

Message

From: Ruth Porat Redacted[@google.com]
Sent: 7/21/2017 4:34:09 AM
To: Jamie Rosenberg Redacted@google.com]
CC: sundar Redacted@google.com]; Matthew Bye Redacted :@google.com]; Philipp Schindler Redacted @google.com]; Hiroshi Lockheimer Redacted @google.com]; Jim Kolotouros Redacted @google.com]; Cristina Bita Redacted@google.com]
Subject: Re: Samsung search agreement status

thanks for the update and good luck getting to final!

Redacted

On Thu, Jul 20, 2017 at 1:32 PM, Jamie Rosenberg Redacted@[google.com](mailto:Redacted@google.com)> wrote:
ATTORNEY CLIENT PRIVILEGED

(with Matthew for legal advice)

Ruth, Sundar,

Hiroshi asked that we provide you with a quick summary of where we are with the Samsung search revenue share deal, in case you need it as context for earnings. Status is below, and we also have a deal summary [here](#) in the deck we reviewed with Sundar, Philipp and JG in early May. Jim (cc'ed) is leading for us. Please let us know if we can clarify anything or provide more detail. Jim is also looking into when we can bring this to BC.

Jamie

Status & Timeline

- We have verbally agreed to terms with Samsung (consistent with the terms in the deck).

- We expect to send them a draft contract next week, and hope to have counter-signature by end of August. We some time when the Samsung deal team pivoted its priority to completing a license agreement with us for our search backfill feed for the Bixby Voice Assistant, which launched on Tuesday. Back on track now.

Key Terms

Confidential

Confidential

Ex. No.

UPX1108

1:20-cv-03010-APM

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GOOG-DOJ-09055811

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Confidential

Financials

- The revenue share is Confidential, after deducting Confidential for expenses (for both new devices and the installed base). We eliminated the Confidential several months ago because Samsung could not commit to Chrome in the hot seat, and/or dedicating the -1 screen to the Google Feed. The revenue share in the current deal is Confidential of net, after Confidential deduction.

- Projected payments are Confidential over the next Confidential which is an increase of Confidential over their current revenue share rate. We are updating these numbers as the projections were run in April. Confidential will be paid on the installed base. Confidential on new devices.

Confidential

Confidential

Risks

Confidential



Samsung and Google Search Revenue Share Contract Status

May 4, 2017

Confidential - Proprietary

Agenda

- MADA update
- Samsung revenue share summary
- Options

Google

Confidential - Proprietary

MADA access points (GSA and Chrome) contribute vast majority of search revenue on Samsung devices

Search Revenue by Access Point
(% of Total, fixed-fx) Search Access Point Coverage

Confidential

2016 TAC payments to Samsung = Confidential
Imputed TAC on non-MADA access points = Confidential of gross

NOTES:

- 1) Silk browser replaced Android Browser on Sierra devices in 2015. Expect Android Browser to be phased out
 - 2) Figures above in 2016-adj fixed fx
 - 3) Android / Silk browser figures may be slightly overstated due to misclassification of GSA revenue as Android Browser on pre-KiKat devices, due to old WebView rendering engine
- *Based on 2016 Floating FX non-MADA search revenue at [redacted] of total

