

EXHIBIT 1

SCOTT+SCOTT ATTORNEYS AT LAW LLP
PATRICK COUGHLIN (CA Bar No. 111070)
MAXWELL R. HUFFMAN (CA Bar No. 264687)
600 W. Broadway, Suite 3300
San Diego, CA 92101
Telephone: (619) 233-4565
pcoughlin@scott-scott.com
mhuffman@scott-scott.com

Lead Attorneys for Co-Lead Plaintiffs

[Additional Counsel on Signature Page.]

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

IN RE ALPHABET, INC., SHAREHOLDER
DERIVATIVE LITIGATION

Consolidated
Case No.: 3:21-cv-09388-RFL

**JOINT STIPULATION AND
AGREEMENT OF SETTLEMENT**

Judge: Rita F. Lin

STIPULATION AND AGREEMENT OF SETTLEMENT

Subject to the approval of the United States District Court for the Northern District of California (“**Court**”), this Stipulation and Agreement of Settlement (“**Stipulation**”) is made and entered into by and among the following Settling Parties (as defined herein),¹ each by and through his, her, or its respective counsel: (1) Police and Fire Retirement System of the City of Detroit and Bucks County Employees’ Retirement System (collectively, the “**Settling Stockholders**”); (2) Nominal Defendant Alphabet Inc. (“**Alphabet**” or the “**Company**”); and (3) Larry Page, Sergey Brin, John L. Hennessy, L. John Doerr, K. Ram Shriram, Ann Mather, Allan R. Mulally, Roger W. Ferguson, Jr., Robin L. Washington, Frances H. Arnold, Sundar Pichai, and Eric E. Schmidt (collectively, the “**Individual Defendants**” and, together with Alphabet, “**Defendants**”). Settling Stockholders and Defendants are collectively referred to as the “**Parties**” or “**Settling Parties**.”

This Stipulation and resulting Settlement are intended by the Settling Parties to fully, finally, and forever compromise, resolve, discharge, release, and settle the Released Claims (as defined herein), upon the terms and subject to the conditions set forth herein.

I. DEFINITIONS

As used in this Stipulation, in addition to the capitalized terms defined above, the following terms have the meanings specified below:

- (a) “**Board**” means Alphabet’s Board of Directors.
- (b) “**Co-Lead Plaintiffs**” means Plaintiff Police and Fire Retirement System of the City of Detroit and Plaintiff Bucks County Employees’ Retirement System.
- (c) “**Current Alphabet Stockholders**” means any Person who owned Alphabet common stock as of the date of the execution of this Stipulation (which shall be defined by the date of the last signature on the Stipulation) and who continues to hold such Alphabet common stock as of the date of the Settlement Hearing, excluding the Individual Defendants, the current officers and directors of Alphabet, members of their immediate families, and their legal

¹ All capitalized terms not otherwise defined elsewhere in this Stipulation shall have the meanings ascribed in the “Definitions” section below.

representatives, heirs, successors, or assigns, and any entity in which the Individual Defendants have or had a controlling interest.

(d) **“Defendants”** means Individual Defendants Larry Page, Sergey Brin, John L. Hennessy, L. John Doerr, K. Ram Shriram, Ann Mather, Alan R. Mulally, Roger W. Ferguson, Jr., Robin L. Washington, Frances H. Arnold, Sundar Pichai, and Eric E. Schmidt, and Nominal Defendant Alphabet Inc.

(e) **“Effective Date”** means the date by which all of the events and conditions specified in Paragraph 6.1 herein have been met and have occurred.

(f) **“Fee and Expense Award”** means any fee and expense award issued by the Court.

(g) **“Final”** means the time when a Judgment that has not been reversed, vacated, or modified in any way is no longer subject to appellate review, either because of disposition on appeal and conclusion of the appellate process (including potential writ proceedings) or because of passage, without action, of time for seeking appellate or writ review. More specifically, it is that situation when (i) no appeal or petition for review by writ has been filed and the time has passed for any notice of appeal or writ petition to be timely filed from the Judgment; or (ii) if an appeal has been filed, the Court of Appeals has either affirmed the Judgment or dismissed that appeal and the time for any reconsideration or further appellate review has passed; or (iii) a higher court has granted further appellate review and that court has either affirmed the underlying Judgment or affirmed the Court of Appeals’ decision affirming the Judgment or dismissing the appeal or writ proceeding, and the time for any reconsideration or further appellate review has passed. For purposes of this paragraph, an “appeal” shall not include any appeal challenging the award of the Fee & Expense Award or any Service Award. Any proceeding or order, or any appeal or petition for a writ of certiorari pertaining solely to any Fee & Expense Award or any Service Award, shall not in any way delay or preclude the Judgment from becoming Final. Any reference to the “Finality” of the Settlement shall incorporate the definition of Final in this paragraph.

(h) **“Judgment”** means the final order and judgment to be rendered by the Court, substantially in the form attached hereto as Exhibit D.

1 (i) **“Litigation”** means *In re Alphabet, Inc., Shareholder Derivative Litigation*, Case
2 No. 3:21-cv-09388-RFL (N.D. Cal.).

3 (j) **“Notice”** means the Notice of Pendency and Proposed Settlement of Derivative
4 Actions, substantially in the form of Exhibit B attached hereto.

5 (k) **“Person”** or **“Persons”** means an individual, corporation, limited liability
6 corporation, professional corporation, partnership, limited partnership, limited liability
7 partnership, association, joint stock company, estate, legal representative, trust, unincorporated
8 association, government or any political subdivision or agency thereof, or any business or legal
9 entity, and each of their spouses, heirs, predecessors, successors, representatives, or assignees.

10 (l) **“Plaintiffs’ Lead Counsel”** means Scott+Scott Attorneys at Law LLP.

11 (m) **“Preliminary Approval Order”** means the order to be entered by the Court,
12 substantially in the form of Exhibit A attached hereto, including, *inter alia*, preliminarily
13 approving the terms and conditions of the Settlement, directing that Notice be provided to Current
14 Alphabet Stockholders, and scheduling a Settlement Hearing to consider whether the Settlement
15 and the Fee & Expense Award for Plaintiffs’ Lead Counsel should be finally approved and
16 whether the Judgment should be entered.

17 (n) **“Related Persons”** means each of a Person’s immediate family members and
18 current, former, or future parents, subsidiaries, associates, affiliates, partners, joint venturers,
19 officers, directors, principals, stockholders, members, agents, representatives, employees
20 (including, but not limited to, employees of Alphabet and Google LLC (**“Google”**)), attorneys,
21 financial or investment advisors, consultants, accountants, investment bankers, commercial
22 bankers, trustees, engineers, insurers, co-insurers, reinsurers, spouses, heirs, assigns, executors,
23 general or limited partners or partnerships, personal or legal representatives, estates,
24 administrators, predecessors, successors, advisors, and/or any other individual or entity in which
25 a Person has or had a controlling interest or which is or was related to or affiliated with a Person.

26 (o) **“Released Claims”** means, collectively, the Released Defendant Claims and the
27 Released Stockholder Claims.

28 (p) **“Released Defendant Claims”** means any and all claims, rights, demands,

obligations, controversies, debts, damages, losses, causes of action, and liabilities of any kind or nature whatsoever, whether in law or equity, including both known claims and Unknown Claims, suspected or unsuspected, accrued or unaccrued, that Defendants have or could have asserted against the Released Stockholder Persons or their counsel, arising out of the institution, prosecution, or settlement of the claims asserted against Defendants in the Litigation that Defendants (i) asserted in the Litigation, or (ii) could have asserted in the Litigation, or in any other forum that arise out of, relate to, or are based upon, any of the allegations, transactions, facts, matters, events, disclosures, non-disclosures, occurrences, representations, statements, acts or omissions, alleged or referred to in any of the complaints filed in the Litigation; provided, however, that the Released Defendant Claims shall not include (i) any claims relating to the enforcement of the Settlement or this Stipulation, (ii) any claims by Defendants relating to insurance coverage or the right to indemnification, or (iii) any claims that arise out of or are based upon any conduct of the Released Stockholder Persons after the Effective Date.

(q) **“Released Defendant Persons”** means, collectively, each and all of Individual Defendants, Alphabet, and each and all of the Related Persons of each of the Individual Defendants and Alphabet.

(r) **“Released Persons”** means, collectively, the Released Defendant Persons and the Released Stockholder Persons. **“Released Person”** means, individually, any of the Released Persons.

(s) **“Released Stockholder Claims”** means any and all claims, rights, demands, obligations, controversies, debts, disputes, damages, losses, actions, causes of action, sums of money due, judgments, suits, amounts, matters, issues, liabilities, and charges of any kind or nature whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses, amounts, or liabilities whatsoever), and claims for relief of every nature and description whatsoever, whether in law or equity, including both known claims and Unknown Claims, suspected or unsuspected, accrued or unaccrued, fixed or contingent, liquidated or unliquidated, matured or unmatured, foreseen or unforeseen, whether arising under federal or state statutory or common law, or any other law, rule, or regulation,

whether foreign or domestic, that Alphabet, the Settling Stockholders derivatively on behalf of Alphabet, or any Alphabet stockholder derivatively on behalf of Alphabet (i) asserted in any of the complaints filed in the Litigation, or (ii) could have asserted in any court, tribunal, forum, or proceeding, under the laws of any jurisdiction, arising out of, relating to, or based upon the facts, allegations, events, disclosures, non-disclosures, occurrences, representations, statements, matters, transactions, conduct, actions, failures to act, omissions, or circumstances that were alleged or referred to in any of the complaints filed in the Litigation, regardless of the jurisdiction in which such facts, allegations, events, disclosures, non-disclosures, occurrences, representations, statements, matters, transactions, conduct, actions, failures to act, omissions, or circumstances were or could have been alleged or where such facts, allegations, events, disclosures, non-disclosures, occurrences, representations, statements, matters, transactions, conduct, actions, failures to act, omissions, or circumstances had impact; provided, however, that the Released Stockholder Claims shall not include (i) the class claims asserted in the pending stockholder class action captioned *AMI - Government Employees Provident Fund Management Company Ltd. v. Alphabet Inc.*, 3:23-cv-01186-RFL (N.D. Cal.), (ii) any claims relating to the enforcement of the Settlement or this Stipulation, or (iii) any claims that arise out of or are based upon any conduct of the Released Defendant Persons after the Effective Date.

(t) **“Released Stockholder Persons”** means each and all of the Settling Stockholders and each and all of their Related Persons.

(u) **“Service Award”** means any service award issued to Lead Plaintiffs.

(v) **“Settlement”** means the settlement documented in this Stipulation and its Exhibits A-D.

(w) **“Settlement Consideration”** means the consideration provided to Alphabet through the Settlement as set forth in Paragraphs 1.1, 1.2, 1.3, and 1.4 of Section V below.

(x) **“Settlement Hearing”** means a hearing to be held by the Court upon duly given notice to review this Stipulation and its exhibits, as well as the application for the Fee and Expense Award as defined in Paragraph 4.2 below, and determine whether the Settlement should be finally approved, whether the Fee and Expense Award for Plaintiffs’ Lead Counsel should be finally

1 approved, and whether the Judgment should be entered.

2 (y) “**Settling Stockholders’ Counsel**” refers collectively to Scott+Scott Attorneys at
3 Law LLP.

4 (z) “**Summary Notice**” means the Summary Notice of Pendency and Proposed
5 Settlement of Derivative Actions, substantially in the form of Exhibit C attached hereto.

6 (aa) “**Unknown Claims**” means any and all Released Claims that any of the Settling
7 Parties or any Alphabet stockholder does not know or suspect to exist in his, her, or its favor at
8 the time of the release of such claims, including claims which, if known by him, her, or it, might
9 have affected his, her, or its decision to settle or the terms of his, her, or its settlement with and
10 releases provided to the other Settling Parties, or might have affected his, her, or its decision not
11 to object to this Settlement. With respect to any and all Released Claims, the Settling Parties
12 stipulate and agree that, upon the Effective Date, the Settling Parties shall expressly waive, and,
13 with respect to Released Stockholder Claims that could have been asserted derivatively on behalf
14 of the Company, all other Alphabet stockholders by operation of the Judgment shall have
15 expressly waived, the provisions, rights, and benefits of California Civil Code § 1542, or any other
16 law of the United States or any state or territory of the United States, or principle of common law
17 that is similar, comparable, or equivalent to Section 1542, which provides:

18
19 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
20 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
21 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
22 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
23 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
24 DEBTOR OR RELEASED PARTY.

25 The Settling Parties and each Alphabet stockholder may hereafter discover facts in
26 addition to or different from those which he, she, or it now knows or believes to be true with
27 respect to the subject matter of the Released Claims, known or unknown, suspected or
28 unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist,
or heretofore have existed upon any theory of law or equity now existing or coming into existence
in the future, including, but not limited to, conduct which is negligent, intentional, with or without

malice, or a breach of any duty, law or rule, but the Settling Parties and each Alphabet stockholder shall expressly, fully, finally and forever settle and release, and upon the Effective Date and by operation of the Judgment shall have settled and released, fully, finally, and forever, any and all Released Claims as applicable without regard to the subsequent discovery or existence of such different or additional facts. The Settling Parties acknowledge, and the Alphabet stockholders shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement of which this release is a part.

II. PROCEDURAL BACKGROUND

A. The Federal Litigation

On December 3, 2021, Plaintiff Police and Fire Retirement System of the City of Detroit filed a shareholder derivative action in the United States District Court for the Northern District of California, San Jose Division, against Defendants (*Police and Fire Retirement System of the City of Detroit v. Page*, Case No. 5:21-cv-09388). The same day, Plaintiff Bucks County Employees' Retirement System separately filed a shareholder derivative action in the same court against Defendants (*Bucks County Employees' Retirement System v. Page*, Case No. 5:21-cv-09389). Prior to filing suit, Plaintiff Police and Fire Retirement System of the City of Detroit and Plaintiff Bucks County Employees' Retirement System propounded shareholder inspection demands on Alphabet and had received productions of books and records from Alphabet. Relevant portions of those productions were included in Plaintiff Police and Fire Retirement System of the City of Detroit's and Plaintiff Bucks County Employees' Retirement System's complaints, which were filed under seal.

On December 6, 2021, Plaintiff Police and Fire Retirement System of the City of Detroit and Plaintiff Bucks County Employees' Retirement System filed a joint stipulation and proposed order with the Court to consolidate the *Police and Fire Retirement System of the City of Detroit* and *Bucks County Employees' Retirement System* actions, appoint themselves as co-lead plaintiffs, and appoint Scott+Scott Attorneys at Law LLP as lead counsel. On December 8, 2021, the Court ordered that the *Police and Fire Retirement System of the City of Detroit* and *Bucks County Employees' Retirement System* actions be consolidated, appointed Plaintiff Police and Fire

1 Retirement System of the City of Detroit and Plaintiff Bucks County Employees' Retirement
2 System as Co-Lead Plaintiffs, and appointed Scott+Scott Attorneys at Law LLP as Plaintiffs'
3 Lead Counsel. On December 16, 2021, the Court ordered a joint stipulation directing Co-Lead
4 Plaintiffs to file a consolidated complaint.

5 On January 14, 2022, Co-Lead Plaintiffs filed a consolidated complaint in the Litigation
6 asserting five claims: (1) breach of fiduciary duty against the Individual Defendants in their
7 capacity as directors; (2) breach of fiduciary duty against Defendants Brin, Page, Schmidt, and
8 Pichai in their capacity as officers; (3) breach of fiduciary duty against Defendants Brin, Page,
9 and Schmidt in their capacity as controlling shareholders; (4) unjust enrichment; and (5) corporate
10 waste (*In re Alphabet, Inc. Shareholder Derivative Litigation*, Case No. 3:21-cv-09388-RFL, ECF
11 No. 32, the "**Consolidated Complaint**").

12 On April 15, 2022, the Settling Parties filed a stipulation and proposed order to temporarily
13 stay the Litigation for six months, extendable by agreement of the Settling Parties, pending
14 developments in the antitrust lawsuits underlying the allegations in the Consolidated Complaint.
15 The Court granted the stay later on April 15, 2022. By agreement of the Settling Parties, the stay
16 was extended to January 15, 2023. At the Court's direction, the Settling Parties filed a Joint Status
17 Report under seal on February 16, 2023.

18 The Court then held a Case Management Conference on April 20, 2023, at which the Court
19 continued the stay and ordered a further Case Management Conference set for October 19, 2023.
20 Following a joint stipulation by the Settling Parties, the Court continued the Case Management
21 Conference to November 2, 2023. On November 2, 2023, the Court ordered a further Case
22 Management Conference on February 15, 2024.

23 On November 27, 2023, the Litigation was reassigned to the Honorable Judge Rita F. Lin
24 in the San Francisco Division. The Court vacated all case management conference dates.
25 Pursuant to orders by the Court, the Settling Parties submitted Joint Case Management Statements
26 on December 11, 2023, June 12, 2024, and December 12, 2024, each providing the Court an
27 update on the underlying antitrust litigations involving Alphabet. The Court ordered
28 continuations of the stay in the Litigation on December 26, 2023, June 12, 2024, and December

13, 2024. On March 5, 2025, the Settling Parties filed a Stipulation and Proposed Order to continue the stay until April 17, 2025, which the Court ordered on March 6, 2025. On April 17, 2025, the Settling Parties filed a Stipulation and Proposed Order to continue the stay until May 30, 2025, which the Court ordered on the same day.

5 **B. The State Action**

6 On June 16, 2022, Plaintiff Jamie Komen Revocable Trust filed a shareholder derivative
7 lawsuit in Superior Court of the State of California, County of Santa Clara (*Jamie Komen*
8 *Revocable Trust v. Page*, Case No. 22CV399340, the “**State Action**” in the “**State Court**”)
9 against the Individual Defendants, Does 1–25, and Alphabet. The State Action brought claims
10 for: (1) breach of fiduciary duty; (2) unjust enrichment; and (3) indemnification and contribution.
11 On June 21, 2022, the State Court deemed the State Action a complex action and ordered a stay
12 of discovery and responsive pleadings. The State Court set the initial Case Management
13 Conference for October 27, 2022. Pursuant to stipulations by the parties to the State Action on
14 October 13, 2022, January 19, 2023, May 4, 2023, November 6, 2023, December 8, 2023, March
15 18, 2024, April 12, 2024, June 20, 2024, September 6, 2024, December 3, 2024, January 31, 2025,
16 and March 27, 2025, the State Court continued the initial Case Management Conference in the
17 State Action pending further developments in the underlying antitrust litigations involving
18 Alphabet. On March 28, 2025, the State Court continued the initial Case Management Conference
19 to June 12, 2025.

20 **C. The Mediations and Extensive Settlement Negotiations**

21 Prior to filing the *Police and Fire Retirement System of the City of Detroit* and *Bucks*
22 *County Employees’ Retirement System* actions, Plaintiffs’ Lead Counsel reviewed internal
23 documents produced by Alphabet in response to Co-Lead Plaintiffs’ shareholder inspection
24 demands. These documents included, among other things, (1) non-privileged Board materials
25 relating to antitrust investigations or litigations involving Alphabet and the U.S. Department of
26 Justice, Office of the Attorney General of Texas, Office of the Attorney General of Colorado, or
27 U.S. House Committee on the Judiciary; (2) non-privileged Board materials produced to the
28 foregoing government entities in connection with any investigations of Alphabet for allegations

1 of anticompetitive conduct; and (3) non-privileged Board materials relating to any U.S. civil
2 litigation by nongovernmental litigants concerning antitrust or anticompetitive conduct
3 allegations. On May 31, 2022, Alphabet further produced to Co-Lead Plaintiffs documents that
4 were produced by Google to the Texas Attorney General in connection with that office's
5 investigation of Google's business practices, consisting of 133,000 documents totaling 1,117,604
6 pages. These documents were produced to Co-Lead Plaintiffs under mediation privilege to assist
7 in the evaluation of their claims and the mediation process. On June 9, 2023, Alphabet produced
8 transcripts of depositions and associated exhibits in certain underlying antitrust lawsuits to Co-
9 Lead Plaintiffs for use in the ongoing mediation process. On November 1, 2024, Alphabet further
10 produced 52,818 pages of trial exhibits from the antitrust lawsuits underlying the allegations in
11 the Consolidated Complaint.

12 The Settling Parties have engaged in multiple in-person mediations under the guidance of
13 the Honorable Layn R. Phillips (Ret.), formerly the Chief Judge of the United States District Court
14 for the Western District of Oklahoma. The first full-day mediation session occurred in-person on
15 December 15, 2022, and included participation by Plaintiffs' Lead Counsel, Defendants' Counsel,
16 and a representative from Alphabet. The Settling Parties and a representative from Alphabet
17 participated in a second full-day in-person mediation on February 7, 2024. The Settling Parties
18 and a representative from Alphabet participated in a third full-day in-person mediation on
19 September 27, 2024, at which the Settling Parties engaged in further discussions of the merits of
20 Co-Lead Plaintiffs' claims and the Settling Parties' proposals for corporate reforms.

21 Throughout and following the in-person mediations, Judge Phillips continued to facilitate
22 discussions between the Settling Parties, the merits of Co-Lead Plaintiffs' claims, and the potential
23 for settlement. Following extensive negotiations through Judge Phillips, the Settling Parties
24 requested the issuance of a mediator's proposal concerning the amount of the proposed
25 compliance spending commitment on February 28, 2025, which the Settling Parties accepted,
26 subject to approvals, on March 5, 2025. The accepted mediator's proposal included all substantive
27 terms of the settlement, including the corporate reforms and compliance spending commitment
28 by Alphabet. Following agreement on these terms, and with the assistance of Judge Phillips, the

1 Settling Parties agreed to the terms set out in Section V.1, which set out all substantive terms of
2 the proposed settlement on March 13, 2025.

3 After agreeing to all substantive terms of the proposed settlement, Judge Phillips
4 facilitated negotiations between the Settling Parties concerning the amount of any Fee and
5 Expense Award. The Settling Parties requested a mediator's proposal concerning any Fee and
6 Expense Award on March 25, 2025, which the Settling Parties accepted on March 31, 2025.
7 Following acceptance of the mediator's proposal, the Settling Parties executed the Memorandum
8 of Understanding ("MOU") on April 9, 2025.

9 The Settling Parties have now reached a definitive agreement to settle the Litigation, upon
10 the terms and subject to the conditions set forth in this Stipulation. The Board has also approved
11 the terms and conditions in the MOU and this Settlement and determined that the Settlement is in
12 the best interests of the Company and its stockholders.

13 **III. STOCKHOLDERS' CLAIMS AND THE BENEFITS OF SETTLEMENT**

14 As discussed above, Settling Stockholders' Counsel have reviewed and analyzed
15 voluminous confidential, non-public internal documents. In addition, Settling Stockholders'
16 Counsel have reviewed and analyzed data from many other sources specific to this matter,
17 including, but not limited to: (1) Alphabet's public filings with the SEC, press releases,
18 announcements, transcripts of investor conference calls, and news articles; (2) securities analyst,
19 business, and financial media reports about Alphabet; (3) internal Alphabet documents produced
20 pursuant to mediation privilege; (4) deposition transcripts and exhibits and trial exhibits in the
21 underlying antitrust lawsuits produced pursuant to mediation privilege; and (5) trial transcripts
22 from trials and publicly released trial exhibits or presentations in the underlying antitrust lawsuits.
23 Certain Settling Stockholders' Counsel have also (1) researched the applicable law with respect
24 to the claims asserted (or which could be asserted) in the stockholder derivative actions and the
25 potential defenses thereto; (2) researched, drafted, and filed complaints or sent litigation and/or
26 inspection demands; (3) consulted with experts retained on numerous matters relevant to the
27 pending litigation and settlement issues; (4) prepared detailed mediation statements; (5) reviewed
28 documents and information provided in advance of the mediation sessions and during settlement

1 negotiations; (6) participated in multiple in-person mediations; and (7) engaged in months-long
2 settlement discussions with Defendants' counsel.

3 Settling Stockholders' Counsel believe that the claims asserted in the Litigation have merit
4 and that their investigation of the evidence supports the claims asserted. Without conceding the
5 merit of any of the Defendants' defenses, and in light of the benefits of the Settlement as well as
6 to avoid the potentially protracted time, expense, and uncertainty associated with continued
7 litigation, including potential trial(s) and appeal(s), Settling Stockholders and Settling
8 Stockholders' Counsel have concluded that it is desirable that the Litigation be fully and finally
9 settled in the manner and upon the terms and conditions set forth in this Stipulation. Settling
10 Stockholders and Settling Stockholders' Counsel recognize the significant risk, expense, and
11 length of continued proceedings necessary to prosecute the Litigation against Defendants through
12 trial(s) and through possible appeal(s). Settling Stockholders' Counsel have also taken into
13 account the uncertain outcome and the risk of any litigation, especially complex litigation such as
14 the Litigation, the difficulties and delays inherent in such litigation, the cost to Alphabet—on
15 behalf of which Settling Stockholders filed the Litigation—and distraction to management of
16 Alphabet that would result from extended litigation. Based on their evaluation, and in light of
17 what Settling Stockholders' Counsel believe to be the significant benefits conferred upon
18 Alphabet as a result of the Settlement, Settling Stockholders and Settling Stockholders' Counsel
19 have determined that the Settlement is in the best interests of Settling Stockholders and Alphabet
20 and have agreed to settle the Litigation upon the terms and subject to the conditions set forth
21 herein.

22 **IV. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

23 Each Individual Defendant has denied and continues to deny that he or she has committed
24 or attempted to commit any violations of law, any breaches of fiduciary duty owed to Alphabet,
25 or any wrongdoing whatsoever, and expressly maintains, that at all relevant times, he or she acted
26 in good faith and in a manner that he or she reasonably believed to be in the best interests of
27 Alphabet and its stockholders. Defendants further deny that the Settling Stockholders, Alphabet,
28 or its stockholders suffered any damage or were harmed as a result of any act, omission, or conduct

1 by the Individual Defendants as alleged in the Litigation or otherwise. Defendants further assert,
2 among other things, that the Settling Stockholders lack standing to litigate derivatively on behalf
3 of Alphabet because the Settling Stockholders have not yet pleaded, and cannot properly plead,
4 that a demand on the Board would be futile.

5 Alphabet, nonetheless, believes that the Settlement is in the best interests of the Company,
6 its stockholders, and its employees. Defendants are, therefore, entering into this Settlement for
7 its benefits and to eliminate the uncertainty, distraction, disruption, burden, risk, and expense of
8 further litigation. Pursuant to the terms set forth below, neither this Stipulation (including the
9 exhibits) nor the Fee Agreement shall in any event be construed as, or deemed to be evidence of,
10 an admission or concession by the Individual Defendants with respect to any claim of fault,
11 liability, wrongdoing, or damage or any defect in the defenses that Individual Defendants have,
12 or could have, asserted. Each Individual Defendant has further asserted, and continues to assert,
13 that at all material times, the Individual Defendant acted in good faith and in a manner that she or
14 he reasonably believed to be in the best interests of Alphabet and its stockholders.

15 **V. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT**

16 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and among the
17 Settling Stockholders (for themselves and derivatively on behalf of Alphabet), the Individual
18 Defendants, and Alphabet, each by and through their respective attorneys of record, that in
19 exchange for the consideration set forth below and the benefits flowing to the Settling Parties
20 from the Settlement, and subject to the approval of the Court, the Litigation and the Released
21 Claims shall be fully, finally, and forever compromised, settled, discharged, relinquished, and
22 released, and the Litigation shall be dismissed with prejudice as to all Defendants and claims, with
23 full preclusive effect, as to all Settling Parties, upon and subject to the terms and conditions of the
24 Stipulation, as set forth below.

25 **Settlement Consideration**

26 1.1 In consideration of the Settlement and the releases provided therein, and
27 subject to the terms and conditions of this Stipulation, the Settling Parties have agreed to the
28 following Settlement Consideration for Alphabet.

1.2 Background:

a. No later than twelve (12) months after Final Approval of the Settlement, the Company will take or maintain certain enhancements, memorialized herein, to support and supplement existing compliance functions within Google LLC and Google LLC subsidiaries.

b. Unless noted otherwise, the provisions in this section will be in effect for a period of no less than four (4) years after Final Approval of the Settlement.

1.3 Regulatory Readiness Compliance Enhancements:

a. The Company will ensure that its compliance function includes compliance specialists and advisors from the Company's Global Affairs unit (or successors thereto) responsible for evaluating and addressing new or changing areas of principle compliance risk to the Company, in key risk domains, including Competition.

b. The Company will ensure that its compliance function is designed to employ a risk-based, cross-company, global, compliance strategy that analyzes current compliance measures and works to ensure that the Company's products and services minimize regulatory risk.

c. The Company will ensure that its compliance function includes individuals with the suitable professional qualifications, knowledge, experience, resources, and ability necessary to fulfill the tasks required within the compliance function, including evaluation and design of compliance measures with and for relevant Product Areas ("PAs") and other relevant Google functions as necessary and appropriate, and providing a continuing advisory and oversight role, including updates to regulatory compliance governance forums, the Trust & Compliance Council ("TCC") and Trust & Compliance Steering Committee ("TCSC") outlined in section 1.5 below, as necessary and appropriate based on risk-assessments.

d. The Company will ensure that, as necessary and appropriate, its compliance function collaborates closely with product and business teams in each of the Company's applicable PAs, including in the form of support by engineers, product

1 managers, and other staff in the PAs for relevant compliance enhancement projects.

2 e. As part of the regulatory compliance lifecycle, the Company will
3 ensure that its compliance function, in conducting its work with respect to evaluating and
4 addressing new or changing areas of principle compliance risk, includes or consults, as
5 necessary and appropriate, with teams across the Company responsible for:

6 i. Legal Advising. Providing advice on legal requirements and
7 legal risk analysis, reporting, and oversight; translating obligations into legal
8 requirements that will be utilized for compliance design; advising on proposed
9 compliance designs and implementation of enhancements, as well as on other
10 details of the function such as compliance program standards, templates, and
11 frameworks.

12 ii. Risk, Frameworks, & Standards. Defining and maintaining
13 the Enterprise Risk Framework and top-line key risk indicators; maintaining control
14 inventory and reviewing proposed controls and control changes, establishing
15 metrics and performance targets to monitor the effectiveness and impact of
16 programs; executing training programs across the Company, and defining and
17 providing guidance based on best practices and risk assessments.

18 iii. Compliance Program Management. Centralizing regulatory
19 obligation efforts; identifying regulatory obligations to inform compliance
20 strategies; prioritizing actions based on impact and effort; and defining consistent
21 and scalable playbooks for regulatory project activation and support.

22 iv. Compliance Policy. Overseeing and drafting compliance
23 policies and processes with key stakeholder teams and advising PAs on compliance
24 requirements.

25 v. Governance Operations. Maintaining charters and
26 managing meetings for compliance governance forums, including the TCC and
27 TCSC, operating compliance governance processes, and maintaining top-level
28 performance metrics for the Compliance Function.

1 vi. Assurance. Monitoring and testing controls, reporting on
2 control documentation, efficacy, performance, metrics, monitoring, and advisory
3 of remediation activities.

4 f. The Company will ensure that its compliance function is designed
5 to apply a risk-based framework for evaluating and addressing new or changing areas of
6 principle compliance risk, drawing on industry best practices and guidance that outlines
7 the criteria and methodology to be used when designing and/or evaluating compliance
8 programs and related processes and systems. This framework will take into consideration
9 the U.S. Department of Justice's guidance for evaluating the effectiveness of a compliance
10 program (as currently in effect at the time of the Settlement), as well as other applicable
11 global regulatory guidance. This framework will include, as applicable and appropriate,
12 consideration, review, and/or evaluation of the following compliance program
13 components:

14 i. Risk Assessment. Processes and programs to identify the
15 types of misconduct (as well as the gravity of associated risks) most likely to occur
16 in connection with its business. Such assessments will, if appropriate, include a
17 nomenclature of categorizing risks in high, moderate, and low categories.

18 ii. Policies & Training. Policies articulating Company rules,
19 guidelines, and compliance expectations to relevant personnel; periodically assess
20 and revise policies, procedures, codes of conduct, and training methods to ensure
21 their efficacy in promoting a culture of compliance.

22 iii. Commitments & Contracts. Review and revise (as needed)
23 the processes and methodologies associated with oversight of Google's third-party
24 contracting processes.

25 iv. Processes & Controls. Processes to (1) facilitate compliance
26 with laws, regulations, rules, and policies, and (2) reduce the risk of noncompliance
27 or other outcomes that could harm the Company's business. Controls to (1)
28 document compliance requirements, and (2) facilitate risk identification,

1 prevention, and remediation. Controls may include:

2 1. Preventative controls, which are designed to present
3 or lessen the chance of noncompliance before it occurs, e.g., use of
4 encryption to prevent unauthorized access to user data;

5 2. Detective controls, which are designed to identify
6 noncompliance after it occurs, such as when a preventive control fails; and

7 3. Remedial controls, which are designed to mitigate
8 and reduce the effects of noncompliance after it occurs, as well as reduce
9 the likelihood that noncompliance would re-occur.

10 v. Systems for Checking & Reporting Non-Compliance.
11 Internal monitoring/auditing systems to detect instances of noncompliance within
12 the corporation; tools to facilitate compliance with laws, regulations, rules, and
13 policies, including anonymous reporting of non-compliance (e.g., a “hotline” phone
14 number or email address made available to both internal and external parties).

15 vi. Internal Complaints & Appeals. Mechanisms to process
16 internal complaints in a timely and transparent manner.

17 vii. Third-Party Management. Evaluate the risk profile of third
18 parties with which the Company has engaged or is considering engaging; conduct
19 due diligence on potential merger partners or acquisition targets and ensure that
20 if/when an entity is acquired or merged, it is integrated into the Company’s
21 compliance program.

22 viii. Reporting & Transparency vis-à-vis External Stakeholders.
23 Processes to ensure that regulators, customers, and/or competitors are provided
24 with applicable complete and accurate compliance reporting. This entails, among
25 other things, processes for (1) tracking regulatory requests, (2) compiling and
26 reviewing information slated for disclosure, and (3) obtaining internal approvals
27 for regulatory reporting and disclosures.

28 ix. The Company will ensure that documentation to show the

1 implementation of this Settlement will be maintained in central repositories.

2 x. The Company will ensure that its compliance function
3 assists in providing centralized oversight, monitoring, and reporting through each
4 phase of the Company's compliance process, including design, implementation,
5 and assurance.

6 xi. The Company will ensure that its compliance function not
7 only seeks to minimize regulatory risk, but also to promote transparency, increase
8 auditory efficacy, and demonstrate its commitment to building (and maintaining)
9 user trust.

10 xii. The Company may title the responsibilities and compliance
11 program components described in this section as appropriate, so long as such
12 responsibilities and compliance program components continue to address the
13 substantive areas described in this section.

14 1.4 Board Oversight Enhancements:

15 a. In connection with this Settlement, the Board shall amend the
16 current charter of the Audit & Compliance Committee ("ACC") to remove the provisions
17 of the charter relating to oversight of certain regulatory and compliance matters and to
18 rename the ACC to be the Audit Committee. The Board shall also create a new Risk and
19 Compliance Committee ("RCC") of the Board. The RCC, and ultimately the Board, will
20 have responsibility for oversight of the various regulatory and compliance matters set forth
21 in the preceding sections of this Agreement. Among other things, the RCC shall receive
22 periodic updates on principal risks and compliance enhancement measures, as set out in
23 the RCC's charter.

24 b. No later than eighteen (18) months after Final Approval of the
25 Settlement the RCC will receive an update on the status of the implementation of this
26 section. The RCC may, in the exercise of its business judgment, require further periodic
27 updates on the implementation of this section.
28

1.5 Management Oversight Enhancements:

a. The Company will maintain a Trust & Compliance Council (“TCC”) to assist the RCC to oversee and monitor the Company’s compliance with regard to Google LLC (including its subsidiaries), by providing a forum to discuss specific high-impact Trust and Compliance initiatives, to provide recommendations as needed related to prioritization risks and associated resource allocation, and to discuss areas of risk identified as high or critical. The TCC shall include multiple Senior Vice Presidents who report directly to the Company’s CEO, and who meet (at a minimum) quarterly.

b. The Company will maintain a Trust & Compliance Steering Committee (“TCSC”) to support the TCC by providing a forum for cross-functional alignment on significant compliance initiatives and by providing direction on recommendations and escalations to the TCC. The TCSC shall include Vice Presidents across functions and PAs and shall meet (at a minimum) six times annually.

c. Nothing in this section shall prevent other individuals from reporting to the RCC on matters suitable for the RCC’s attention, as set out in the RCC’s charter.

d. The Company may title the committees described in this section as appropriate, so long as such responsibilities continue as described in this section.

1.6 Spending Commitment:

a. To provide funding for its cross-company global compliance initiatives, Alphabet shall cause to be spent at least \$500 million over the course of up to ten (10) years following the Effective Date of the Settlement on its global compliance efforts.

1.7 Google Chat Communications Policy:

a. The Company will maintain policy, process, and/or technical capabilities reasonably designed to achieve the following with respect to Google-owned messages using its corporate instance of Google Chat (hereinafter “**Google Chat**”):

i. The technical ability to override individual conversation

1 retention settings (currently known as “history on” or “history off” settings) for
2 Google Chat when an employee on legal hold is a member of that conversation.

3 ii. When an employee is put on a legal hold, all ordinary course
4 retention policies for Google Chat will be suspended and Google-owned messages
5 will be preserved from the date of the issuance of the hold, for the duration of the
6 hold.

7 iii. The original, edited, and/or deleted line of text for
8 employees who are subject to a legal hold will be all automatically preserved from
9 the time of the issuance of the hold.

10 1.8 If any of the terms of the Settlement Consideration set forth in Paragraphs
11 1.1 through 1.4 above should conflict with any applicable law(s), rule(s) or regulation(s)
12 (including of any national securities exchange or interdealer quotation system or relating to
13 employee representatives), the Company will comply with such applicable law(s), rule(s) or
14 regulation(s), notwithstanding any provision herein.

15 1.9 Following the Effective Date of the Settlement, should the Board make a
16 good faith determination, based on the exercise of its fiduciary duties, that any term of the
17 Settlement Consideration set forth in Paragraphs 1.1 through 1.4 above is contrary to the best
18 interests of the Company, the Board may modify such provision (a “**Modification**”) in the
19 following manner:

20 a. The Board, after informed consideration of the Modification, shall
21 document the reasons for the Modification and shall approve the Modification.

22 b. The Board will be advised by outside counsel in considering the
23 Modification.

24 c. The Board will adopt a reasonably narrowly tailored Modification
25 that it determines to be consistent with the Company’s best interests and with the purposes
26 of this Settlement.

27 d. Before the Modification takes effect, the Company shall provide
28 notice to counsel for the Stockholders of the Modification as approved by the Board and

1 shall postpone implementation of the Modification for at least 30 days following such
2 disclosure.

3 e. As part of the Settlement, the Individual Defendants represent that
4 the Board is not presently aware of any information that would require such a Modification.

5 **2. Procedure for Implementing the Settlement**

6 2.1 Following the last party's execution of this Stipulation, Plaintiffs' Lead
7 Counsel shall submit the Stipulation together with its exhibits to the Court and file a motion for
8 preliminary approval of settlement, requesting, *inter alia*: (i) preliminary approval of the
9 Settlement and entry of the Preliminary Approval Order substantially in the form attached as
10 Exhibit A hereto; (ii) approval of the form, content, and method of providing notice to Alphabet
11 stockholders and approval of the forms of Notice and Summary Notice attached as Exhibits B and
12 C hereto; and (iii) a date for the Settlement Hearing.

13 2.2 Within fourteen (14) calendar days of the Court's entry of the Preliminary
14 Approval Order, Alphabet shall: (i) file a Form 8-K with the SEC which shall include the Notice
15 as an attachment, (ii) cause the Summary Notice to be published through *Investor's Business*
16 *Daily*, and (iii) post the Notice and Stipulation on the Company's investor relations website until
17 the Judgment becomes Final. Alphabet shall cause to be paid all costs of such notice. Plaintiffs'
18 Lead Counsel will also post the Notice (Exhibit B) on their firm's website. At least seven (7)
19 calendar days prior to the Settlement Hearing, Alphabet's counsel shall file with the Court an
20 appropriate affidavit or declaration with respect to filing of the Form 8-K, publication of the
21 Summary Notice, and posting of the Notice and Stipulation; and Plaintiffs' Lead Counsel shall
22 file with the Court an appropriate affidavit or declaration with respect to the posting of the Notice.

23 2.3 The Settling Parties believe the content and manner of the Notice, as set
24 forth in the prior paragraph, constitutes adequate and reasonable notice to Current Alphabet
25 Stockholders pursuant to applicable law and due process.

26 2.4 The Settling Parties agree to request that the Court hold a hearing in the
27 Litigation sixty (60) days after Notice is given, at which time the Court will consider and
28 determine whether the Judgment, substantially in the form of Exhibit D hereto, should be entered:

(i) approving the terms of the Settlement as fair, reasonable, and adequate; (ii) dismissing with prejudice the Litigation pursuant to the terms of this Stipulation against Defendants; and (iii) ruling upon Plaintiffs' Lead Counsel's application for a Fee and Expense Award.

2.5 Pending the Effective Date, the Settling Parties agree that all proceedings and discovery in the Litigation shall be stayed (except as otherwise provided herein and the proceedings necessary to effectuate the consummation and final approval of the Settlement) and not to initiate any other proceedings other than those related to the Settlement itself. The Settling Parties shall not file, prosecute, instigate, or in any way participate in the commencement or prosecution of any of the Released Claims.

3. Dismissal of the Litigation

3.1 Within fifteen (15) days after the Court grants final approval of the Settlement, the Settling Stockholders shall take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper, and appropriate to secure dismissal with prejudice of the Litigation in its entirety as to all parties, and shall provide reasonable documentary assistance to Defendants as requested to assist Defendants' efforts to obtain dismissal of any stockholder derivative actions not listed above as part of the Litigation that may be filed in any state or federal court asserting claims that are related to the subject matter of the Litigation. In the interim, the Settling Parties shall cooperate to, at a minimum, secure a postponement of any response deadline, hearing or trial date(s) in the Litigation while this Settlement is under consideration by the Court.

4. Fee and Expense Award

4.1 Defendants agree that the Settlement confers substantial benefits on Alphabet and its stockholders, including, but not limited to, by way of the Settlement Consideration set forth herein. Defendants also agree that Settling Stockholders' Counsel are entitled to awards of reasonable attorneys' fees and expenses for their roles in creating such benefits of the Settlement, as well as Service Award to certain of the Stockholders.

4.2 In light of benefits produced for Alphabet by the Settling Stockholders and the Settling Stockholders' Counsel in connection with the Settlement and the Litigation and

1 Demands leading up to it, Plaintiffs' Lead Counsel intend to seek approval of a Fee and Expense
2 Award from the Court in the amount of \$80 million. The Fee and Expense Award is separate
3 from and in addition to the \$500 million spend amount. The Fee and Expense Award, which
4 includes litigation expenses and the Service Awards to the Co-Lead Plaintiffs, was negotiated
5 with the assistance of and was the result of a mediator's recommendation made by the mediator,
6 the Hon. Layn R. Phillips (Ret.). Alphabet and the Individual Defendants agree not to oppose the
7 requested Fee and Expense Award so long as it does not exceed \$80 million. Alphabet agrees
8 that, to the extent available, it will cause insurance proceeds from the Defendants' insurers to pay
9 for the Fee and Expense Award in excess of any applicable self-insured retention.

10 4.3 The amount of any Fee and Expense Award in the Litigation shall be subject
11 to approval by the Court. Any changes by any court to the negotiated amount of the Fee and
12 Expense Award will not otherwise affect the Finality of the Settlement. Alphabet agrees that, to
13 the extent available, it will cause insurance proceeds from the Defendants' insurers to pay for the
14 Fee and Expense Award in excess of any applicable self-insured retention.

15 4.4 Any Fee and Expense Award awarded by the Court shall be paid into a joint-
16 signature escrow account maintained by Plaintiffs' Lead Counsel within thirty (30) calendar days
17 of the entry of an order by the Court granting final approval of the Settlement and Court approval
18 of the Fee and Expense Award, notwithstanding the existence of any collateral attacks on the
19 Settlement, including, without limitation, any objections or appeals.

20 4.5 The Fee and Expense Award is subject to the Settling Stockholders'
21 Counsel's obligations to make appropriate refunds or repayments into their respective escrow
22 accounts, plus interest earned thereon at the same net rate as earned by the escrow account, if and
23 when as a result of any appeal and/or further proceedings on remand, or successful collateral
24 attack, approval of the Settlement is denied or overturned or the Fee and Expense Award is
25 reduced or reversed and such order denying or overturning the Settlement or reducing or reversing
26 the Fee and Expense Award becomes Final. In such event, each of the Settling Stockholders'
27 Counsel who received any portion of such Fee and Expense Award shall, within thirty (30)
28 business days from the event which requires repayment of that Fee and Expense Award, refund

1 to the appropriate escrow account such portion of the Fee and Expense Award paid to or received
2 by each of them, along with interest, as described above, after which, within seven (7) days, such
3 amounts shall be repaid to Alphabet and/or the Defendants' insurers.

4 4.6 Plaintiffs' Lead Counsel may apply to the Court for Service Award in an
5 amount to be negotiated for each of the Lead Plaintiffs in the Litigation, to be paid upon Court
6 approval, in recognition of their participation and efforts in the creation of the benefits of the
7 Settlement. The Service Award, if approved by the Court, shall be paid to the Co-Lead Plaintiffs
8 out of the joint-signature escrow account maintained by Plaintiffs' Lead Counsel. Alphabet and
9 the Individual Defendants shall not be separately liable for any portions of any Service Award.

10 4.7 Except as otherwise provided herein or except as provided pursuant to
11 indemnification or insurance rights, each of the Settling Parties shall bear his, her, or its own costs,
12 expenses, and attorneys' fees.

13 4.8 The Court's decision granting, in whole or in part, the application by
14 Plaintiffs' Lead Counsel for a Fee and Expense Award and Service Award is not a condition of
15 the Stipulation or to entry of the Judgment. The request by Settling Stockholders' Counsel for a
16 Fee and Expense Award and for Service Award is to be considered by the Court separately from
17 the Court's consideration of the question whether the Settlement is fair, reasonable, adequate, and
18 in the best interests of Alphabet and its stockholders. Any orders or proceedings relating to any
19 request for a Fee and Expense Award or Service Award, or any appeal from any order or
20 proceedings relating thereto, shall not affect the validity or Finality of the Settlement, operate to
21 terminate or cancel the Stipulation, and/or affect or delay either the Effective Date or the Finality
22 of the Judgment approving the Settlement.

23 **5. Releases**

24 5.1 Upon the Effective Date, the Settling Stockholders (acting on their own
25 behalf and, in some cases, derivatively on behalf of Alphabet), Alphabet, and any Person acting
26 derivatively on behalf of Alphabet shall be deemed to have, and by operation of the Judgment
27 shall have, fully, finally, and forever released, relinquished, discharged and dismissed with
28 prejudice the Released Stockholder Claims (including Unknown Claims) against the Released

1 Defendant Persons, regardless of the jurisdiction in which such claims were or could have been
2 alleged or where the claims had impact.

3 5.2 Upon the Effective Date, the Settling Stockholders (acting on their own
4 behalf and, in some cases, derivatively on behalf of Alphabet), Alphabet, and any Person acting
5 derivatively on behalf of Alphabet, shall be forever barred and enjoined from asserting,
6 commencing, instituting, or prosecuting any of the Released Stockholder Claims against any
7 Released Defendant Persons, regardless of the jurisdiction in which such claims were or could
8 have been alleged or where the claims had impact.

9 5.3 Upon the Effective Date, each of the Individual Defendants and Alphabet
10 shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever
11 released, relinquished, and discharged the Released Defendant Claims (including Unknown
12 Claims) against the Released Stockholder Persons, and shall be forever barred and enjoined from
13 asserting any Released Defendant Claims against any Released Stockholder Persons.

14 5.4 Nothing herein shall in any way impair or restrict the rights of any Settling
15 Party to enforce the terms of the Stipulation.

16 **6. Conditions of Settlement**

17 6.1 The Effective Date of the Settlement shall be the date on which all of the
18 following events have occurred:

19 a. approval of the Settlement at or after the Settlement Hearing
20 following notice to Current Alphabet Stockholders as set forth in Paragraph 2.2;

21 b. entry of the Judgment, in all material respects in the form set forth
22 as Exhibit D annexed hereto, approving the Settlement without awarding costs to any party,
23 except as provided herein, dismissing with prejudice the Action pursuant to the terms of
24 this Stipulation, and releasing the Released Persons from the Released Claims;

25 c. the passing of the date upon which the Judgment becomes Final;

26 d. dismissal with prejudice of the other State Action; and

27 e. the passing of the dates upon which the dismissal orders become
28 Final.

6.2 If any of the conditions specified above in Paragraph 6.1 is not met, then the Stipulation shall be cancelled and terminated, unless all of the Settling Parties agree in writing to proceed with the Stipulation. If for any reason the Effective Date of this Stipulation does not occur, or if this Stipulation is in any way canceled, terminated, or fails to become Final in accordance with its terms: (i) all Settling Parties and Released Persons shall be restored to their respective positions prior to execution of this Stipulation; (ii) all releases delivered in connection with the Stipulation shall be null and void, except as otherwise provided for in the Stipulation; (iii) the Fee and Expense Award and Service Award shall not be paid or, if already paid, shall be refunded in accordance with Paragraph 4.5; and (iv) all negotiations, proceedings, documents prepared, and statements made in connection herewith shall be without prejudice to the Settling Parties, shall not be deemed or construed to be an admission by any of the Settling Parties of any act, matter, or proposition, and shall not be used or referred to in any manner for any purpose (other than to enforce the terms remaining in effect) in any subsequent proceeding in the Settled Matters or in any other action or proceeding. In such event, the terms and provisions of this Stipulation (other than those set forth in Section I(a)-(aa), and Paragraphs 6.2, 7.7, and 7.9) shall have no further force and effect with respect to the Settling Parties and shall not be used in the Settled Matters or in any other proceeding for any purpose.

6.3 No court order, modification, or reversal on appeal of any court order concerning any Fee and Expense Award, Service Award, and interest awarded by a court to Settling Stockholders' Counsel shall constitute grounds for cancellation or termination of the Stipulation, affect the enforceability of the Stipulation, or delay or preclude the Judgment from becoming Final.

7. Miscellaneous Provisions

7.1 The Settling Parties (i) acknowledge that it is their intent to consummate the Settlement; and (ii) agree to act in good faith and cooperate to take all reasonable and necessary steps to expeditiously implement the terms and conditions of the Settlement set forth in this Stipulation.

7.2 The Settling Parties intend this Settlement to be a final and complete

1 resolution of all disputes between them arising out of, based upon, or related to the Litigation and
2 the Released Claims. The Settlement compromises claims that are contested and shall not be
3 deemed an admission by any Settling Party as to the merits of any claim, allegation, or defense.
4 The Settling Parties and their respective undersigned counsel agree that at all times during the
5 course of the litigation, each has complied with the requirements of the applicable laws and rules
6 of the Court. The Settling Parties agree that the Released Claims are being settled voluntarily
7 after consultation with experienced mediators and competent legal counsel who were fully
8 competent to assess the strengths and weaknesses of their respective clients' claims or defenses.

9 7.3 The Settling Parties agree that the terms of the Settlement were negotiated
10 in good faith by the Settling Parties. The Settling Parties will request that the Judgment contain
11 a finding that during the course of the Litigation, the Settling Parties and their respective
12 undersigned counsel at all times complied with the requirements of Federal Rule of Civil
13 Procedure 11 and all other similar rules of professional conduct. The Settling Parties reserve their
14 right to rebut, in a manner that the parties determine to be appropriate, any contention made in
15 any public forum that the Litigation was brought or defended in bad faith or without a reasonable
16 basis.

17 7.4 In the event that any other disputes arise, prior to the time that Judgment is
18 entered by the Court, that are related to the terms of this Stipulation, any of its exhibits, or the
19 Settlement more generally, or the presentation of the Settlement to the Court for approval, such
20 disputes will be resolved by Judge Phillips, first by way of mediation, and, if unsuccessful, then
21 by way of final, binding, non-appealable arbitration.

22 7.5 Each of the Individual Defendants expressly denies and continues to deny
23 all allegations of wrongdoing or liability against himself or herself arising out of or relating to any
24 conduct, statements, acts, or omissions alleged, or which could have been alleged, in the
25 Litigation. Each of the Individual Defendants reserves the right to rebut any and all allegations
26 of breach of fiduciary duty, wrongdoing, or liability, whatsoever, against himself or herself or that
27 any valid claim has been asserted against any of them.

28 7.6 The Settling Parties in the Litigation agree to take such measures as may be

1 needed to secure dismissals with prejudice of any remaining litigations pending in other
2 jurisdictions. With respect to any action other than the Litigation that is currently pending or is
3 later filed in any state, federal, or other court in any jurisdiction asserting any Released
4 Stockholder Claims prior to final Court approval of the Settlement, including, but not limited to,
5 the State Action, the Settling Stockholders shall provide supporting documentation as is
6 reasonably requested by Defendants in order to obtain the dismissal, stay, or withdrawal of such
7 related litigation, including where appropriate joining in any motion to dismiss or stay such
8 litigation.

9 7.7 Neither the Stipulation (including any exhibits attached hereto), nor any Fee
10 Agreement, nor the Settlement, nor any act performed or document executed pursuant to or in
11 furtherance of the Stipulation, any Fee Agreement, or the Settlement: (i) is or may be deemed to
12 be or may be offered, attempted to be offered, or used or referred to in any way by the Settling
13 Parties as a presumption, a concession, an admission, or evidence of any fault, wrongdoing, or
14 liability of any of the Settling Parties or of the validity of any Released Claims; or (ii) is or may
15 be deemed to be or may be used as a presumption, concession, admission, or evidence of any
16 liability, fault, or omission of any of the Released Persons in any civil, criminal, or administrative
17 proceeding in any court, administrative agency, or other tribunal. Neither this Stipulation, nor the
18 Settlement, nor any Fee Agreement, nor any act performed or document executed pursuant to or
19 in furtherance of this Stipulation, any Fee Agreement, or the Settlement, shall be admissible in
20 any proceeding for any purpose, except to enforce the terms of the Settlement or any Fee
21 Agreement, and except that the Released Persons may file the Stipulation, any Fee Agreement
22 and/or the Judgment in any action or proceeding that may be brought against them to support a
23 defense or counterclaim based on principles of *res judicata*, collateral estoppel, full faith and
24 credit, release, standing, good faith settlement, judgment bar or reduction, or any other theory of
25 claim preclusion or issue preclusion or similar defense or counterclaim.

26 7.8 Settling Stockholders' Counsel will return within sixty (60) days of the
27 Effective Date all documents and other materials they received in connection with the Litigation
28 (including, but not limited to, documents Alphabet produced in connection with the mediation,

1 and all documents and materials produced pursuant to Section 220 of the Delaware General
2 Corporation Law and all documents and materials produced pursuant to mediation privilege)
3 (collectively “**Discovery Material**”), or destroy all such Discovery Material and certify to that
4 fact; provided, however that Settling Stockholders’ Counsel shall be entitled to retain all filings,
5 court papers, interview and hearing transcripts, and attorney-work product containing or reflecting
6 Discovery Material, subject to the requirement that Settling Stockholders’ Counsel shall not
7 disclose any information contained or referenced in the Discovery Material to any person except,
8 following reasonable advance notice to Alphabet, pursuant to a validly issued subpoena not
9 subject to a motion to quash, court order, or agreement with Alphabet.

10 7.9 All designations and agreements made and orders entered during the course
11 of the Litigation relating to the confidentiality of documents or information shall survive this
12 Settlement. Nothing in this Stipulation, or the negotiations relating thereto, is intended to or shall
13 be deemed to constitute a waiver of any applicable privilege or immunity, including, without
14 limitation, the attorney-client privilege, the joint defense privilege, or work product protection.

15 7.10 The Stipulation and the exhibits attached hereto, as well as any Fee
16 Agreement, constitute the entire agreement among the Settling Parties with respect to the
17 Settlement, and supersede any and all prior negotiations, discussions, agreements, or
18 undertakings, whether oral or written, with respect to such matters. The Settling Parties expressly
19 acknowledge that, in entering into this Stipulation, they are not relying upon any statements,
20 representations, or warranties by any Settling Party except as expressly set forth herein. The
21 Settling Stockholders and Alphabet agree that they intend to confer on all Released Defendant
22 Persons the benefit of all releases and other protections set forth in Paragraphs 5.1-5.2 above.
23 Defendants agree that they intend to confer on all Released Stockholder Persons the benefit of all
24 releases and other protections set forth in Paragraph 5.3 above. The Settling Parties agree that
25 each of the Released Persons who is not a Settling Party is an express third-party beneficiary of
26 those releases and other protections, and is entitled to enforce the terms of those releases and other
27 protections to the same extent that such Released Persons who are not Settling Parties could
28 enforce such terms if they were party to the Stipulation. All provisions in the Stipulation providing

1 that nothing herein shall in any way impair or restrict the rights of any Settling Party to enforce
2 the terms of this Stipulation are agreed to mean additionally that nothing herein shall in any way
3 impair or restrict the rights of any Released Person who is not a Settling Party to enforce the terms
4 of the Stipulation.

5 7.11 This Stipulation supersedes and replaces any prior or contemporaneous
6 writing, statement, or understanding pertaining to the Litigation, and no parol or other evidence
7 may be offered to explain, construe, contradict, or clarify its terms, the intent of the Settling Parties
8 or their counsel, or the circumstances under which the Stipulation was made or executed.

9 7.12 It is understood by the Settling Parties that except for matters expressly
10 represented herein, the facts or law with respect to which this Stipulation is entered into may turn
11 out to be other than, or different from, the facts now known to each party or believed by such
12 party to be true; each party therefore expressly assumes the risk of facts or law turning out to be
13 different and agrees that this Stipulation shall be in all respects effective and not subject to
14 termination by reason of any such different facts or law.

15 7.13 The exhibits to the Stipulation are material and integral parts hereof and are
16 fully incorporated herein by reference.

17 7.14 The headings herein are used for the purpose of convenience only and are
18 not meant to have legal effect.

19 7.15 Except as otherwise provided in Paragraph 1.6, the Stipulation may be
20 amended or modified only by a written instrument signed by or on behalf of all the Settling Parties
21 or their respective successors-in-interest.

22 7.16 This Stipulation shall be deemed drafted equally by all parties hereto.

23 7.17 The Stipulation and the Settlement shall be binding upon, and inure to the
24 benefit of, the Settling Parties and the Released Persons and their respective successors, assigns,
25 heirs, spouses, marital communities, executors, administrators, trustees in bankruptcy, and legal
26 representatives.

27 7.18 The Stipulation and the exhibits attached hereto shall be considered to have
28 been negotiated, executed, and delivered, and to be wholly performed, in the State of California,

1 and the rights and obligations of the Settling Parties to the Stipulation shall be construed and
2 enforced in accordance with, and governed by, the internal, substantive laws of California without
3 giving effect to that State's choice-of-law principles.

4 7.19 No representations, warranties, or inducements have been made to any of
5 the Settling Parties concerning the Stipulation or its exhibits other than the representations,
6 warranties, and covenants contained and memorialized in such documents.

7 7.20 Settling Stockholders represent and warrant that they have not assigned or
8 transferred or attempted to assign or transfer, to any Person any Released Claim or any portion
9 thereof or interest therein.

10 7.21 Any failure by any party to this Stipulation to insist upon the strict
11 performance by any other party of any of the provisions of this Stipulation shall not be deemed a
12 waiver of any of the provisions, and such party, notwithstanding such failure, shall have the right
13 thereafter to insist upon the strict performance of any and all of the provisions of this Stipulation
14 to be performed by such other party.

15 7.22 In the event that any portion of the Settlement is found to be unlawful, void,
16 unconscionable, or against public policy by a court of competent jurisdiction, the remaining terms
17 and conditions of the Settlement shall remain intact.

18 7.23 In the event that there exists a conflict or inconsistency between the terms
19 of this Stipulation and the terms of any exhibits hereto, the terms of this Stipulation shall prevail.

20 7.24 Each counsel or other Person executing the Stipulation or its exhibits on
21 behalf of any of the Settling Parties hereby warrants that such Person has the full authority to do
22 so.

23 7.25 The Stipulation may be executed in one or more counterparts, each of which
24 so executed shall be deemed to be an original and such counterparts together constitute one and
25 the same Stipulation. The Settling Parties agree that signatures submitted through facsimile or by
26 e-mailing .PDF files or signed using DocuSign shall constitute original and valid signatures. A
27 complete set of executed counterparts shall be filed with the Court.

28 7.26 The Court shall retain jurisdiction with respect to the interpretation,

1 implementation, and enforcement of the terms of this Stipulation, and the Settling Parties and their
2 undersigned counsel submit to the jurisdiction of the Court for purposes of implementing and
3 enforcing the Settlement embodied in this Stipulation.

4 7.27 Without further order of the Court, the Settling Parties may agree to
5 reasonable extensions of time to carry out any of the provisions of this Stipulation.

6 IN WITNESS WHEREOF, the Settling Parties hereto have caused the Stipulation to be
7 executed, by their duly authorized attorneys.

8
9 [SIGNATURE PAGES FOLLOW]
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 Dated: May 30, 2025

SCOTT+SCOTT ATTORNEYS AT LAW LLP

2 By: 
3 Patrick Coughlin (CA Bar No. 111070)
4 Maxwell Huffman (CA Bar No. 264687)
5 600 W. Broadway, Suite 3300
6 San Diego, CA 92101
7 Telephone: (619) 233-4565
8 pcoughlin@scott-scott.com
9 mhuffman@scott-scott.com

SCOTT+SCOTT ATTORNEYS AT LAW LLP

8 Geoffrey M. Johnson (*pro hac vice*)
9 12434 Cedar Road, Suite 12
10 Cleveland Heights, OH 44106
11 Telephone: (216) 229-6088
12 gjohnson@scott-scott.com

SCOTT+SCOTT ATTORNEYS AT LAW LLP

12 Donald A. Broggi (*pro hac vice*)
13 Jing-Li Yu (CA Bar No. 342985)
14 The Helmsley Building
15 230 Park Avenue, 24th Floor
16 New York, NY 10169
17 Telephone: (212) 233-6444
18 dbroggi@scott-scott.com
19 jyu@scott-scott.com

17 *Attorneys for Plaintiff Bucks County Employees'*
18 *Retirement System and Plaintiff Police and Fire*
19 *Retirement System of the City of Detroit*

BONI, ZACK & SNYDER, LLC

20 Michael J. Boni
21 Joshua D. Snyder (*pro hac vice*)
22 15 St. Asaphs Road
23 Bala Cynwyd, PA 19004
24 Telephone: (610) 888-6032
25 mboni@bonizack.com
26 jsnyder@bonizack.com

25 *Additional Attorneys for Plaintiff Bucks County*
26 *Employees' Retirement System*

1 Dated: May 30, 2025

FRESHFIELDS US LLP

2 By: 

3 Boris Feldman (CA Bar No. 128838)

4 Doru Gavril (CA Bar No. 282309)

5 Rebecca Lockert (CA Bar No. 348810)

6 855 Main Street

7 Redwood City, CA 94063

8 Telephone: (650) 618-9250

9 boris.feldman@freshfields.com

10 doru.gavril@freshfields.com

11 rebecca.lockert@freshfields.com

12 *Attorneys for Defendants Larry Page, Sergey Brin,*
13 *John L. Hennessy, L. John Doerr, K. Ram Shriram,*
14 *Ann Mather, Alan R. Mulally, Roger W. Ferguson,*
15 *Jr., Robin L. Washington, Frances H. Arnold,*
16 *Sundar Pichai, Eric E. Schmidt, and Nominal*
17 *Defendant Alphabet Inc.*