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1 **BOTTINI & BOTTINI, INC.**
Francis A. Bottini, Jr. (SBN 175783)
2 Albert Y. Chang (SBN 296065)
3 Anne B. Beste (SBN 326881)
Yury A. Kolesnikov (SBN 271173)
4 7817 Ivanhoe Avenue, Suite 102
La Jolla, California 92037
5 Telephone: (858) 914-2001
Facsimile: (858) 914-2002
6 fbottini@bottinilaw.com
7 achang@bottinilaw.com
abeste@bottinilaw.com
8 ykolesnikov@bottinilaw.com

9 **COHEN MILSTEIN SELLERS & TOLL PLLC**
Julie Goldsmith Reiser (*pro hac vice*)
10 Molly Bowen (*pro hac vice*)
11 1100 New York Avenue, N.W., Suite 500
Washington, D.C. 20005
12 Telephone: (202) 408-4600
Facsimile: (202) 408-4699
13 jreiser@cohenmilstein.com
14 mbowen@cohenmilstein.com

15 *Co-Lead Counsel for Plaintiffs*

16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SANTA CLARA**

17
18 **IN RE ALPHABET INC. SHAREHOLDER
DERIVATIVE LITIGATION**

19 This Document Relates To:

20 ALL ACTIONS.

Lead Case No.: 19CV341522

**MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF
PLAINTIFFS' UNOPPOSED MOTION
FOR PRELIMINARY APPROVAL OF
SETTLEMENT**

Hearing Date: October 22, 2020
Time: 1:30 p.m.
Judge: Hon. Brian C. Walsh
Department: 1

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25 **PUBLIC REDACTS MATERIALS FROM CONDITIONALLY SEALED RECORD**

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1 **I. INTRODUCTION**

2 Co-Lead Plaintiffs Northern California Pipe Trades Pension Plan (“NCPTPP”), Teamsters
3 Local 272 Labor Management Pension Fund (“Local 272”), and James Martin (“Plaintiffs”) move
4 for preliminary approval of the proposed settlement (“Settlement”) as set forth in the Stipulation
5 and Agreement of Settlement dated August 20, 2020 (“Stipulation”).¹ The Settlement resolves the
6 claims brought in this shareholder derivative action (“California Action”) on behalf of Alphabet
7 Inc. (“Alphabet” or the “Company”) and against certain current and former officers and directors
8 of the Company (“Individual Defendants”). It also resolves substantially similar derivative actions
9 pending in the U.S. District Court for the Northern District of California (“Federal Action”) and
10 Delaware Court of Chancery (“Delaware Action”) (collectively, the “Litigations”), as well as
11 certain litigation demands (“Demands”) (together with the Litigations, the “Settled Matters”).

12 The Settlement is an excellent result for Alphabet and its current shareholders, avoids
13 further lengthy and costly litigation, and mitigates the risk and expense of proceeding in multiple
14 fora. It is the product of extensive arm’s-length negotiations between the Settling Parties with the
15 assistance of mediator, the Hon. James P. Kleinberg (Ret.). As detailed below, the Settlement is
16 unquestionably fair, reasonable, and adequate, and warrants preliminary approval.

17 Through the Settlement, Alphabet has agreed to implement holistic workplace reforms,
18 including governance reforms to the Company’s Board of Directors (“Board”). These Workplace
19 Measures and Corporate Governance reforms address and are designed to prevent sexual
20 harassment, sexual misconduct, discrimination, and retaliation. Further, Alphabet will establish
21 and maintain for at least five years a *Diversity, Equity, and Inclusion Advisory Council* (“DEI
22 Advisory Council”), which will be responsible for overseeing the creation, implementation, and
23 ongoing operation of the initiatives that support diversity, equity, and inclusion described in
24 paragraph 1.2 of the Stipulation, and whose membership will consist of both external experts and
25 internal members, including, in its first year, Alphabet’s CEO (Sundar Pichai). Alphabet will also
26

27 ¹ The Stipulation is attached as Exhibit 1 to the Joint Declaration of Francis A. Bottini, Jr. and
28 Julie Goldsmith Reiser (“Joint Declaration” or “JD”), filed concurrently herewith. Unless
otherwise noted, all capitalized terms have the same meaning as defined in the Stipulation, all

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