

## EXHIBIT 35

UNREDACTED VERSION OF DOCUMENT SOUGHT TO BE LODGED UNDER SEAL

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**From:** Chad Heaton </O=THEFACEBOOK/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=CHAD HEATON>  
**Sent:** Friday, August 10, 2012 7:02 PM  
**To:** Sam Lessin; Chris Daniels; Gary Johnson  
**Cc:** Chris Miller; Brion Spensieri; Jon Eide  
**Subject:** Re: Draft Developer Monetization Deck

Sam -

Attached is the updated and consolidated draft. Hopefully this version is a bit crisper.

We were able to make most of your suggested edits. On the API breakdown, we are not able to separate User Info from Emails. The API methods that return emails do so as part of a broader User Info method call (I.e. Email address is one of about 50 fields that are returned from the call). But otherwise we have the breakdown close to what you were looking for.

On the Email API bottoms-up, rather than focusing on the number of API calls and giving those a haircut, we took a different approach. We basically said, what if email permissions were no longer provided as part of basic info to Connect developers and they had to pay for the email addresses if they wanted them? We then sized the number of currently active Connect App-User pairs and the number of all-time app-user pairs that have installed an app. By subtracting the former from the latter, you get the number of stale users (I.e. Users that had previously installed an used an app but that are no longer using it). Then you can make assumptions about what percentage of their active users would Devs be willing to pay a fee for in order to get their email addresses and communicate with them, and what percentage of stale users would apps be willing to pay a fee to get emails so they could try to resurrect them. Once again, the percentages and fees are highly debatable, but I think the framework is more sound than our previous (kudos to Chris Miller for the idea).

For the Distribution bottoms up, we identified two key opportunities (Requests/Notifications and Bookmarks), and sized them both. The details of our sizing approach are in the appendix.

We've also integrated the tops-down analyses that Gary pulled together and you'll see those at the back of each section.

Let us know if you have additional comments.

Thanks,  
Chad

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**From:** Sam Lessin <[sl@fb.com](mailto:sl@fb.com)>  
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**Subject:** Re: Draft Developer Monetization Deck

-- I think we should show all four oppys to the board... I actually really like your slide on them / t-ing them up.

-- I agree with Chris that by the time this goes to the board it will probably be only about 3 slides with backup, but going through the longer loop is really really valuable internally in my sense.. So I am really happy we are investing in the longer story

-- I do have a meta-framing I have been working on, but honestly, it is taking me a long time to craft to a point I am happy with it (much longer than I expected) -- give me the weekend on it... my Monday 1st thing I promise something we can all react to / that I hope will be compelling.

S

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**Subject:** Re: Draft Developer Monetization Deck

Thanks Chris.

Sam – Chris raises some points that I'd like to get your perspective on.

First, you'd mentioned in one of our discussions that you had the meta-framing of this in your head already and just hadn't put it into slides yet. Is that something you were planning to do in advance of Monday? Or did you want us to frame that up in a slide using Chris' model below of moving from "data for distribution" to "data for \$" and/or "\$ for distribution"? Not sure how much slide narrative you're planning to add to the deck we've been working on.

Second, how do you want to show (or not show) the 4 different potential opportunities of 1) Charging Devs for Access, 2) Charging for Data (API), 3) Charging for Distribution, and 4) Marketplace. In your comments this morning you wanted to keep the Access piece and remove the marketplace piece. Below, Chris suggests the opposite (keeping marketplace and removing access). Let us know what your preference is here.

Thanks,  
Chad

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If this is going to the BOD, I feel like we're missing the fundamental story of why the incentives are misaligned today. Today the fundamental trade is "data for distribution" whereas we want to change it to either "data for \$" and/or "\$ for distribution." Essentially, we're looking to put a \$ amount on data and a \$ amount on distribution so that there is a way for those who value their data > than distribution or < distribution to get a fair deal.

I like slide 3, but in this world the first row (charging developers for access) becomes somewhat orthogonal, which I think it should be, and the size of the marketplace which is just \$ flowing in/out (for distribution/data respectively) becomes the goal...which I think it should be per Sam's point the other day.

My suggestion would then be that Slide 2 is great, Slide 3 we lose the first row and insert columns for tops-down and bottoms-up opportunity sizes against read, write and marketplace. The rest of the slides become backup.

I'd then add a bit more work/thinking on 1) what competitive advantage we have to being a data marketplace. Is it Identity? Distribution (consumer or developer)? Time to market (e.g. We think this is inevitable, so we might as well be first to do it...I don't like this reason)? Other?; and 2) how we'll set this up for great execution...which leads to pricing/auction/etc, etc. If I were on the board, I think these two questions are where I'd want to spend my time.

Chris

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**Subject:** Re: Draft Developer Monetization Deck

Thanks for the feedback Sam. We'll work on the edits today and send along an updated draft by EOD. We're also planning on spending more time & creative energy on the bottoms-up sizings now that the general structure and flow of the deck is coming together.

- Chad

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**From:** Sam Lessin <[sl@fb.com](mailto:sl@fb.com)>  
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Guys, Just flipping through these now— a lot of great stuff in here... and a bunch of questions :) - below — I feel like a story is shaping up here...

**On the Market Sizings:**

- Web identity & consumer information... I think we should probably just drop the 'security' segment here... the consumer info makes sense as a comp, but the security stuff feels more like software than data :)... Also, how do we think about companies like catalinamarketing.com? They seem like the primary example of a consumer information company to model after...

- On consumer market research and interactive marketing... again, the interactive media seems like something we should strip out.

- Mobile & Online marketing bit / distribution makes sense

**On the platform bottoms up:**

- Slide 2
  - good upfront framing
  - for simplicity of the message, I might just not even break out games vs. non-games...
  - Are there any other ways in which FB connected apps drive revenue for us in other non-obvious ways we should include here... e.g. Obviously the volume of sponsored OG content is very low, but is it zero? I would like this to be as inclusive as possible
- Slide 3

- One benefit for 'annual fee for access' is creating a 'screen' for serious developers
  - I would drop the 'marketplace' component here... it is big / actually the real goal here, but we are not going to discuss it much in the deck
- Slide 5
  - Powerful slide ... small stylistic point, I would just do 100-1K, 1K-10K, 10K –100K, 100K+ (since the bars at the top are just too small to see anyway)
- Slide 7
  - At this point, I actually get kind of confused looking at 'api usage' overall... I really think from this point on in the deck we want to be splitting everything by 'reads' vs. 'writes' at a top level cut, and then 'canvas' vs. 'non-canvas' -- so, when I see 'API calls have increased', is that because with OG people are just writing a ton more content, what is going on with reads, etc.? I would drop this slide, or ideally split it by reads and writes
- Slide 8
  - Same Thing — I think we need to split this by reads and writes for it to be meaningful...
- Slide 9
  - This 'reads vs. writes' picture starts to be pretty useful here... but it would be great to bucket this a bit differently... I would be interested to see how close we can get it to the following buckets
    - Reads
      - User Data
        - Basic info (Profile Photo, Name)
        - Email
        - Other
      - User Photos
      - Stream
    - Writes
      - Stream.publish
      - Wall Posts
      - OG
- Slide 10
  - Can you add two 'average' bars to this (one per app, and one per DAU?)
  - This slide is somewhat low-pri in my mind, but still interesting to wrap your head around
- Slide 12
  - This is so hard to approximate... I actually don't think the reduction in call volume is actually the thing that it is most important... do we have any other ideas on how to approximate this?
- Slide 15
  - Cool...
  - Can we just bucket canvas and non-canvas
  - In the non-canvas, is there any way to look at referrals to FB apps (which use connect) vs. just random websites / etc.? Or at a minimum perhaps bucket 'share' traffic separately
- Slide 16
  - What is 'web outbound' and 'mobile outbound'? Those don't seem like distribution channels but intend endpoints?
- Slide 17 —
  - so what is the revenue opportunity here in \$?
  - Do we think that people are willing to pay \$0.28 all day long?
  - What is the value of the fact that by targeting via ads they are getting ads clickers?

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**From:** Gary Johnson <garyj@fb.com>  
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**Subject:** Re: Draft Developer Monetization Deck

Please find attached top-down market sizing information for the following segments:

- 1) Web identity and consumer information
- 2) Consumer market research & interactive marketing
- 3) Mobile notifications / marketing

Happy to discuss and refine as needed here guys.

Best,  
Gary

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**From:** Chad Heaton <chadh@fb.com>  
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**Subject:** Draft Developer Monetization Deck

Sam / Chris -

Attached is a first draft of the Dev Monetization Deck. Note that this only includes the pieces that my team has been working on. Gary is following up w/ the top-down sizing piece and we can figure out how best to slot that in. A few notes:

- I tried to set up the flow of the deck to tell a story. Basically, "1) Most of our Developer Monetization today comes from Canvas Games, 2) The Canvas Games Ecosystem is flat to declining, 3) There are 4 different alternatives to generate new revenue streams from our Platform Developers, and 4) Description/sizing of each of those 4 areas"
- The areas that esp. need attention and discussion from us are the sizing estimates. Realistically, we can make these numbers as big or as small as we want by varying the assumptions.
- API Monetization: We started by trying to size the Email API based on current User API usage. We limited just to Connect App (no Canvas) and then cut the number of calls that we could conceivably monetize pretty dramatically. Then we applied a range of potential values per email address. Definitely review the assumptions and let's discuss what changes to make. We didn't attempt to size the other existing API's, but could do so as a ratio relative to our email API estimate. The other piece of API monetization would be for new APIs that don't exist today. That feels hard to do from a bottoms up (unless we model relative to the existing API monetization). Otherwise, feels like the Tops-Down might be good to insert here.
- Distribution Monetization: We broke this into two sections to start. First is the Request and Notifications monetization. There's a potential opportunity to monetize that channel to existing Canvas developers as well as to open it up to Mobile and Connect applications. The second area is Bookmarks. Since we wouldn't likely add bookmarks that led off of FB, we're assuming this is a Canvas opportunity for Devs to boost their BM placement by paying for it.

- Marketplace monetization: Will come from Tops down by Gary/Chris

Take a look and let us know your thoughts/comments.

Thanks,  
Chad