

Google Inc.  
Form DEF 14A  
April 20, 2011  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**SCHEDULE 14A**  
**PROXY STATEMENT PURSUANT TO SECTION 14(A) OF**  
**THE SECURITIES EXCHANGE ACT OF 1934 (AMENDMENT NO.    )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**GOOGLE INC.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

PAYMENT OF FILING FEE (CHECK THE APPROPRIATE BOX):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount previously paid:

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(4) Date Filed:

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**GOOGLE INC.**

**1600 AMPHITHEATRE PARKWAY**

**MOUNTAIN VIEW, CA 94043**

**(650) 253-0000**

April 20, 2011

Dear Stockholders:

We are pleased to invite you to attend our 2011 Annual Meeting of Stockholders to be held on Thursday, June 2, 2011 at 2:00 p.m., local time, at our headquarters at 1600 Amphitheatre Parkway, Mountain View, California 94043. For your convenience, we are also pleased to offer a live webcast of our Annual Meeting on the Investor Relations section of our website at [investor.google.com](http://investor.google.com).

Details regarding admission to the meeting and the business to be conducted are described in the Notice of Internet Availability of Proxy Materials (Notice) you received in the mail and in this proxy statement. We have also made available a copy of our 2010 Annual Report to Stockholders with this proxy statement. We encourage you to read our Annual Report. It includes our audited financial statements and provides information about our business.

We have elected to provide access to our proxy materials over the internet under the Securities and Exchange Commission's notice and access rules. We are constantly focused on improving the ways people connect with information, and believe that providing our proxy materials over the internet increases the ability of our stockholders to connect with the information they need, while reducing the environmental impact of our Annual Meeting. If you want more information, please see the Questions and Answers section of this proxy statement or visit the Annual Stockholders Meeting section of our Investor Relations website.

Your vote is important. Whether or not you plan to attend the Annual Meeting, we hope you will vote as soon as possible. You may vote over the internet, as well as by telephone, or, if you requested to receive printed proxy materials, by mailing a proxy or voting instruction card. Please review the instructions on each of your voting options described in this proxy statement, as well as in the Notice you received in the mail.

Also, please let us know if you plan to attend our Annual Meeting by marking the appropriate box on the enclosed proxy card, if you requested to receive printed proxy materials, or, if you vote by telephone or over the internet, by indicating your plans when prompted.

Thank you for your ongoing support of Google. We look forward to seeing you at our Annual Meeting.

Sincerely,

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**2011 ANNUAL MEETING OF STOCKHOLDERS**

**NOTICE OF ANNUAL MEETING AND PROXY STATEMENT**

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**Time and Date**

2:00 p.m., local time, on Thursday, June 2, 2011.

**Place**

Google's headquarters, 1600 Amphitheatre Parkway, Mountain View, California 94043. For your convenience, we are pleased to offer a live webcast of our Annual Meeting on the Investor Relations section of our website at [investor.google.com](http://investor.google.com).

**Items of Business**

- (1) To elect nine members of the board of directors to hold office until the next annual meeting of stockholders or until their respective successors have been elected and qualified.
- (2) To ratify the appointment of Ernst & Young LLP as Google's independent registered public accounting firm for the fiscal year ending December 31, 2011.
- (3) To approve an amendment to Google's 2004 Stock Plan to increase the number of authorized shares of Class A common stock issuable under the plan by 1,500,000.
- (4) To approve the 2010 compensation awarded to named executive officers.
- (5) To determine the frequency of future stockholder advisory votes regarding compensation awarded to named executive officers.
- (6) To consider and act upon a stockholder proposal regarding the formation of a board committee on sustainability, if properly presented at the meeting.
- (7) To consider and act upon a stockholder proposal regarding the adoption of a simple majority voting standard for stockholder matters, if properly presented at the meeting.
- (8) To consider and act upon a stockholder proposal regarding a conflict of interest and code of conduct compliance report, if properly presented at the meeting.
- (9) To consider such other business as may properly come before the meeting.

**Adjournments and Postponements**

Any action on the items of business described above may be considered at the Annual Meeting at the time and on the date specified above or at any time and date to which the Annual Meeting may be properly adjourned or postponed.

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### **Record Date**

You are entitled to vote only if you were a Google stockholder as of the close of business on April 4, 2011 (Record Date).

### **Meeting Admission**

You are entitled to attend the Annual Meeting **only if you were a Google stockholder as of the close of business on the Record Date or hold a valid proxy for the Annual Meeting**. Since seating is limited, admission to the meeting will be on a first-come, first-served basis. You should be prepared to present photo identification for admittance. If you are not a stockholder of record but hold shares

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through a broker, bank, trustee, or nominee (i.e., in street name), you should provide proof of beneficial ownership as of the Record Date, such as your most recent account statement prior to the Record Date, a copy of the voting instruction card provided by your broker, bank, trustee, or nominee, or similar evidence of ownership.

If you do not provide photo identification or comply with the other procedures outlined above, you will not be admitted to the Annual Meeting. For security reasons, you and your bags will be subject to search prior to your admittance to the meeting. Please let us know if you plan to attend the meeting by marking the appropriate box on the enclosed proxy card if you requested to receive printed proxy materials, or, if you vote by telephone or over the internet, by indicating your plans when prompted.

The Annual Meeting will begin promptly at 2:00 p.m., local time. Check-in will begin at 12:30 p.m., local time, and you should allow ample time for the check-in procedures.

**Voting**

**Your vote is very important. Whether or not you plan to attend the Annual Meeting, we encourage you to read this proxy statement and submit your proxy or voting instructions as soon as possible. For specific instructions on how to vote your shares, please refer to the instructions on the Notice of Internet Availability of Proxy Materials (Notice) you received in the mail, the section entitled Questions and Answers About the Proxy Materials and the Annual Meeting beginning on page 3 of this proxy statement or, if you requested to receive printed proxy materials, your enclosed proxy card.**

By order of the Board of Directors,

Larry Page  
Chief Executive Officer

Eric E. Schmidt  
Executive Chairman of the Board of Directors

*This notice of Annual Meeting and proxy statement and form of proxy are being distributed and made available on or about April 21, 2011.*

\* \* \* \* \*

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**QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS AND THE ANNUAL MEETING**

***Q: Why am I receiving these materials?***

**A:** Our board of directors has made these materials available to you on the internet, or, upon your request, has delivered printed proxy materials to you, in connection with the solicitation of proxies for use at Google's 2011 Annual Meeting of Stockholders, which will take place on Thursday, June 2, 2011 at 2:00 p.m. local time, at our headquarters located at 1600 Amphitheatre Parkway, Mountain View, California 94043. As a stockholder, you are invited to attend the Annual Meeting and are requested to vote on the items of business described in this proxy statement.

***Q: What information is contained in this proxy statement?***

**A:** The information in this proxy statement relates to the proposals to be voted on at the Annual Meeting, the voting process, the compensation of our directors and most highly paid executive officers, corporate governance, and certain other required information.

***Q: Why did I receive a notice in the mail regarding the internet availability of proxy materials instead of a full set of proxy materials?***

**A:** In accordance with rules adopted by the Securities and Exchange Commission (SEC), we may furnish proxy materials, including this proxy statement and our 2010 Annual Report to Stockholders, to our stockholders by providing access to such documents on the internet instead of mailing printed copies. Most stockholders will not receive printed copies of the proxy materials unless they request them. Instead, the Notice, which was mailed to most of our stockholders, will instruct you as to how you may access and review all of the proxy materials on the internet. The Notice also instructs you as to how you may submit your proxy on the internet. If you would like to receive a paper or email copy of our proxy materials, you should follow the instructions for requesting such materials in the Notice.

***Q: I share an address with another stockholder and we received only one paper copy of the proxy materials. How may I obtain an additional copy of the proxy materials?***

**A:** We have adopted a procedure called "householding," which the SEC has approved. Under this procedure, we deliver a single copy of the Notice and, if applicable, the proxy materials and the 2010 Annual Report to Stockholders to multiple stockholders who share the same address unless we received contrary instructions from one or more of the stockholders. This procedure reduces our printing costs, mailing costs, and fees. Stockholders who participate in householding will continue to be able to access and receive separate proxy cards. Upon written request, we will deliver promptly a separate copy of the Notice and, if applicable, the proxy materials to any stockholder at a shared address to which we delivered a single copy of any of these documents. To receive a separate copy of the Notice and, if applicable, the proxy materials, stockholders may write or email us at the following address and email address:

Investor Relations

Google Inc.

1600 Amphitheatre Parkway

Mountain View, CA 94043

Email: irgoog@google.com

Stockholders who hold shares in street name (as described below) may contact their brokerage firm, bank, broker-dealer, or other similar organization to request information about householding.

***Q: How do I get electronic access to the proxy materials?***

**A:** The Notice will provide you with instructions regarding how to:

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View our proxy materials for the Annual Meeting on the internet; and

Instruct us to send our future proxy materials to you electronically by email.

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Choosing to receive your future proxy materials by email will save us the cost of printing and mailing documents to you, and will reduce the impact of printing and mailing these materials on the environment. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it.

***Q: What items of business will be voted on at the Annual Meeting?***

**A:** The items of business scheduled to be voted on at the Annual Meeting are:

The election of nine directors.

The ratification of Ernst & Young LLP as Google's independent registered public accounting firm for the fiscal year ending December 31, 2011.

The approval of an amendment to Google's 2004 Stock Plan to increase the number of authorized shares of Class A common stock issuable under the plan by 1,500,000.

The approval of 2010 compensation awarded to named executive officers.

The frequency of future stockholder advisory votes regarding compensation awarded to named executive officers.

A stockholder proposal regarding the formation of a board committee on sustainability, if properly presented at the meeting.

A stockholder proposal regarding the adoption of a simple majority voting standard for stockholder matters, if properly presented at the meeting.

A stockholder proposal regarding a conflict of interest and code of conduct compliance report, if properly presented at the meeting.

We will also consider any other business that properly comes before the Annual Meeting.

***Q: How does the board of directors recommend that I vote?***

**A:** Our board of directors recommends that you vote your shares:

FOR each of the nominees to the board of directors.

FOR the ratification of Ernst & Young LLP as our independent registered public accounting firm for the 2011 fiscal year.

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FOR the amendment to our 2004 Stock Plan to increase the number of authorized shares of Class A common stock issuable under the plan by 1,500,000.

FOR the approval of 2010 compensation awarded to named executive officers.

Every 3 YEARS for frequency of the stockholder advisory vote regarding compensation awarded to named executive officers.

AGAINST the stockholder proposal regarding the formation of a board committee on sustainability.

AGAINST the stockholder proposal regarding the adoption of a simple majority voting standard for stockholder matters.

AGAINST the stockholder proposal regarding a conflict of interest and code of conduct compliance report.

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### ***Q: What shares can I vote?***

**A:** Each share of Google Class A common stock and Class B common stock issued and outstanding as of the close of business on the Record Date for the 2011 Annual Meeting of Stockholders is entitled to be voted on all items being voted on at the Annual Meeting. You may vote all shares owned by you as of the Record Date, including (1) shares held directly in your name as the stockholder of record, and (2) shares held for you as the beneficial owner in street name through a broker, bank, trustee, or other nominee. On the Record Date we had 322,128,393 shares of common stock issued and outstanding, consisting of 252,671,620 shares of Class A common stock and 69,456,773 shares of Class B common stock.

### ***Q: How many votes am I entitled to per share?***

**A:** Each holder of shares of Class A common stock is entitled to one vote for each share of Class A common stock held as of the Record Date, and each holder of shares of Class B common stock is entitled to 10 votes for each share of Class B common stock held as of the Record Date. The Class A common stock and Class B common stock are voting as a single class on all matters described in this proxy statement for which your vote is being solicited.

### ***Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?***

**A:** Most Google stockholders hold their shares as a beneficial owner through a broker or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

#### **Stockholder of Record**

If your shares are registered directly in your name with our transfer agent, Computershare Trust Company, N.A., you are considered, with respect to those shares, the *stockholder of record*, and the Notice was sent directly to you by Google. As the *stockholder of record*, you have the right to grant your voting proxy directly to Google or to vote in person at the Annual Meeting. If you requested to receive printed proxy materials, Google has enclosed or sent a proxy card for you to use. You may also vote on the internet or by telephone, as described in the Notice and below under the heading *How can I vote my shares without attending the Annual Meeting?*

#### **Beneficial Owner**

If your shares are held in an account at a brokerage firm, bank, broker-dealer, trust, or other similar organization, like the vast majority of our stockholders, you are considered the *beneficial owner* of shares held *in street name*, and the Notice was forwarded to you by that organization. As the beneficial owner, you have the right to direct your broker, bank, trustee, or nominee how to vote your shares, and you are also invited to attend the Annual Meeting.

Since a beneficial owner is not the *stockholder of record*, you may not vote your shares in person at the Annual Meeting unless you obtain a legal proxy from the broker, bank, trustee, or nominee that holds your shares giving you the right to vote the shares at the meeting. If you do not wish to vote in person or you will not be attending the Annual Meeting, you may vote by proxy. You may vote by proxy over the internet or by telephone, as described in the Notice and below under the heading *How can I vote my shares without attending the Annual Meeting?*

### ***Q: How can I contact Google's transfer agent?***

**A:** Contact our transfer agent by either writing to Computershare Trust Company, N.A., P.O. Box 43078, Providence, RI 02940, or by telephoning 866-298-8535 or 781-575-2879.

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### ***Q: How can I attend the Annual Meeting?***

**A:** You are entitled to attend the Annual Meeting only if you were a Google stockholder as of the Record Date or you hold a valid proxy for the Annual Meeting. Since seating is limited, admission to the meeting will be on a first-come, first-served basis. You must present photo identification for admittance. If you are not a stockholder of record but hold shares as a beneficial owner in street name, you must also provide proof of beneficial ownership as of the Record Date, such as your most recent account statement prior to April 4, 2011, a copy of the voting instruction card provided by your broker, bank, trustee, or nominee, or other similar evidence of ownership.

If you do not provide photo identification or comply with the other procedures outlined above, you will not be admitted to the Annual Meeting. For security reasons, you and your bags will be subject to search prior to your admittance to the meeting.

Please let us know if you plan to attend the meeting by marking the appropriate box on the enclosed proxy card, if you requested to receive printed proxy materials, or, if you vote by telephone or internet, by indicating your plans when prompted.

The meeting will begin promptly at 2:00 p.m., local time. Check-in will begin at 12:30 p.m., local time, and you should allow ample time for the check-in procedures.

### ***Q: Is the Annual Meeting going to be webcast?***

**A:** For your convenience, we are pleased to offer a live webcast of our Annual Meeting on the Investor Relations section of our website at [investor.google.com/webcast.html](http://investor.google.com/webcast.html).

### ***Q: How can I vote my shares in person at the Annual Meeting?***

**A:** Shares held in your name as the stockholder of record may be voted by you in person at the Annual Meeting. Shares held beneficially in street name may be voted by you in person at the Annual Meeting only if you obtain a legal proxy from the broker, bank, trustee, or nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy or voting instructions as described below so that your vote will be counted if you later decide not to attend the meeting.

### ***Q: How can I vote my shares without attending the Annual Meeting?***

**A:** Whether you hold shares directly as the stockholder of record or beneficially in street name, you may direct how your shares are voted without attending the Annual Meeting. If you are a stockholder of record, you may vote by proxy. You can vote by proxy over the internet by following the instructions provided in the Notice, or, if you requested to receive printed proxy materials, you can also vote by mail or telephone pursuant to instructions provided on the proxy card. If you hold shares beneficially in street name, you may also vote by proxy over the internet by following the instructions provided in the Notice, or, if you requested to receive printed proxy materials, you can also vote by telephone or mail by following the voting instruction card provided to you by your broker, bank, trustee, or nominee.

### ***Q: Can I change my vote or revoke my proxy?***

**A:** You may change your vote at any time prior to the taking of the vote at the Annual Meeting. If you are the stockholder of record, you may change your vote by (1) granting a new proxy bearing a later date (which automatically revokes the earlier proxy) using any of the methods described above (and until the applicable deadline for each method), (2) providing a written notice of revocation to Google's Corporate Secretary at Google Inc., 1600 Amphitheatre Parkway, Mountain View, CA 94043 prior to your shares being voted, or (3) attending the

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Annual Meeting and voting in person. Attendance at the meeting will not cause your previously granted proxy to be revoked unless you specifically so request. For shares you hold beneficially in street name, you may change your vote by submitting new voting instructions to your broker, bank, trustee, or nominee following the instructions they provided, or, if you have obtained a legal proxy from your broker, bank, trustee, or nominee giving you the right to vote your shares, by attending the Annual Meeting and voting in person.

### ***Q: Is my vote confidential?***

**A:** Proxy instructions, ballots, and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within Google or to third parties, except: (1) as necessary to meet applicable legal requirements, (2) to allow for the tabulation of votes and certification of the vote, and (3) to facilitate a successful proxy solicitation. Occasionally, stockholders provide on their proxy card written comments, which are then forwarded to Google management.

### ***Q: How many shares must be present or represented to conduct business at the Annual Meeting?***

**A:** The quorum requirement for holding the Annual Meeting and transacting business is that holders of a majority of the voting power of the issued and outstanding Class A and Class B common stock of Google as of the Record Date (voting together as a single class) must be present in person or represented by proxy. Both abstentions and broker non-votes (described below) are counted for the purpose of determining the presence of a quorum.

### ***Q: How are votes counted?***

**A:** In the election of directors (proposal number 1), you may vote **FOR** all or some of the nominees or your vote may be **WITHHELD** with respect to one or more of the nominees.

With respect to the advisory vote on the frequency of holding future stockholder advisory votes regarding compensation awarded to named executive officers (proposal number 5), you may vote **1 YEAR**, **2 YEARS**, **3 YEARS**, or **ABSTAIN**. If you elect to **ABSTAIN**, the abstention does not count in the determination of which alternative receives the highest number of votes cast.

For the other items of business, you may vote **FOR**, **AGAINST**, or **ABSTAIN**. If you elect to **ABSTAIN**, the abstention has the same effect as a vote **AGAINST**.

If you provide specific instructions with regard to certain items, your shares will be voted as you instruct on such items. If no instructions are indicated, the shares will be voted as recommended by the board of directors.

### ***Q: What is the voting requirement to approve each of the proposals?***

**A:** In the election of directors, the nine persons receiving the highest number of affirmative **FOR** votes at the Annual Meeting will be elected.

The approval of the following proposals requires the affirmative **FOR** vote of a majority of those shares present in person or represented by proxy and entitled to vote on them at the Annual Meeting: (1) the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011, (2) the amendment to our 2004 Stock Plan to increase the number of shares of Class A common stock issuable under the plan by 1,500,000 shares, (3) the approval of the 2010 compensation awarded to named executive officers, (4) the stockholder proposal regarding the formation of a board committee on sustainability, (5) the stockholder proposal regarding the adoption of a simple majority voting standard for stockholder matters, and (6) the stockholder proposal regarding a conflict of interest and code of conduct compliance report. In the case of the proposal to determine the frequency of future stockholder advisory votes regarding compensation awarded to named executive officers, the frequency that receives the highest number of votes cast will be deemed to be the frequency selected by stockholders.

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If you hold shares beneficially in street name and do not provide your broker with voting instructions, your shares may constitute broker non-votes. Broker non-votes occur on a matter when a broker is not permitted to vote on that matter without instructions from the beneficial owner and instructions are not given. These matters are referred to as non-routine matters. All of the matters scheduled to be voted on at the Annual Meeting are non-routine, except for the proposal to ratify the appointment of Ernst & Young LLP as Google's independent registered public accounting firm for the fiscal year ending December 31, 2011. In tabulating the voting result for any particular proposal, shares that constitute broker non-votes are not considered votes cast on that proposal. Thus, broker non-votes will not affect the outcome of any matter being voted on at the meeting, assuming that a quorum is obtained.

Abstentions are considered votes cast and thus will have the same effect as votes against each of the matters scheduled to be voted on at the Annual Meeting, except the proposal to determine the frequency of future stockholder advisory votes regarding compensation awarded to named executive officers. Abstentions will have no effect on the outcome of that proposal.

**Please note that the rules regarding how brokers may vote your shares have changed. Brokers may no longer vote your shares on the election of directors or on executive compensation matters in the absence of your specific instructions as to how to vote so we encourage you to provide instructions to your broker regarding the voting of your shares.**

***Q: Is cumulative voting permitted for the election of directors?***

**A:** No. You may not cumulate your votes for the election of directors.

***Q: What happens if additional matters are presented at the Annual Meeting?***

**A:** Other than the eight items of business described in this proxy statement, we are not aware of any other business to be acted upon at the Annual Meeting. If you grant a proxy, the persons named as proxy holders, Eric E. Schmidt, Larry Page, Patrick Pichette, and David C. Drummond, or any of them, will have the discretion to vote your shares on any additional matters properly presented for a vote at the meeting. If for any reason any of the nominees is not available as a candidate for director, the persons named as proxy holders will vote your proxy for such other candidate or candidates as may be nominated by the board of directors.

***Q: Who will serve as inspector of elections?***

**A:** The inspector of elections will be a representative from Computershare Trust Company, N.A.

***Q: Who will bear the cost of soliciting votes for the Annual Meeting?***

**A:** Google will pay the entire cost of preparing, assembling, printing, mailing, and distributing these proxy materials and soliciting votes. If you choose to access the proxy materials and/or vote over the internet, you are responsible for internet access charges you may incur. If you choose to vote by telephone, you are responsible for telephone charges you may incur. In addition to the mailing of these proxy materials, the solicitation of proxies or votes may be made in person, by telephone, or by electronic communication by our directors, officers, and employees, who will not receive any additional compensation for such solicitation activities. We also have hired Georgeson Inc. to assist us in the distribution of proxy materials. We will pay Georgeson Inc. a fee of \$750 plus customary costs and expenses for these services.

***Q: Where can I find the voting results of the Annual Meeting?***

**A:** We will announce preliminary voting results at the Annual Meeting and publish them on the Investor Relations section of our website at investor.google.com. We will also disclose voting results on a Form 8-K filed with the SEC within four business days after the Annual Meeting, which will also be available on our website.

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***Q: What is the deadline to propose actions for consideration at next year's Annual Meeting of Stockholders or to nominate individuals to serve as directors?***

**A: Stockholder Proposals:** Stockholders may present proper proposals for inclusion in our proxy statement and for consideration at the next annual meeting of stockholders by submitting their proposals in writing to Google's Corporate Secretary in a timely manner. For a stockholder proposal to be considered for inclusion in our proxy statement for our 2012 Annual Meeting of Stockholders, the Corporate Secretary of Google must receive the written proposal at our principal executive offices no later than December 23, 2011; provided, however, that in the event that we hold our 2012 Annual Meeting of Stockholders more than 30 days before or after the one-year anniversary date of the 2011 Annual Meeting, we will disclose the new deadline by which stockholders proposals must be received under Item 5 of Part II of our earliest possible Quarterly Report on Form 10-Q or, if impracticable, by any means reasonably determined to inform stockholders. In addition, stockholder proposals must otherwise comply with the requirements of Rule 14a-8 of the Securities Exchange Act of 1934, as amended (Exchange Act). Such proposals also must comply with SEC regulations under Rule 14a-8 regarding the inclusion of stockholder proposals in company-sponsored proxy materials. Proposals should be addressed to:

Google Inc.

Attn: Corporate Secretary

1600 Amphitheatre Parkway

Mountain View, California 94043

Fax: (650) 618-1806

Our bylaws also establish an advance notice procedure for stockholders who wish to present a proposal before an annual meeting of stockholders but do not intend for the proposal to be included in our proxy statement. Our bylaws provide that the only business that may be conducted at an annual meeting is business that is (1) specified in the notice of a meeting given by or at the direction of our board of directors, (2) otherwise properly brought before the meeting by or at the direction of our board of directors, or (3) properly brought before the meeting by a stockholder entitled to vote at the annual meeting who has delivered timely written notice to our Corporate Secretary, which notice must contain the information specified in our bylaws. To be timely for our 2012 Annual Meeting of Stockholders, our Corporate Secretary must receive the written notice at our principal executive offices:

not earlier than the close of business on February 3, 2012, and

not later than the close of business on March 4, 2012.

In the event that we hold our 2012 Annual Meeting of Stockholders more than 30 days before or after the one-year anniversary date of the 2011 Annual Meeting, then notice of a stockholder proposal that is not intended to be included in our proxy statement must be received not later than the close of business on the earlier of the following two dates:

the 10<sup>th</sup> day following the day on which notice of the meeting date is mailed, or

the 10<sup>th</sup> day following the day on which public disclosure of the meeting date is made.

If a stockholder who has notified us of his or her intention to present a proposal at an annual meeting does not appear to present his or her proposal at such meeting, we are not required to present the proposal for a vote at such meeting.

**Nomination of Director Candidates:** You may propose director candidates for consideration by our Nominating and Corporate Governance Committee. Any such recommendations should include the nominee's name and qualifications for membership on our board of directors, and should be directed to the Corporate Secretary of Google at the address set forth above. For additional information regarding stockholder

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recommendations for director candidates, see Directors, Executive Officers and Corporate Governance Corporate Governance and Board Matters Consideration of Director Nominees Stockholder Recommendations and Nominees on page 19 of this proxy statement.

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In addition, our bylaws permit stockholders to nominate directors for election at an annual meeting of stockholders. To nominate a director, the stockholder must provide the information required by our bylaws. In addition, the stockholder must give timely notice to our Corporate Secretary in accordance with our bylaws, which, in general, require that the notice be received by our Corporate Secretary within the time period described above under **Stockholder Proposals** for stockholder proposals that are not intended to be included in our proxy statement.

**Copy of Bylaw Provisions:** A copy of our bylaws is available at <http://investor.google.com/corporate/bylaws.html>. You may also contact our Corporate Secretary at our principal executive offices for a copy of the relevant bylaw provisions regarding the requirements for making stockholder proposals and nominating director candidates.

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**Table of Contents****DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE****Directors and Executive Officers**

The names of our directors and executive officers and their ages, positions, and biographies as of April 13, 2011 are set forth below. Our executive officers are appointed by, and serve at the discretion of, our board of directors. There are no family relationships among any of our directors or executive officers.

<b>Name</b>	<b>Age</b>	<b>Position with Google</b>
Larry Page	38	Chief Executive Officer and Director
Sergey Brin	37	Co-Founder and Director
Eric E. Schmidt	55	Executive Chairman of the Board of Directors
L. John Doerr	59	Director
John L. Hennessy	58	Lead Independent Director
Ann Mather	51	Director
Paul S. Otellini	60	Director
K. Ram Shriram	54	Director
Shirley M. Tilghman	64	Director
Nikesh Arora	43	Senior Vice President and Chief Business Officer
David C. Drummond	48	Senior Vice President, Corporate Development and Chief Legal Officer
Patrick Pichette	48	Senior Vice President and Chief Financial Officer

*Larry Page*, one of our founders, has served as a member of our board of directors since our inception in September 1998, and as our Chief Executive Officer since April 4, 2011. From July 2001 to April 3, 2011, Larry served as our President, Products. In addition, from September 1998 to July 2001, Larry served as our Chief Executive Officer, and from September 1998 to July 2002, as our Chief Financial Officer. Larry holds a Master's degree in computer science from Stanford University and a Bachelor of Science degree in engineering, with a concentration in computer engineering, from the University of Michigan.

*Sergey Brin*, one of our founders, has served as a member of our board of directors since our inception in September 1998. From July 2001 to April 3, 2011, Sergey served as our President, Technology. In addition, from September 1998 to July 2001, Sergey served as our President and chairman of our board of directors. Sergey holds a Master's degree in computer science from Stanford University and a Bachelor of Science degree with high honors in mathematics and computer science from the University of Maryland at College Park.

*Eric E. Schmidt* has served as the Executive Chairman of our board of directors since April 4, 2011. From July 2001 to April 3, 2011, Eric served as our Chief Executive Officer. He was the chairman of our board of directors from March 2001 to April 2004, and again from April 2007 to April 3, 2011. Prior to joining us, from April 1997 to November 2001, Eric served as chairman of the board of directors of Novell, Inc., a computer networking company, and, from April 1997 to July 2001, as the Chief Executive Officer of Novell. From 1983 until March 1997, Eric held various positions at Sun Microsystems, Inc., a supplier of network computing solutions, including Chief Technology Officer from February 1994 to March 1997, and President of Sun Technology Enterprises from February 1991 until February 1994. Eric was previously a director of Apple Inc., a designer, manufacturer, and marketer of personal computers and related products, and Siebel Systems, Inc., a customer relationship management software company. Eric holds a Doctoral degree and a Master's degree in computer science from the University of California at Berkeley, and a Bachelor of Science degree in electrical engineering from Princeton University.

*L. John Doerr* has served as a member of our board of directors since May 1999. John has been a General Partner of Kleiner Perkins Caufield & Byers, a venture capital firm, since August 1980. John has also been a member of the board of directors of Amyris, Inc., a synthetic biology company, since May 2006, and serves on its Nominating and Governance Committee. John was previously a director of Amazon.com, Inc., an internet retail company; Intuit, Inc., a provider of business and financial management software; Move, Inc., a provider of real

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estate media and technology solutions; and Sun Microsystems, Inc., a supplier of networking computing solutions. John holds a Master of Business Administration degree from Harvard Business School, and a Master of Science degree in electrical engineering and computer science, and a Bachelor of Science degree in electrical engineering from Rice University.

*John L. Hennessy* has served as a member of our board of directors since April 2004, and as Lead Independent Director since April 2007. John has served as the President of Stanford University since September 2000. From 1994 to August 2000, John held various positions at Stanford, including Dean of the Stanford University School of Engineering and, Chair of the Stanford University Department of Computer Science. John has also been a member of the board of directors of Cisco Systems, Inc., a networking equipment company, since January 2002, and serves on its Nominating and Governance Committee and Acquisition Committee. John was previously the chairman of the board of directors of Atheros Communications, Inc., a wireless semiconductor company. John holds a Doctoral degree and a Master of Science degree in computer science from the State University of New York, Stony Brook, and a Bachelor of Science degree in electrical engineering from Villanova University.

*Ann Mather* has served as a member of our board of directors since November 2005. Ann has also been a member of the board of directors of: Glu Mobile Inc., a publisher of mobile games, since September 2005, and serves as chair of its Audit Committee; MGM Holdings Inc., a motion picture and television production and distribution company, since December 2010, and serves on its Compensation Committee; MoneyGram International, a global payment services company, since May 2010; and Netflix, Inc., an internet subscription service for movies and television shows, since July 2010, and serves on its Audit Committee. Ann was previously a director of Central European Media Enterprises Group, a developer and operator of national commercial television channels and stations in Central and Eastern Europe; Zappos.com, Inc., a privately held, online retailer, until it was acquired by Amazon.com, Inc., an internet retail company, in 2009; and Shopping.com, Inc., a price comparison web site, until it was acquired by eBay Inc., an e-commerce company, in 2005. From 1999 to 2004, Ann was Executive Vice President and Chief Financial Officer of Pixar, a computer animation studio. Prior to her service at Pixar, Ann was Executive Vice President and Chief Financial Officer at Village Roadshow Pictures, the film production division of Village Roadshow Limited. Ann holds a Master of Arts degree from Cambridge University and is a chartered accountant.

*Paul S. Otellini* has served as a member of our board of directors since April 2004. Paul has served as the Chief Executive Officer and President of Intel Corporation, a semiconductor manufacturing company, since May 2005. Paul has been a member of the board of directors of Intel since 2002. He also served as Intel's Chief Operating Officer from 2002 to May 2005. From 1974 to 2002, Paul held various positions at Intel, including Executive Vice President and General Manager, Intel Architecture Group, and Executive Vice President and General Manager, Sales and Marketing Group. Paul holds a Master's degree from the University of California at Berkeley, and a Bachelor's degree in economics from the University of San Francisco.

*K. Ram Shriram* has served as a member of our board of directors since September 1998. Ram has been a managing partner of Sherpalo Ventures, LLC, an angel venture investment company, since January 2000. From August 1998 to September 1999, Ram served as Vice President of Business Development at Amazon.com, Inc., an internet retail company. Prior to that, Ram served as President at Junglee Corporation, a provider of database technology, which was acquired by Amazon.com in 1998. Ram was an early member of the executive team at Netscape Communications Corporation. Ram is also on the board of trustees of Stanford University. Ram holds a Bachelor of Science degree from the University of Madras, India.

*Shirley M. Tilghman* has served as a member of our board of directors since October 2005. Shirley has served as the President of Princeton University since June 2001. From August 1986 to June 2001, she served as a Professor at Princeton University, and from August 1988 to June 2001, as an Investigator at Howard Hughes Medical Institute. In 1998, she took the role as founding director of Princeton's multi-disciplinary Lewis-Sigler Institute for Integrative Genomics. Shirley holds a Doctoral degree in biochemistry from Temple University, and a Bachelor of Science degree with honors in chemistry from Queen's University.

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*Nikesh Arora* has served as our Senior Vice President and Chief Business Officer since January 2011. Previously, he served as our President, Global Sales Operations & Business Development from April 2009 to December 2010, and as our President, International Operations prior to that. Prior to joining us in December 2004, Nikesh served as Chief Marketing Officer and a member of the management board at T-Mobile Europe, a mobile communications company. Prior to that, Nikesh worked for Deutsche Telekom, parent company of T-Mobile, Putnam Investments, and Fidelity Investments. Nikesh has been a member of the board of directors of Bharti Airtel Limited, an Indian telecommunications company, since October 2009, and serves on its Compensation Committee. Nikesh holds a Master of Business Administration degree from Northeastern University, a Master's degree from Boston College, and a Bachelor of Science degree in electrical engineering from the Institute of Technology in Varanasi, India. He is also a chartered financial analyst.

*David C. Drummond* has served as our Senior Vice President, Corporate Development since January 2006 and as Chief Legal Officer since December 2006. Previously, he served as our Vice President, Corporate Development and General Counsel since February 2002. Prior to joining us, from July 1999 to February 2002, David served as Chief Financial Officer of SmartForce, an educational software applications company. Prior to that, David was a partner at the law firm of Wilson Sonsini Goodrich & Rosati. David holds a Juris Doctor degree from Stanford University and a Bachelor of Arts degree in history from Santa Clara University.

*Patrick Pichette* has served as our Senior Vice President and Chief Financial Officer since August 2008. Prior to joining us, from January 2001 until July 2008, Patrick served as an executive officer of Bell Canada Enterprises Inc., a telecommunications company, including, most recently, as President Operations for Bell Canada, and previously as Executive Vice President, Chief Financial Officer, and Executive Vice President of Planning and Performance Management. Prior to joining Bell Canada Enterprises, from 1996 to 2000, Patrick was a principal at McKinsey & Company, a management consulting firm. Prior to that, from 1994 to 1996, he served as Vice President and Chief Financial Officer of Call-Net Enterprises Inc., a Canadian telecommunications company. Patrick has been a member of the board of directors of Amyris, Inc., a synthetic biology company, since March 2010, and serves on its Audit Committee and Leadership Development and Compensation Committee. Patrick holds a Master of Arts degree in philosophy, politics, and economics from Oxford University, where he attended as a Rhodes Scholar, and a Bachelor of Arts degree in Business Administration from Université du Québec à Montréal.

## **Corporate Governance and Board Matters**

We are committed to maintaining the highest standards of business conduct and corporate governance, which we believe are essential to running our business efficiently, serving our stockholders well, and maintaining our integrity in the marketplace. We have adopted a code of business conduct and ethics for directors, officers (including our principal executive officer and principal financial and accounting officer), and employees, known as the Google Code of Conduct. We have also adopted Corporate Governance Guidelines, which, in conjunction with our certificate of incorporation, bylaws, and board committee charters, form the framework for our corporate governance. The Google Code of Conduct and our Corporate Governance Guidelines are available on the Investor Relations section of our website at [investor.google.com](http://investor.google.com). We will post amendments to the Google Code of Conduct or waivers of the Google Code of Conduct for directors and executive officers on the same website.

Stockholders may request free printed copies of the Google Code of Conduct, the Corporate Governance Guidelines, and committee charters by filling out our contact form at [investor.google.com](http://investor.google.com) or sending inquiries to:

Investor Relations

Google Inc.

1600 Amphitheatre Parkway

Mountain View, CA 94043

Email: [irgoog@google.com](mailto:irgoog@google.com)

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### **Board Meetings**

During 2010, the board of directors held seven meetings and acted by written consent four times. Each director attended at least 80% of all board of directors and applicable committee meetings. We encourage our directors to attend our Annual Meeting of Stockholders. Last year, six directors attended our Annual Meeting of Stockholders.

### **Board Leadership Structure**

Effective April 4, 2011, Larry Page took over as our Chief Executive Officer and Eric E. Schmidt became Executive Chairman of our board of directors.

The board of directors believes that this new leadership structure, which separates the Chairman and Chief Executive Officer roles, is appropriate at this time in light of the evolution of Google's business and operating environment. In particular, the board of directors believes that the new structure clarifies the individual roles and responsibilities of Eric, Larry, and Sergey and will help streamline decision making and enhance accountability. As Executive Chairman, Eric will remain involved in key matters, such as transactions, customers and broader business relationships, and government outreach, that are increasingly important given our global reach, and will continue to advise Larry and Sergey. In this newly-defined role and given his in-depth knowledge of the issues, challenges, and opportunities facing us, the board of directors believes that Eric continues to be best positioned to develop agendas that ensure that the board's time and attention are focused on the most critical matters. His role enables decisive leadership, ensures clear accountability, and enhances our ability to communicate its message and strategy clearly and consistently to our stockholders, employees, customers, and users.

Our certificate of incorporation and bylaws provide that the chairman of our board of directors may not be an employee or officer of our company and may not have been an employee or officer for the last three years, unless the appointment is approved by two-thirds of the members of our board of directors. In April 2007, our board of directors unanimously appointed Eric as chairman of the board of directors, and in January 2011, the board of directors unanimously appointed Eric as Executive Chairman, effective April 4, 2011.

Each of the directors other than Larry, Sergey, and Eric is independent (see [Director Independence](#) below), and the board of directors believes that the independent directors provide effective oversight of management. In addition, in April 2007, our board of directors appointed John L. Hennessy as our Lead Independent Director. As Lead Independent Director, John's responsibilities include:

Coordinating and moderating executive sessions of the board of directors' independent directors.

Advising the executive chairman of the board of directors as to the quality, quantity, and timeliness of the flow of information from management that is necessary for the independent directors to effectively and responsibly perform their duties.

Confirming the agenda with the Chief Executive Officer for meetings of the board of directors.

Holding regular update sessions with the executive chairman of the board of directors.

Acting as the principal liaison between the independent directors and the executive chairman of the board of directors on sensitive issues.

Performing such other duties as the board of directors may from time to time delegate to the Lead Independent Director to assist the board of directors in the fulfillment of its responsibilities.

The board of directors believes that these responsibilities appropriately and effectively complement our Executive Chairman and Chief Executive Officer structure.



**Table of Contents****Board Committees**

For 2010, our board of directors consisted of nine directors. Our board of directors has the following five standing committees: (1) an Audit Committee, (2) a Nominating and Corporate Governance Committee, (3) a Leadership Development and Compensation Committee, (4) an Executive Committee, and (5) an Acquisition Committee. Each of the committees operates under a written charter adopted by the board of directors. All of the committee charters are available on the Investor Relations section of our website at <http://investor.google.com/corporate/board-committees.html>. Free printed copies of the charters are available to any stockholder who requests it by following the instructions on page 13 of this proxy statement.

The committee membership and meetings during 2010 and the primary functions of each of the committees are described below.

<b>Board of Directors</b>	<b>Audit Committee</b>	<b>Nominating and Corporate Governance Committee</b>	<b>Leadership Development and Compensation Committee</b>	<b>Executive Committee</b>	<b>Acquisition Committee</b>
Larry Page				Member	Member
Sergey Brin				Member	Member
Eric E. Schmidt				Chair	Chair
L. John Doerr	Member		Member		
John L. Hennessy		Member			
Ann Mather	Chair				
Paul S. Otellini			Chair		
K. Ram Shriram	Member				Member
Shirley M. Tilghman		Member			
<i>Audit Committee</i>					

The main function of our Audit Committee is to oversee our accounting and financial reporting processes, including our disclosure controls and procedures and system of internal controls, audits of our financial statements, relationships with our independent auditors, including appointment or changing the auditors and ensuring their independence, and providing oversight regarding our financial matters. This committee's responsibilities include:

Selecting and hiring our independent auditors.

Approving the audit and non-audit services to be performed by our independent auditors.

Evaluating the qualifications, performance, and independence of our independent auditors.

Overseeing and monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to financial statements or accounting matters.

Reviewing the design, implementation, adequacy, and effectiveness of our internal controls and our critical accounting policies.

Reviewing with management our annual audited financial statements, quarterly financial statements, earnings announcements, and other public announcements regarding our results of operations.

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Reviewing regulatory filings with management and our independent auditors.

Preparing any report the SEC requires for inclusion in our annual proxy statement.

Reviewing and approving related party transactions.

Establishing and overseeing processes and procedures for the receipt, retention and treatment of complaints and employee submissions about accounting, internal accounting controls or audit matters.

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During 2010, the Audit Committee held six meetings. Our Audit Committee is currently comprised of Ann Mather, L. John Doerr, and K. Ram Shriram, each of whom is a non-employee member of our board of directors. Our board of directors has determined that each of the directors serving on our Audit Committee is independent within the meaning of the rules of the SEC and the Listing Rules of the Nasdaq Stock Market (Nasdaq).

The board of directors has determined that Ann Mather is an audit committee financial expert as defined under the rules of the SEC. Ann's relevant experience includes her service as Executive Vice President and Chief Financial Officer for Pixar. Prior to her services at Pixar, she was Executive Vice President and Chief Financial Officer at Village Roadshow Pictures. She also held various executive positions at The Walt Disney Company, including Senior Vice President of Finance and Administration for its Buena Vista International Theatrical Division. Ann is a director and chair of the audit committee of Glu Mobile Inc., a director and a member of the audit committee of Netflix, Inc., and also served as a director and a member of the audit committee of Central European Media Enterprises Group. Ann also served as a director of Shopping.com, Inc. until it was acquired by eBay Inc. in 2005, and was chair of the audit committee and a member of its corporate governance and nominating committee. Ann also served as a director of Zappos.com, Inc. until it was acquired by Amazon.com, Inc. in 2009. Ann holds a Master of Arts degree from Cambridge University and is a chartered accountant.

### *Nominating and Corporate Governance Committee*

Our Nominating and Corporate Governance Committee's purpose is to assist our board of directors in identifying individuals qualified to become members of our board of directors consistent with criteria set by our board of directors, to oversee the evaluation of the board of directors and management, and to develop and update our corporate governance principles. This committee's responsibilities include:

Evaluating the composition, size, organization, and governance of our board of directors and its committees, determining future requirements, and making recommendations regarding future planning, the appointment of directors to our committees, and the selection of chairs of these committees.

Reviewing and recommending to our board of directors director independence determinations made with respect to continuing and prospective directors.

Reviewing and recommending to our board of directors Section 16 officer determinations with respect to our executive officers.

Establishing a policy for considering director nominees for election to our board of directors.

Recommending ways to enhance communications and relations with our stockholders.

Evaluating and recommending candidates for election to our board of directors, including nominees recommended by stockholders.

Overseeing our board of directors' performance and self-evaluation process and developing continuing education programs for our directors.

Evaluating and recommending to the board of directors termination of service of individual members of the board of directors as appropriate, in accordance with governance principles, for cause or for other proper reasons.

During 2010, the Nominating and Corporate Governance Committee held five meetings. Our Nominating and Corporate Governance Committee consists of John L. Hennessy and Shirley M. Tilghman, each of whom is a non-employee member of our board of directors. Our Nominating and Corporate Governance Committee does not have a chairperson. Our board of directors has determined that each of the directors serving on our Nominating and Corporate Governance Committee is independent as defined in the Listing Rules of Nasdaq.



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*Leadership Development and Compensation Committee*

The purpose of our Leadership Development and Compensation Committee (LDC Committee) is to oversee our compensation programs. The LDC Committee's responsibilities include:

Reviewing and approving our general compensation strategy.

Establishing annual and long-term performance goals for our executive officers.

Conducting and reviewing with the board of directors an annual evaluation of the performance of our executive officers.

Evaluating the competitiveness of the compensation of our executive officers.

Reviewing and approving the selection of our peer companies.

Reviewing and approving all salaries, bonuses, equity awards, perquisites, post-service arrangements, and other compensation and benefit plans for Google's executive officers.

Reviewing and approving the terms of any offer letters, employment agreements, termination agreements or arrangements, change in control agreements, indemnification agreements, and other material agreements between us and our executive officers, including our Executive Chairman.

Acting as the administering committee for our stock and bonus plans and for any equity or cash compensation arrangements that may be adopted by us from time to time.

Providing oversight for our overall compensation plans and benefit programs, monitoring trends in executive and overall compensation, and making recommendations to the board of directors with respect to improvements to such plans and programs or the adoption of new plans and programs.

Reviewing and approving compensation programs, as well as salaries, fees, bonuses, and equity awards for the Executive Chairman and the non-employee members of the board of directors.

Reviewing plans for the development, retention, and succession of our executive officers.

Reviewing executive education and development programs.

Monitoring total equity usage for compensation and establishing appropriate equity dilution levels.

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Reviewing and discussing with management the annual Compensation Discussion and Analysis (CD&A) disclosure and the related tabular presentations regarding named executive officer compensation and, based on this review and discussions, making a recommendation to include the CD&A disclosure and the tabular presentations in our annual public filings.

Preparing and approving the annual LDC Committee Report to be included in our annual public filings.

During 2010, the LDC Committee held five meetings and acted by written consent 25 times. Our LDC Committee currently consists of L. John Doerr and Paul S. Otellini (Chair), each of whom is a non-employee member of our board of directors. Each member of our LDC Committee is an outside director as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended (Code), and a non-employee director within the meaning of Rule 16b-3 of the Exchange Act. Our board of directors has determined that each of the directors serving on our LDC Committee is independent as defined in the Listing Rules of Nasdaq.

### *Executive Committee*

The Executive Committee, for which the board of directors adopted a formal charter in 2004, serves as an administrative committee of the board of directors to act upon and facilitate the consideration by senior management and the board of directors of certain high-level business and strategic matters. During 2010, the Executive Committee held 13 meetings and acted by written consent four times. Our Executive Committee consists of Eric (Chair), Larry, and Sergey.

**Table of Contents***Acquisition Committee*

The Acquisition Committee, for which the board of directors adopted a formal charter in 2006, serves as an administrative committee of the board of directors to review and approve certain investment, acquisition, and divestiture transactions proposed by management. During 2010, the Acquisition Committee acted by written consent five times. Our Acquisition Committee consists of Eric (Chair), Larry, Sergey, and K. Ram Shriram.

**Board's Role in Risk Oversight**

The board of directors as a whole has responsibility for risk oversight, with reviews of certain areas being conducted by the relevant board committees. These committees then provide reports to the full board. The oversight responsibility of the board and its committees is enabled by management reporting processes that are designed to provide visibility to the board about the identification, assessment, and management of critical risks and management's risk mitigation strategies. These areas of focus include strategic, operational, financial and reporting, succession and compensation, compliance, and other risks. The board of directors and its committees oversee risks associated with their respective areas of responsibility, as summarized below. Each committee meets in executive session with key management personnel and representatives of outside advisors as required.

**Board/Committee****Primary Areas of Risk Oversight**

Full Board

Strategic, financial and execution risks and exposures associated with our business strategy, product innovation and sales road map, policy matters, significant litigation and regulatory exposures, and other current matters that may present material risk to our financial performance, operations, infrastructure, plans, prospects or reputation, acquisitions and divestitures.

Audit Committee

Risks and exposures associated with financial matters, particularly financial reporting, tax, accounting, disclosure, internal control over financial reporting, investment guidelines and credit and liquidity matters, Google's programs and policies relating to legal compliance and strategy, and our operational infrastructure, particularly reliability, business continuity, capacity, security, and data privacy.

Nominating and Corporate Governance Committee

Risks and exposures associated with director and management succession planning, corporate governance, and overall board effectiveness.

Leadership Development and Compensation Committee

Risks and exposures associated with leadership assessment, management succession planning, and executive compensation programs and arrangements, including incentive plans.

Acquisition Committee

Risks and exposures associated with Google's mergers and acquisition activities and related integration matters.

**Director Independence**

The board of directors has determined that each of the director nominees standing for election, except Larry, Sergey, and Eric, has no relationship that, in the opinion of the board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and is an independent director as defined in the Listing Rules of Nasdaq. In determining the independence of our directors, the board of directors has adopted independence standards that mirror exactly the criteria specified by applicable laws and regulations of the SEC and the Listing Rules of Nasdaq. In determining the independence of our directors, the board of directors considered all transactions in which we and any director had any interest, including those discussed under Certain



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Relationships and Related Transactions on pages 27-29 of this proxy statement, transactions involving payments made by us to companies in the ordinary course of business where L. John Doerr, John L. Hennessy, Paul S. Otellini, or K. Ram Shriram serve on the board of directors or as a member of the executive management team of the other company, and transactions involving payments made by us to educational institutions with which John L. Hennessy and Shirley M. Tilghman are affiliated.

### **Compensation Committee Interlocks and Insider Participation**

During 2010, Paul S. Otellini and L. John Doerr served on the LDC Committee. None of the members of the LDC Committee has been an officer or employee of Google. None of our executive officers serves on the board of directors or compensation committee of a company that has an executive officer that serves on our board of directors or the LDC Committee.

### **Consideration of Director Nominees**

#### *Stockholder Recommendations and Nominees*

The policy of our Nominating and Corporate Governance Committee is to consider properly submitted recommendations for candidates to the board of directors from stockholders. In evaluating such recommendations, the Nominating and Corporate Governance Committee seeks to achieve a balance of experience, knowledge, integrity, and capability on the board of directors and to address the membership criteria set forth under Director Qualifications below. Any stockholder recommendations for consideration by the Nominating and Corporate Governance Committee should include the candidate's name, biographical information, information regarding any relationships between the candidate and Google within the last three years, at least three personal references, a statement of recommendation of the candidate from the stockholder, a description of our shares beneficially owned by the stockholder, a description of all arrangements between the candidate and the recommending stockholder and any other person pursuant to which the candidate is being recommended, a written indication of the candidate's willingness to serve on the board of directors, any other information required to be provided under securities laws and regulations, and a written indication to provide such other information as the Nominating and Corporate Governance Committee may reasonably request. There are no differences in the manner in which the Nominating and Corporate Governance Committee evaluates nominees for director based on whether the nominee is recommended by a stockholder or otherwise. Stockholder recommendations to the board of directors should be sent to:

Google Inc.

Attn: Corporate Secretary

1600 Amphitheatre Parkway

Mountain View, CA 94043

In addition, our bylaws permit stockholders to nominate directors for consideration at an annual meeting. For a description of the process for nominating directors in accordance with our bylaws, see Questions and Answers about the Proxy Materials and the Annual Meeting What is the deadline to propose actions for consideration at next year's Annual Meeting of Stockholders or to nominate individuals to serve as directors? on page 9 of this proxy statement.

#### *Director Qualifications*

Our Nominating and Corporate Governance Committee will evaluate and recommend candidates for membership on the board of directors consistent with criteria established by our board of directors. While our board of directors has not adopted a formal diversity policy or specific standards with regard to the selection of director nominees, due to the global and complex nature of our business, the board of directors believes it is important to consider diversity of race, ethnicity, gender, age, education, cultural background, and professional experiences in evaluating board candidates.

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Although our board of directors has not formally established any specific, minimum qualifications that must be met by each candidate for the board of directors or specific qualities or skills that are necessary for one or more of the members of the board of directors to possess, when considering a potential non-incumbent candidate, the Nominating and Corporate Governance Committee will factor into its determination the following qualities of a candidate: educational background, diversity of professional experience, including whether the person is a current or former chief executive officer or chief financial officer of a public company or the head of a division of a large international organization, knowledge of our business, integrity, professional reputation, independence, and ability to represent the best interests of our stockholders.

The board of directors is composed of a diverse group of leaders in their respective fields. Many of the current directors have senior leadership experience at major domestic and international companies. In these positions, they have also gained experience in core management skills, such as strategic and financial planning, public company financial reporting, compliance, risk management, and leadership development. Most of our directors also have experience serving on boards of directors and board committees of other public companies, and have an understanding of corporate governance practices and trends, which provides an understanding of different business processes, challenges, and strategies. Other directors have experience as presidents or trustees of significant academic, research, and philanthropic institutions, which brings unique perspectives to the board of directors. Further, our directors also have other experience that makes them valuable members, such as experience developing technology or managing technology companies, which provides insight into strategic and operational issues faced by us.

The Nominating and Corporate Governance Committee and the board of directors believe that the above-mentioned attributes, along with the leadership skills and other experiences of our board members described below, provide us with a diverse range of perspectives and judgment necessary to guide our strategies and monitor their execution.

Larry Page

Business leadership, operational experience, and experience developing technology as founder of Google and President, Products.  
In-depth knowledge of the technology sector and experience in developing transformative business models.

Sergey Brin

Business leadership, operational experience, and experience developing technology as founder of Google and President, Technology.  
In-depth knowledge of the technology sector and experience in developing transformative business models.

Eric E. Schmidt

Global business leadership as former Chief Executive Officer of Google and former chairman and Chief Executive Officer of Novell, Inc.  
Outside board experience as a director of Novell, Inc., Apple Inc., and Siebel Systems, Inc.  
Experience developing technology as former chief technology officer at Sun Microsystems, Inc. and a member of the research staff at Xerox Palo Alto Research Center (PARC).

L. John Doerr

Global business leadership as a general partner of Kleiner Perkins Caufield & Byers.  
Extensive financial and investment expertise as a venture capitalist.

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In-depth knowledge of the technology sector and visionary in the industry.

Outside board experience as a director of Amazon.com, Inc., Amyris, Inc., Intuit, Inc., and Sun Microsystems, Inc.

John L. Hennessy

Leadership and management experience as President of Stanford University.

Outside board experience as a director of Cisco Systems, Inc. and Atheros Communications, Inc.

Experience developing technology businesses as founder of MIPS Technologies, Inc. and chief architect of Silicon Graphics Computer Systems.

Ann Mather

Global business leadership as Executive Vice President and Chief Financial Officer of Pixar.

Knowledge of complex global business and financial matters.

Outside board experience as a director of Central European Media Enterprises Group, Glu Mobile Inc., MGM Holdings Inc., MoneyGram International, Netflix, Inc., and Shopping.com, Inc.

Paul S. Otellini

Global business leadership as President and Chief Executive Officer of Intel Corporation.

Valuable experience in addressing issues ranging from corporate strategy, operational excellence, governance, and sales and marketing.

In-depth knowledge of the technology sector.

Outside board experience as a director of Intel Corporation.

K. Ram Shriram

Global business leadership as founder and managing partner of Sherpalo Ventures, Vice President of Business Development at Amazon.com, Inc., President of Junglee Corporation, and member of the executive team of Netscape Communications Corporation.

Extensive financial and investment expertise as a venture capitalist.

Experience as a trustee of the Stanford University.

Outside board experience as a director of several private companies.

Shirley M. Tilghman

Leadership experience as President of Princeton University.

Valuable organizational and operational management skills.

Trustee of non-profit organizations (Leadership for a Diverse America, Carnegie Endowment for International Peace, and the King Abdullah University of Science and Technology).

*Identification and Evaluation of Nominees for Directors*

Our Nominating and Corporate Governance Committee uses a variety of methods for identifying and evaluating nominees for directors. Our Nominating and Corporate Governance Committee regularly assesses the appropriate size and composition of the board of directors, the needs of the board of directors and the respective committees of the board of directors, and the qualifications of candidates in light of these needs. Candidates may come to the attention of the Nominating and Corporate Governance Committee through stockholders, management, current members of the board of directors, or search firms. The evaluation of these candidates may be based solely upon information provided to the committee or may also include discussions with persons familiar with the candidate, an interview of the candidate or other actions the committee deems appropriate, including the use of third parties to review candidates.



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**Executive Sessions**

Executive sessions of independent directors are held in connection with each regularly scheduled board of directors meeting and at other times as necessary, and are chaired by the Lead Independent Director. The board of directors' policy is to hold executive sessions without the presence of management, including the Chief Executive Officer and other non-independent directors. The committees of the board of directors also generally meet in executive session at the end of each committee meeting, except for meetings of the Executive Committee and the Acquisition Committee as these committees have only one or no independent directors.

**Outside Advisors**

Our board of directors and each of its committees may retain outside advisors and consultants of their choosing at our expense. The board of directors need not obtain management's consent to retain outside advisors.

**Board Effectiveness**

Our board of directors performs an annual self-assessment, led by the Lead Independent Director, to evaluate its effectiveness in fulfilling its obligations.

**Communications with the Board of Directors**

Stockholders may contact the board of directors about bona fide issues or questions about Google by sending an email to [directors@google.com](mailto:directors@google.com) or by writing the Corporate Secretary at the following address:

Google Inc.

Attn: Corporate Secretary

1600 Amphitheatre Parkway

Mountain View, CA 94043

Any matter intended for the board of directors, or for any individual member or members of the board of directors, should be directed to the email address or street address noted above, with a request to forward the communication to the intended recipient or recipients. In general, any stockholder communication delivered to the Corporate Secretary for forwarding to the board of directors or specified member or members will be forwarded in accordance with the stockholder's instructions.

\* \* \* \* \*

**Table of Contents****COMMON STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information, as of March 31, 2011, concerning, except as indicated by the footnotes below:

Each person whom we know beneficially owns more than 5% of our Class A common stock or Class B common stock.

Each of our directors and nominees for the board of directors.

Each of our named executive officers.

All of our directors and executive officers as a group.

Unless otherwise noted below, the address of each beneficial owner listed in the table is c/o Google Inc., 1600 Amphitheatre Parkway, Mountain View, California 94043.

We have determined beneficial ownership in accordance with the rules of the SEC. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the table below have sole voting and investment power with respect to all shares of common stock that they beneficially own, subject to applicable community property laws.

Applicable percentage ownership is based on 252,670,318 shares of Class A common stock and 69,456,773 shares of Class B common stock outstanding at March 31, 2011. In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of that person, we deemed outstanding shares of common stock subject to options or warrants held by that person that are currently exercisable or exercisable within 60 days of March 31, 2011, and common stock issuable upon the vesting of GSUs within 60 days of March 31, 2011, ignoring the withholding of shares of common stock to cover applicable taxes. We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person. GSUs entitle the reporting person to receive one share of Class A common stock for each share underlying the GSU as the GSU vests. Beneficial ownership representing less than 1% is denoted with an asterisk (\*).

The information provided in the table is based on our records, information filed with the SEC, and information provided to us, except where otherwise noted.

Name of Beneficial Owner	Shares Beneficially Owned				% Total Voting Power <sup>(1)</sup>
	Class A Common Stock Shares	%	Class B Common Stock Shares	%	
<b>Officers and Directors</b>					
Larry Page	115,000	*	27,521,938	39.6	29.1
Sergey Brin		*	27,126,186	39.1	28.6
Eric E. Schmidt <sup>(2)</sup>	35,257	*	9,141,074	13.2	9.7
Patrick Pichette <sup>(3)</sup>	3,307	*			*
Nikesh Arora <sup>(4)</sup>	15,070	*			*
Shona L. Brown <sup>(5)</sup>	28,183	*			*
Alan Eustace <sup>(6)</sup>	83,839	*			*
L. John Doerr <sup>(7)</sup>	146,989	*	1,544,128	2.2	1.6
John L. Hennessy <sup>(8)</sup>	4,789	*	3,399	*	*
Ann Mather <sup>(9)</sup>	13,855	*			*
Paul S. Otellini <sup>(10)</sup>	4,496	*			*
K. Ram Shriram <sup>(11)</sup>	675,453	*			*
Shirley M. Tilghman <sup>(12)</sup>	12,700	*			*
All executive officers and directors as a group <sup>(13)</sup> (15 persons)	1,283,883	*	65,361,495	94.1	69.1

**> 5% Security Holders**

Entities affiliated with BlackRock <sup>(14)</sup>	13,131,374	5.2	1.4
Entities affiliated with Fidelity <sup>(15)</sup>	17,097,591	6.8	1.8

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- (1) Percentage total voting power represents voting power with respect to all shares of our Class A common stock and Class B common stock, as a single class. Each holder of Class B common stock is entitled to 10 votes per share of Class B common stock and each holder of Class A common stock is entitled to one vote per share of Class A common stock on all matters submitted to our stockholders for a vote. The Class A common stock and Class B common stock vote together as a single class on all matters submitted to a vote of our stockholders, except as may otherwise be required by law. The Class B common stock is convertible at any time by the holder into shares of Class A common stock on a share-for-share basis.
- (2) Includes 35,257 shares of Class A common stock held by The Schmidt Family Foundation, 274,092 shares of Class B common stock held by the Schmidt Investments LP, 1,767,795 shares of Class B common stock held by the Schmidt Investments LP Fund 2, and 5,904,878 shares of Class B common stock held by the Schmidt Family Living Trust.
- (3) Consists of 3,307 shares of Class A common stock issuable upon exercise of options that are exercisable within 60 days of March 31, 2011.
- (4) Includes 6,661 shares of Class A common stock issuable upon exercise of options that are fully vested and exercisable, 3,332 shares of Class A common stock issuable upon exercise of options that are exercisable within 60 days of March 31, 2011, and 1,694 shares of Class A common stock issuable upon vesting of GSUs within 60 days of March 31, 2011.
- (5) Includes 25,348 shares of Class A common stock issuable upon exercise of options that are fully vested and exercisable, 1,686 shares of Class A common stock issuable upon exercise of options that are exercisable within 60 days of March 31, 2011, and 327 shares of Class A common stock issuable upon vesting of GSUs within 60 days of March 31, 2011.
- (6) Includes 44,067 shares of Class A common stock issuable upon exercise of options that are fully vested and exercisable and 3,090 shares of Class A common stock issuable upon exercise of options that are exercisable within 60 days of March 31, 2011. Also includes 3,751 shares of Class A common stock held by Kathy Ann Kwan 2008G Annuity Trust B; 3,751 shares of Class A common stock held by Robert Alan Eustace 2008G Annuity Trust B; 4,434 shares of Class A common stock held by Kathy Ann Kwan 2008G Annuity Trust C; 4,434 shares of Class A common stock held by Robert Alan Eustace 2008G Annuity Trust C; 2,297 shares of Class A common stock held by Kathy Ann Kwan 2008G Annuity Trust D; and 2,297 shares of Class A common stock held by Robert Alan Eustace 2008G Annuity Trust D. Alan is a trustee of all the above trusts and has voting and investment authority over the shares held by these trusts.
- (7) Includes 69 shares of Class A common stock issuable upon vesting of GSUs within 60 days of March 31, 2011. Also includes 18,656 shares of Class A common stock held by The Austin 1999 Trust; 18,656 shares of Class A common stock held by The Hampton 1999 Trust; 109,196 shares of Class A common stock held by The Benificus Foundation; and 1,544,128 shares of Class B common stock held by Vallejo Ventures Trust. John is trustee of The Austin 1999 Trust and The Hampton 1999 Trust and has voting and investment authority over the shares held by these trusts. John disclaims any pecuniary interest in these trusts. John is an officer and trustee of the Benificus Foundation and shares the investment authority over the shares held by the foundation. John disclaims any pecuniary interest in the foundation. John is a trustee of Vallejo Ventures Trust and shares voting and investment authority over the shares held by such trust. The address for all entities affiliated with L. John Doerr is c/o Kleiner Perkins Caufield & Byers, 2750 Sand Hill Road, Menlo Park, CA 94025.
- (8) Includes 69 shares of Class A common stock issuable upon vesting of GSUs within 60 days of March 31, 2011 and 3,399 shares of Class B common stock issuable upon exercise of options that are fully vested and exercisable. Also includes 4,308 shares of Class A common stock held by the Hennessy 1993 Revocable Trust. John is a trustee of the Hennessy 1993 Revocable Trust and has voting and investment authority over the shares held by the trust.
- (9) Includes 12,000 shares of Class A common stock issuable upon exercise of options that are fully vested and exercisable.
- (10) Includes 69 shares of Class A common stock issuable upon vesting of GSUs within 60 days of March 31, 2011. Also includes 4,427 shares of Class A common stock held by The Otellini Trust dtd 10/26/87. Paul is a trustee of The Otellini Trust dtd 10/26/87 and has voting and investment authority over the shares held by these trusts.

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- (11) Includes 120,303 shares of Class A common stock held by the Ram Shriram GRAT #5 Trust; 120,303 shares of Class A common stock held by the Vijay Shriram GRAT #5 Trust; 155,238 shares of Class A common stock held by Vidjealatchoumy Shriram; and 129,888 shares of Class A common stock held by Janket Ventures Limited Partnership. Ram is a trustee of all the above trusts and has voting and investment authority over the shares held by these trusts.
- (12) Includes 8,500 shares of Class A common stock issuable upon exercise of options that are fully vested and exercisable.
- (13) Includes 1,081,266 shares of Class A common stock and 65,355,658 shares of Class B common stock held by the directors and executive officers. Also includes 200,389 shares of Class A common stock and 5,837 shares of Class B common stock held by the directors and executive officers issuable upon exercise of options that are exercisable within 60 days of March 31, 2011, and 2,228 shares of Class A common stock issuable upon vesting of GSUs within 60 days of March 31, 2011.
- (14) Based on the most recently available Schedule 13G filed with the SEC on February 4, 2011 by BlackRock, Inc. The address for BlackRock, Inc. is 40 East 52nd Street, New York, New York, 10022.
- (15) Based on the most recently available Schedule 13G filed with the SEC on February 14, 2011 by FMR LLC. Includes 15,599,589 shares of Class A common stock beneficially owned by Fidelity Management & Research Company (Fidelity) in its capacity as an investment advisor; 153,236 shares of Class A common stock beneficially owned by Strategic Advisers, Inc., in its capacity as an investment advisor; 526,476 shares of Class A common stock beneficially owned by FIL Limited (FIL); 227,839 shares of Class A common stock beneficially owned by Pyramis Global Advisors, LLC (PGALLC); and 589,201 shares of Class A common stock beneficially owned by Pyramis Global Advisors Trust Company (PGATC). Fidelity and Strategic Advisers, Inc. are wholly owned subsidiaries of FMR LLC, a parent holding company. FIL operates as an entity independent of FMR LLC. PGALLC and PGATC are indirect wholly owned subsidiaries of FMR LLC. Both entities hold the shares as a result of serving as either investment advisor to or investment manager of institutional accounts. Edward C. Johnson 3d, Chairman of FMR LLC, and members of his family, directly or through trusts, own approximately 49% of the voting power of FMR LLC, and approximately 39% of the voting power of FIL, and have certain other rights to influence the management of these entities. According to the same Schedule 13G, FMR LLC and FIL are of the view that they are not acting as a group for purposes of Section 13(d) under the Exchange Act and that they are not otherwise required to attribute to each other the beneficial ownership of securities beneficially owned by the other corporation. However, FMR LLC reports that it filed the Schedule 13G on a voluntary basis as if all of the shares were beneficially owned by FMR LLC and FIL on a joint basis. The address of Fidelity and Strategic Advisers, Inc. is 82 Devonshire Street, Boston, Massachusetts 02109. The address of FIL is Pembroke Hall, 42 Crow Lane, Hamilton, Bermuda. The address of PGALLC and PGATC is 900 Salem Street, Smithfield, Rhode Island, 02917.

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**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Exchange Act requires our directors, executive officers, and holders of more than 10% of our Class A and Class B common stock to file with the SEC reports regarding their ownership and changes in ownership of our securities. We believe that, during 2010, our directors, executive officers, and 10% stockholders complied with all Section 16(a) filing requirements, with the exceptions noted below.

A late Form 4 report was filed for Shona L. Brown, our former Senior Vice President, Business Operations, on June 18, 2010 to report an award of 5,321 GSUs and an option for 10,462 shares of Class A common stock on February 3, 2010.

A late Form 4 report was filed for Jonathan J. Rosenberg, our former Senior Vice President, Product Management, on August 9, 2010 to report the exercise of options to purchase 240 shares of Class B common stock, the conversion of the 240 shares to Class A common stock, the transfer of the 240 shares of Class A common stock to his trust, and the sale of such shares, effective August 4, 2010.

A late Form 4 report was filed for K. Ram Shriram on October 19, 2010 to report the conversion of 16,883 shares of Class B common stock held by his limited partnership to 16,883 shares of Class A common stock, effective January 5, 2010.

In making these statements, we have relied upon examination of the copies of Forms 3, 4, and 5, and amendments to these forms, provided to us and the written representations of our directors, executive officers, and 10% stockholders.

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**CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

**Related Party Transactions Policy and Procedure**

Our Related Party Transactions Policy provides that we will only enter into or ratify a transaction with a related party when our board of directors, acting through the Audit Committee, determines that the transaction is in the best interests of Google and its stockholders.

For the purposes of this policy, a related party means:

a member of the board of directors (or a nominee to the board of directors);

an executive officer;

any person who is known to be the beneficial owner of more than 5% of any class of our securities;

any immediate family member of any of the persons listed above; or

any firm, corporation, partnership, or other entity in which any of the persons listed above is employed (or is a general partner or principal or in a similar position) or in which any of the persons listed above has a 5% or greater beneficial ownership interest.

We review all known relationships and transactions in which Google and our directors, executive officers, and significant stockholders or their immediate family members are participants to determine whether such persons have a direct or indirect interest. Our legal staff, in consultation with our finance team, is primarily responsible for developing and implementing processes and controls to obtain information regarding our directors, executive officers, and significant stockholders with respect to related party transactions and then determining, based on the facts and circumstances, whether Google or a related party has a direct or indirect interest in these transactions. On a periodic basis, the legal and finance teams review all transactions involving payments between Google and any company that has a Google executive officer or director as an officer or director. In addition, our directors and executive officers are required to notify us of any potential related party transactions and provide us with the information regarding such transactions.

If our legal department determines that a transaction is a related party transaction, the Audit Committee must review the transaction and either approve or disapprove it. If advance approval of a transaction is not feasible, the chair of the Audit Committee may approve the transaction and the transaction may be ratified by the Audit Committee in accordance with the Related Party Transactions Policy. In determining whether to approve or ratify a transaction with a related party, the Audit Committee will take into account all of the relevant facts and circumstances available to it, including, among any other factors it deems appropriate:

the benefits to us of the transaction;

the nature of the related party's interest in the transaction;

whether the transaction would impair the judgment of a director or executive officer to act in the best interests of Google and our stockholders;

the potential impact of the transaction on a director's independence; and

whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances.

Any member of the Audit Committee who is a related party with respect to a transaction under review may not participate in the deliberations or vote on the approval of the transaction.

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### **Related Party Transactions**

#### *Indemnification Agreements*

We have entered into an indemnification agreement with each of our directors and executive officers. The indemnification agreements and our certificate of incorporation and bylaws require us to indemnify our directors and executive officers to the fullest extent permitted by Delaware law.

#### *Corporate Use of Personal Aircraft*

Eric E. Schmidt, our Executive Chairman, beneficially owns 100% of one aircraft and 33% of another aircraft, both of which are used by Eric and our other executive officers from time to time for business trips. The reimbursement rate for use of these aircraft is \$7,500 per hour. The board of directors approved this hourly reimbursement rate based upon a competitive analysis of comparable chartered aircraft and which our board of directors determined was at or below market rates for the charter of similar aircraft. In 2010, we used these aircraft for business-related travel services for certain of our executive officers, including Eric, and we reimbursed Eric approximately \$1.2 million. Due to the fact that the \$7,500 hourly costs paid for the use of these aircraft is less than the actual operational costs incurred by Eric as owner of these aircraft, Eric does not profit from the use of these aircraft and therefore does not have a monetary interest in these transactions.

#### *Payments to Stanford University*

In 2010, we paid approximately \$2.4 million to Stanford University. Of this amount, approximately \$1.7 million primarily represented donations for scholarships and other philanthropic endeavors and approximately \$600,000 related to the license by Stanford of patents, including the PageRank patent, to Google. Pursuant to Stanford's standard royalty arrangements with its students who develop patents in the course of their studies at Stanford, Stanford shares a portion of the royalty revenues associated with some of these patent licenses with Larry and Sergey. John L. Hennessy, President of Stanford University, is a member of our board of directors. In addition, K. Ram Shriram, another member of our board of directors, serves on the Stanford Board of Trustees. Neither John nor Ram have a direct interest in any of the transactions described above.

#### *X PRIZE Foundation*

In 2010, we donated approximately \$1.3 million to the X PRIZE Foundation. The X PRIZE Foundation is an educational nonprofit prize institute whose mission is to create radical breakthroughs for the benefit of humanity. Larry is a Trustee of the X PRIZE Foundation and is our Chief Executive Officer, one of our founders, and a member of our board of directors. As of March 31, 2011, Larry beneficially owned approximately 39.6% of our Class B common stock. He does not have a direct interest in this transaction.

#### *Investment in 23andMe*

In November 2010, Google Ventures invested approximately \$3.2 million in the Series C preferred stock financing of 23andMe, Inc., a privately-held personal genetics company dedicated to helping individuals understand their own genetic information through DNA analysis technologies and web-based interactive tools. Google Inc. is the sole limited partner of Google Ventures, and previously invested approximately \$3.9 million in the Series A preferred stock financing of 23andMe in May 2007 and approximately \$2.6 million in the Series B preferred stock financing of 23andMe in June 2009. In November 2007, we purchased additional shares of Series A preferred stock of 23andMe held by an investor in 23andMe's Series A preferred stock financing for approximately \$500,000. Google Ventures made its investment in the Series C preferred stock financing of 23andMe pursuant to Google's existing right to purchase its pro rata share of new securities issued by 23andMe. We continue to hold a minority interest in 23andMe as a result of the Series C investment. In June 2009, we also entered into a lease agreement with 23andMe under which 23andMe leases office space from us. The terms and conditions of the lease with 23andMe were reviewed by an independent real estate appraiser.

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23andMe's Series C financing involved a number of additional investors, including two new investors. Anne Wojcicki, who is a co-founder, President and CEO of 23andMe, and who is also a stockholder and member of its board of directors, is married to Sergey, one of our founders. As of March 31, 2011, Sergey beneficially owned approximately 39.1% of our Class B common stock. Sergey is also an investor in 23andMe and invested approximately \$3.4 million in 23andMe's Series C preferred stock financing. The valuation of the Series C investment was determined by negotiations between the new investors and 23andMe in which neither Google nor Google Ventures played any role.

*Investment in Certain Private Companies in 2010*

Google Ventures invested in certain private companies in 2010 alongside Kleiner Perkins Caufield & Byers as a co-investor:

In December 2010, Google Ventures invested approximately \$2 million in the Series A preferred stock financing of a provider of technology solutions to the solar industry.

In July 2010, Google Ventures invested approximately \$10 million in the Series B preferred stock financing of a biopharmaceutical company.

In April 2010, Google Ventures invested approximately \$9.2 million in the Series C preferred stock financing of a provider of high-performance and high-efficiency transistors. KPCB Holdings, Inc., as nominee for certain funds of Kleiner Perkins Caufield & Byers and several of the managers of the fund, holds more than 5% of the outstanding shares of each of the above entities. L. John Doerr, who is a member of our board of directors, is a managing director of these funds and the general partner of certain Kleiner Perkins Caufield & Byers funds.

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**DIRECTOR COMPENSATION**

**Board Compensation Arrangements**

Google's director compensation program is designed to enable continued attraction and retention of highly qualified directors by ensuring that director compensation is in line with peer companies competing for director talent, and is designed to address the time, effort, expertise, and accountability required of active board membership. In general, the Nominating and Corporate Governance Committee and the LDC Committee believe that annual compensation for non-employee directors should consist of both a cash component, designed to compensate members for their service on the board of directors and its committees, and an equity component, designed to align the interests of directors and stockholders and, by vesting over time, to create an incentive for continued service on the board. The LDC Committee reviews the compensation programs for non-employee directors on an annual basis.

We did not make any changes to our standard compensation arrangements and practices for non-employee directors in 2010. Our employee directors, Eric, Larry, and Sergey, did not receive any compensation for their services as members of our board of directors in 2010.

Our standard compensation arrangement for non-employee directors consists of an annual \$350,000 Google Stock Unit (GSU) grant and an annual \$75,000 cash retainer. GSUs are restricted stock unit awards of our Class A common stock that are paid out in installments. These grants and payments are made on the first Wednesday of the month following each annual stockholder meeting. In addition, a \$25,000 annual cash retainer is paid to the Audit Committee chairperson.

In 2010, we awarded our standard compensation arrangement to L. John Doerr, John L. Hennessey, and Paul S. Otellini. K. Ram Shriram declined his compensation and therefore did not receive GSUs or an annual cash retainer. Consistent with our revised compensation arrangement as disclosed in 2009, Ann Mather and Shirley M. Tilghman each received a one-time \$500,000 GSU grant in 2010 as their previously awarded equity grants became fully vested in the last quarter of 2010. Starting in 2011, they will receive our standard annual compensation arrangement.

We calculate the exact number of GSUs comprising equity grants by dividing the target dollar amount by the closing price of Google's Class A common stock on the day prior to grant. GSUs vest at the rate of 1/4th on the first anniversary of the grant date and an additional 1/16th each quarter thereafter, subject to continued service on the board of directors on the applicable vesting date. All GSUs are granted under and subject to the terms and conditions of our 2004 Stock Plan and its related grant agreements.

We reimburse our directors for reasonable expenses in connection with attendance at board of directors and committee meetings.

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The following table summarizes compensation paid to non-employee directors during 2010.

<b>Name</b>	<b>Fees Earned or Paid in Cash (\$)</b>	<b>Stock Awards (\$)<sup>(1)</sup></b>	<b>Total (\$)</b>
L. John Doerr <sup>(2)</sup>	75,000	358,187	433,187
John L. Hennessy <sup>(3)</sup>	75,000	358,187	433,187
Ann Mather <sup>(4)</sup>		507,915	507,915
Paul S. Otellini <sup>(5)</sup>	75,000	358,187	433,187
K. Ram Shriram			
Shirley M. Tilghman <sup>(6)</sup>		504,206	504,206

(1) The amounts in the stock awards column reflect the aggregate grant date fair value of GSUs granted to directors in 2010 calculated in accordance with FASB ASC Topic 718. The grant date fair value of each GSU granted to (a) John Doerr, John Hennessy, and Paul was \$493.37, (b) Ann was \$564.35, and (c) Shirley was \$620.18.

(2) At December 31, 2010, 1,485 GSUs were outstanding.

(3) At December 31, 2010, 1,485 GSUs and options to purchase 5,499 shares of Class B common stock were outstanding.

(4) At December 31, 2010, 900 GSUs and options to purchase 12,000 shares of Class A common stock were outstanding.

(5) At December 31, 2010, 1,485 GSUs were outstanding.

(6) At December 31, 2010, 813 GSUs and options to purchase 8,500 shares of Class A common stock were outstanding.

\* \* \* \* \*

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**EXECUTIVE COMPENSATION**

**Compensation Discussion and Analysis**

This section discusses the objectives, policies, and elements of our executive compensation program and analyzes our decisions concerning compensation for our named executive officers Eric, Larry, and Sergey, our Chief Financial Officer and our three other most highly compensated executive officers during the fiscal year ended December 31, 2010:

Eric E. Schmidt Chairman of the Board of Directors and Chief Executive Officer (CEO) in 2010 (Executive Chairman of the Board of Directors as of April 2011)

Larry Page President, Products in 2010 (Chief Executive Officer as of April 2011)

Sergey Brin President, Technology in 2010 (Co-Founder as of April 2011)

Patrick Pichette Senior Vice President and Chief Financial Officer

Nikesh Arora Senior Vice President and Chief Business Officer

Shona L. Brown Senior Vice President, Business Operations in 2010 (Senior Vice President, Google.org as of April 2011)

Alan Eustace Senior Vice President, Engineering & Research in 2010 (Senior Vice President, Knowledge as of April 2011)

*Executive Summary*

Our compensation programs reflect our philosophy to pay all of our employees, including our named executive officers, in ways that support three primary business objectives:

Attract and retain the world's best talent.

Support our culture of innovation and performance.

Align employee interests with long-term stockholder interests in the overall success of Google.

To help achieve these objectives, we intend our named executive officers' compensation to be primarily at risk with significant upside potential for strong performance, as well as downside exposure for underperformance. We believe this is appropriate given our named executive officers' ability to influence Google's overall performance. Through our bonus programs, we annually measure and reward both individual and company performance. Our equity compensation plans emphasize longer-term success and prudent risk management. Our bonus and equity compensation programs form the basis of our pay-for-performance philosophy.

In 2010, our financial results demonstrated significant year-over-year growth in revenue (24% to \$29.32 billion) and operating income (25% to \$10.38 billion). Based on these results, our 2010 performance exceeded the goals established under our executive bonus plan at the start of the year for both non-GAAP revenue (17% above goal of \$25.06 billion) and non-GAAP operating income (20% above goal of \$9.81 billion), each

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as defined under the heading "Company Performance Measurement" below.

Although we intend for performance-based incentives and rewards to be substantial when warranted, these incentives are secondary to career growth, work environment, and engaging work opportunities. We seek to develop a highly-motivated and collaborative workforce that pursues achievements for the sake of progress and innovation before individual gain. When Google and individual executives achieve our goals, we ensure that appropriately significant economic rewards follow.

None of the named executive officers has any type of employment agreement or severance arrangement with us. We generally do not provide supplemental retirement benefits to the named executive officers, nor do we provide change in control benefits to these officers that are not available to employees generally.

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Larry and Sergey have voluntarily elected to receive only nominal cash compensation. Their primary compensation continues to come from returns on their ownership stakes in Google. As significant stockholders, their personal wealth is tied directly to sustained stock price appreciation and performance, which provides direct alignment with stockholder interests. Starting in 2011, in connection with Eric's new role as Executive Chairman, Eric has agreed to accept compensation as outlined below under "Recent Cash Compensation Changes," and "2011 Equity Awards."

We review our compensation philosophy and practices, including those for our named executive officers, with the LDC Committee on an ongoing basis so that the LDC Committee can recommend changes, if needed, to keep our employees aligned with our business objectives.

Effective January 1, 2011, we increased base salaries for all of our non-executive employees by 10%, as well as shifted a portion of the bonus into base salary. See "Recent Cash Compensation Changes" below for the changes to cash compensation for our executive officers.

### *Comparative Framework*

We review both our cash and equity compensation relative to that of market comparable companies.

We analyze market pay rates at least annually using the most directly-relevant published survey sources available, including surveys from Radford, Towers Watson, and IPAS. In addition, we analyze information reported in our peer companies' SEC filings for all direct pay elements, including salary, cash incentives, and equity. For our named executive officers in 2010, we considered peers to be companies that met at least three of the following criteria:

High-technology or media company.

Key labor market competitor (e.g., Microsoft, Yahoo, Amazon, eBay).

High-growth, with a minimum of 50% of Google's revenue and/or headcount growth over the previous two-year period.

\$10 billion or more in annual revenues.

\$50 billion or more in market capitalization.

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The following companies met these criteria as of the first quarter of 2010 and were selected as peer companies by the LDC Committee (the reported fiscal year reflects data available at the time we completed our analysis in the first quarter of 2010):

Company	Reported Fiscal Year	Revenues (in millions)	Market Cap (in millions)	Headcount	Headcount Growth Over Previous Two-Year Period	Revenue Growth Over Previous Two-Year Period
Amazon.com	12/31/08	\$ 19,166	\$ 21,978	20,700	49%	79%
Apple	9/30/08	\$ 32,479	\$ 101,036	32,000	80%	68%
Cisco	7/31/09	\$ 36,117	\$ 127,424	65,550	7%	3%
eBay	12/31/08	\$ 8,541	\$ 17,910	16,200	29%	43%
Hewlett-Packard	10/31/09	\$ 114,552	\$ 112,203	304,000	106%	29%
IBM	12/31/08	\$ 103,630	\$ 112,916	398,455	12%	13%
Intel	12/31/08	\$ 37,586	\$ 81,539	83,900	-11%	6%
Microsoft	6/30/09	\$ 58,437	\$ 211,807	93,000	18%	14%
Oracle	5/31/09	\$ 23,252	\$ 98,092	86,000	15%	29%
Qualcomm	9/30/08	\$ 11,142	\$ 71,136	15,400	38%	48%
Walt Disney	9/30/08	\$ 37,843	\$ 56,808	150,000	13%	10%
Yahoo!	12/31/08	\$ 7,209	\$ 17,009	13,600	19%	12%
90 <sup>th</sup> Percentile		\$ 99,111	\$ 125,973	288,600	77%	66%
75 <sup>th</sup> Percentile		\$ 42,992	\$ 112,381	107,250	40%	44%
50 <sup>th</sup> Percentile		\$ 34,298	\$ 89,815	74,725	19%	22%
25 <sup>th</sup> Percentile		\$ 17,160	\$ 48,100	19,575	13%	12%
Google 2009	12/31/09	\$ 23,651	\$ 197,012	19,835	18%	43%
<i>Google 2009 Percentile Rank</i>		<i>37%</i>	<i>98%</i>	<i>26%</i>	<i>47%</i>	<i>72%</i>

In addition to these peer benchmarks for our named executive officers' current roles, we also consider their likely future role if they were to leave Google. In many cases, the next step in career progression outside of Google for our named executive officers would likely be the CEO role at another large company (e.g., an S&P 500 company). With this in mind, we review CEO compensation levels and trends across companies in the S&P 500 to further inform our compensation decisions for all named executive officers. This enables us to better assess the range of compensation needed to attract, retain, and motivate our executive talent.

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In the first quarter of 2011, we completed our annual peer group review using the same criteria as those applied in 2010. Based on this review, we made no changes to our peer group. Although two of our 2009 peers (eBay and Yahoo!) no longer met three of our five criteria in 2010, we elected to include them because they are within the high-technology industry and are among our most significant labor market competitors. Our 2011 peer group is below (the reported fiscal year reflects data available at the time we completed our analysis in the first quarter of 2011):

Company	Reported Fiscal Year	Revenues (in millions)	Market Cap (in millions)	Headcount	Headcount Growth Over Previous Two-Year Period	Revenue Growth Over Previous Two-Year Period
Amazon.com	12/31/09	\$ 24,509	\$ 59,800	24,300	43%	65%
Apple	9/30/10	\$ 65,225	\$ 260,286	46,600	46%	101%
Cisco	7/31/10	\$ 40,040	\$ 128,852	70,700	7%	1%
eBay	12/31/09	\$ 8,727	\$ 30,566	16,400	6%	14%
Hewlett-Packard	10/31/10	\$ 126,033	\$ 92,085	324,600	1%	6%
IBM	12/31/09	\$ 95,758	\$ 170,040	399,409	3%	-3%
Intel	12/31/09	\$ 35,127	\$ 112,690	79,800	-8%	-8%
Microsoft	6/30/10	\$ 62,484	\$ 199,119	89,000	-2%	3%
Oracle	5/31/10	\$ 26,820	\$ 113,442	105,000	25%	20%
Qualcomm	9/30/10	\$ 10,991	\$ 73,007	17,500	14%	-1%
Walt Disney	9/30/10	\$ 38,063	\$ 62,678	149,000	-1%	1%
Yahoo!	12/31/09	\$ 6,460	\$ 23,495	13,900	-3%	-7%
90 <sup>th</sup> Percentile		\$ 92,705	\$ 196,211	307,040	41%	61%
75 <sup>th</sup> Percentile		\$ 63,169	\$ 139,149	116,000	16%	15%
50 <sup>th</sup> Percentile		\$ 36,595	\$ 102,388	75,250	5%	2%
25 <sup>th</sup> Percentile		\$ 21,130	\$ 61,958	22,600	-1%	-2%
Google 2010	12/31/10	\$ 29,321	\$ 190,843	24,400	21%	35%
Google 2010 Percentile Rank		39%	88%	27%	78%	85%
<i>Elements of Compensation</i>						

Our named executive officer compensation program includes three main elements:

Base salary.

Cash bonuses.

Stock-based incentives in the form of stock options and GSUs.

As discussed under the heading Comparative Framework above, we review compensation against our peer group, as well as CEO compensation levels and trends in S&P 500 companies.

In 2010, we intended to generally align our named executive officer compensation against the market as follows:

Element of Compensation	Percentile
Base Salary	75 <sup>th</sup>
Target Total Cash	75 <sup>th</sup>
Target Equity	90 <sup>th</sup>

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We believe the resulting compensation mix supported our goal of providing primarily at risk compensation with significant upside potential for strong performance, as well as downside exposure for underperformance.

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In 2011, we increased compensation, with an emphasis on total target cash, for our named executive officers to remain competitive with other outside employment opportunities. Going forward, we intend to generally align named executive officer compensation against the market as follows:

<b>Element of Compensation</b>	<b>Percentile</b>
Base Salary	90 <sup>th</sup>
Target Total Cash	90 <sup>th</sup> to 95 <sup>th</sup>
Target Equity	90 <sup>th</sup> to 95 <sup>th</sup>

*Pay Mix*

The 2010 pay mix for our named executive officers, excluding Eric, Larry, and Sergey is shown in the tables below. Total compensation for 2010 includes base salary, target bonus, and the fair value of equity grants made in 2010. Actual cash compensation for 2010 includes base salary and the 2010 actual bonuses approved by the LDC Committee.

**2010 Total Compensation**

<b>Element of Compensation</b>	<b>Pay Mix (as percentage of total compensation)</b>
Base Salary	2% to 4%
Bonus at Target	4% to 7%
Equity	89% to 94%

**2010 Actual Cash Compensation**

<b>Element of Compensation</b>	<b>Pay Mix (as percentage of actual cash compensation)</b>
Base Salary	15% to 21%
2010 Actual Bonus	79% to 85%

*Role of Executives in Determining Compensation*

In 2010, Eric and Shona, together with the LDC Committee and our internal compensation team, reviewed an assessment of our executive compensation practices against our defined comparative framework. Eric then made recommendations to the LDC Committee regarding our pay practices for executive officers. Any changes to our pay practices were approved by the LDC Committee before they were made.

*Base Salary*

We intend base salaries to provide named executive officers with a reasonable base level of monthly income relative to their job functions and the level of market-competitive salaries. In 2004, Eric, Larry, and Sergey requested that their salaries each be reduced to \$1 per year. However, due to their strong leadership and Google's strong overall performance, we have offered each of them market-competitive salaries at the beginning of each year since 2005. Eric, Larry, and Sergey each declined these offers in 2010 and instead elected to receive base salaries of \$1.

We establish base salaries for our other named executive officers based on the scope of their responsibilities, market data, and internal equity. We review salaries at least annually and may adjust them from time to time if



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needed to reflect changes in market conditions. To determine 2010 salary recommendations for each executive, Eric reviewed the market data discussed above with Larry and Sergey and made a recommendation to the LDC Committee for review and final approval.

Although we generally differentiate salaries by role and by individual for most positions at Google, we have continued to maintain salaries at the same level for all of our named executive officers other than Eric, Larry, Sergey, and Shona due to the similar scope of their overall organizational leadership responsibilities across Google. In the first quarter of 2010, the LDC Committee and board of directors reviewed our named executive officers' base salaries, and decided to increase the standard salary for each named executive officer to \$500,000. Shona's salary (along with her bonus and equity grants) is prorated to 75% of this amount as this roughly matches the percentage of her full time that she spends on matters related to her role at Google. Shona's percentage of actual time worked is actively tracked on a quarterly basis and reported to the LDC Committee. In the LDC Committee's assessment, Shona continues to contribute at levels similar to other named executive officers. However, at Shona's request and with the approval of the LDC Committee, we have prorated her compensation levels.

*Cash Incentives Executive Bonus Plan*

Our executive bonus plan provides an annual variable cash incentive designed to motivate participants to achieve our financial and other performance objectives and reward executives for their achievements when those objectives are met. All of our named executive officers, other than Eric, Larry, and Sergey participated in the executive bonus plan in 2010. Since 2004, the LDC Committee has offered Eric, Larry, and Sergey the opportunity to participate in each year's executive bonus plan, but they continued to decline to participate in 2010.

For the 2010 fiscal year, we calculated bonuses under the executive bonus plan using the following formula:

*Individual Performance Measurement.* At the beginning of 2010, we set broad annual operational, strategic, and financial goals. These goals served as the foundation of personal goals for each Googler. In fact, many named executive officers retain the company goals as their own personal goals. For named executive officers, these goals were agreed to with the CEO at the start of the year. At the end of the year, together with our internal compensation team, the CEO assessed each executive's performance against the pre-established goals and provided the LDC Committee with a performance appraisal, which included a performance rating. The LDC Committee used this assessment to inform its discretion in determining the individual component of the cash bonus. This performance appraisal process was largely subjective, with much discretion exercised by our CEO and the LDC Committee. There was no specific weight given to any one individual goal or performance criterion. The assessment was based on our CEO's and the LDC Committee's determinations regarding how well the executive performed his or her job, and such assessment is qualitative, not quantitative, in nature. For example, when our CEO and the LDC Committee determined how well each executive grew his or her organization, they placed more importance on the quality of the new hires than on the number or percentage of people hired. The performance appraisal process was the same for each of our named executive officers with the exception of Eric, Larry, and Sergey. Eric, Larry, and Sergey did not receive any plan-based bonus in 2010. Larry and Sergey were not measured against formal performance goals. Eric's performance goals were set by the LDC Committee and were subsequently reviewed by the full board of directors.

*Company Performance Measurement.* Eric and Shona, working with our internal compensation team and upon consultation with the LDC Committee, proposed bonus funding metrics under our executive bonus plan for 2010. The proposed company performance metrics were based on equal weighting of non-GAAP operating income at 50% and non-GAAP revenue at 50%. The 2010 formula established goals for non-GAAP operating income and non-GAAP revenue at \$9.81 billion and \$25.06 billion, respectively. For 2010, non-GAAP operating

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income consisted of GAAP operating income excluding stock-based compensation expense and the direct sales of Nexus One, and non-GAAP revenue consisted of GAAP revenue excluding Nexus One revenue. The LDC Committee reviewed and approved the proposed performance metrics based on its assessment that the proposed goals were reasonable and aligned with stockholder interests. Our 2010 non-GAAP operating income and non-GAAP revenue for purposes of the executive bonus plan were \$11.75 billion and \$29.21 billion, respectively, which resulted in a multiplier of 224% for executives.

In 2010, the target bonus percentage for each participating named executive officer was 150% of base salary. The Individual and Company Multipliers are each derived based on performance and are equally weighted. The Individual Multiplier reflects each executive's individual performance and is determined at the LDC Committee's discretion based on the Individual Performance Measurement process described above. Individual performance that meets expectations yields a 100% multiplier. The Company Multiplier was determined based on pre-established financial objectives as described in the Company Performance Measurement process above. The Company Multiplier is typically the same for all the named executive officers. Company performance that meets expectations yields a 100% multiplier.

If both individual and company performance had met expectations, then the bonus for our named executive officers would have been 150% of salary. Actual bonuses can range from zero to a maximum of \$4.5 million, based on performance.

While performance targets are established at levels that are intended to be achievable for both the Company Multiplier and the Individual Multiplier, a maximum bonus payout would require very high levels of both individual and company performance, which we believe are possible, but highly unlikely to be achieved. In the six years of operating the executive bonus plan, we have not paid the maximum amount to an executive. Generally, the LDC Committee sets the target and maximum performance requirements such that relative difficulty of achievement is consistent from year to year.

Once the LDC Committee finalizes the performance goals, it has no discretion to modify them; however, the LDC Committee has reserved negative discretion to reduce or eliminate any actual award under the executive bonus plan. In addition, the board of directors retains authority to pay additional discretionary bonuses outside the executive bonus plan if warranted by performance not measured under the plan. In 2010, our board of directors did not authorize any such discretionary bonus payments outside of the executive bonus plan to our executive officers.

Executive Officer	Executive Bonus Plan and Other Cash Compensation		
	Formula Executive Bonus Plan (\$)	Bonus (\$) <sup>(1)</sup>	Total Executive Bonus Plan & Other Cash (\$)
Eric E. Schmidt		1,785	1,785
Larry Page		1,785	1,785
Sergey Brin		1,785	1,785
Patrick Pichette	2,700,000	1,875	2,701,875
Nikesh Arora	2,700,000	1,875	2,701,875
Shona L. Brown	1,300,000	1,875	1,301,875
Alan Eustace	1,800,000	1,875	1,801,875

<sup>(1)</sup> Consists of 2010 holiday bonus, which generally represented \$1,000 net of tax withholding for each employee.

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### *Recent Cash Compensation Changes*

In November 2010, as part of a broad-based review of our compensation programs, the LDC Committee approved significant changes to the cash compensation for all of our employees, including our named executive officers, effective as of January 1, 2011. As Google grows, we are increasingly competing for talent against companies that have aggressive cash compensation positioning. Based on this, the LDC Committee approved base salary increases for our named executive officers other than Eric, Larry, and Sergey. Increased base salaries are as follows: \$650,000 annually to Patrick, Nikesh, and Alan and \$487,500 annually to Shona (prorated to be at 75% of the \$650,000 salary paid to other named executive officers).

In combination with these salary increases, the LDC Committee also approved changes to the executive bonus program. The target bonus percentage for all named executive officers other than Eric, Larry, and Sergey was increased to 250% from 150%. In addition, starting with the 2011 fiscal year, bonuses for named executive officers under the executive bonus plan will be calculated using the following formula:

As disclosed in our Form 8-K filed with the SEC on November 12, 2010, the 2011 base salary and target bonus percentage changes described above result in an 82% year-over-year increase in target total cash compensation (increased to \$2.28 million from \$1.25 million).

However, since the revised bonus formula functionally averages the Individual and Company Multipliers (instead of multiplying them together, as in 2010), it becomes more difficult to achieve a maximum bonus payout. Actual total cash compensation in 2011 would increase approximately 20% assuming similar levels of individual and company performance. As in prior years, actual bonuses can range from zero to a maximum of \$4.5 million.

Separately, in connection with the management changes that we announced in January 2011, the LDC Committee has offered and Eric has accepted annual cash compensation. Effective as of April 4, 2011, Eric agreed to receive an annual base salary of \$1.25 million and a target bonus of 400% of base salary. Eric's actual bonus payment for 2011 can range from zero to a maximum of \$6.0 million.

### *Equity Compensation*

We use equity compensation to further align our named executive officers' interests with those of our stockholders and to attract and retain high-caliber executives through recognition of anticipated future performance. We determine appropriate grant amounts, if any, by reviewing competitive market data, individual performance assessments and business objectives with the LDC Committee at least annually. Under our 2004 Stock Plan, we can grant stock options, GSUs, restricted stock, and other equity awards to employees, including our named executive officers.

In early 2009, the LDC Committee formalized our policy of biennial equity grants in odd number years for our named executive officers. However, in 2010, because of SEC rule changes requiring the disclosure of the aggregate grant date fair value of equity awards granted in the fiscal year rather than the dollar amount recognized for financial statement purposes for the fiscal year, the LDC Committee determined that annual equity awards would give stockholders a more transparent and understandable view of our named executive officers' compensation. Therefore, the LDC Committee approved an annual grant for 2010 in November 2010. Going forward, we expect these annual equity awards to be made in the first quarter of every year.

The 2010 equity awards were made in December 2010 to each of our named executive officers, with the exception of Eric, Larry, and Sergey. These awards acknowledged the scope of our named executive officers

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leadership and their contributions to Google. In addition, on February 2010, we made an equity grant to Shona as, unlike other named executive officers, she had not received a grant in 2009. This grant was intended to reflect both her historical role in our success and her expected future performance. All equity awards were reviewed and approved by the LDC Committee within the context of our market 90<sup>th</sup> percentile equity target.

We generally grant stock options and GSUs in the ratio of two stock options for each GSU. We believe the ratio of these awards offers an appropriate balance between a leveraged upside opportunity and a reliable level of income. A stock option is the right to purchase shares of our Class A common stock at a fixed exercise price for a fixed period of time. GSUs are restricted stock unit awards of our Class A common stock that are paid out in installments.

Name	Total Value of Equity Awards Granted <sup>(1)</sup> (in millions) (\$)	Number of Options Granted <sup>(1)</sup> (#)	Number of GSUs Granted <sup>(1)</sup> (#)
Eric E. Schmidt			
Larry Page			
Sergey Brin			
Patrick Pichette	20.0	39,990	19,995
Nikesh Arora	20.0	39,990	19,995
Shona L. Brown <sup>(2)</sup>	15.0	30,458	15,229
Alan Eustace	10.0	19,996	9,998

<sup>(1)</sup> Consistent with our equity granting practice, stock options and GSUs were granted on December 1, 2010 (the first Wednesday of the month following the date on which the LDC Committee approved the grants). The exact number of stock options comprising the equity award was calculated by dividing option grant value (which is equal to 4/9ths of the total value of the equity award) by 40% of the closing price of our Class A common stock on November 30, 2010. The exact number of GSUs comprising the equity award was calculated by dividing the GSU grant value (which is equal to 5/9ths of the total value of the equity award) by the closing price of our Class A common stock on November 30, 2010, which was \$555.71. All equity awards are rounded up to the nearest whole share. Shares subject to the options began vesting on December 1, 2010 (vesting commencement date) as follows: (i) 1/4th of such shares shall vest 12 months after the vesting commencement date, and (ii) 1/48th of such shares shall vest each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates. The GSUs vest as follows: (i) 1/4th of such GSUs shall vest 12 months after the grant date, and (ii) 1/16th of such GSUs shall vest each quarter thereafter until all GSUs are fully vested, subject to continued employment with Google on the applicable vesting dates.

<sup>(2)</sup> Shona received 5,231 GSUs and 10,462 options on February 3, 2010 based on the closing price of our Class A common stock on February 2, 2010 of \$531.12. Shona also received 9,998 GSUs and 19,996 options on December 1, 2010 based on the closing price of our Class A common stock on November 30, 2010 of \$555.71.

Eric, Larry, and Sergey did not hold any stock options at the 2010 fiscal year-end, and all of their stock holdings were fully vested. They requested not to be considered for additional equity awards in 2010. The LDC Committee will continue to review their compensation opportunities on an ongoing basis and recommend changes, if needed, to maintain alignment with business objectives.

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In the first quarter of 2011, in accordance with our recently updated annual equity granting practice, we made equity awards to our named executive officers, excluding Eric, Larry, and Sergey who requested not to be considered. Separately, we made equity awards in the aggregate amount of \$100.0 million to Eric in connection with the management changes that we announced in January 2011.

Name	Total Value of Equity Awards Granted <sup>(1)</sup> (in millions) (\$)	Number of Options Granted <sup>(1)</sup> (#)	Number of GSUs Granted <sup>(1)</sup> (#)
Eric E. Schmidt <sup>(2)</sup>	100.0	181,840	90,920
Larry Page			
Sergey Brin			
Patrick Pichette	15.0	29,288	14,644
Nikesh Arora	20.0	39,050	19,525
Shona L. Brown	5.0	9,764	4,882
Alan Eustace	10.0	19,526	9,763

<sup>(1)</sup> Consistent with our equity granting practice, stock options and GSUs were granted on April 6, 2011 (the first Wednesday of the month following the date on which the LDC Committee approved the grants). Beginning nine months after the date of grant, 1/48th of shares shall vest each month until the award is fully vested. The exact number of stock options comprising the equity award was calculated by dividing the option grant value (which is equal to 4/9ths of the total value of the equity award) by 40% of the closing price of our Class A common stock on April 5, 2011. The exact number of GSUs comprising the equity award was calculated by dividing the GSU grant value (which is equal to 5/9ths of the total value of the equity award) by the closing price of our Class A common stock on April 5, 2011, which was \$569.09. All equity awards are rounded up to the nearest whole share.

<sup>(2)</sup> Eric received his awards on February 2, 2011 (the first Wednesday of the month following the date on which the LDC Committee approved the grants), based on the closing price of our Class A common stock on February 1, 2010 of \$611.04. 1/4th of shares shall vest 12 months after grant date and 1/16th vest each quarter thereafter until shares are fully vested.

*Risk Considerations*

The LDC Committee believes that the following risk oversight and compensation design features guard against excessive risk-taking:

The board of directors as a whole has responsibility for risk oversight. The board regularly reviews certain areas of focus of the relevant board committees. The committees regularly report on their deliberations to the board. In addition, the board reviews the strategic, financial, and execution risks and exposures associated with the financial, operational, and capital decisions that serve as inputs to our compensation programs (see page 18 of this proxy statement for additional information about the role of the board of directors in the risk oversight process).

The majority of compensation provided to our named executive officers is performance-based. Our named executive officers are motivated to carefully assess risks in order to protect their compensation expectations.

Through discussions with the CEO, the LDC Committee gains valuable insight regarding a reasonable range of future company performance expectations and we incorporate this information in the design of the funding structure of our executive bonus plan.

In order to ensure a long-term focus by management, we mitigate the incentive provided by our annual bonus program. While the performance-based cash bonuses under our executive bonus plan are based on the achievement of annual target goals, the amount of such bonuses are based on a percentage of base



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salary, capped under the executive bonus plan, and represent a small percentage of the executives' overall total compensation opportunities. Furthermore, the LDC Committee has negative discretion under the executive bonus plan to reduce bonus payments based on individual performance.

Given that a high percentage of our overall pay mix for named executive officers is equity-based:

We provide named executive officers with a competitive base salary to provide them with a steady income. This allows our named executive officers to focus more on Google's long-term performance than on short-term stock price fluctuations.

We design our executive bonus plan to ensure our named executive officers remain focused on financial performance metrics that drive long-term stockholder value, such as non-GAAP operating income and non-GAAP revenue. At the same time, our use of equity awards subject to vesting conditions mitigates the potential for decisions that in isolation benefit short-term results but that may not be consistent with our long-term interests.

Equity grants typically vest over a four-year vesting period to ensure our named executive officers have significant value tied to long-term stock price performance.

Our named executive officers are subject to stock ownership guidelines, as detailed below. This ensures that each named executive officer will hold a significant amount of our equity to further align their interests with those of our stockholders over the long term.

We prohibit speculative and hedging transactions involving our securities, as described more fully below. As a result, our executive officers cannot insulate themselves from the effects of poor Google stock price performance.

We have internal controls over financial reporting, the measurement and calculation of compensation goals, and other financial, operational, and compliance policies and practices that are designed to keep our compensation programs from being susceptible to manipulation by any employee, including our named executive officers.

The LDC Committee has also reviewed our compensation programs for employees generally and has concluded that these programs do not create risks that are reasonably likely to have a material adverse effect on the company. The LDC Committee believes that the design of our annual cash and long-term equity incentives provides an effective and appropriate mix of incentives to help ensure that our performance is focused on long-term stockholder value creation and does not encourage the taking of short-term risks at the expense of long-term results. In general, bonus opportunities for our employees are capped, and we have discretion to reduce bonus payments (or pay no bonus) based on individual performance and any other factors that we may determine to be appropriate in the circumstances. As with the compensation of our named executive officers, a substantial portion of the compensation for employees generally is delivered in the form of equity awards that help further align the interests of employees with those of stockholders.

### *Timing of Equity Grants*

Pursuant to a policy adopted by the LDC Committee in 2005, the effective grant date for all ongoing equity awards to executive officers, members of our board of directors, and non-employee advisors is the first Wednesday of the month following the date on which the LDC Committee approves the dollar value of the equity award, unless otherwise specified by our board of directors or the LDC Committee. All stock option grants to named executive officers are granted with an exercise price equal to or above the fair market value of the underlying stock on the date of grant. The LDC Committee does not grant equity compensation awards in anticipation of the release of material nonpublic information. Similarly, we do not time the release of material nonpublic information based on equity award grant dates.

**Table of Contents***Stock Ownership Guidelines*

To align our named executive officers' and directors' interests with those of our stockholders, the board of directors has instituted stock ownership guidelines under our corporate governance guidelines as follows: (i) Eric, Larry, and Sergey must own at least 7,500 shares of Google stock; (ii) our Senior Vice Presidents must own at least 2,000 shares of Google stock; and (iii) each director must own at least 500 shares of Google stock. Our executive officers shall have five years to meet these ownership requirements, and our directors have two years to do so.

*Transactions in Company Securities*

We have an insider trading policy, which among other things prohibits employees, officers, and directors from engaging in any speculative or hedging transactions in our securities. Hedging transactions such as puts, calls, collars, swaps, forward sale contracts, exchange funds, and similar arrangements or instruments designed to hedge or offset decreases in the market value of Google's securities are prohibited. No employee, including named executive officers, or director may engage in short sales of Google securities, hold Google securities in a margin account or pledge Google securities as collateral for a loan.

*Post-Employment and Change in Control Payments*

We have no agreements with any of our named executive officers that provide for additional or accelerated compensation on the termination of the executive's employment or a change in control of Google, except as set forth below.

Upon a change in control of Google and unless our board of directors or LDC Committee determines otherwise, if the successor corporation refuses to assume or substitute the equity awards held by our employees, including our named executive officers, unvested options and unvested GSUs will fully vest. The table below shows our estimates of the amount of the benefit each of our named executive officers would have received if the unvested options and unvested GSUs held by them as of December 31, 2010 had become fully vested as a result of a change in control. The estimated benefit amount of unvested options was calculated by multiplying the number of unvested options held by the applicable named executive officer by the difference between the closing price of our Class A common stock on December 31, 2010, which was \$593.97, and the exercise price of the option. The estimated benefit amount does not take into account any premium from our TSO program. The estimated benefit amount of unvested GSUs was calculated by multiplying the number of unvested GSUs by the closing price of our Class A common stock on December 31, 2010, which was \$593.97. No values are shown in the table below for Eric, Larry, and Sergey because they had no unvested options or GSUs as of December 31, 2010.

Name	Number of Unvested Options at December 31, 2010 (#)	Estimated Benefit of Unvested Options at December 31, 2010 (\$)	Number of Unvested GSUs at December 31, 2010 (#)	Estimated Benefit of Unvested GSUs at December 31, 2010 (\$)	Total Estimated Benefit (\$)
Patrick Pichette	85,805	13,862,603	41,976	24,932,485	38,795,088
Nikesh Arora	71,487	9,974,986	60,597	35,992,800	45,967,786
Shona L. Brown	39,833	3,823,962	16,167	9,602,713	13,426,675
Alan Eustace	51,701	9,442,127	20,850	12,384,275	21,826,402

*162(m) Tax Deductibility*

Section 162(m) of the Code may preclude us from deducting certain forms of non-performance-based compensation in excess of \$1,000,000 to named executive officers. We expect the payments made pursuant to our executive bonus plan for the 2010 fiscal year to be eligible for deduction.

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### *Perquisites and Other Benefits*

Our named executive officers, like our other employees, participate in various employee benefit plans, including medical, dental, and vision care plans, flexible spending accounts for healthcare, life, accidental death, and dismemberment and disability insurance, employee assistance programs (e.g., confidential counseling), and paid time off. As with our other employees, we also paid life insurance premiums for the benefit of our named executive officers, other than Eric, Larry, and Sergey in 2010.

In addition, we maintain both a pre-tax 401(k) and a Roth 401(k) Retirement Savings Plan for the benefit of all of our employees, including our named executive officers. In 2010, we provided a company match equal to the greater of 100% of contributions up to \$3,000; or 50% of contributions up to a maximum company match of \$8,250 per employee, which our named executive officers also were able to receive. Our company match is fully vested to all employees, including named executive officers, at the time of contribution. As is the case with all employees, named executive officers are not taxed on their contributions to the pre-tax 401(k) Plan or earnings on those contributions until they receive distributions from the pre-tax 401(k) Plan, and all Google contributions are deductible by us when made. For the Roth 401(k) Plan, employees (including named executive officers) are taxed on their contributions to the plan, and all Google contributions are deductible by us when made. Eric, Larry, and Sergey did not participate in the 401(k) company match in 2010.

In 2010, we paid for personal security and amounts related to the personal use of non-commercial aircraft for Eric.

We regularly review the perquisites that named executive officers receive.

### *No Additional Executive Benefit Plans*

Since we do not generally differentiate the benefits we offer our named executive officers from the benefits we offer our other employees, we also do not maintain any executive retirement programs such as executive pension plans, deferred compensation plans, or other executive retirement benefits.

## **Leadership Development and Compensation Committee Report**

The LDC Committee has reviewed and discussed the Compensation Discussion and Analysis with management. Based on its review and discussions with management, the LDC Committee recommended to our board of directors that the Compensation Discussion and Analysis be included in our Annual Report on Form 10-K for 2010 and this proxy statement.

### **LEADERSHIP DEVELOPMENT AND COMPENSATION COMMITTEE**

Paul S. Otellini, Chair

L. John Doerr

**Table of Contents****Summary Compensation Table**

The following table sets forth information regarding the compensation to our named executive officers for the fiscal year ended December 31, 2010.

Name and Principal Position	Year	Salary <sup>(1)</sup> (\$)	Bonus <sup>(2)</sup> (\$)	Stock Awards <sup>(3)</sup> (\$)	Option Awards <sup>(4)</sup> (\$)	Non-Equity Incentive Plan	All Other Compensation <sup>(5)</sup>	Total (\$)
						Compensation (\$)	Compensation <sup>(5)</sup> (\$)	
Eric E. Schmidt <i>Chairman of the Board and Chief Executive Officer</i>	2010	1	1,785				311,433 <sup>(6)</sup>	313,219
	2009	1	1,660				243,661 <sup>(7)</sup>	245,322
	2008	1					508,763 <sup>(8)</sup>	508,764
Larry Page <i>President, Products</i>	2010	1	1,785					1,786
	2009	1	1,729					1,730
	2008	1						1
Sergey Brin <i>President, Technology</i>	2010	1	1,785					1,786
	2009	1	1,660					1,661
	2008	1						1
Patrick Pichette <i>Senior Vice President and Chief Financial Officer</i>	2010	492,115	1,875	11,284,178	8,118,775	2,700,000	10,209	22,607,152
	2009	450,000	501,738	10,887,291	10,815,604 <sup>(9)</sup>	2,022,300	9,810	24,686,743
	2008	173,077 <sup>(10)</sup>	500,000	3,587,244	2,037,836	1,244,282	88,203 <sup>(11)</sup>	7,630,642
Nikesh Arora <i>Senior Vice President and Chief Business Officer</i>	2010	492,115	1,875	11,284,178	8,118,775	2,700,000	9,925	22,606,868
	2009	450,000	1,738	15,730,752	6,445,584 <sup>(12)</sup>	3,213,000	478,611 <sup>(13)</sup>	26,319,685
Shona L. Brown <i>Senior Vice President, Business Operations</i>	2010	351,346	1,875	8,471,401	6,134,381	1,300,000	9,739	16,268,742
Alan Eustace <i>Senior Vice President, Engineering &amp; Research</i>	2010	492,115	1,875	5,642,371	4,059,590	1,800,000	9,768	12,005,719
	2009	450,000	1,738	5,443,645	7,238,242 <sup>(14)</sup>	2,022,300	10,338	15,166,263
	2008	450,000				1,376,251		1,826,251

(1) Effective March 1, 2010, annual salaries were increased to \$500,000 from \$450,000 for Patrick, Nikesh, and Alan; Shona's annual salary was increased to \$375,000 from \$225,000.

(2) The amounts in the bonus column consist of the holiday bonus for 2009 and 2010, which generally represented \$1,000 net of tax withholding for each employee and Patrick's sign-on bonus in 2008 and 2009.

(3) Amounts reflect the aggregate grant date fair value of stock awards computed in accordance with FASB ASC Topic 718 and are not necessarily an indication of which executives received the most gains from previously granted equity awards. The grant date fair value of each GSU award is measured based on the closing price of our Class A common stock on the date of grant.

(4) Amounts reflect the aggregate grant date fair value of option awards, as well as any modification charge computed in accordance with FASB ASC Topic 718 and are not necessarily an indication of which executives received the most gains from previously granted equity awards. The fair value of each option grant is estimated based on the fair market value on the date of grant and using the Black-Scholes-Merton option pricing model. For a more detailed discussion on the valuation model and assumptions used to calculate the fair value of our options, refer to notes 1 and 13 to the consolidated financial statements contained in our 2010 Annual Report on Form 10-K filed on February 11, 2011.

(5) All other compensation consists of Google's 401(k) company match of up to \$8,250, life insurance premiums paid by Google for the benefit of the named executive officer, and the market value of a holiday gift given to each employee, net of tax withholding, unless otherwise noted.

(6) Consists of \$268,012 for personal security and approximately \$43,421 paid by Google on Eric's behalf for costs related to aircraft chartered for Google business on which family and friends flew in 2010.

(7) Consists of \$233,542 for personal security and approximately \$10,119 paid by Google on Eric's behalf for costs related to aircraft chartered for Google business on which family and friends flew in 2009.

(8) Consists of \$402,562 for personal security and approximately \$106,201 paid by Google on Eric's behalf for costs related to aircraft chartered for Google business on which family and friends flew in 2008.



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- (9) Reflects \$10,178,481 in options granted for 2009 and \$637,123 in exchanged options. On March 9, 2009, we completed our option exchange offer. This program allowed our employees, including our named executive officers, other than Eric, Larry, and Sergey to exchange eligible options with an exercise price greater than \$308.57 per share, on a one-for-one basis for replacement options. The exercise price per share of each replacement option was equal to \$308.57, the closing price of our stock on March 6, 2009. Replacement options have a new vesting schedule determined by adding 12 months to each vesting date under the eligible options' current vesting schedule. In addition, replacement options vested no sooner than six months after our option exchange offer closed.
- (10) The amount reflects salary paid to Patrick from his hire date of August 1, 2008 to December 31, 2008.
- (11) Consists of \$84,741 in relocation expenses pursuant to our North American Officer Relocation Policy and \$3,462 as Google's 401(k) company match.
- (12) Reflects \$4,616,463 in options granted for 2009 and \$1,829,121 in exchanged options pursuant to our option exchange offer.
- (13) Consists primarily of \$465,000 to offset certain qualifying relocation expenses (e.g., temporary housing, new home closing costs), pursuant to our North American Officer Relocation Policy and \$8,250 as Google's 401(k) company match.
- (14) Reflects \$5,089,240 in options granted for 2009 and \$2,149,002 in exchanged options pursuant to our option exchange offer.

**Grants of Plan-Based Awards in 2010**

The following table provides information regarding the amount of awards under our executive bonus plan and equity awards granted in 2010 for each of the named executive officers.

Name	Grant Date	LDC Committee Approved	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards <sup>(1)</sup>		All Other Stock Awards: Number of Share of Stock or Units (#)	Equity Grants <sup>(2)</sup>		Grant Date Fair Value of Stock and Option Awards (\$)
			Threshold (\$)	Target (\$)		Maximum (\$)	All Other Option Awards: Number of Securities Underlying Options (#)	
Eric E. Schmidt								
Larry Page								
Sergey Brin								
Patrick Pichette			750,000	4,500,000				
	12/1/2010	11/8/2010				39,990	564.35	8,118,775
	12/1/2010	11/8/2010			19,995			11,284,178
Nikesh Arora			750,000	4,500,000				
	12/1/2010	11/8/2010				39,990	564.35	8,118,775
	12/1/2010	11/8/2010			19,995			11,284,178
Shona L. Brown			562,500	4,500,000				
	12/1/2010	11/8/2010				19,996	564.35	4,059,591
	12/1/2010	11/8/2010			9,998			5,642,372
	2/3/2010	1/24/2010				10,462	540.82	2,074,790
	2/3/2010	1/24/2010			5,231			2,829,029
Alan Eustace			750,000	4,500,000				
	12/1/2010	11/8/2010				19,996	564.35	4,059,590
	12/1/2010	11/8/2010			9,998			5,642,371

- (1) This column reflects our annual incentive plan awards provided under the Google Executive Bonus Plan. The target amounts shown represent the target awards pre-established as a percentage of salary. The maximum amounts shown represent the greatest payout that can be made if the pre-established maximum performance level is met or exceeded. Actual 2010 Executive Bonus Plan payouts are reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table.

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- (2) Stock awards (GSUs) and option awards (options to purchase shares of our Class A common stock) are shown at their aggregate grant date fair value, as well as any modification charge in accordance with FASB ASC Topic 718, and are not necessarily an indication of which executives received the most gains from previously granted equity awards. The fair value of each option grant is estimated based on the fair market value on the date of grant and using the Black-Scholes-Merton option pricing model. The fair value of each GSU award is measured based on the closing price of our Class A common stock on the date of grant. For a more detailed discussion on the valuation model and assumptions used to calculate the fair value of our options, refer to notes 1 and 13 to the consolidated financial statements contained in our 2010 Annual Report on Form 10-K filed on February 11, 2011.

**Description of Plan-Based Awards**

All options and GSUs granted to the named executive officers in fiscal year 2010 were granted under the 2004 Stock Plan and are governed by the terms and conditions of the 2004 Stock Plan and the applicable award agreements. See pages 40 and 56-60 of this proxy statement for a discussion of options and GSUs.

**Outstanding Equity Awards at 2010 Fiscal Year-End**

The following table provides information on the current holdings of stock options and unvested GSUs by our named executive officers at December 31, 2010.

Name	Option Grant Date	Option Awards		Option Exercise Price (\$)	Option Expiration Date	Stock Awards	
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable			Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested <sup>(1)</sup> (\$)
Eric E. Schmidt							
Larry Page							
Sergey Brin							
Patrick Pichette	12/1/2010 <sup>(2)</sup>		39,990	564.35	12/1/2020		
	12/1/2010 <sup>(3)</sup>					19,995	11,876,430
	3/9/2009 <sup>(4)(5)</sup>	231	7,409	308.57	8/6/2018		
	3/4/2009 <sup>(6)</sup>	1,422	38,406	318.92	3/4/2019		
	3/4/2009 <sup>(3)</sup>					19,203	11,406,006
	8/6/2008 <sup>(7)</sup>					2,778	1,650,049
Nikesh Arora	12/1/2010 <sup>(2)</sup>		39,990	564.35	12/1/2020		
	12/1/2010 <sup>(3)</sup>					19,995	11,876,430
	4/15/2009 <sup>(3)</sup>					16,942	10,063,040
	3/9/2009 <sup>(4)(8)</sup>	146	3,209	308.57	10/5/2017		
	3/9/2009 <sup>(4)(9)</sup>	208	4,584	308.57	10/5/2017		
	3/9/2009 <sup>(4)(10)</sup>	250	2,750	308.57	11/22/2016		
	3/9/2009 <sup>(4)(11)</sup>	350	1,750	308.57	5/17/2016		
	3/4/2009 <sup>(6)</sup>	711	19,204	318.92	3/4/2019		
	3/4/2009 <sup>(3)</sup>					9,602	5,703,300
	3/5/2008 <sup>(3)</sup>					14,058	8,350,030
Shona L. Brown	12/1/2010 <sup>(2)</sup>		19,996	564.35	12/1/2020		
	12/1/2010 <sup>(3)</sup>					9,998	5,938,512
	2/3/2010 <sup>(12)</sup>		10,462	540.82	2/3/2020		
	2/3/2010 <sup>(3)</sup>					5,231	3,107,057
	3/9/2009 <sup>(4)(13)</sup>	20,265	9,375	308.57	3/1/2017		
	3/1/2007 <sup>(3)</sup>					938	557,144
	4/1/2004	16		26.00	4/1/2014		

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Name	Option Grant Date	Option Awards		Option Exercise Price (\$)	Option Expiration Date	Stock Awards	
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable			Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested <sup>(1)</sup> (\$)
Alan Eustace	12/1/2010 <sup>(2)</sup>		19,996	564.35	12/1/2020		
	12/1/2010 <sup>(3)</sup>					9,998	5,938,512
	3/9/2009 <sup>(4)(14)</sup>	24,499	12,501	308.57	3/1/2017		
	3/4/2009 <sup>(6)</sup>	14,934	19,204	318.92	3/4/2019		
	3/4/2009 <sup>(3)</sup>					9,602	5,703,300
	3/1/2007 <sup>(3)</sup>					1,250	742,463

- (1) The market value of unvested GSUs is calculated by multiplying the number of unvested GSUs held by the applicable named executive officer by the closing price of our Class A common stock on December 31, 2010, which was \$593.97.
- (2) Shares subject to this option began vesting on December 1, 2010 (vesting commencement date) as follows: (i) 1/4th of such shares shall vest 12 months after the vesting commencement date, and (ii) 1/48th of such shares shall vest each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates.
- (3) These GSUs vest as follows: (i) 1/4th of such GSUs shall vest 12 months after the grant date, and (ii) 1/16th of such GSUs shall vest each quarter thereafter until all GSUs are fully vested, subject to continued employment with Google on the applicable vesting dates.
- (4) On March 9, 2009, we completed our option exchange offer. Each of Nikesh, Patrick, Shona, and Alan exchanged all of their eligible options for replacement options. Replacement options have a new vesting schedule determined by adding 12 months to each vesting date from the original options' vesting schedule. In addition, replacement options began vesting no sooner than six months after the option exchange offer closed. The exercise price per share of each replacement option is \$308.57, the closing price of our Class A common stock on March 6, 2009.
- (5) The vesting schedule of the shares subject to this replacement option is as follows: (i) 1/4th of such shares vested on August 1, 2010, and (ii) 1/48th of such shares shall vest each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates.
- (6) Shares subject to this option began vesting on March 4, 2009 (vesting commencement date) as follows: (i) 1/4th of such shares shall vest 12 months after the vesting commencement date, and (ii) 1/48th of shares shall vest each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates.
- (7) These GSUs began vesting on August 1, 2008 (vesting commencement date) as follows: 1/4th of such GSUs shall vest annually beginning 12 months after the vesting commencement date and thereafter until all shares are fully vested, subject to continued employment with Google on the applicable vesting dates.
- (8) The vesting schedule of the shares subject to this replacement option is as follows: (i) 1,750 shares vested on October 5, 2009, and (ii) 1/48th of the total shares subject to the replacement option shall vest each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates.
- (9) The vesting schedule of the shares subject to this replacement option is as follows: (i) 2,500 shares vested on October 5, 2009, and (ii) 1/48th of the total shares subject to the replacement option shall vest each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates.
- (10) The vesting schedule of the shares subject to this replacement option is as follows: (i) 5,250 shares vested on September 9, 2009, and (ii) 1/48th of the total shares subject to the replacement option shall vest on September 22, 2009 and each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates.

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- (11) The vesting schedule of the shares subject to this replacement option is as follows: (i) 1,749 shares vested on September 9, 2009, (ii) 2,101 shares shall vest ratably over the nine-month period starting on September 17, 2009 and ending on May 17, 2010, and (iii) 350 shares shall vest each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates.
- (12) Shares subject to this option began vesting on February 3, 2010 (vesting commencement date) as follows: (i) 1/4th of such shares shall vest 12 months after the vesting commencement date, and (ii) 1/48th of shares shall vest each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates.
- (13) The vesting schedule of the shares subject to this replacement option is as follows: (i) 11,250 shares vested on September 9, 2009, and (ii) 1/48th of the total shares subject to the replacement option shall vest on October 1, 2009 and each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates.
- (14) The vesting schedule of the shares subject to this replacement option is as follows: (i) 14,999 shares vested on September 9, 2009, and (ii) 1/48th of the total shares subject to the replacement option shall vest on October 1, 2009 and each month thereafter until the option is fully vested, subject to continued employment with Google on the applicable vesting dates.

**Option Exercises and Stock Vested in Fiscal 2010**

The following table provides information for the named executive officers on stock option exercises and sales of vested stock options under our TSO Program during the year ended December 31, 2010, including the number of shares acquired upon exercise and the value realized, before payment of any applicable withholding tax and broker commissions, and GSUs that vested during the same period.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise <sup>(1)</sup> (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting <sup>(2)</sup> (\$)
Eric E. Schmidt				
Larry Page				
Sergey Brin				
Patrick Pichette	31,920	7,550,903 <sup>(3)</sup>	16,324	8,632,654
Nikesh Arora	33,176	8,895,563 <sup>(3)</sup>	28,879	15,618,909
Shona L. Brown	2,332	1,255,902	3,750	1,891,571
Alan Eustace	3,000	876,800 <sup>(3)</sup>	12,467	6,501,501

- (1) The value realized on exercise is calculated as the difference between the actual sales price of the shares underlying the options exercised and the applicable exercise price of those options.
- (2) The value realized on vesting is calculated based on the closing sales price of our Class A common stock on the Nasdaq Global Select Market on the day before vesting.
- (3) The value realized upon exercise includes a TSO premium of \$522,247, \$246,228, and \$23,190 for Patrick, Nikesh, and Alan, respectively. The TSO premium is calculated as the difference between (a) the sale price of the TSO, and (b) the intrinsic value of the TSO, which we define as the excess, if any, of the price of our Class A common stock at the time of the sale over the exercise price of the TSO.

**Potential Payments Upon Termination or Change in Control**

We have no agreements with any of our named executive officers that provide for additional or accelerated compensation on the termination of the executive's employment or a change in control of Google, except as set forth under Post-Employment and Change in Control Payments above.

\* \* \* \* \*

**Table of Contents****EQUITY COMPENSATION PLAN INFORMATION**

The following table summarizes our equity compensation plan information as of December 31, 2010. Information is included for equity compensation plans approved by our stockholders and equity compensation plans not approved by our stockholders. We will not grant equity awards in the future under any of the equity compensation plans not approved by our stockholders included in the table below. The table does not include the additional shares that may be issuable pursuant to the proposed amendment to add an additional 1,500,000 shares to the 2004 Stock Plan that is the subject of Proposal Number 3 of this proxy statement.

<b>Plan Category</b>	<b>Class of Common Stock</b>	<b>(a) Common Shares to be Issued Upon Exercise of Outstanding Options, Warrants and Rights</b>	<b>(b) Weighted-average Exercise Price of Outstanding Options, Warrants and Rights<sup>(1)</sup> (\$)</b>	<b>(c) Common Shares Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))</b>
Equity compensation plans approved by our stockholders	Class A	17,849,150 <sup>(2)</sup>	339.71	15,804,954 <sup>(3)</sup>
Equity compensation plans approved by our stockholders	Class B	193,662 <sup>(4)</sup>	4.95	
Equity compensation plans not approved by our stockholders	Class A	149,749 <sup>(5)</sup>	42.90	
Total	Class A	17,998,899	335.80	15,804,954
Total	Class B	193,662	4.95	
Total	Class A and Class B	18,192,561	330.24	15,804,954

<sup>(1)</sup> The weighted average exercise price is calculated based solely on the outstanding options. It does not take into account the shares issuable upon vesting of outstanding GSUs, which have no exercise price.

<sup>(2)</sup> Includes options to purchase a total of 11,182,011 shares and GSUs representing the right to acquire 6,667,139 shares of our Class A common stock outstanding under our 2003 Stock Plan, 2003 Stock Plan (No. 3), and 2004 Stock Plan.

<sup>(3)</sup> Represents shares of common stock available for issuance under our 2004 Stock Plan. Shares available for issuance under our 2004 Stock Plan can be granted pursuant to stock options, stock appreciation rights, dividend equivalent rights, restricted stock, performance units, performance shares, and any other stock-based award selected by the plan administrator.

<sup>(4)</sup> Includes options to purchase shares outstanding under our 1998 Stock Plan, 2000 Stock Plan, and 2003 Stock Plan (No. 2).

<sup>(5)</sup> Consists of common shares to be issued upon exercise of outstanding options under the following plans which have been assumed by us in connection with certain of our acquisition transactions: the 1999 Stock Option/Stock Issuance Plan assumed by us in connection with our acquisition of Applied Semantics, Inc. in April 2003, the Employee Bonus Plan assumed by us in connection with our acquisition of Picasa, Inc. in July 2004, the 2000 Equity Incentive Plan assumed by us in connection with our acquisition of Keyhole, Inc. in October 2004, the 2005 Stock Plan assumed by us in connection with our acquisition of YouTube, Inc. in November 2006, the 2005 Stock Incentive Plan assumed by us in connection with our acquisition of DoubleClick Inc. in March 2008, and the 2006 Stock Plan assumed by us in connection with our acquisition of AdMob, Inc. in May 2010.

\* \* \* \* \*

**Table of Contents****INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM****Audit and Non-Audit Fees**

The following table sets forth the fees paid or accrued by us for the audit and other services provided by Ernst & Young LLP during the years ended December 31, 2009 and 2010 (in thousands):

	<b>2009</b>	<b>2010</b>
Audit Fees <sup>(1)</sup>	\$ 12,942	\$ 11,880
Audit Related Fees		
Tax Fees <sup>(2)</sup>	559	1,130
Total Fees	\$ 13,501	\$ 13,010

(1) Audit Fees: This category represents fees for professional services provided in connection with the audit of our financial statements, the audit of our internal control over financial reporting, and review of our quarterly financial statements, and audit services provided in connection with other regulatory or statutory filings for which we have engaged Ernst & Young LLP.

(2) Tax Fees: This category consists of tax compliance, tax planning, and tax advice including foreign tax return preparation and requests for rulings or technical advice from tax authorities.

**Pre-Approval of Audit and Non-Audit Services**

All audit and non-audit services provided by Ernst & Young LLP to us must be pre-approved in advance by our Audit Committee unless the following conditions are met:

The service is one of a set of permitted services that the independent auditor is allowed to provide;

The total amount of such services is less than or equal to \$100,000 during the fiscal year in which the services are provided; and

The services must be brought to the attention of the Audit Committee and approved prior to the completion of the annual audit. All other permitted services must be pre-approved by either the Audit Committee or a delegate of the Audit Committee. If pre-approval is obtained from a delegate of the Audit Committee, the service may be performed provided that the service must be presented to the Audit Committee at the next scheduled meeting.

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**REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

The Audit Committee (Committee) of the board of directors of Google is comprised entirely of independent directors who meet the independence requirements of the Listing Rules of the Nasdaq Stock Market and the Securities and Exchange Commission. The Committee operates pursuant to a charter that is available on the Investor Relations section of our website at <http://investor.google.com/corporate/board-committees-audit.html>. To view the charter, select Board Committees under Corporate Governance and then Audit Committee Charter.

The Committee oversees Google's financial reporting process and internal control structure on behalf of the board of directors. Management is responsible for the preparation, presentation, and integrity of the financial statements and the effectiveness of Google's internal control over financial reporting. Google's independent auditors are responsible for expressing an opinion as to the conformity of Google's consolidated financial statements with generally accepted accounting principles and as to the effectiveness of Google's internal control over financial reporting.

In performing its responsibilities, the Committee has reviewed and discussed with management and the independent auditors the audited consolidated financial statements in Google's Annual Report on Form 10-K for the year ended December 31, 2010. The Committee has also discussed with the independent auditors matters required to be discussed by the Statement on Auditing Standards No. 61, as amended (Codification of Statements on Auditing Standards, AU 380), as adopted by the Public Company Accounting Oversight Board (PCAOB) in Rule 3200T.

The Committee received written disclosures and the letter from the independent auditors pursuant to the applicable requirements of the PCAOB regarding the independent auditors' communications with the Committee concerning independence, and the Committee discussed with the auditors their independence.

Based on the reviews and discussions referred to above, the Committee unanimously recommended to the board of directors that the audited consolidated financial statements be included in Google's Annual Report on Form 10-K for the year ended December 31, 2010.

**AUDIT COMMITTEE**

Ann Mather, Chair

L. John Doerr

K. Ram Shriram

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**PROPOSALS TO BE VOTED ON**

**PROPOSAL NUMBER 1**

**ELECTION OF DIRECTORS**

**Nominees**

The Nominating and Corporate Governance Committee recommended, and the board of directors nominated:

Larry Page,

Sergey Brin,

Eric E. Schmidt,

L. John Doerr,

John L. Hennessy,

Ann Mather,

Paul S. Otellini,

K. Ram Shriram, and

Shirley M. Tilghman

as nominees for election as members of our board of directors at the Annual Meeting. At the Annual Meeting, nine directors will be elected to the board of directors. Arthur D. Levinson resigned from our board of directors effective October 12, 2009, resulting in one vacancy on the board. The board has not nominated an individual to fill the vacancy.

Except as set forth below, unless otherwise instructed, the persons appointed in the accompanying form of proxy will vote the proxies received by them for these nominees, who are all presently directors of Google. In the event that any nominee becomes unavailable or unwilling to serve as a member of our board of directors, the proxy holders will vote in their discretion for a substitute nominee. The term of office of each person elected as a director will continue until the next annual meeting or until a successor has been elected and qualified, or until the director's earlier death, resignation, or removal.

The sections titled "Directors and Executive Officers" and "Director Qualifications" on pages 11-12 and 19-21 of this proxy statement contain more information about the leadership skills and other experiences that caused the Nominating and Corporate Governance Committee and the board of directors to determine that these nominees should serve as directors of Google.

**Required Vote**

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The nine nominees receiving the highest number of affirmative FOR votes shall be elected as directors. Unless marked to the contrary, proxies received will be voted FOR these nominees.

### **Recommendation**

**Our board of directors recommends a vote FOR the election to the board of directors of each of the abovementioned nominees.**

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**PROPOSAL NUMBER 2**

**RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee of the board of directors has appointed Ernst & Young LLP as the independent registered public accounting firm to audit our consolidated financial statements for the fiscal year ending December 31, 2011. During the fiscal year ended December 31, 2010, Ernst & Young LLP served as our independent registered public accounting firm and also provided certain tax related services. See **Independent Registered Public Accounting Firm** on page 51 of this proxy statement. Notwithstanding its selection, the Audit Committee, in its discretion, may appoint another independent registered public accounting firm at any time during the year if the Audit Committee believes that such a change would be in the best interests of Google and its stockholders. If the appointment is not ratified by our stockholders, the Audit Committee may reconsider whether it should appoint another independent registered public accounting firm. Representatives of Ernst & Young LLP are expected to attend the Annual Meeting, where they will be available to respond to appropriate questions and, if they desire, to make a statement.

**Required Vote**

Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011 requires the affirmative **FOR** vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote thereon. Unless marked to the contrary, proxies received will be voted **FOR** ratification of the appointment of Ernst & Young LLP.

**Recommendation**

**Our board of directors recommends a vote FOR the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011.**

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**PROPOSAL NUMBER 3**

**APPROVAL OF AN AMENDMENT TO GOOGLE S 2004 STOCK PLAN**

At the Annual Meeting, stockholders will be asked to approve an amendment to the Google Inc. 2004 Stock Plan (Plan) in order to increase the maximum number of shares of our Class A common stock that may be issued under the Plan by 1,500,000 shares.

In March 2011, the LDC Committee recommended, and the full board of directors adopted, subject to stockholder approval, an amendment to the Plan to increase the share reserve by 1,500,000 shares of Class A common stock. Our stockholders have previously authorized us to issue under the Plan up to a total of 43,931,660 shares of Class A common stock, subject to adjustment upon certain changes in our capital structure.

The LDC Committee and the full board of directors believe that in order to successfully attract and retain the best possible candidates, we must continue to offer a competitive equity incentive program. As of December 31, 2010, 15,804,954 shares of our Class A common stock remained available for future grant of stock awards under the Plan, a number that the LDC Committee and the full board of directors believes to be insufficient to meet our anticipated needs. Therefore, the LDC Committee recommended, and the full board of directors approved, subject to stockholder approval, an amendment to increase the maximum number of shares of Class A common stock issuable under the Plan by 1,500,000 shares to a total of 45,431,660 shares of our Class A common stock, subject to adjustment upon certain changes in our capital structure.

**Summary of the Plan**

The following summary of the Plan is qualified in its entirety by the specific language of the Plan as proposed to be amended, which is included in this proxy statement as Appendix A.

*General.* Our board of directors originally adopted the Plan in April 2004, and it was subsequently approved by our stockholders in June 2004. In April 2005, our board of directors approved an amendment and restatement of the Plan and stockholders approved the amended and restated Plan in May 2005. In March 2006, our board of directors adopted an amendment to the Plan to increase the share reserve by 4,500,000 shares of Class A common stock and our stockholders approved the amendment in May 2006. In March 2007, our board of directors adopted an amendment to the Plan to increase the share reserve by 4,500,000 shares of Class A common stock and our stockholders approved the amendment in May 2007. In January 2008, our board of directors adopted an amendment to the Plan to increase the share reserve by 6,500,000 shares of Class A common stock and our stockholders approved the amendment in May 2008. In March 2009, our board of directors adopted an amendment to the Plan to increase the share reserve by 8,500,000 shares of Class A common stock and our stockholders approved the amendment in May 2009. In March 2010, our board of directors adopted an amendment to the Plan to increase the share reserve by 6,500,000 shares of Class A common stock and our stockholders approved the amendment in May 2010. The Plan provides for the grant of incentive stock options, within the meaning of Section 422 of the Code, to our employees and nonstatutory stock options, restricted stock, stock appreciation rights (SARs), performance units, performance shares, GSUs, and other stock-based awards to our employees, directors, and consultants. The purpose of the Plan is to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to our employees, directors, and consultants and employees and consultants of our parent and subsidiary companies, and to promote the success of our business.

*Common Stock Available Under the Plan.* Assuming stockholders approve this proposal, a total of 45,431,660 shares of Class A common stock will have been reserved for issuance pursuant to the Plan. On December 31, 2010, options to purchase a total of 11,025,895 shares and GSUs representing the right to acquire 6,667,139 shares of our Class A common stock were outstanding under the Plan. The outstanding stock options had a weighted average exercise price of \$343.96 per share. On December 31, 2010, 15,804,954 shares of our Class A common stock remained available for future issuance under our Plan.

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If an award expires or is terminated or canceled without having been exercised or settled in full, or is forfeited back to or repurchased by us, the terminated portion of the award (or forfeited or repurchased shares subject to the award) will become available for future grant or sale under the Plan (unless the Plan has terminated). Shares are not deemed to be issued under the Plan with respect to any portion of an award that is settled in cash or to the extent such shares are withheld in satisfaction of tax withholding obligations. If the exercise or purchase price of an award is paid for through the tender of shares, or tax withholding obligations are met through the tender or withholding of shares, those shares tendered or withheld will again be available for issuance under the Plan. However, shares that have actually been transferred to a financial institution or other person or entity selected by the Plan administrator will not be returned to the Plan and will not be available for future distribution under the Plan.

*Administration of the Plan.* Our board of directors, or one or more committees appointed by our board of directors, will administer our Plan (administrator). In the case of awards intended to qualify as performance-based compensation within the meaning of Section 162(m) of the Code, the LDC Committee will consist of two or more outside directors within the meaning of Section 162(m) of the Code to enable us to receive a federal tax deduction for certain compensation paid under the Plan. The administrator has the power to determine the terms of the awards, including the exercise price (which may be changed by the administrator after the date of grant), the number of shares subject to each award (subject to the limits under the Plan), the exercisability of the awards and the form of consideration payable upon exercise. The administrator also has the power to implement an award exchange program, an award transfer program (whereby awards may be transferred to a financial institution or other person or entity selected by the Plan administrator), and a program through which participants may reduce cash compensation payable in exchange for awards, and to create other stock-based awards that are valued in whole or in part by reference to (or are otherwise based on) shares of our Class A common stock (or the cash equivalent of such shares).

*Eligibility.* Nonstatutory stock options, restricted stock, SARs, performance units, performance shares, GSUs, and other stock-based awards may be granted under the Plan to our employees, directors, and consultants, and employees and consultants of any of our parent or subsidiary corporations. Incentive stock options may be granted only to employees. As of December 31, 2010, we had 24,400 employees, nine directors (including three employee directors) and 4,200 consultants, and temporary workers.

*Limitations.* Section 162(m) of the Code places limits on the deductibility for federal income tax purposes of compensation paid to certain of our executive officers. In order to preserve our ability to deduct the compensation income associated with certain awards granted to such persons, the Plan provides that no service provider may be granted, in any fiscal year, options and/or SARs to purchase more than an aggregate of 1,000,000 shares of Class A common stock and an aggregate of 500,000 restricted stock awards, GSUs, performance units, and/or performance shares.

*Options.* A stock option is the right to purchase shares of our Class A common stock at a fixed exercise price for a fixed period of time. Each option is evidenced by a stock option agreement and is subject to the following terms and conditions:

*Number of Options.* The administrator will determine the number of shares granted to any eligible individual pursuant to a stock option.

*Exercise Price.* The administrator will determine the exercise price of options granted under our Plan at the time the options are granted, but with respect to nonstatutory stock options intended to qualify as performance-based compensation within the meaning of Section 162(m) of the Code and all incentive stock options, the exercise price generally must be at least equal to the fair market value of our Class A common stock on the date of grant. The exercise price of an incentive stock option granted to a 10% stockholder may not be less than 110% of the fair market value on the date such option is granted. The fair market value of our Class A common stock generally is determined with reference to the closing sale price for our Class A common stock (or the closing bid if no sales were reported) on the day the option is granted. As of December 31, 2010, the closing price of our Class A common stock as reported on the Nasdaq Global Select Market was \$593.97 per share.

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*Exercise of Option; Form of Consideration.* The administrator determines the vesting schedule of options, and may in its discretion, accelerate the vesting of any outstanding option. The means of payment for shares issued upon exercise of an option is specified in each option agreement. To the extent permitted by applicable law, the Plan permits payment to be made by cash, check, promissory note, other shares of our Class A common stock (with some restrictions), cashless exercises, a reduction in the amount of our liability to the participant, any combination of the prior methods of payment, or any other form of consideration permitted by applicable law.

*Term of Option.* The term of stock options will be stated in the stock option agreement. However, the term of an incentive stock option may not exceed 10 years, except that with respect to any participant who owns 10% of the voting power of all classes of our outstanding capital stock, the term must not exceed five years. No option may be exercised after the expiration of its term.

*Termination of Service.* After termination of service, a participant will be able to exercise the vested portion of his or her option for the period of time stated in the award agreement. If no such period of a time is stated in a participant's award agreement, a participant will generally be able to exercise his or her option, to the extent to option is vested on the date of termination (including any unvested portion that may vest upon the participant's death) for (i) three months following his or her termination for reasons other than death or disability and (ii) 12 months following his or her termination due to death or disability (if the participant has died, the participant's estate, beneficiary designated in accordance with the administrator's requirements, or the person who acquires the right to exercise the option by bequest or inheritance may exercise the option). In no event will an option be exercisable later than the expiration of its term.

*Nontransferability of Options.* Unless otherwise determined by the administrator, options granted under the Plan are not transferable other than by will or the laws of descent and distribution and may be exercised during the optionee's lifetime only by the optionee. However, the administrator may at any time implement an award transfer program (whereby awards may be transferred to a financial institution or other person or entity selected by the Plan administrator). In April 2007, we initiated a transferable stock option program for options granted under the Plan, pursuant to which eligible employees are able to sell vested stock options to participating financial institutions as an alternative to exercising options in the traditional method and then selling the underlying shares.

*SARs.* A SAR is the right to receive the appreciation in the fair market value of our Class A common stock between the exercise date and the date of grant, for that number of shares of our Class A common stock with respect to which the SAR is exercised. We may pay the appreciation in either cash, in shares of our Class A common stock with equivalent value, or in some combination, as determined by the administrator. Each award of SARs is evidenced by an award agreement specifying the terms and conditions of the award. The administrator determines the exercise price of SARs, the vesting schedule, and other terms and conditions of SARs. The administrator also determines the number of shares granted to a service provider pursuant to a SAR.

After termination of service, a participant will be able to exercise the vested portion of his or her stock appreciation right for the period of time stated in the award agreement. If no such period of time is stated in a participant's award agreement, a participant will generally be able to exercise his or her stock appreciation right, to the extent that the stock appreciation right is vested on the date of termination (including any portion that may vest upon the participant's death) for (i) three months following his or her termination for reasons other than death or disability and (ii) 12 months following his or her termination due to death or disability (if the participant has died, the participant's estate, beneficiary designated in accordance with the administrator's requirements, or the person who acquires the right to exercise the option by bequest or inheritance may exercise the option). In no event will a stock appreciation right be exercised later than the expiration of its term.

*Restricted Stock.* Restricted stock awards are awards of shares of our Class A common stock that vest in accordance with terms and conditions established by the administrator. The administrator may impose whatever conditions to vesting it determines to be appropriate including, if the administrator has determined it is desirable

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for the award to qualify as performance-based compensation for purposes of Section 162(m) of the Code, that the restricted stock will vest based on the achievement of performance goals. Each award of restricted stock is evidenced by an award agreement specifying the terms and conditions of the award. The administrator will determine the number of shares of restricted stock granted to any employee. The administrator also determines the purchase price of any grants of restricted stock and, unless the administrator determines otherwise, shares that do not vest typically will be subject to forfeiture or to our right of repurchase, which we may exercise upon the voluntary or involuntary termination of the purchaser's service with us for any reason including death or disability.

*Google Stock Units.* GSUs are restricted stock unit awards of restricted stock, performance shares, or performance units that are paid out in installments or on a deferred basis. The administrator determines the terms and conditions of GSUs. Each GSU award will be evidenced by an award agreement that will specify terms and conditions as the administrator may determine in its sole discretion, including, without limitation, whatever conditions to vesting it determines to be appropriate. As with awards of restricted stock, performance shares, and performance units, the administrator may set restrictions with respect to the GSUs based on the achievement of specific performance goals. The administrator also determines the number of shares granted pursuant to a GSU award.

*Performance Shares and Performance Units.* Performance units and performance shares are awards that will result in a payment to a participant only if performance goals established by the administrator are achieved or the awards otherwise vest. The administrator will establish performance goals in its discretion, which, depending on the extent to which they are met, will determine the number and/or the value of performance units and performance shares to be paid out to participants. The performance goals may be based upon the achievement of company-wide, divisional, or individual goals (including solely continued service), applicable securities laws, or other basis determined by the administrator. Payment for performance units and performance shares may be made in cash or in shares of our Class A common stock with equivalent value, or in some combination, as determined by the administrator. Performance units will have an initial dollar value established by the administrator prior to the grant date. Performance shares will have an initial value equal to the fair market value of our Class A common stock on the grant date. The administrator also determines the number of performance shares and performance units granted to any employee. Each performance unit and performance share is evidenced by an award agreement and is subject to the terms and conditions determined by the administrator.

*Other Stock-Based Awards.* The administrator has the authority to create awards under the Plan in addition to those specifically described in the Plan. These awards must be valued in whole or in part by reference to, or must otherwise be based on, the shares of our Class A common stock (or the cash equivalent of such shares). These awards may be granted either alone, in addition to, or in tandem with, other awards granted under the Plan and/or cash awards made outside the Plan. Each other stock-based award will be evidenced by an award agreement that will specify terms and conditions as the administrator may determine.

*Vesting Acceleration Upon Death.* If a participant's service terminates due to the death of the participant, and if at the time of the participant's death the participant is not a Section 16 Officer, all unvested awards held by the participant will immediately accelerate in full upon the participant's death, and with respect to options and SARs, become exercisable. Participants who are Section 16 Officers at the time of their termination of service due to death are not eligible for such vesting acceleration.

*Transferability of Awards.* Unless the administrator determines otherwise, our Plan does not allow for the transfer of awards other than by will, by the laws of descent and distribution, or pursuant to an award transfer program which the administrator has reserved the discretion to implement from time to time. Only the participant may exercise an award during his or her lifetime.

*Performance Goals.* As discussed above, under Section 162(m) of the Code, the annual compensation paid to the chief executive officer and each of the other three most highly compensated executive officers (other than the chief financial officer) may not be deductible to the extent it exceeds \$1,000,000. However, we are able to

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preserve the deductibility of compensation in excess of \$1,000,000 if the conditions of Section 162(m) of the Code are met. These conditions include stockholder approval of the Plan, setting limits on the number of awards that any individual may receive, and for awards other than options and SARs, establishing performance criteria that must be met before the award actually will vest or be paid. The administrator (in its discretion) may make performance goals applicable to a participant. One or more of the following performance goals may apply: annual revenue, cash position, controllable profits, customer satisfaction MBOs, earnings per share, individual objectives, net income, new orders, operating cash flow, operating income, return on assets, return on equity, return on sales, and total stockholder return. The performance goals may differ from participant to participant and from award to award. Any criteria used may be measured, as applicable, in absolute terms or in relative terms (including passage of time and/or against another company or companies), on a per-share basis, against the performance of the company as a whole or any segment of the company, and on a pre-tax or after-tax basis.

*Adjustments upon Changes in Capitalization.* In the event that our stock changes by reason of any dividend (excluding an ordinary dividend) or other distribution, recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of our securities, or other similar change in our capital structure, the administrator will make the adjustments to the number and class of shares of Class A common stock subject to the Plan, the maximum number of shares of Class A common stock that may be issued to any individual in any fiscal year pursuant to awards, and the number, class, and price of shares of Class A common stock subject to any outstanding award.

*Adjustments upon Liquidation or Dissolution.* In the event of our liquidation or dissolution, any unexercised award will terminate. The administrator may, in its sole discretion, provide that each participant will have the right to exercise all or any part of the award, including shares as to which the award would not otherwise be exercisable.

*Adjustments upon Merger or Change in Control.* Our Plan provides that in the event of a merger with or into another corporation or our change in control, including the sale of all or substantially all of our assets, the successor corporation will assume or substitute an equivalent award for each outstanding award. Unless determined otherwise by the administrator, any outstanding options or SARs not assumed or substituted for will be fully vested and exercisable, including as to shares that would not otherwise have been vested and exercisable, for a period of up to 15 days from the date of notice to the holder of such award. The option or SAR will terminate at the end of such period. Unless determined otherwise by the administrator, any restricted stock, performance shares, performance units, GSUs, or other stock-based awards not assumed or substituted for will be fully vested as to all of the shares subject to the award, including shares which would not otherwise be vested. In the event an outside director is terminated immediately prior to or following a change in control, other than pursuant to a voluntary resignation, the awards he or she received under the Plan will fully vest and become immediately exercisable.

*Amendment and Termination of Our Plan.* Our Plan will automatically terminate in 2014, unless we terminate it sooner. In addition, our board of directors has the authority to amend, suspend, or terminate our Plan provided it does not adversely affect any award previously granted under our Plan.

## **Plan Benefits**

The amount and timing of awards granted under the Plan are determined in the sole discretion of the administrator and therefore cannot be determined in advance. The future awards that would be received under the Plan by executive officers and other employees are discretionary and are therefore not determinable at this time.

## **U.S. Federal Income Tax Information**

*Incentive Stock Options.* An optionee who is granted an incentive stock option does not recognize taxable income at the time the option is granted or upon its exercise, although the exercise is an adjustment item for alternative minimum tax purposes and may subject the optionee to the alternative minimum tax. Upon a

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disposition of the shares more than two years after grant of the option and one year after exercise of the option, any gain or loss is treated as long-term capital gain or loss. If these holding periods are not satisfied, the optionee recognizes ordinary income at the time of disposition equal to the difference between the exercise price and the lower of (i) the fair market value of the shares at the date of the option exercise, or (ii) the sale price of the shares. Any gain or loss recognized on such a premature disposition of the shares in excess of the amount treated as ordinary income is treated as long-term or short-term capital gain or loss, depending on the holding period. Unless limited by Section 162(m) of the Code, we are generally entitled to a deduction in the same amount as the ordinary income recognized by the optionee.

*Nonstatutory Stock Options.* An optionee does not recognize any taxable income at the time he or she is granted a nonstatutory stock option. Upon exercise, the optionee recognizes taxable income generally measured by the excess of the then fair market value of the shares over the exercise price. Any taxable income recognized in connection with an option exercise by an employee is subject to tax withholding. Unless limited by Section 162(m) of the Code, we are generally entitled to a deduction in the same amount as the ordinary income recognized by the optionee. Upon a disposition of such shares by the optionee, any difference between the sale price and the optionee's exercise price, to the extent not recognized as taxable income as provided above, is treated as long-term or short-term capital gain or loss, depending on the holding period.

*Restricted Stock, Google Stock Units, Performance Shares, and Performance Units.* A participant generally will not have taxable income at the time an award of restricted stock and GSUs are granted. Instead, he or she will recognize ordinary income in the first taxable year in which his or her interest in the shares underlying the award becomes either (i) freely transferable, or (ii) no longer subject to substantial risk of forfeiture (e.g., vested). However, a holder of a restricted stock award may elect to recognize income at the time he or she receives the award in an amount equal to the fair market value of the shares underlying the award less any amount paid for the shares on the date the award is granted.

*SARs.* No taxable income is reportable when a SAR is granted to a participant. Upon exercise, the participant will recognize ordinary income in an amount equal to the amount of cash received and the fair market value of any shares received. Any additional gain or loss recognized upon any later disposition of the shares would be capital gain or loss.

*Our Tax Impact from Awards.* We generally will be entitled to a tax deduction in connection with an award under the Plan in an amount equal to the ordinary income realized by a participant and at the time the participant recognizes such income (for example, the exercise of a nonstatutory stock option). Special rules limit the deductibility of compensation paid to our named executive officers. Under Section 162(m) of the Code, the annual compensation paid to certain named executive officers may not be deductible to the extent it exceeds \$1,000,000. However, we can preserve the deductibility of certain compensation in excess of \$1,000,000 if the conditions of Section 162(m) of the Code are met. These conditions include stockholder approval of the Plan and setting limits on the number of awards that any individual may receive per year. The Plan has been designed to permit the administrator to grant awards that qualify as performance-based for purposes of satisfying the conditions of Section 162(m) of the Code, which permits us to continue to receive a federal income tax deduction in connection with such awards.

THE FOREGOING IS ONLY A SUMMARY OF THE EFFECT OF U.S. FEDERAL INCOME TAXATION WITH RESPECT TO THE GRANT AND EXERCISE OF AWARDS UNDER THE PLAN. IT DOES NOT PURPORT TO BE COMPLETE AND DOES NOT DISCUSS THE TAX CONSEQUENCES OF AN INDIVIDUAL'S DEATH OR THE PROVISIONS OF THE INCOME TAX LAWS OF ANY MUNICIPALITY, STATE, OR FOREIGN COUNTRY IN WHICH ANY ELIGIBLE INDIVIDUAL MAY RESIDE.

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**Required Vote**

Approval of the proposed amendment to the Plan requires the affirmative FOR vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote thereon. Unless marked to the contrary, proxies received will be voted FOR approval of an amendment to increase the number of shares issuable under the Plan by 1,500,000 shares.

**Recommendation**

We believe strongly that the approval of the amendment to the Plan is essential to our continued success. Our employees are one of our most valuable assets. Stock options and other awards such as those provided under the Plan are vital to our ability to attract and retain outstanding and highly skilled individuals. Such awards also are crucial to our ability to motivate employees to achieve our goals. For the reasons stated above the stockholders are being asked to approve the amendment to the Plan.

**Our board of directors recommends a vote FOR the approval of an amendment to increase the number of shares issuable under the Plan by 1,500,000 shares.**

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**PROPOSAL NUMBER 4**

**APPROVAL OF 2010 COMPENSATION AWARDED TO NAMED EXECUTIVE OFFICERS**

As required by the SEC's proxy rules, we are seeking an advisory, non-binding stockholder vote with respect to compensation awarded to our named executive officers for 2010.

Our executive compensation program and compensation paid to our named executive officers are described on pages 32-49 of this proxy statement. Our compensation programs are overseen by the LDC Committee and reflect our philosophy to pay all of our employees, including our named executive officers, in ways that support three primary business objectives:

Attract and retain the world's best talent.

Support our culture of innovation and performance.

Align employee interests with long-term stockholder interests in the overall success of Google.

To help achieve these objectives, we structure our named executive officers' compensation to reward the achievement of short-term and long-term strategic and operational goals.

**Required Vote**

You may vote for or against the following resolution, or you may abstain. Approval of this proposal requires the affirmative "FOR" vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote thereon. Because this vote is advisory, it will not be binding upon our board of directors. However, the LDC Committee will consider the outcome of the vote, along with other relevant factors, in evaluating its executive compensation program.

**Resolved, that the stockholders approve the compensation awarded to Google's named executive officers for 2010, as disclosed under SEC rules, including the Compensation Discussion and Analysis, the compensation tables, and related narrative disclosures included in this proxy statement.**

**Recommendation**

**Our board of directors recommends a vote "FOR" the approval of the foregoing resolution.**

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**PROPOSAL NUMBER 5**

**DETERMINE FREQUENCY OF STOCKHOLDER ADVISORY VOTE REGARDING**

**COMPENSATION AWARDED TO NAMED EXECUTIVE OFFICERS**

As required by the SEC's proxy rules, we are seeking an advisory, non-binding stockholder vote about how often we should present stockholders with the opportunity to vote on compensation awarded to our named executive officers. You may elect to have the vote held every year, every two years, or every three years, or you may abstain. We recommend that this advisory vote be held once every three years, but stockholders are not voting to approve or disapprove of that recommendation. We believe that a triennial voting frequency will provide our stockholders with sufficient time to evaluate the effectiveness of our overall compensation philosophy, policies, and practices in the context of our long-term business results for the corresponding period, while avoiding over-emphasis on short-term variations in compensation and business results. We also believe that a three-year timeframe provides a better opportunity to observe and evaluate the impact of any changes to our executive compensation policies and practices that have occurred since the last advisory vote.

**Required Vote**

The frequency that receives the highest number of votes cast will be deemed to be the frequency selected by the stockholders. Because this vote is advisory, it will not be binding upon our board of directors. However, the LDC Committee will consider the outcome of the stockholder vote, along with other relevant factors, in recommending a voting frequency to our board of directors.

**Recommendation**

**Our board of directors recommends a vote for a frequency of once every 3 YEARS for the stockholder advisory vote on compensation awarded to our named executive officers.**

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**STOCKHOLDER PROPOSALS**

**Proposal Number 6, Proposal Number 7, and Proposal Number 8 are proposals we received from our stockholders. If the proponents of these proposals, or representatives who are qualified under state law, are present at our Annual Meeting and submit the proposals for a vote, then the proposals will be voted upon. The stockholder proposals, including any supporting statements, are included exactly as submitted to us by the proponents of these proposals. The board of directors' recommendation on each proposal is presented immediately following the proposal. We will promptly provide you with the address, and, to our knowledge, the number of voting securities held by the proponents of the stockholder proposals, upon receiving a written request directed to:**

Google Inc.

Attn: Corporate Secretary

1600 Amphitheatre Parkway

Mountain View, CA 94043

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**PROPOSAL NUMBER 6**

**STOCKHOLDER PROPOSAL**

Harrington Investments, Inc. has advised us that it intends to submit the proposal set forth below for consideration at our Annual Meeting.

**Amend Corporate Bylaws Establishing a Board Sustainability Committee**

**RESOLVED:** Amend the bylaws by inserting a new paragraph 4.7 as follows:

**4.7 Sustainability Committee:** The Board may establish a Sustainability Committee whose principal duties would be to review the corporation's policies, above and beyond matters of legal compliance, and to make recommendations, regarding the corporation's responses to changing conditions and knowledge of the natural environment, including but not limited to, natural resource limitations, energy use, waste disposal, and climate change. The Board of Directors is authorized in its discretion, consistent with these bylaws and applicable law to: (1) establish the Committee and select its members, (2) provide said Committee with funds for operating expenses, (3) adopt guidelines to further define authorities and procedures for the Committee's operations, (4) empower said Committee to solicit public input and to issue periodic reports to shareholders and the public, at reasonable expense and excluding confidential information, on the Committee's activities, findings and recommendations, and (5) adopt any other measures within the Board's discretion consistent with these bylaws and applicable law. Nothing herein shall restrict the power of the Board of Directors to manage the business and affairs of the company. The Board Committee on Sustainability shall not incur any costs to the company except as authorized by the Board of Directors.

**Supporting Statement**

The Committee would be authorized to initiate, review, and make policy recommendations regarding the corporation's preparation to adapt to environmental conditions. Issues related to sustainability might include, but are not limited to: global climate change, emerging concerns regarding toxicity of materials, water and other resource shortages, and biodiversity loss. The committee would only be convened and take action if the board of directors establishes the Committee and selects its members, allocates funds for committee activity and provides any other guidance the board considers appropriate.

**Google Opposing Statement**

The board of directors takes environmental sustainability seriously. Indeed, we have taken a number of specific steps to operate more sustainably and reduce our own carbon footprint while also committing to longer term efforts to help build a clean energy future. However, the board of directors opposes this proposal because the board does not believe that a board committee dedicated to this issue is necessary. The board also believes that management oversight and guidance of our ongoing sustainability efforts is the most effective way to address sustainability matters. Accordingly, we recommend that stockholders vote against this proposal.

Our management considers environmental matters and has developed and actively promotes practices that both minimize resource utilization and emphasize sustainable resources. We are in frequent communication with our stockholders and the general public regarding our clean energy activities. In 2010 alone we published 24 blog posts on the Official Google Blog relating to our green and sustainability initiatives. We also annually participate in the Carbon Disclosure Project and have a website dedicated to highlighting both our current internal sustainability efforts as well as our broader clean energy initiatives across the company which can be viewed at [www.google.com/corporate/green](http://www.google.com/corporate/green).

To reduce our environmental impact we are taking a three-step approach. We first look for ways to reduce our footprint by increasing the energy efficiency and reducing the waste of our own operations. We then try to procure

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renewable sources of energy where it makes economic sense. Finally, we invest in projects to offset greenhouse gas emissions that we cannot directly or indirectly eliminate. We have undertaken a number of initiatives across these various fronts, including operating and reporting on some of the most efficient data centers in the world and executing a first-of-kind direct wind power procurement for our data centers. These initiatives show our commitment to operating sustainably and reducing the environmental impact of our global operations.

Given our commitment and implementation of sustainability initiatives, we believe an additional board committee to be unnecessary to ensure a strong commitment to our sustainability strategy and recommend that stockholders vote against this proposal.

**Required Vote**

Approval of the stockholder proposal requires the affirmative FOR vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote thereon. Unless marked to the contrary, proxies received will be voted AGAINST the stockholder proposal.

**Recommendation**

**Our board of directors recommends a vote AGAINST the stockholder proposal.**

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**PROPOSAL NUMBER 7**

**STOCKHOLDER PROPOSAL**

John Chevedden has advised us that he intends to submit the proposal set forth below for consideration at our Annual Meeting.

**7 Adopt Simple Majority Vote**

RESOLVED, Shareholders request that our board take the steps necessary so that each shareholder voting requirement impacting our company, that calls for a greater than simple majority vote, be changed to a majority of the votes cast for and against the proposal in compliance with applicable laws.

Corporate governance procedures and practices, and the level of accountability they impose, are closely related to financial performance. Shareowners are willing to pay a premium for shares of corporations that have excellent corporate governance. Supermajority voting requirements have been found to be one of six entrenching mechanisms that are negatively related with company performance. See *What Matters in Corporate Governance?* Lucien Bebchuk, Alma Cohen & Allen Ferrell, Harvard Law School, Discussion Paper No. 491 (09/2004, revised 03/2005).

This proposal topic won from 74% to 88% support at the following companies: Weyerhaeuser, Alcoa, Waste Management, Goldman Sachs, FirstEnergy, McGraw-Hill and Macy's. The proponents of these proposals included William Steiner, James McRitchie and Ray T. Chevedden.

If our Company were to remove required supermajority, it would be a strong statement that our Company is committed to good corporate governance and its long-term financial performance.

The merit of this Simple Majority Vote proposal should also be considered in the context of the need for additional improvement in our company's 2010 reported corporate governance status:

The Corporate Library [www.thecorporatelibrary.com](http://www.thecorporatelibrary.com), an independent investment research firm rated our company *High Concern* in Takeover Defenses and *Moderate Concern* in Executive Pay. Nikesh Arora \$26 million, Patrick Pichette \$24 million, Alan Eustace \$15 million and Jonathan Rosenberg \$15 million. One percent of CEO pay was incentive based.

Takeover Defenses included numerous 60% and 67%-vote requirements. Plus there was no shareholder right to act by written consent. We also did not have an independent Chairman of our Board. Class B shareholders had 10-times the vote per share as Class A shareholders. Eric Schmidt and Larry Page did not own any stock.

Our board was the only significant directorship for 6 of our 9 directors. This could indicate a significant lack of current transferable director experience for the majority of our directors. Paul Otellini received our highest negative votes and was allowed to chair our Executive Pay Committee. One vote from our 318 million shares was all it took to elect each of our directors.

Please encourage our board to respond positively to this proposal in order to initiate improved governance and performance: **Adopt Simple Majority Vote Yes on 7.**

**Google Opposing Statement**

Our board of directors believes that the existing voting standards in our certificate of incorporation, which was approved by stockholders, are appropriate and in the best interests of the company. More than a simple majority vote is required in only a few instances, including approval of a change in control of the company and certain

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amendments to our certificate of incorporation. The board of directors believes that a supermajority vote is appropriate for these limited issues, given the long-lasting, significant impact of these actions on our future.

In the event of a change in control of the company, we believe that the board of directors is in the best position to evaluate any potential takeover offer and the requirement that at least 60% of the voting power of our outstanding capital stock approve any offer is purposefully designed to encourage the potential acquirer to work directly with the board of directors instead of large stockholders.

We also believe that the current voting requirements for certain changes to our certificate of incorporation are appropriate. The purpose of the supermajority is not to preclude change but to ensure that certain fundamental changes to the organizational document of the company only occur with a broader consensus than a simple majority.

Replacing individually calibrated voting standards with a blanket simple majority vote will not improve either the corporate governance or the long-term financial performance of the company. Accordingly, the board of directors recommends that stockholders vote against the proposal.

**Required Vote**

Approval of the stockholder proposal requires the affirmative **FOR** vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote thereon. Unless marked to the contrary, proxies received will be voted **AGAINST** the stockholder proposal.

**Recommendation**

**Our board of directors recommends a vote AGAINST the stockholder proposal.**

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**PROPOSAL NUMBER 8**

**STOCKHOLDER PROPOSAL**

The National Center for Public Policy Research has advised us that it intends to submit the proposal set forth below for consideration at our Annual Meeting.

**Conflict of Interest Report**

**RESOLVED:** Shareholders request the Board of Directors to complete a report by November 2011 to shareholders, prepared at reasonable cost and omitting proprietary information, on board compliance with Google's Code of Conduct Policy. The report should:

1. Disclose the investments of board members that could reasonably be viewed as a financial conflict of interest;
2. Describe the process by which the Company determines whether overlapping financial interests between Google and board members is a violation of the Company's Code of Conduct Policy;
3. Report any violations Google's Code of Conduct Policy that have occurred, if any.

**Supporting Statement**

As shareholders, we support transparency and accountability regarding the company's board of directors. Absent a system of accountability, company assets could be used to support objectives not in the Company's best interest.

The purpose of the board of directors is to oversee corporate executive management on behalf of shareholders. We are concerned that Google's assets may be being used to personally benefit a board member in violation of Google's conflict of interest policy.

Current disclosure is insufficient to ensure that the board of directors is executing their fiduciary responsibilities to shareholders.

Through Google and Google.org, the company is making significant investments in clean energy technologies. This area is outside of the Company's core Internet business.

Clean energy is a significant area of investment for board of directors member John Doerr. Doerr is a partner at Kleiner Perkins Caufield & Byers, a venture capital firm that has made clean energy part of its core investment strategy.

Doerr is also a member of President Obama's Economic Recovery Advisory Board. The President's American Recovery and Reinvestment Act allocated over \$80 billion for clean energy.

Google's Code of Conduct includes a conflict of interest policy to address financial conflicts that involve personal investments.

The policy encourages employees to avoid situations of competing loyalties and circumstances that present even the appearance of such a conflict.

Google's significant investment in clean energy presents an appearance that it could personally benefit Doerr and constitute a violation of the Company's conflict of interest policy.

An area of special concern to shareholders is AltaRock Energy.



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A GigaOM news report disclosed that AltaRock's investors includes both Doerr's firm and Google.org: AltaRock has raised \$26.25 million from Khosla Ventures, Kleiner Perkins Caufield & Byers, Vulcan Capital and Google.org and won \$6.24 million in funds from the Department of Energy.

Given government spending on clean energy, Google's investments in this area could be deemed redundant if not wasteful. A financial analyst quoted by Reuters said of Google's clean energy spending: "... it's symbolic of potential for them to spend somewhat recklessly and that's a real concern of investors.

Shareholders have the right to know if the Company's Code of Conduct is being violated.

### **Google Opposing Statement**

We agree with the proponent that transparency and compliance with the Google Code of Conduct are important. However, we disagree that a report to stockholders is a useful mechanism for ensuring that transparency and compliance.

Members of our board of directors are subject to the Google Code of Conduct and are required to report any potential conflict of interest. Google's Code of Conduct is publicly available at <http://investor.google.com/corporate/code-of-conduct.html>. In addition, our Ethics and Compliance team actively examines potential conflicts of interest. The Ethics and Compliance team periodically provides reports with respect to conflicts of interest to the Audit Committee of our board of directors. In addition, Nasdaq listing standards provide that our board of directors must approve any waiver of Google's Code of Conduct for directors and executive officers. The listing standards also require Google to publicly disclose any such waiver and the reasons for the waiver. In the event of an actual conflict of interest, measures would be taken, including recusal of the director from decision-making for related matters, to ensure that the matter is reviewed by disinterested directors in compliance with applicable law and company policy and that we act in the long-term best interests of stockholders.

The evaluation of a potential conflict of interest is by nature complex, lengthy, and fact-specific. Any report to stockholders would necessarily simplify the discussion and would be of limited and questionable value to stockholders.

The board of directors believes that an additional stockholder report would not add meaningfully to the applicable law and company policies that already require us to disclose conflicts of interest and waivers of the Google Code of Conduct for board members. Accordingly, the board of directors recommends that stockholders vote against the proposal.

### **Required Vote**

Approval of the stockholder proposal requires the affirmative **FOR** vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote thereon. Unless marked to the contrary, proxies received will be voted **AGAINST** the stockholder proposal.

### **Recommendation**

**Our board of directors recommends a vote AGAINST the stockholder proposal.**

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**APPENDIX A**

**GOOGLE INC.**

**2004 STOCK PLAN**

**As amended on June 21, 2004**

**As further amended on May 12, 2005**

**As further amended on May 11, 2006**

**As further amended on January 30, 2007**

**As further amended on May 10, 2007**

**As further amended on May 8, 2008**

**As further amended on October 15, 2008**

**As further amended on May 7, 2009**

**As further amended on May 13, 2010**

1. Purposes of the Plan. The purposes of this Plan are:

to attract and retain the best available personnel for positions of substantial responsibility,

to provide additional incentive to Employees, Directors and Consultants, and

to promote the success of the Company's business.

The Plan permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Restricted Stock, Stock Appreciation Rights, Restricted Stock Units, Performance Units, Performance Shares and Other Stock Based Awards.

2. Definitions. As used herein, the following definitions will apply:

(a) Administrator means the Board or any of its Committees as will be administering the Plan, in accordance with Section 4 of the Plan.

(b) Annual Revenue means the Company's or a business unit's net sales for the Fiscal Year, determined in accordance with generally accepted accounting principles; provided, however, that prior to the Fiscal Year, the Committee shall determine whether any significant item(s) shall be excluded or included from the calculation of Annual Revenue with respect to one or more Participants.

(c) Applicable Laws means the requirements relating to the administration of equity-based awards or equity compensation plans under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan.

(d) Award means, individually or collectively, a grant under the Plan of Options, SARs, Restricted Stock, Restricted Stock Units, Performance Units, Performance Shares or Other Stock Based Awards.

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- (e) Award Agreement means the written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the Plan. The Award Agreement is subject to the terms and conditions of the Plan.
- (f) Award Transfer Program means any program instituted by the Administrator which would permit Participants the opportunity to transfer any outstanding Awards to a financial institution or other person or entity selected by the Administrator.
- (g) Awarded Stock means the Common Stock subject to an Award.

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(h) Board means the Board of Directors of the Company.

(i) Cash Position means the Company's level of cash and cash equivalents.

(j) Change in Control means the occurrence of any of the following events:

(i) Any person (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the beneficial owner (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities and within three (3) years from the date of such acquisition, a merger or consolidation of the Company with or into the person (or affiliate thereof) holding such beneficial ownership of securities of the Company is consummated; or

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two-year period, as a result of which fewer than a majority of the directors are Incumbent Directors. Incumbent Directors means directors who either (A) are Directors as of the effective date of the Plan, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but will not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company); or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

For purposes of this Section, affiliate will mean, with respect to any specified person, any other person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such specified person (control, controlled by and under common control with will mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through ownership of voting securities, by contact or credit arrangement, as trustee or executor, or otherwise).

(k) Code means the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code herein will be a reference to any successor or amended section of the Code.

(l) Committee means a committee of Directors or other individuals satisfying Applicable Laws appointed by the Board in accordance with Section 4 of the Plan.

(m) Common Stock means the Class A Common Stock of the Company, or in the case of Performance Units and certain Other Stock Based Awards, the cash equivalent thereof.

(n) Company means Google Inc., a Delaware corporation, or any successor thereto.

(o) Consultant means any person, including an advisor, engaged by the Company or a Parent or Subsidiary to render services to such entity.

(p) Controllable Profits means as to any Plan Year, a business unit's Annual Revenue minus (a) cost of sales, (b) research, development, and engineering expense, (c) marketing and sales expense, (d) general and administrative expense, (e) extended receivables expense, and (f) shipping requirement deviation expense.

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- (q) Customer Satisfaction MBOs means as to any Participant for any Plan Year, the objective and measurable individual goals set by a management by objectives process and approved by the Committee, which goals relate to the satisfaction of external or internal customer requirements.
- (r) Director means a member of the Board.
- (s) Disability means total and permanent disability as defined in Section 22(e)(3) of the Code, provided that in the case of Awards other than Incentive Stock Options, the Administrator in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.
- (t) Dividend Equivalent means a credit, made at the discretion of the Administrator, to the account of a Participant in an amount equal to the cash dividends paid on one Share for each Share represented by an Award held by such Participant.
- (u) Earnings Per Share means as to any Fiscal Year, the Company's or a business unit's Net Income, divided by a weighted average number of common shares outstanding and dilutive common equivalent shares deemed outstanding, determined in accordance with generally accepted accounting principles.
- (v) Employee means any person, including Officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute employment by the Company.
- (w) Exchange Act means the Securities Exchange Act of 1934, as amended.
- (x) Exchange Program means a program under which (i) outstanding Awards are surrendered or cancelled in exchange for Awards of the same type (which may have lower exercise prices and different terms), Awards of a different type, and/or cash, and/or (ii) the exercise price of an outstanding Award is reduced. The terms and conditions of any Exchange Program will be determined by the Administrator in its sole discretion.
- (y) Fair Market Value means, as of any date and unless the Administrator determines otherwise, the value of Common Stock determined as follows:
- (i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the Nasdaq National Market or The Nasdaq SmallCap Market of The Nasdaq Stock Market, its Fair Market Value will be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system for the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;
- (ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share of Common Stock will be the mean between the high bid and low asked prices for the Common Stock for the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or
- (iii) In the absence of an established market for the Common Stock, the Fair Market Value will be determined in good faith by the Administrator.
- (iv) Notwithstanding the preceding, for federal, state, and local income tax reporting purposes and for such other purposes as the Administrator deems appropriate, the Fair Market Value shall be determined by the Administrator in accordance with uniform and nondiscriminatory standards adopted by it from time to time.
- (z) Fiscal Year means the fiscal year of the Company.

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(aa) Incentive Stock Option means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(bb) Individual Objectives means as to a Participant, the objective and measurable goals set by a management by objectives process and approved by the Committee (in its discretion).

(cc) Net Income means as to any Fiscal Year, the income after taxes of the Company for the Fiscal Year determined in accordance with generally accepted accounting principles, provided that prior to the Fiscal Year, the Committee shall determine whether any significant item(s) shall be included or excluded from the calculation of Net Income with respect to one or more Participants.

(dd) New Orders means as to any Plan Year, the firm orders for a system, product, part, or service that are being recorded for the first time as defined in the Company's Order Recognition Policy.

(ee) Nonstatutory Stock Option means an Option that by its terms does not qualify or is not intended to qualify as an Incentive Stock Option.

(ff) Officer means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(gg) Operating Cash Flow means the Company's or a business unit's sum of Net Income plus depreciation and amortization less capital expenditures plus changes in working capital comprised of accounts receivable, inventories, other current assets, trade accounts payable, accrued expenses, product warranty, advance payments from customers and long-term accrued expenses, determined in accordance with generally acceptable accounting principles.

(hh) Operating Income means the Company's or a business unit's income from operations but excluding any unusual items, determined in accordance with generally accepted accounting principles.

(ii) Option means a stock option granted pursuant to the Plan.

(jj) Other Stock Based Awards means any other awards not specifically described in the Plan that are valued in whole or in part by reference to, or are otherwise based on, Shares and are created by the Administrator pursuant to Section 12.

(kk) Outside Director means a Director who is not an Employee.

(ll) Parent means a parent corporation, whether now or hereafter existing, as defined in Section 424(e) of the Code.

(mm) Participant means the holder of an outstanding Award granted under the Plan.

(nn) Performance Goals means the goal(s) (or combined goal(s)) determined by the Committee (in its discretion) to be applicable to a Participant with respect to an Award. As determined by the Committee, the Performance Goals applicable to an Award may provide for a targeted level or levels of achievement using one or more of the following measures: (a) Annual Revenue, (b) Cash Position, (c) Controllable Profits, (d) Customer Satisfaction MBOs, (e) Earnings Per Share, (f) Individual Objectives, (g) Net Income, (h) New Orders (i) Operating Cash Flow, (j) Operating Income, (k) Return on Assets, (l) Return on Equity, (m) Return on Sales, and (n) Total Shareholder Return. The Performance Goals may differ from Participant to Participant and from Award to Award. Any criteria used may be measured, as applicable, in absolute or relative terms (including passage of time and/or against another company or companies), on a per share basis, against the performance of the Company as a whole or any segment of the Company, and on a pre-tax or after-tax basis.

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(oo) Performance Share means an Award granted to a Service Provider pursuant to Section 10 of the Plan.

(pp) Performance Unit means an Award granted to a Service Provider pursuant to Section 10 of the Plan.

(qq) Period of Restriction means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture. Such restrictions may be based on the passage of time, the achievement of target levels of performance, or the occurrence of other events as determined by the Administrator.

(rr) Plan means this 2004 Stock Plan.

(ss) Restricted Stock means shares of Common Stock issued pursuant to a Restricted Stock award under Section 8, Section 11 or Section 12 of the Plan or issued pursuant to the early exercise of an Option.

(tt) Restricted Stock Unit means an Award that the Administrator permits to be paid in installments or on a deferred basis pursuant to Section 11 of the Plan.

(uu) Return on Assets means the percentage equal to the Company's or a business unit's Operating Income before incentive compensation, divided by average net Company or business unit, as applicable, assets, determined in accordance with generally accepted accounting principles.

(vv) Return on Equity means the percentage equal to the Company's Net Income divided by average stockholder's equity, determined in accordance with generally accepted accounting principles.

(ww) Return on Sales means the percentage equal to the Company's or a business unit's Operating Income before incentive compensation, divided by the Company's or the business unit's, as applicable, revenue, determined in accordance with generally accepted accounting principles.

(xx) Rule 16b-3 means Rule 16b-3 of the Exchange Act or any successor to Rule 16b-3, as in effect when discretion is being exercised with respect to the Plan.

(yy) Section 16(b) means Section 16(b) of the Exchange Act.

(zz) Service Provider means an Employee, Director or Consultant.

(aaa) Share means a share of the Common Stock, as adjusted in accordance with Section 15 of the Plan.

(bbb) Stock Appreciation Right or SAR means an Award, granted alone or in connection with an Option, that pursuant to Section 9 of the Plan is designated as a SAR.

(ccc) Subsidiary means a subsidiary corporation, whether now or hereafter existing, as defined in Section 424(f) of the Code.

(ddd) Total Shareholder Return means the total return (change in share price plus reinvestment of any dividends) of a Share.

(eee) Unvested Awards means Options or Restricted Stock that (i) were granted to an individual in connection with such individual's position as a Service Provider and (ii) are still subject to vesting or lapsing of Company repurchase rights or similar restrictions.

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### 3. Stock Subject to the Plan.

(a) Stock Subject to the Plan. Subject to the provisions of Section 15 of the Plan, the maximum aggregate number of Shares that may be issued under the Plan is 45,431,660. The Shares may be authorized, but unissued, or reacquired Common Stock. Shares shall not be deemed to have been issued pursuant to the Plan (i) with respect to any portion of an Award that is settled in cash, or (ii) to the extent such Shares are withheld in satisfaction of tax withholding obligations. Upon payment in Shares pursuant to the exercise of an Award, the number of Shares available for issuance under the Plan shall be reduced only by the number of Shares actually issued in such payment. If a Participant pays the exercise price (or purchase price, if applicable) of an Award through the tender of Shares, the number of Shares so tendered shall again be available for issuance pursuant to future Awards under the Plan. Notwithstanding anything in the Plan, or any Award Agreement to the contrary, Shares attributable to Awards transferred under any Award Transfer Program shall not be again available for grant under the Plan.

(b) Lapsed Awards. If any outstanding Award expires or is terminated or canceled without having been exercised or settled in full, or if Shares acquired pursuant to an Award subject to forfeiture or repurchase are forfeited or repurchased by the Company, the Shares allocable to the terminated portion of such Award or such forfeited or repurchased Shares shall again be available for grant under the Plan.

### 4. Administration of the Plan.

#### (a) Procedure.

(i) Multiple Administrative Bodies. Different Committees with respect to different groups of Service Providers may administer the Plan.

(ii) Section 162(m). To the extent that the Administrator determines it to be desirable and necessary to qualify Awards granted hereunder as performance-based compensation within the meaning of Section 162(m) of the Code, the Plan will be administered by a Committee of two or more outside directors within the meaning of Section 162(m) of the Code.

(iii) Rule 16b-3. To the extent desirable to qualify transactions hereunder as exempt under Rule 16b-3, the transactions contemplated hereunder will be structured to satisfy the requirements for exemption under Rule 16b-3.

(iv) Other Administration. Other than as provided above, the Plan will be administered by (A) the Board or (B) a Committee, which committee will be constituted to satisfy Applicable Laws.

(v) Delegation of Authority for Day-to-Day Administration. Except to the extent prohibited by Applicable Law, the Administrator may delegate to one or more individuals the day-to-day administration of the Plan and any of the functions assigned to it in this Plan. Such delegation may be revoked at any time.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator will have the authority, in its discretion:

(i) to determine the Fair Market Value;

(ii) to select the Service Providers to whom Awards may be granted hereunder;

(iii) to determine the number of Shares to be covered by each Award granted hereunder;

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(iv) to approve forms of agreement for use under the Plan;

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture or repurchase restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Administrator, in its sole discretion, will determine;

(vi) to reduce the exercise price of any Award to the then current Fair Market Value if the Fair Market Value of the Common Stock covered by such Award shall have declined since the date the Award was granted;

(vii) to institute an Exchange Program;

(viii) to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan;

(ix) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws and/or qualifying for preferred tax treatment under applicable foreign tax laws;

(x) to modify or amend each Award (subject to Section 18(c) of the Plan), including the discretionary authority to extend the post-termination exercisability period of Awards longer than is otherwise provided for in the Plan;

(xi) to allow Participants to satisfy withholding tax obligations by electing to have the Company withhold from the Shares or cash to be issued upon exercise or vesting of an Award that number of Shares or cash having a Fair Market Value equal to the minimum amount required to be withheld. The Fair Market Value of any Shares to be withheld will be determined on the date that the amount of tax to be withheld is to be determined. All elections by a Participant to have Shares or cash withheld for this purpose will be made in such form and under such conditions as the Administrator may deem necessary or advisable;

(xii) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator;

(xiii) to allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that would otherwise be due to such Participant under an Award;

(xiv) to implement an Award Transfer Program;

(xv) to determine whether Awards will be settled in Shares, cash or in any combination thereof;

(xvi) to determine whether Awards will be adjusted for Dividend Equivalents;

(xvii) to create Other Stock Based Awards for issuance under the Plan;

(xviii) to establish a program whereby Service Providers designated by the Administrator can reduce compensation otherwise payable in cash in exchange for Awards under the Plan;

(xix) to impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by a Participant or other subsequent transfers by the Participant of any Shares issued as a result of or under an Award, including without limitation, (A) restrictions under an insider trading policy, and (B) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and

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(xx) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and any other holders of Awards.

5. Eligibility. Nonstatutory Stock Options, Restricted Stock, Stock Appreciation Rights, Performance Units, Performance Shares, Restricted Stock Units and Other Stock Based Awards may be granted to Service Providers. Incentive Stock Options may be granted only to Employees.

6. Limitations.

(a) ISO \$100,000 Rule. Each Option will be designated in the Award Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds \$100,000, such Options will be treated as Nonstatutory Stock Options. For purposes of this Section 6(a), Incentive Stock Options will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted.

(b) No Rights as a Service Provider. Neither the Plan nor any Award shall confer upon a Participant any right with respect to continuing his or her relationship as a Service Provider, nor shall they interfere in any way with the right of the Participant or the right of the Company or its Parent or Subsidiaries to terminate such relationship at any time, with or without cause.

(c) 162(m) Limitation. The following limitations shall apply to Awards under the Plan:

(i) Option and SAR Share Annual Limit. No Service Provider will be granted, in any Fiscal Year, Options and/or SARs to purchase more than 1,000,000 Shares.

(ii) Restricted Stock, Restricted Stock Units, Performance Units and Performance Shares Annual Limit. No Service Provider will be granted, in any Fiscal Year, Restricted Stock, Restricted Stock Units, Performance Units and/or Performance Shares to purchase more than 500,000 Shares.

(iii) Section 162(m) Performance Restrictions. For purposes of qualifying grants of Restricted Stock, Restricted Stock Units, Performance Shares or Performance Units as performance-based compensation under Section 162(m) of the Code, the Administrator, in its discretion, may set restrictions based upon the achievement of Performance Goals. The Performance Goals shall be set by the Administrator on or before the latest date permissible to enable the Restricted Stock Units, Restricted Stock, Performance Shares or Performance Units to qualify as performance-based compensation under Section 162(m) of the Code. In granting Restricted Stock Units, Restricted Stock, Performance Shares or Performance Units which are intended to qualify under Section 162(m) of the Code, the Administrator shall follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the Award under Section 162(m) of the Code (e.g., in determining the Performance Goals).

(iv) The foregoing limitations will be adjusted proportionately in connection with any change in the Company's capitalization as described in Section 15 of the Plan.

(v) If an Award is cancelled in the same Fiscal Year in which it was granted (other than in connection with a transaction described in Section 15 of the Plan), the cancelled Award will be counted against the limits set forth in subsections (i) and (ii) above. For this purpose, if the exercise price of an Option is reduced, the transaction will be treated as a cancellation of the Option and the grant of a new Option.

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7. Stock Options.

(a) Term of Option. The term of each Option will be stated in the Award Agreement. In the case of an Incentive Stock Option, the term will be ten (10) years from the date of grant or such shorter term as may be provided in the Award Agreement. Moreover, in the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option will be five (5) years from the date of grant or such shorter term as may be provided in the Award Agreement.

(b) Option Exercise Price and Consideration.

(i) Exercise Price. The per Share exercise price for the Shares to be issued pursuant to exercise of an Option will be determined by the Administrator, subject to the following:

(1) In the case of an Incentive Stock Option

(A) granted to an Employee who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price will be no less than 110% of the Fair Market Value per Share on the date of grant.

(B) granted to any Employee other than an Employee described in paragraph (A) immediately above, the per Share exercise price will be no less than 100% of the Fair Market Value per Share on the date of grant.

(2) In the case of a Nonstatutory Stock Option, the per Share exercise price will be determined by the Administrator. In the case of a Nonstatutory Stock Option intended to qualify as performance-based compensation within the meaning of Section 162(m) of the Code, the per Share exercise price will be no less than 100% of the Fair Market Value per Share on the date of grant.

(3) Notwithstanding the foregoing, Incentive Stock Options may be granted with a per Share exercise price of less than 100% of the Fair Market Value per Share on the date of grant pursuant to a merger or other corporate transaction.

(ii) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator will fix the period within which the Option may be exercised and will determine any conditions that must be satisfied before the Option may be exercised.

(c) Form of Consideration. The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator will determine the acceptable form of consideration at the time of grant. Such consideration to the extent permitted by Applicable Laws may consist entirely of:

(i) cash;

(ii) check;

(iii) promissory note;

(iv) other Shares which meet the conditions established by the Administrator to avoid adverse accounting consequences (as determined by the Administrator);

(v) consideration received by the Company under a cashless exercise program implemented by the Company in connection with the Plan;

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(vi) a reduction in the amount of any Company liability to the Participant, including any liability attributable to the Participant's participation in any Company-sponsored deferred compensation program or arrangement;

(vii) any combination of the foregoing methods of payment; or

(viii) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws.

(d) Exercise of Option.

(i) Procedure for Exercise: Rights as a Stockholder. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share.

An Option will be deemed exercised when the Company receives: (x) written or electronic notice of exercise (in accordance with the Award Agreement) from the person entitled to exercise the Option, and (y) full payment for the Shares with respect to which the Option is exercised. Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant or, if requested by the Participant, in the name of the Participant and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Awarded Stock, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the Record Date is prior to the date the Shares are issued, except as provided in Section 15 of the Plan or the applicable Award Agreement.

Exercising an Option in any manner will decrease the number of Shares thereafter available for sale under the Option, by the number of Shares as to which the Option is exercised.

(ii) Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon the Participant's death or Disability, the Participant may exercise his or her Option within such period of time as is specified in the Award Agreement to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). In the absence of a specified time in the Award Agreement, the Option will remain exercisable for three (3) months following the Participant's termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan on the date one (1) month following the Participant's termination. If after termination the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iii) Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within such period of time as is specified in the Award Agreement to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). In the absence of a specified time in the Award Agreement, the Option will remain exercisable for twelve (12) months following the Participant's termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan on the date one (1) month following the Participant's termination. If after termination the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

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(iv) **Death of Participant.** If a Participant dies while a Service Provider, the Option may be exercised following the Participant's death within such period of time as is specified in the Award Agreement to the extent that the Option is vested on the date of death, or to the extent it vests pursuant to Section 23(a)(i) hereof (but in no event may the Option be exercised later than the expiration of the term of such Option as set forth in the Award Agreement), by the Participant's designated beneficiary, provided such beneficiary has been designated prior to Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. In the absence of a specified time in the Award Agreement, the Option will remain exercisable for twelve (12) months following Participant's death. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(e) **Buyout Provisions.** The Administrator may at any time offer to buy out for a payment in cash or Shares an Option previously granted based on such terms and conditions as the Administrator shall establish and communicate to the Participant at the time that such offer is made.

**8. Restricted Stock.**

(a) **Grant of Restricted Stock.** Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, will determine. Subject to Section 6(c)(ii) hereof, the Administrator shall have complete discretion to determine (i) the number of Shares subject to a Restricted Stock award granted to any Participant, and (ii) the conditions that must be satisfied, which typically will be based principally or solely on continued provision of services but may include a performance-based component, upon which is conditioned the grant, vesting or issuance of Restricted Stock.

(b) **Restricted Stock Agreement.** Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the Period of Restriction, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, will determine. Unless the Administrator determines otherwise, Shares of Restricted Stock will be held by the Company as escrow agent until the restrictions on such Shares have lapsed.

(c) **Transferability.** Except as provided in this Section 8, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable Period of Restriction.

(d) **Other Restrictions.** The Administrator, in its sole discretion, may impose such other restrictions on Shares of Restricted Stock as it may deem advisable or appropriate.

(e) **Removal of Restrictions.** Except as otherwise provided in this Section 8, Shares of Restricted Stock covered by each Restricted Stock grant made under the Plan will be released from escrow as soon as practicable after the last day of the Period of Restriction. The Administrator, in its discretion, may accelerate the time at which any restrictions will lapse or be removed.

(f) **Voting Rights.** During the Period of Restriction, Service Providers holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(g) **Dividends and Other Distributions.** During the Period of Restriction, Service Providers holding Shares of Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares unless otherwise provided in the Award Agreement. If any such dividends or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Shares of Restricted Stock with respect to which they were paid.

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(h) Return of Restricted Stock to Company. On the date set forth in the Award Agreement, the Restricted Stock for which restrictions have not lapsed will revert to the Company and again will become available for grant under the Plan.

### **9. Stock Appreciation Rights**

(a) Grant of SARs. Subject to the terms and conditions of the Plan, a SAR may be granted to Service Providers at any time and from time to time as will be determined by the Administrator, in its sole discretion.

(b) Number of Shares. Subject to Section 6(c)(i) of the Plan, the Administrator will have complete discretion to determine the number of SARs granted to any Service Provider.

(c) Exercise Price and Other Terms. The Administrator, subject to the provisions of the Plan, will have complete discretion to determine the terms and conditions of SARs granted under the Plan.

(d) Exercise of SARs. SARs will be exercisable on such terms and conditions as the Administrator, in its sole discretion, will determine.

(e) SAR Agreement. Each SAR grant will be evidenced by an Award Agreement that will specify the exercise price, the term of the SAR, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(f) Expiration of SARs. An SAR granted under the Plan will expire upon the date determined by the Administrator, in its sole discretion, and set forth in the Award Agreement. Notwithstanding the foregoing, the rules of Sections 7(d)(ii), 7(d)(iii) and 7(d)(iv) also will apply to SARs.

(g) Payment of SAR Amount. Upon exercise of an SAR, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying:

(i) The difference between the Fair Market Value of a Share on the date of exercise over the exercise price; times

(ii) The number of Shares with respect to which the SAR is exercised.

At the discretion of the Administrator, the payment upon SAR exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

(h) Buyout Provisions. The Administrator may at any time offer to buy out for a payment in cash or Shares a Stock Appreciation Right previously granted based on such terms and conditions as the Administrator shall establish and communicate to the Participant at the time that such offer is made.

### **10. Performance Units and Performance Shares**

(a) Grant of Performance Units/Shares. Subject to the terms and conditions of the Plan, Performance Units and Performance Shares may be granted to Service Providers at any time and from time to time, as will be determined by the Administrator, in its sole discretion. Subject to Section 6(c)(ii), the Administrator will have complete discretion in determining the number of Performance Units and Performance Shares granted to each Participant.

(b) Value of Performance Units/Shares. Each Performance Unit will have an initial value that is established by the Administrator on or before the date of grant. Each Performance Share will have an initial value equal to the Fair Market Value of a Share on the date of grant.

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(c) Performance Objectives and Other Terms. The Administrator will set performance objectives in its discretion which, depending on the extent to which they are met, will determine the number or value of Performance Units/Shares that will be paid out to the Service Providers. The time period during which the performance objectives must be met will be called the Performance Period. Each Award of Performance Units/ Shares will be evidenced by an Award Agreement that will specify the Performance Period, and such other terms and conditions as the Administrator, in its sole discretion, will determine. The Administrator may set performance objectives based upon the achievement of Company-wide, divisional, or individual goals, applicable federal or state securities laws, or any other basis determined by the Administrator in its discretion.

(d) Earning of Performance Units/Shares. After the applicable Performance Period has ended, the holder of Performance Units/Shares will be entitled to receive a payout of the number of Performance Units/Shares earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding performance objectives have been achieved. After the grant of a Performance Unit/Share, the Administrator, in its sole discretion, may reduce or waive any performance objectives for such Performance Unit/Share.

(e) Form and Timing of Payment of Performance Units/Shares. Payment of earned Performance Units/Shares will be made as soon after the expiration of the applicable Performance Period at the time determined by the Administrator. The Administrator, in its sole discretion, may pay earned Performance Units/Shares in the form of cash, in Shares (which have an aggregate Fair Market Value equal to the value of the earned Performance Units/Shares at the close of the applicable Performance Period) or in a combination thereof.

(f) Cancellation of Performance Units/Shares. On the date set forth in the Award Agreement, all unearned or unvested Performance Units/Shares will be forfeited to the Company, and again will be available for grant under the Plan.

11. Restricted Stock Units. Restricted Stock Units shall consist of a Restricted Stock, Performance Share or Performance Unit Award that the Administrator, in its sole discretion permits to be paid out in installments or on a deferred basis, in accordance with rules and procedures established by the Administrator.

12. Other Stock Based Awards. Other Stock Based Awards may be granted either alone, in addition to, or in tandem with, other Awards granted under the Plan and/or cash awards made outside of the Plan. The Administrator shall have authority to determine the Service Providers to whom and the time or times at which Other Stock Based Awards shall be made, the amount of such Other Stock Based Awards, and all other conditions of the Other Stock Based Awards including any dividend and/or voting rights.

13. Leaves of Absence. Unless the Administrator provides otherwise, vesting of Awards granted hereunder will be suspended during any unpaid leave of absence and will resume on the date the Participant returns to work on a regular schedule as determined by the Company; provided, however, that no vesting credit will be awarded for the time vesting has been suspended during such leave of absence. A Service Provider will not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its Parent, or any Subsidiary. For purposes of Incentive Stock Options, no such leave may exceed ninety (90) days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then three months following the 91<sup>st</sup> day of such leave any Incentive Stock Option held by the Participant will cease to be treated as an Incentive Stock Option and will be treated for tax purposes as a Nonstatutory Stock Option.

14. Non-Transferability of Awards. Unless determined otherwise by the Administrator, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, such Award will contain such additional terms and conditions as the Administrator deems appropriate.

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(a) **Adjustments.** In the event that any dividend (excluding an ordinary dividend) or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company affecting the Shares occurs, then the Administrator shall appropriately adjust the number and class of Shares which may be delivered under the Plan, the 162(m) annual share issuance limits under Section 6(c) of the Plan, and the number, class, and price of Shares subject to outstanding Awards. Notwithstanding the preceding, the number of Shares subject to any Award always shall be a whole number.

(b) **Dissolution or Liquidation.** In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. The Administrator in its discretion may provide for a Participant to have the right to exercise his or her Award, to the extent applicable, until ten (10) days prior to such transaction as to all of the Awarded Stock covered thereby, including Shares as to which the Award would not otherwise be exercisable. In addition, the Administrator may provide that any Company repurchase option or forfeiture rights applicable to any Award shall lapse 100%, and that any Award vesting shall accelerate 100%, provided the proposed dissolution or liquidation takes place at the time and in the manner contemplated. To the extent it has not been previously exercised or vested, an Award will terminate immediately prior to the consummation of such proposed action.

(c) **Merger or Change in Control.**

(i) **Stock Options and SARs.** In the event of a merger or Change in Control, each outstanding Option and SAR shall be assumed or an equivalent option or SAR substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. With respect to Options and SARs granted to an Outside Director that are assumed or substituted for, if immediately prior to or after the merger or Change in Control the Participant's status as a Director or a director of the successor corporation, as applicable, is terminated other than upon a voluntary resignation by the Participant, then the Participant shall fully vest in and have the right to exercise such Options and SARs as to all of the Awarded Stock, including Shares as to which it would not otherwise be vested or exercisable. Unless determined otherwise by the Administrator, in the event that the successor corporation refuses to assume or substitute for the Option or SAR, the Participant shall fully vest in and have the right to exercise the Option or SAR as to all of the Awarded Stock, including Shares as to which it would not otherwise be vested or exercisable. If an Option or SAR is not assumed or substituted in the event of a merger or Change in Control, the Administrator shall notify the Participant in writing or electronically that the Option or SAR shall be exercisable, to the extent vested, for a period of up to fifteen (15) days from the date of such notice, and the Option or SAR shall terminate upon the expiration of such period. For the purposes of this paragraph, the Option or SAR shall be considered assumed if, following the merger or Change in Control, the option or stock appreciation right confers the right to purchase or receive, for each Share of Awarded Stock subject to the Option or SAR immediately prior to the merger or Change in Control, the consideration (whether stock, cash, or other securities or property) received in the merger or Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the merger or Change in Control is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of the Option or SAR, for each Share of Awarded Stock subject to the Option or SAR, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the merger or Change in Control. Notwithstanding anything herein to the contrary, an Award that vests, is earned or paid-out upon the satisfaction of one or more performance goals will not be considered assumed if the Company or its successor modifies any of such performance goals without the Participant's consent; provided, however, a modification to such performance goals only to reflect the successor corporation's post-merger or post-Change in Control corporate structure will not be deemed to invalidate an otherwise valid Award assumption.

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(ii) Restricted Stock, Performance Shares, Performance Units, Restricted Stock Units and Other Stock Based Awards. In the event of a merger or Change in Control, each outstanding Restricted Stock, Performance Share, Performance Unit, Other Stock Based Award and Restricted Stock Unit awards shall be assumed or an equivalent Restricted Stock, Performance Share, Performance Unit, Other Stock Based Award and Restricted Stock Unit award substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. With respect to Awards granted to an Outside Director that are assumed or substituted for, if immediately prior to or after the merger or Change in Control the Participant's status as a Director or a director of the successor corporation, as applicable, is terminated other than upon a voluntary resignation by the Participant, then the Participant shall fully vest in such Awards, including Shares as to which it would not otherwise be vested. Unless determined otherwise by the Administrator, in the event that the successor corporation refuses to assume or substitute for the Restricted Stock, Performance Share, Performance Unit, Other Stock Based Award or Restricted Stock Unit award, the Participant shall fully vest in the Restricted Stock, Performance Share, Performance Unit, Other Stock Based Award or Restricted Stock Unit including as to Shares which would not otherwise be vested. For the purposes of this paragraph, a Restricted Stock, Performance Share, Performance Unit, Other Stock Based Award and Restricted Stock Unit award shall be considered assumed if, following the merger or Change in Control, the award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the merger or Change in Control, the consideration (whether stock, cash, or other securities or property) received in the merger or Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the merger or Change in Control is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received, for each Share and each unit/right to acquire a Share subject to the Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the merger or Change in Control. Notwithstanding anything herein to the contrary, an Award that vests, is earned or paid-out upon the satisfaction of one or more performance goals will not be considered assumed if the Company or its successor modifies any of such performance goals without the Participant's consent; provided, however, a modification to such performance goals only to reflect the successor corporation's post-merger or post-Change in Control corporate structure will not be deemed to invalidate an otherwise valid Award assumption.

16. Date of Grant. The date of grant of an Award will be, for all purposes, the date on which the Administrator makes the determination granting such Award, or such other later date as is determined by the Administrator. Notice of the determination will be provided to each Participant within a reasonable time after the date of such grant.

17. Term of Plan. Subject to Section 22 of the Plan, the Plan will become effective upon its adoption by the Board. It will continue in effect for a term of ten (10) years unless terminated earlier under Section 18 of the Plan.

18. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Board may at any time amend, alter, suspend or terminate the Plan.

(b) Stockholder Approval. The Company will obtain stockholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

(c) Effect of Amendment or Termination. Subject to Section 20 of the Plan, no amendment, alteration, suspension or termination of the Plan will impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

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19. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise or receipt of an Award, the Company may require the person exercising or receiving such Award to represent and warrant at the time of any such exercise or receipt that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

20. Severability. Notwithstanding any contrary provision of the Plan or an Award to the contrary, if any one or more of the provisions (or any part thereof) of this Plan or the Awards shall be held invalid, illegal or unenforceable in any respect, such provision shall be modified so as to make it valid, legal and enforceable, and the validity, legality and enforceability of the remaining provisions (or any part thereof) of the Plan or Award, as applicable, shall not in any way be affected or impaired thereby.

21. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority will not have been obtained.

22. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within twelve (12) months after the date the Plan is adopted. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

23. Vesting Acceleration of Awards Upon Death.

(a) Stock Options and SARs.

(i) Non-Officer Participants. If a Participant dies while a Service Provider, and at the time of such Participant's death the Participant is not an Officer, all Shares covered by the unvested portion of each outstanding Option and SAR held by the Participant will immediately accelerate upon the Participant's death and become exercisable pursuant to Section 7(d)(iv) hereof.

(ii) Officers. If a Participant dies while a Service Provider, and at the time of such Participant's death the Participant is an Officer, the Shares covered by the unvested portion of each outstanding Option and SAR held by the Participant as of the Participant's death will immediately revert to the Plan on the date one (1) month following the Participant's death, and the Participant will not be entitled to exercise such Shares pursuant to Section 7(d)(iv) hereof; provided, however, that all Shares covered by the vested portion of the Option or SAR, as applicable, shall remain exercisable pursuant to Section 7(d)(iv) hereof.

(b) Restricted Stock, Performance Shares, Performance Units, Restricted Stock Units and Other Stock Based Awards. If a Participant dies while a Service Provider, and at the time of such Participant's death the Participant is not an Officer, then each outstanding Restricted Stock, Performance Share, Performance Unit, Other Stock Based Award or Restricted Stock Unit held by the Participant upon the Participant's death will vest, including as to Shares which would not otherwise be vested, and with respect to such Awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at 100% on-target levels and all other terms and conditions met. Participants who are Officers at the time of their death will not be entitled to such accelerated vesting.

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**INFORMATION CONCERNING GOOGLE'S ANNUAL MEETING OF STOCKHOLDERS**

**To Our Stockholders:**

We are pleased to invite you to attend Google's Annual Meeting of Stockholders to be held on June 2, 2011 at 2:00 p.m., local time, at Google's headquarters located at:

1600 Amphitheatre Parkway  
Mountain View, California 94043  
(650) 253-0000

Check-in begins at 12:30 p.m.

Meeting begins at 2:00 p.m.

**If You Plan to Attend the Annual Meeting:**

It is important that you let us know in advance by marking the appropriate box on the enclosed proxy card if you requested to receive printed proxy materials, or, if you vote by telephone or internet, indicating your plans when prompted.

Please note that space limitations make it necessary for us to limit attendance to our stockholders. **Only Google stockholders as of the close of business on April 4, 2011 are entitled to attend our Annual Meeting.**

Admission will be on a first-come, first-served basis. Please note that check-in and registration begin at 12:30 pm. Google will be serving lunch to attendees.

**Each stockholder should be prepared to present:**

- (1) Valid photo identification, such as a driver's license or passport; and
- (2) Stockholders holding their shares through a broker, bank, trustee, or nominee will need to bring proof of beneficial ownership as of the Record Date, such as their most recent account statement reflecting their stock ownership **prior to April 4, 2011**, a copy of the voting instruction card provided by their broker, bank, trustee, or nominee, or similar evidence of ownership.

Cameras, recording devices, and other electronic devices, such as smart phones, will not be permitted at the meeting.

Please allow ample time for check-in. For security reasons, you and your bags will be subject to search prior to your admittance to the meeting.

**You must be registered to be admitted to the meeting.** Registration will take place at the Shoreline Amphitheatre.

## Edgar Filing: Google Inc. - Form DEF 14A

If you are a beneficial owner, like a vast majority of our stockholders, you may not vote your shares in person at the Annual Meeting unless you obtain a legal proxy from the broker, bank, trustee, or nominee that holds your shares giving you the right to vote the shares at the meeting. *Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy or voting instructions as described in the proxy statement so that your vote will be counted if you later decide not to attend the meeting.*

Directions to Shoreline Amphitheatre from either San Jose or San Francisco:

- (1) Follow Route 101 to the Rengstorff Avenue/Amphitheatre Parkway exit.
- (2) Follow the signs to the Amphitheatre (cross back over 101 if you are coming from the north/just stay right if you are coming from the south).
- (3) Go through the signal at Charleston Road and continue on Amphitheatre Parkway. You will pass Google on your right.
- (4) Turn left at Bill Graham Parkway and follow the signs to Lot C.  
A shuttle bus will be available to take you to our headquarters for the Annual Meeting.

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