

# GOOGLE, INC.

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## DISTRIBUTION OF CLASS C SHARES

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FREQUENTLY ASKED QUESTIONS

**NASDAQ OMX<sup>®</sup>**

AS OF APRIL 01, 2014

I. OVERVIEW

THE CLASS C DISTRIBUTION TO THE CLASS A SHAREHOLDERS



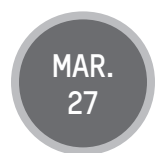
## 1. What is changing?

On January 30th Google, Inc. (NASDAQ:GOOG) announced that its Board of Directors approved the distribution of Class C shares to its stockholders. The Google Board of Directors has approved a distribution of shares of the Class C capital stock as a dividend to stockholders with a dividend record date of March 27, 2014 and a dividend payment date of April 2, 2014.

## 2. What is the projected trading timeline?

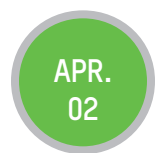
RECORD DATE	PAYMENT DATE	EX DATE
MARCH 27	APRIL 02	APRIL 03

On March 27, the Class C shares will commence trading on a WHEN ISSUED basis (GOOCV). At that same time, the EX DISTRIBUTION WHEN ISSUED market for the class A shares (GOOAV) would be made available. This market represents the ability to trade the Class A stock without entitlement to the Class C distribution.



**From March 27 through April 2 we will be trading:**

- + Class A shares regular way, with entitlement to the class C shares (GOOG)
- + Class C shares when issued (GOOCV)
- + Class A shares on an EX Distribution, when issued basis (GOOAV)



After the close of market on **April 2, 2014**, NASDAQ will review the closing price of the Class C shares (GOOCV) and make a determination and announcement regarding what the adjustment amount for the Class A shares will be on the EX date of April 3, 2014. On the EX date, April 3, the closing price of the Class A shares (new symbol GOOGL) will reflect the adjustment amount.



**Effective on the EX date, April 3:**

- + Class A shares will have a symbol change from GOOG to GOOGL. The stock is EX on this date and commences trading at the adjusted price.
- + Class C shares have a symbol change from GOOCV to GOOG, and commence trading on a regular way (T+3) basis. The WHEN ISSUED settlement date would be April 8.
- + The market for the Class A shares on an EX Distribution, WHEN ISSUED basis (GOOAV) is suspended since the Class A stock is EX on this date.



**April 3 – June 20**

During this time period, both Class C and Class A shares will represent Google in NASDAQ OMX Indexes that previously included the Class A shares as a constituent, including the NASDAQ-100 Index.



**June 23**

Quarterly Rebalancing: Prior to market open on Monday, June 23, 2014, Google Class A shares will be removed from the NASDAQ OMX Indexes and Google Class C shares will become the sole security representing Google in NASDAQ OMX Indexes

## 3. How will this change impact NASDAQ OMX indexes and Google, Inc. trading and market data?

As a result of this transaction, upon distribution the Google Class C shares will be added to all NASDAQ OMX Indexes that contain Google Class A shares, including, but not limited to, the NASDAQ-100 Index®, the NASDAQ Internet Index® and the NASDAQ OMX Global Index Family, effective prior to market open on the April 3, 2014, the ex-date of the distribution. Both classes of shares will remain temporarily in the Indexes until the next quarterly rebalancing, when the Class A shares will be removed from the Indexes.

This change will also impact trading of Google, Inc. shares and distribution of market data as market participants and data vendors must be prepared to trade and disseminate data for the new symbols.

Due to the complexity of this corporate action, NASDAQ OMX has outlined several common questions and answers below pertaining to this change.

## II. INDEXES

### 1. What does this mean for NASDAQ OMX indexes?



- ▶ From **April 3 – June 20**, both classes of shares will remain temporarily in the Indexes until the next quarterly rebalancing, when the Class A shares will be removed from the Indexes. This action is being taken in order to provide for a seamless distribution of the new securities and ensure Index continuity.
- ▶ Therefore there will be 101 constituents in the NASDAQ-100 Index, for example, for a limited time.
- ▶ The quarterly rebalance occurs on June 23rd. Prior to market open on Monday, June 23, 2014, Google Class A shares will be removed from the NASDAQ OMX Indexes and Google Class C shares will become the sole security representing Google in NASDAQ OMX Indexes.

### 2. Why are you making this change?

We may, from time to time, exercise reasonable discretion as it deems appropriate in order to ensure Index integrity.

### 3. Why does the Ex-Date listed in the press release (April 3) fall after the Record Date and Pay Date? Isn't the ex-dividend date normally 2 days before the record date?

In accordance with rule 11140, if the value of the distribution is greater than 25%, the ex-date is the first business day following the payment date. The rule reference is 11140(b)(2).

### 4. Will the price of GOOAV be adjusted for the lack of dividend entitlement from the start?

**Yes**, GOOAV represents the Class A stock on an EX basis, adjusted for the distribution.

### 5. What is the impact to NASDAQ OMX index-linked instruments such as the QQQ?

The basket of the QQQ will include both the Google A shares and the C shares April 3 to June 20. Prior to market open on Monday, June 23, as part of the quarterly rebalance, the QQQ basket will hold only the C shares

### 6. If my firm currently issues an index product containing GOOG, do we need to take any action?

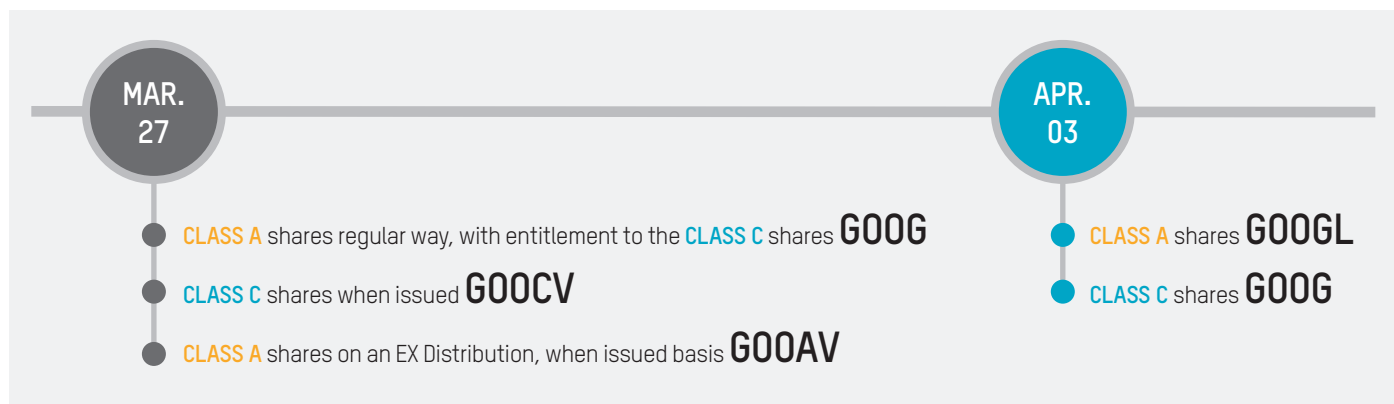
The index product should include both the A and C shares of Google from April 3 through June 20.

### 7. Which version of Google will remain in the indexes after June 23rd?

As of June 23rd, indexes will only include the Google C shares. There will be a divisor adjustment per the rebalance methodology.

## III. TRANSACTIONS

### 1. What symbols will be trading?



### 2. What is the impact to trading?

Market participants must be sure to reflect the correct symbol in their trading. Failure to do so could result in trading of the wrong class of shares or an invalid symbol. Please refer to the trading symbol timeline for reference.

### 3. How can I track symbol updates?

Customers may refer to the [NASDAQ OMX Daily List](#) for the current trading symbols. The Daily List provides key corporate action data – including new listings, delistings, symbol and name changes and dividends – for the NASDAQ Stock Market and the Mutual Fund Quotation Service (MFQS) to the trading and market data community.

### 4. When will options be available on the C Share?

The earliest date that options will be available will be April 4th.

### 5. What should we expect to see as the ratio of shares?

The issuance is one share of Class C for every Class A held. The industry expects that the impact to the price on the EX date will be similar to a two-for-one split.

### 6. Whom should I contact with questions?

If you have questions, reach out to your data vendor and/or the following NASDAQ OMX customer service channels:

- + For trading questions: **NASDAQ OMX Trading Services** at +1 212 231 5180
- + For EX date and symbol changes or Daily List questions: **NASDAQ OMX Market Operations** at +1 877 308 0523

## IV. MARKET DATA

### 1. How should market data vendors prepare for this change?

NASDAQ requests that data vendors and redistributors pay close attention to the name and symbol changes associated with this announcement. It is important to note that through April 2, the GOOG symbol will represent the class A shares at the current price level. The very next day, April 3, the symbol is being reassigned to the Class C shares (pricing expected to be roughly half of the A shares). The symbol will be reassigned from one day to the next.

2. Is it correct that from March 27 to April 2, the tickers G00G (class A with class C entitlement), G00AV (class A without class C entitlement) and G00CV (class C) will exist simultaneously?

Yes, that is correct.

3. What are the issue details?

CLASS	CLASS A	CLASS C	CLASS A EX DISTRIBUTION
CUSIP	38259P508	38259P706	38259P128

\* Please note: the CUSIP numbers will not change in conjunction with the changes happening on April 3, 2014 when G00G changes to G00GL and G00CV changes to G00G.

4. How should we retain market data history?

G00G Class A history should carry over to the G00GL symbol on April 3, 2014 G00CV Class C history should carry over to the G00G symbol on April 3, 2014

5. Will you be offering testing?

No. Similar to other Corporate Action announcements, NASDAQ OMX is providing advance notice so that firms can prepare for the change. This is not a technological change.

## MORE INFORMATION

1. Refer to the press release and [Equity Trader Alert](#) or Index [Financial Products News Alert](#) issued by NASDAQ OMX.
2. Access a replay to the March 25th Market-Wide Call by calling +1 855 859 2056 with Conference ID #17857141.
3. Refer to the Google website: <http://investor.google.com/financial/class-c.html>

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