rep. Mary Bono-Mack (R-CA) gave a very strong statement on the House floor in opposition to the amendment.

US Policy Visits and Political Activity:

- This week we hosted Reps. Pompeo (R-KS) and Harper (R-MS) in the DC Office. Both are Members of the House Energy & Commerce Committee.
- Joe Lockhart was invited by the House New Democrats Caucus to discuss messaging/positioning for the "fiscal cliff" coming up in the Lame Duck session of Congress after the election. Joe met with fifteen Members for an hour. By all accounts Joe was a hit. The Hill team appreciated Joe taking the time to help further FB relationships!

- Hill team attended fundraisers/events with Speaker Boehner, Kevin McCarthy, Marsha Blackburn, John Barrow, Adam Kinzinger, Aaron Schock and Senators Coons and Baucus.

- We hosted General Martin Dempsey, the Chairman of the Joint Chiefs of Staff, at MPK for a Q&A with employees and a meeting with Sheryl and others. Chairman Dempsey and his wife, both active Facebook users, highlighted for employees the critical role Facebook has come to play in helping service members and their families stay connected, particularly during long deployments. Good opportunity to further strengthen our ties with the military community.

- Elliot hosted newly confirmed FCC Commissioners Ajit Pai and Jessica Rosenworcel at MPK, for get-to-know-each-other discussions focused on mobile issues.

- Elliot, Sarah F, Meenal and Sarah WW met with Ambassador Demetrios Marantis, the Deputy US Trade Representative. We spoke about the challenges of operating in Vietnam and the need to take a consistent, coordinated approach. We also discussed the Trans-Pacific Partnership (TPP), a trade agreement that is currently being negotiated by eleven Pacific Rim countries. The TPP is intended to be the template for a 21st Century Trade Agreement and the first trade agreement to include an "e-commerce" chapter. The TPP Agreement will cover a number of relevant areas including data, services, investment and IP. There are a number of specific provisions that will be helpful in Vietnam including a provision prohibiting arbitrary restrictions on data flows and another preventing requirements to locate servers in exchange for operating a service. Although Marantis

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expressed that he was eager to address the concerns of tech companies within the TPP, he demonstrated a limited knowledge of our interests and concerns. When we suggested that legislation regulating privacy, law enforcement or freedom of expression could potentially create a trade barrier or market access issue, he seemed reluctant to consider the concept. We will need to work to familiarize USTR with our issues and concerns but there appears to be value in advancing our interests through the TPP. Sarah WW is going to follow up with USTR.

US State Policy:
- **Western Attorneys General:** Will Castleberry attended the Conference of Western Attorneys General (CWAG) annual meeting in Anaheim, California. The event was well attended and covered a set of interesting topics including Data Breach, eDiscovery, Cyber-bullying, Consumer Protection and IP Theft, Mobile Privacy and Human Trafficking. In addition to conference events, Will attended events for the Democratic and Republican AGs Associations, and participated on behalf of Facebook in a fundraiser for Idaho General Wasden.
- **CA AG Privacy Unit:** On Wednesday, Will met with Robert Morgester - the head of California's eCrime unit to discuss General Harris' recently announced Office of Privacy Protection. The meeting went well and we were left with several useful assurances about the AG's intentions--the most important being that they view Facebook as a good actor and they will keep communications with us open (we will not unknowingly be the subject of an investigation).

SF Mayor Roundtable: Susan Gonzales participated in a Roundtable meeting with Labor Secretary Solis and SF Mayor Lee to discuss internships and youth development and job creation. Susan had the opportunity to discuss the FB Academy and the app developer jobs created due to FB.

Facebook Academy: Inaugural Facebook Academy class wrapped up this week, with final Hack Project reviews and a graduation celebration. Each student presented a final Hack project, with impressive results focused on research and solving problems for IT (i.e. how many laptops are distributed throughout the company, how to improve IT services and wait lines). Congrats to all involved for making this a big success!

Argentina: Our office in Argentina is going to be audited by the Argentinian Data Protection Authorities next Friday (August 2). Regina Lima (our LatAm Legal Counsel) is managing the audit process. Debbie has prepared reactive messaging. We expect the audit to be straight forward although there is a potential risk regarding jurisdictional reach - the Argentinian Data Protection law does not recognize the concept of "Data Controller" so the extent to which they will seek to exert their jurisdiction and/or recognize the regulatory competence of the Irish DPC is not clear. The fact that we are being audited by the Argentinian Data Protection Authority less that six months after opening our sales office suggests that the regulators are going to take an aggressive approach and we may need to deepen our policy and communications engagement in Argentina.

Brazil:
- **Organ Donation:** On Monday LatAm VP Alexandre Hohagen will launch the organ donation tool at a Press Conference with the Brazilian Minister of Health Alexandre Padilha. The Minister is a doctor and since taking office has run a successful organ donation campaign (investing $76 million dollars) which effectively doubled the number of Brazilian donors between 2010 and 2011. The Minister is very influential in the ruling PT party. Given the Minister's enthusiasm for our organ donation initiative we anticipate a successful launch.

- **General Internet Framework Bill:** We continue to push to advance this important legislation in Brazil. This week we worked with academics and NGOs to develop a letter to send to opponents of the Bill and those wavering under pressure from the Motion Picture Association and Telecommunications companies. This outlined the benefits of the legislation and urged Congress to progress the Bill. The letter was not signed by companies and

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given the influence of the academics and NGOs in Brazil we expect it will substantially progress our efforts to move this legislation forward.

Bulgaria: Gabi met the team of the privacy officer in Sofia to discuss the proposed EU regulation on data protection. Their interest is focused on right to be forgotten and on the issue of safety for minors vs "tracking" our users for security purposes (as stated by the deputy commissioner.) Bulgaria supports the one stop shopping in principle but has reservations about the effectiveness of the cooperation of DPAs. They appreciated Facebook's proactive approach but were reluctant to provide much in the way of feedback to us. Gabi established contacts with the local safety NGOs and will continue discussion on issues of minors, which seem to be a sensitive topic in Bulgaria.

EMEA Politics and Government: Elizabeth spent a day in Dublin with the Mid-Market Sales team. Ramping up political and government constituents is high on the MMS team's priority list. Elizabeth and a team of four MMS representatives responsible for the politics & government vertical worked on defining the MMS politics narrative slides with case studies and stories that will work with our audience and have set up a working group to share collateral and chart out priorities.

UK: This week we announced the start of the recruitment for our engineering office in London. Working with Iain Mackenzie in PR, Rosa briefed the UK government and the Mayor of London's office on the announcement- both of whom were very excited. Iain also secured a fantastic quote from the Mayor and we're looking forward to planning a major event with policy makers to fully open the office later in the year. Simon and Rosa worked with the relevant government agencies to ensure that we could make this a positive story by successfully resolving some very sensitive issues around government support for inward investment.

EU: The European Internet Foundation (EIF), of which Fb is a member, organized a delegation of MEPs to visit MPK. The main purpose of the trip was to understand why so many Internet companies are based in Silicon Valley and what European policy makers can learn from this in shaping actively innovation and regulatory policies in Europe. The group was led by Pilar del Castillo. The following MEPs attended: Malcolm Harbour, James Elles, Peter Skinner, Edit Herczog, Ivailo Kalfin, Lambert van Nistelrooij, Maria Badia I Cuchet, Sabine Verheyen, Bill Newton Dunn. The group was very impressed by comments from Elliot, Erika, Katherine, Erin, Sarah, Cristian, and we will be following up with each member on the issues they raised. The group said that the FB stop was the most interesting visit of their trip.

Vietnam: We are continuing to work on the 2 Internet decrees (services and content) that are pending in Vietnam. Our understanding is that a final draft of the content decree may have been submitted to the Prime Minister for review, which would mean that we would have no more formal opportunities to comment on it. However, we recently received another draft of the services decree, and worked with AmCHAM to develop comments that will be submitted next week. So as to continue to make our views heard on the content decree, these comments touch on not only the services decree, but the content decree as well. In addition, we are working with the Asia Internet Coalition to try to bolster our views. Finally, AmCham is working with the government to set up a meeting with Internet companies during the second week of August.

India:
- **Intermediary rules:** Week of extensive outreach. Minister Sibal is holding a closed door meeting on Aug 2 with MPs following up on his parliamentary assurance of reviewing language in the rules which negatively impact freedom of expression and are inconsistent with constitutional guarantees of fundamental rights of free speech. Reached out to target MPs from opposition parties expected to attend this meeting and re-emphasized list of concerns. Also informally met Dr Rai and Sibal to understand their goals and suggested a constructive approach for the meeting. The meeting with MPs will be led by Sibal and we can expect him to try and play a victim role and gain sympathy from the MPs, saying that the US intermediaries "don't comply with local laws". He may also raise concerns with the corporate structures of the India entities of US companies. Ankhi has advised MPs that

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the matter is sub-judice in various courts of India and they should make that point with the Minister and re-orient the discussion to the substantive issues in the rules. Reps from Industry associations - IAMAI (Internet and Mobile association of India), CII (Confederation of India Industry) and NASSCOM have been invited to this meeting to provide comments at the end. We, along with Google and Y! 's local Policy leads, have worked with them on talking points. We also finished drafting a letter that Arun Jaitley, leader of the Opposition, can use on intermediary rules. Finally, CIS (http://cis-india.org/), a leading think tank working on Internet policy and technology policy issues, has been organizing various speech NGOs to agitate against the Intermediary rules. CIS recently published a detailed analysis of the legality of the rules, calling them unconstitutional on various grounds. This was published as an Open whitepaper and sent to MPs, Minister Sibal, Dr Rai and the Prime Minister's Office. CIS will continue to keep up the public opinion pressure and keep organizing the activists.

- **Privacy Law:** Ankhi engaged with members of the Govt. appointed drafting Committee. The Committee is headed by Retd. Justice AP Shah. The Committee is finalizing its report which will be opened up for public comments by end August - early Sept. The proposed law contemplates setting up a DPA is India; the committee members were not very forthcoming about the structure and the powers of the DPA. With respect to the legislative process, the Govt. wants to bring a draft bill to Parliament in the Winter session of Parliament and start the discussion and voting process. This will be a big focus of ours during 2H 2012 now that the timetable moved up.

- **India's President Pranab Mukherjee joins Facebook:** Very exciting. Congrats to Ankhi and team. This is a big deal as people like Minister Sibal will take notice of the President joining Facebook. India's first citizen joined Facebook 24 hours after his swearing-in ceremony. Mukeherjee has five decades in public life having always held the no.2 position starting from Indira Gandhi's cabinet to the current Govt. In our Public value campaign in India, we have prioritized the key actors. The President's office is a constitutional office, the highest position in the country, and the President does not belong to any political party as the guardian of the constitution. Mukherjee resigned from the Congress party when he ran for President's office. The President is 77 years of age and not very familiar with new media so there were some natural challenges in convincing him. In the end, we succeeded and his team drove PR around his joining FB. Almost all newspapers reported it. We are now discussing page engagement with his team and are lining up trainings for this. Sample press coverage of his joining FB can be seen here - http://www.hindustantimes.com/India-news/NewDelhi/President-Pranab-logs-on-to-Facebook/Article_1-900376.aspx

- **Gambling/gaming:** Mia secured industry sign-off (including with Microsoft and the local game industry association) on alternate language for a Recommendation currently proposed by the Australian Government that would require platforms such as Facebook to closely monitor the simulated payout ratios in casino style fun games and ensure that these games do not inappropriately target younger users. Mia also met with the relevant policymakers to discuss our concerns about the current wording of the Recommendation and we are now awaiting feedback from the Government on the proposed alternate language. We are also getting ready to pre-brief relevant policy makers about the upcoming UK gambling launch in a way that does not adversely impact the progress we have made locally on the casino games issue to date.
- **FB political engagement:** Strong interest from all Australian political parties in using FB for campaigning. This week, Mia met with two advisers for the conservative opposition party to confirm contents of two workshops we will hold in August -- one with the actual political representatives and the other will be a more detailed presentation with staffers. She also met with the Prime Minister's Chief of Staff and other key ministerial advisers from the governing Labor party about digital campaigning. Similar conversations are happening with the key communications adviser for the Greens party, which holds the balance of power in the Senate.
- **Ambassador Bleich:** Elliot and Sarah WW met with the US Ambassador to Australia. We raised the issue of the Australian Government trying to extend their jurisdiction and directly regulate Facebook through new privacy

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regulation. The Ambassador said that this was another example of the Australian Government failing to understand the needs of technology companies and the importance of innovation. He has been actively working on cloud issues and established relationships with key players in both the bureaucracy and political arenas. The Ambassador offered to raise concerns with his contacts regarding the proposed legislation.

People

- **Elliot, Erin and Sarah** presented at the Legal Offsite. Heard really great things about their presentations. They provided an overview of the structure of the policy/comms team, what the areas of interest and focus are, and how legal can help/how we can work together. Many of the Legal team are new and did not have an understanding of what we do or how we can work together. We answered a broad range of questions including privacy, law enforcement and jurisdiction issues. The message that they should not be constrained by 'how things are' but instead should be driven by 'how we want them to be' provoked a great deal of comment.
- **Ankhi:** Great work on getting yet another key policymaker onto Facebook.

Me

- On Saturday, I gave a speech at the Chautauqua Institution Hall of Philosophy which was a very cool venue. (Even my kids were impressed by the venue.) Average age in the audience was -- 65! I felt good that when it started to rain, the people seated in the uncovered, outdoor sections remained. I felt even better that I managed to find the right baseline messaging and that so many people expressed how, as a result of the talk, they were less skeptical and more interested in using Facebook "to help change the world." Special thanks to Matt for all his help with this speech. We had a lot of good laughs preparing this one.

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EXHIBIT   180

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From:	Matt Scutari </O=THEFACEBOOK/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN =RECIPIENTS/CN=MA TTSCUTARI4E5>
Sent:	Friday, November 15, 2013 4:53 PM
To:	Nicky Jackson Colaco; Maritza Johnson; Erin Egan
Cc:	Rob Sherman
Subject:	Re: HPM

Android Permissions. Matt has been working with the privacy PM, PMM, and Legal to understand privacy risks associated with several Android permissions that will go out in the next release, including permissions associated with reading call logs and SMS. Simultaneously, we're working to mitigate policy risks associated with a proposed help center FAQ designed to list and provide an example of each permission.

Follow Redesign. Matt is working with the privacy PM, PMM, and Legal to finalize help center and user ed content for the Follow redesign, which is slated to roll out to 10% on 11/20.

Only Me Stickiness. Matt is providing policy feedback on a Mark Z. request that Product explore the possibility of making the Only Me audience setting unsticky. The goal of this change would be to help users avoid inadvertently posting to the Only Me audience. We are encouraging Product to explore other alternatives, such as more aggressive user education or removing stickiness for all audience settings.

Privacy Shortcuts Icon (Mobile). In response to user confusion regarding the new padlock button for privacy shortcuts added next to user names in Android (users think their account is being locked down), Product has proposed removing the shortcut icon entirely. Matt is working with PR, Legal, and others to assess the risks associated with removal and explore any potential alternatives, such as redesigning the button.

Public Posting UFI Test. Matt is working with Product and others to finalize the details surrounding a planned test of the new UFI and filters for public comments, including the scope and location of the test.

Survey Issues. Yul Kwon and Mike Nowak are interested in exploring the legal and policy implications of matching privacy survey results to user behavior to assess the extent to which user intent and user behavior are aligned. We have advised that we should be prepared to take some action to remedy user confusion revealed in the survey, ideally for the entire user population but at least for the user in our sample for which we have actual notice of confusion. Mike seems reluctant to commit to concrete action in either scenario in the short term, although he has expressed that he goal ultimately is to improve user comprehension.

Hope everyone has a great weekend!

Matt

Matt Scutari
Manager, Privacy and Public Policy | Facebook
650-804-4344
mattscutari@fb.com

Instagram Directed Sharing. Nicky provided an update this week during our Weekly Privacy Download on directed sharing - now called 'Instagram Directs', which will launch on 12/9. As you know, this product allows people to send picture messages to a few individuals (max of 15). Because messaging is riskier from a material safety perspective, the core team is working on the following:
1) Ensuring that we are staffed from a UO perspective to support additional reports of directed shares, and are in a good place to escalate potentially sensitive reports to our e-crimes team;
2) Using our backend tools to help identify anomalous and potentially predatory behavior (for instance, men sending Instagram Directs only to women our young boys);
3) Creating extra education in-product, in Help Center, and via partners like the Safety Advisory Board to demonstrate a commitment to educating teens and others. While in the longer term, we plan to have 'flyouts' to educate those identified as teens, in the shorter term we are baking education into the NUXes when the product launches.
We also plan to brief the Safety Advisory Board early next week (likely Tuesday).

From: Maritza Johnson
Sent: Friday, November 15, 2013 3:28 PM
To: Erin Egan; Matt Scutari; Nicky Jackson Colaco
Cc: Rob Sherman
Subject: Re: HPM

Hi Erin -   I'll write up the details about my meeting with Alan this afternoon, and reply to Joel's prior email about the MIT policy center.

Have a great weekend, everyone!
- Maritza

Research

Maritza attended a member meeting for MIT CSAIL's Big Data initiative. Sameet Agarwal, Pinkesh Patel, and Ryan Mack also attended. Between the four of us, we had great coverage on any topic someone might want to talk about related to big data: infrastructure, data science, and privacy. I heard from more than one attendee that they were excited to see our strong presence at the event.

Most of the presenters were MIT faculty and students presenting projects from the past year. There was a strong focus on results: lots of interesting demos and experimental results. The keynote speaker was Deb Roy, MIT professor and chief media officer at Twitter. He gave an excellent talk on the power of social media to augment the TV watching experience. His keynote isn't available yet, but here's a similar talk he gave in March 2013. He focused on Twitter data but it applies to Facebook as well. It's worth watching for the visualizations alone.
http://www.youtube.com/watch?v=GiAVKr3nvyE

I was most interested in the sessions on big data applications, and privacy and security (http_;L!'.b_igd~-t_~,_g_~i:JjLmiL~_d_\J/~nn_y_~l20.h)speakers in the applications session spoke about applying data to public health problems, identifying genetic diseases, and improving education using MOOC data. It's great to hear positive applications of data that motivate solving the privacy questions. Each of the speakers noted that their research has been impeded by unsolved privacy questions like how do you obtain informed consent, and how do you design a system with transparency in mind. In the privacy session, Danny spoke about designing for trust when users might fear surveillance. He proposed that accountability must be embedded in the system design so that questions about data provenance, use, and transfer can easily be answered. Here's a neat demo on visualizing public Tweets. http://mapd.csail.mit.edu/

Maritza also attended the first meeting of the Big Data privacy working group. The group plans to approach the problem using specific case studies. The tentative plan is to focus on the MOOC data set first, and walk through the process of applying the available technical solutions and policy guidelines to define an arrangement that would allow the data to be shared with researchers. As a subtask of this work, the group will decide on a set of assertions that describe a successful data sharing program.

Maritza met with Alan Davidson to discuss the proposed MIT policy initiative.

Maritza, Rob, and Erin continued to iterate on a proposal for a research program centered on the privacy paradox.

Maritza continued to work with Cam and Bob Kraut on a proposal for a data donation program with Wolfram Alpha.

-- Maritza

From: Erin Egan <erinegan@fb.com>
Date: Friday, November 15, 2013 2:02 PM
To: Matt Perault <matthewperault@fb.com>, Nicky Jackson Colaco <nicky@fb.com>, Maritza Johnson <maritzaj@fb.com>
Cc: Rob Sherman <robsherman@fb.com>
Subject: FW: HPM

Thanks Rob. Others?

From: Rob Sherman <robsherman@fb.com>
Date: Friday, November 15, 2013 2:00 PM
To: Erin Egan <erinegan@fb.com>
Subject: HPM

Log In Anonymously. Rob continued work with the Open Graph team on Log In Anonymously (name subject to change), a product that will let people use their Facebook accounts (or, potentially, another Facebook-mediated account) to log into apps without the need to provide personal information or consent to sharing of data.

App post suggestions. To address concerns about apps posting "implicit" user actions back to Facebook timelines, the Open Graph team is working on a feature that will, on an opt-in basis, enable apps to send "suggested posts" describing your activity to a "locker" within Facebook. If enabled, users will be able to see potential actions they could post to their timeline and then tap on a suggestion to open up a pre-filled composer. Rob is working with the team on technical implementation details to address privacy concerns.

Stable identifiers. The privacy team is working to evaluate Google's recent move to restrict use of device identifiers on Android and limit companies' ability to combine them with personal identifiers - a key use case for Facebook and Atlas - potentially without subjecting Google itself to the same restriction. We're working to develop options for policy initiatives that can support product and partnership initiatives to compete effectively and address Google's approach.

Do Not Track. Rob attended a meeting of the Digital Advertising Alliance, which is aiming to finalize a Do Not Track standard as soon as December or January. We're pressing DAA to address Facebook-specific uses in its standard to ensure that we can continue to operate key aspects of our service under its proposed DNT approach.

India Privacy Legislation. Erin, Ankhi, Sarah, Emily and Rob will submit a draft of comments to the Centre for Internet and Society this week. This is an Indian NGO that is preparing a so-called "consensus" draft of privacy legislation, which will precede introduction of privacy legislation sponsored by the Indian government.

Brazil. The Internet Framework bill was amended to include some problematic new language on jurisdiction, personal data and penalties. Emily, Rob, and Katherine are developing proposed language to address issues with these new proposals.

International Privacy Policy Tracking Chart. Emily is finalizing a tracking chart to be debuted at the next Weekly Privacy Download. The chart will help us monitor developments in privacy regulations globally, focusing on high priority jurisdictions and highlighting problematic issues and any deadlines for intervention. Ultimately the chart's content can be used to create one-pagers.

Privacy group engagement. The privacy team worked this week with a number of privacy and trade groups, including the Future of Privacy Forum, Center for Democracy and Technology, the IAB and DMA. Of particular note this week, Emily is evaluating the possibility of joining the US Council on International Business (USCIB) and Maritza and Rob are working with the Direct Marketing Association to provide guidance on its new academic research initiative, which we are encouraging them to focus on the benefits of data to individuals and the economy and how we can better understand the "privacy paradox" -- the disconnect between what people say about privacy and what they actually believe.

Privacy Roundtable. Rob, Marcy, and Emily are working with the privacy PM and open graph teams on an event tentatively scheduled for MPK in January, where we'll bring in a group of privacy influencers to learn more about Facebook, our privacy and product design process, and to build relationships with privacy stakeholders within the company.