

NOTICE OF PENDING CLASS ACTION AND NOTICE OF PROPOSED SETTLEMENT

ANGEL FRALEY V. FACEBOOK, INC.

You are receiving this e-mail because you may have been featured in a "Sponsored Story" on Facebook prior to December 3, 2012.*A federal court authorized this Notice. This is not a solicitation from a lawyer.***Why did I get this notice?** This Notice relates to a proposed settlement ("Settlement") of a class action lawsuit ("Action") filed against Facebook relating to a particular Facebook feature called "Sponsored Stories." According to available records, you may be a "Class Member."**What is the Action about?** The Action claims that Facebook unlawfully used the names, profile pictures, photographs, likenesses, and identities of Facebook users in the United States to advertise or sell products and services through Sponsored Stories without obtaining those users' consent. Facebook denies any wrongdoing and any liability whatsoever. No court or other entity has made any judgment or other determination of any liability.**What is a Sponsored Story?** Sponsored Stories are a form of advertising that typically contains posts which appeared on facebook.com about or from a Facebook user or entity that a business, organization, or individual has paid to promote so there is a better chance that the posts will be seen by the user or entity's chosen audience. Sponsored Stories may be displayed, for example, when a Facebook user interacts with the Facebook service (including sub-domains, international versions, widgets, plug-ins, platform applications or games, and mobile applications) in certain ways, such as by clicking on the Facebook "Like" button on a business's, organization's, or individual's Facebook page. Sponsored Stories typically include a display of a Facebook user's Facebook name (i.e., the name the user has associated with his or her Facebook account) and/or profile picture (if the user has uploaded one) with a statement describing the user's interaction with the Facebook service, such as "John Smith likes UNICEF," "John Smith played Farmville," or "John Smith shared a link."**What relief does the Settlement provide?** Facebook will pay \$20 million into a fund that can be used, in part, to pay claims of Class Members (including Minor Class Members) who appeared in a Sponsored Story. Each participating Class Member who submits a valid and timely claim form may be eligible to receive up to \$10. *The amount, if any, paid to each claimant depends upon the number of claims made and other factors detailed in the Settlement. No one knows in advance how much each claimant will receive, or whether any money will be paid directly to claimants.* If the number of claims made renders it economically infeasible to pay money to persons who make a timely and valid claim, payment will be made to the not-for-profit organizations identified on the Settlement website at www.fraleyfacebooksettlement.com (if clicking on the link does not work, copy and paste the website address into a web browser). These organizations are involved in educational outreach that teaches adults and children how to use social media technologies safely, or are involved in research of social media, with a focus on critical thinking around advertising and commercialization, and particularly with protecting the interests of children.

In addition to monetary relief, Facebook will (a) revise its terms of service (known as the "Statement of Rights and Responsibilities" or "SRR") to more fully explain the instances in which users agree to the display of their names and profile pictures in connection with Sponsored Stories; (b) create an easily accessible mechanism that enables users to view, on a going-forward basis, the subset of their interactions and other content on Facebook that have been displayed in Sponsored Stories (if any); (c) develop settings that will allow users to prevent particular items or categories of content or information related to them from being displayed in future Sponsored Stories; (d) revise its SRR to confirm that minors represent that their parent or legal guardian consents to the use of the minor's name and profile picture in connection with commercial, sponsored, or related content; (e) provide parents and legal guardians with additional information about how advertising works on Facebook in its Family Safety Center and provide parents and legal guardians with additional tools to control whether their children's names and profile pictures are displayed in connection with Sponsored Stories; and (f) add a control in minor users' profiles that enables each minor user to indicate that his or her parents are not Facebook users and, where a minor user indicates that his or her parents are not on Facebook, Facebook will make the minor ineligible to appear in Sponsored Stories until he or she reaches the age of 18, until the minor changes his or her setting to indicate that his or her parents are on Facebook, or until a confirmed parental relationship with the minor user is established.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT		
SUBMIT A CLAIM FORM	This is the only way to be eligible to receive a payment, if the Court orders payment to Class Members.	Deadline: May 2, 2013
EXCLUDE YOURSELF	This is the only option that allows you to retain the ability to file your own lawsuit about the legal claims in this case.	Deadline: May 2, 2013
OBJECT	Write to the Court about why you object to (i.e., don't like) the Settlement and think it shouldn't be approved.	Deadline: May 2, 2013
GO TO THE "FAIRNESS HEARING"	The Court will hold a "Fairness Hearing" to consider the Settlement, the request for attorneys' fees and expenses of the lawyers who brought the Action ("Class Counsel"), and the class representatives' request for service awards for bringing the Action. You may, but are not required to, speak at the Fairness Hearing about any Objection you filed. If you intend to speak at the Fairness Hearing, you must follow the procedures stated on the Settlement website to notify the Court and parties of your intent when you serve your Objection.	Hearing Date: June 28, 2013 at 10:00 a.m.
DO NOTHING	You will not receive a payment, even if the Court orders payment to Class Members. You will also be giving up your right to bring your own lawsuit related to the claims in the Action. You may be eligible to receive the non-monetary benefits of the Settlement, if the Settlement is finally approved.	No deadline

Your Class Member Number: XYZ**To Parents and Guardians of Children on Facebook:** The Settlement also involves the claims of minors featured in Sponsored Stories on Facebook. Please see the Settlement website for more information.**More information?** For more information about the Settlement and how to take the actions described above, please visit www.fraleyfacebooksettlement.com (if clicking on the link does not work, copy and paste the website address into a web browser) or write to the Settlement Administrator at Fraley.v.Facebook,Inc.,Settlement,c/oGCG,P.O.Box35009,Seattle,WA98124-1009, or GCG@fraleyfacebooksettlement.com. You may also contact Class Counsel, Robert S. Arns of the Arns Law Firm, by calling 1-888-214-5125 or by emailing fb.settlement@arnslaw.com.