

## Facebook rejects ownership lawsuit as a 'scam'

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Facebook CEO Mark Zuckerberg speaks during a news conference at Facebook headquarters on October 6 in Palo Alto, California. Facebook on Wednesday rejected as a "scam" a lawsuit filed by a New York man who claims he is entitled to 84 percent of the wildly successful social network.

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Facebook's statement came as a US District Court judge in Buffalo, New York, held a hearing in the suit filed against Facebook co-founder Mark Zuckerberg by Paul Ceglia of Wellsville, New York.

Ceglia, in the suit filed in June, claimed that he signed a contract with Zuckerberg in April 2003 to design a website called "The Face Book," or



"The Page Book," by January 1, 2004.

According to the lawsuit, Ceglia acquired 50 percent of the business and an additional one percent interest per day until it was complete.

The project, for which Zuckerberg was allegedly paid 1,000 dollars and received a 50 percent stake, was completed 34 days late, giving Ceglia an additional 34 percent stake in the business, the <u>lawsuit</u> said.

Facebook on Wednesday said the case is "a fraud brought by a convicted felon with a well-documented track record of scamming and defrauding honest people.

"This case is his latest scam," Facebook said in a statement.

New York state Attorney General Andrew Cuomo accused Ceglia last year of taking more than 200,000 dollars from customers of his wood fuel pellet company and then failing to deliver any products or refunds.

In court on Wednesday, Ceglia's lawyer argued that Zuckerberg is a resident of New York, where he was born and raised, and that the case should be heard in New York state court instead of federal court.

Lawyers for Zuckerberg presented evidence showing that Zuckerberg has lived in California, where Facebook is based, for more than six years.

Facebook's origins have been the subject of two recent books and a hit Hollywood movie, "The Social Network."

According to the book "The Facebook Effect" by David Kirkpatrick, Zuckerberg did not begin to work on predecessors to Facebook until September 2003 and the domain "thefacebook.com" was registered in



January 2004.

<u>Facebook</u> has become the world's most popular social network with more than 500 million members.

Zuckerberg's net worth was recently estimated at 6.9 billion dollars by Forbes magazine.

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