

Motorola Mobility Holdings, Inc  
Form DEFM14A  
October 14, 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**

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 (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

MOTOROLA MOBILITY HOLDINGS, INC.

(Name of Registrant as Specified in Its Charter)

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\_\_\_\_\_  
(Name of Person(s) Filing Proxy Statement, if other than Registrant)

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\_\_\_\_\_

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PRINCIPAL EXECUTIVE OFFICES:  
600 N. U.S. Highway 45  
Libertyville, IL 60048

October 14, 2011

PLACE OF MEETING:  
Hyatt Regency La Jolla at Aventine  
3777 La Jolla Village Drive  
San Diego, California 92122

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

To our Stockholders:

A Special Meeting of stockholders of Motorola Mobility Holdings, Inc., a Delaware corporation (which we refer to as Motorola Mobility), will be held on Thursday, November 17, 2011, starting at 10:00 a.m., local time, at the Hyatt Regency La Jolla at Aventine, located at 3777 La Jolla Village Drive, San Diego, California 92122 for the following purposes:

1. to consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of August 15, 2011, by and among Google Inc., a Delaware corporation, RB98 Inc., a Delaware corporation and a wholly owned subsidiary of Google Inc., and Motorola Mobility, as it may be amended from time to time, pursuant to which RB98 Inc. will merge with and into Motorola Mobility;
2. to consider and vote on a proposal to adjourn the Special Meeting to a later date or time, if necessary or appropriate, to solicit additional proxies in the event there are insufficient votes at the time of such adjournment to adopt the merger agreement; and
3. to consider and vote, on an advisory (non-binding) basis, on a proposal to approve the compensation that may be paid or become payable to Motorola Mobility's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable.

The Motorola Mobility Board of Directors has set the close of business on October 11, 2011 as the record date for the purpose of determining the stockholders who are entitled to receive notice of, and to vote at, the Special Meeting. Only stockholders of record at the close of business on the record date are entitled to notice of and to vote at the Special Meeting and at any adjournment or postponement thereof. Each stockholder is entitled to one vote for each share of Motorola Mobility common stock held by such stockholder on the record date. Please vote in one of the following ways:

visit the website shown on your proxy card to vote via the Internet;

use the toll-free telephone number listed on your proxy card;

mark, sign, date and return the enclosed proxy card using the postage-paid envelope provided; or

in person at the Special Meeting.

**YOUR VOTE IS VERY IMPORTANT TO THE COMPLETION OF THE MERGER.** Regardless of whether you plan to attend the Special Meeting in person, we request that you complete, sign, date and return the enclosed proxy or submit your proxy via Internet or by telephone prior to the Special Meeting to ensure that your shares will be represented at the Special Meeting. If you have Internet access, we encourage you to submit your proxy via the Internet. Properly executed proxy cards with no instructions indicated on the proxy card will be voted **FOR** the adoption of the merger agreement, **FOR** the adjournment of the Special Meeting, if necessary or appropriate, to solicit additional proxies and **FOR** the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Motorola

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Mobility's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable. If you are a record holder of Motorola Mobility common stock and you attend the Special Meeting, you may revoke your proxy and vote in person if you wish, even if you have previously returned your proxy card or submitted your proxy via Internet or by telephone.

Under Delaware law, Motorola Mobility stockholders who do not vote in favor of the proposal to adopt the merger agreement will have the right to seek appraisal of the fair value of their shares as determined by the Delaware Court of Chancery if the merger is completed, but only if they submit a written demand for such an appraisal prior to the vote on the proposal to adopt the merger agreement and comply with the other Delaware law procedures explained in the accompanying proxy statement.

**THE MOTOROLA MOBILITY BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE ADOPTION OF THE MERGER AGREEMENT.**

**PLEASE NOTE THAT ATTENDANCE AT THE SPECIAL MEETING WILL BE LIMITED TO STOCKHOLDERS OF MOTOROLA MOBILITY AS OF THE RECORD DATE (OR THEIR AUTHORIZED REPRESENTATIVES). YOU WILL BE REQUIRED TO PROVIDE THE ADMISSION TICKET THAT IS DETACHABLE FROM YOUR NOTICE OR PROXY CARD OR PROVIDE OTHER EVIDENCE OF OWNERSHIP. IF YOUR SHARES ARE HELD BY A BANK, BROKER OR OTHER NOMINEE, PLEASE BRING TO THE MEETING YOUR BANK OR BROKER STATEMENT EVIDENCING YOUR BENEFICIAL OWNERSHIP OF MOTOROLA MOBILITY STOCK TO GAIN ADMISSION TO THE MEETING, AND YOU WILL NEED A PROXY FROM YOUR BANK, BROKER OR OTHER NOMINEE TO VOTE YOUR SHARES OF COMMON STOCK AT THE SPECIAL MEETING.**

By order of the Motorola Mobility Board of Directors,

Carol H. Forsyte

Secretary

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**SPECIAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON NOVEMBER 17, 2011**

October 14, 2011

Dear Motorola Mobility Holdings, Inc. Stockholders:

You are cordially invited to attend a Special Meeting of Motorola Mobility Holdings, Inc. (which we refer to as Motorola Mobility ) stockholders to be held on Thursday, November 17, 2011, starting at 10:00 a.m., local time, at the Hyatt Regency La Jolla at Aventine, located at 3777 La Jolla Village Drive, San Diego, California 92122.

At the Special Meeting, you will be asked to consider and vote upon a proposal to adopt the merger agreement under which Motorola Mobility would be acquired by Google Inc. and related matters. We entered into this merger agreement on August 15, 2011. If the merger agreement is adopted and the merger is completed, Motorola Mobility will become a wholly owned subsidiary of Google and you, as a holder of Motorola Mobility common stock, will be entitled to receive \$40.00 in cash, without interest and less any applicable tax withholdings, for each share of Motorola Mobility common stock owned by you at the consummation of the merger.

**After careful consideration, the Motorola Mobility Board of Directors has unanimously determined that the merger and the other transactions contemplated by the merger agreement are advisable and fair to, and in the best interests of, Motorola Mobility stockholders and unanimously recommends that you vote FOR the adoption of the merger agreement, FOR the adjournment of the Special Meeting, if necessary or appropriate, to solicit additional proxies and FOR the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Motorola Mobility s named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable.**

**YOUR VOTE IS VERY IMPORTANT TO THE COMPLETION OF THE MERGER.** We cannot consummate the merger unless the merger agreement is approved by at least a majority of the outstanding shares of our common stock. **Therefore, the failure of any Motorola Mobility stockholder to vote and abstentions from voting will have the same effect as a vote by that Motorola Mobility stockholder AGAINST the adoption of the merger agreement.**

Only stockholders of record at the close of business on October 11, 2011 are entitled to notice of and to vote at the special meeting and at any adjournment or postponement thereof.

The attached proxy statement provides you with detailed information about the Special Meeting, the merger agreement and the merger. A copy of the merger agreement is attached as Annex A to this document. We encourage you to read the attached proxy statement and the merger agreement carefully and in their entirety. You may also obtain more information about Motorola Mobility from documents we have filed with the U.S. Securities and Exchange Commission.

Thank you in advance for your continued support and your consideration of this matter.

Sincerely,

Sanjay K. Jha

Chairman and CEO  
Motorola Mobility Holdings, Inc.

**Neither the Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the merger, passed upon the merits or fairness of the merger or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.**

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This proxy statement is dated October 14, 2011 and is first being mailed to Motorola Mobility stockholders on or about that date.

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**QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING**

*The following questions and answers address briefly some questions you may have regarding the Special Meeting and the proposed merger. These questions and answers may not address all questions that may be important to you as a holder of shares of Motorola Mobility common stock. For important additional information, please refer to the more detailed discussion contained elsewhere in this proxy statement, the annexes to this proxy statement and the documents referred to in this proxy statement.*

*We sometimes make reference to Motorola Mobility Holdings, Inc. and its subsidiaries in this proxy statement by using the terms Motorola Mobility, the Company, we, our or us. In addition, throughout this proxy statement we refer to Google Inc. as Google, the merger between Motorola Mobility and RB98 Inc. as the merger and the Agreement and Plan of Merger, dated as of August 15, 2011, by and among Google, RB98 Inc. and Motorola Mobility as the merger agreement. GOOGLE and ANDROID are trademarks of Google.*

**THE MERGER**

**What Am I Being Asked to Vote on?**

Motorola Mobility and Google have entered into a merger agreement pursuant to which Google will acquire Motorola Mobility through the merger of a wholly owned subsidiary of Google with and into Motorola Mobility. Motorola Mobility will be the surviving corporation (which we refer to in this proxy statement as the surviving corporation) in the merger and will continue as a wholly owned subsidiary of Google.

You are being asked to consider and vote on adoption of the merger agreement (and to approve the adjournment of the Special Meeting, if necessary or appropriate, to solicit additional proxies). In addition, Motorola Mobility stockholders will also consider and vote, on an advisory (non-binding) basis, on a proposal to approve the compensation that may be paid or become payable to Motorola Mobility's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable, as described in the section entitled The Merger Motorola Mobility Golden Parachute Compensation.

A copy of the merger agreement is attached to this proxy statement as Annex A.

**What Will a Motorola Mobility Stockholder Receive if the Merger Is Completed?**

If the merger is completed, by virtue of the merger, each share of Motorola Mobility common stock issued and outstanding immediately prior to the effective time of the merger will be cancelled and converted into the right to receive \$40.00 in cash, without interest and

less any applicable tax withholdings, other than the following shares:

shares of Motorola Mobility common stock owned directly or indirectly by Google or RB98 Inc. or held by Motorola Mobility as treasury stock immediately prior to the effective time of the merger, which will be cancelled and no payment will be made with respect thereto; and

shares of Motorola Mobility common stock which are held by stockholders that have properly exercised their appraisal rights in accordance with Delaware law.

**How Does the Per Share Merger Consideration Compare to the Market Price of Motorola Mobility Common Stock?**

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The merger consideration of \$40.00 per share of Motorola Mobility common stock represented approximately a 63% premium over \$24.47, the closing price of Motorola Mobility common stock on the NYSE on August 12, 2011, the last trading day before the date on which the transaction was publicly announced. On October 13, 2011, which was the last trading day before the date of this proxy statement, the closing sale price of Motorola Mobility common stock was \$38.16 per share. You are encouraged to obtain current market quotations for Motorola Mobility common stock in connection with voting your shares.

### **What Are the Conditions to the Merger?**

The completion of the merger is subject to various closing conditions, each of which will need to be satisfied or waived before the merger can be completed. These conditions include (1) the adoption of the merger agreement by an the affirmative vote of holders of at least a majority of the outstanding shares

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of Motorola Mobility common stock; (2) the absence of any order issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the merger; (3) the absence of any law that has been enacted, entered or promulgated by any governmental entity that prohibits or makes illegal the consummation of the merger; (4) the termination or expiration of any applicable waiting period (or extension thereof) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (which we refer to in this proxy statement as the HSR Act ); (5) the issuance by the European Commission of a decision under the Council Regulation (EC) No. 139/2004 of 20 January 2004 on the control of concentrations between undertakings (published in the Official Journal of the European Union on 29 January 2004 at L 24/1) (which we refer to in this proxy statement as the EC Merger Regulation ) declaring the merger compatible with the common market; (6) the unqualified tax opinion previously delivered by Motorola Mobility s tax counsel to our former parent, Motorola Solutions, Inc. (which we refer to in this proxy statement as our former parent ) not having been withdrawn; and (7) additional antitrust clearances in Canada, China, Israel, Russia, Taiwan and Turkey. For a description of the other conditions to the merger, refer to The Merger Agreement Conditions to the Merger.

**When Do You Expect the Merger to Be Completed?**

We currently expect the merger to be completed by the end of 2011 or early 2012. However, the merger is subject to various closing conditions, including those described in the previous question and answer. It is possible that the failure to timely meet those closing conditions or other factors outside of our control could require us to complete the merger at a later time or prevent us from completing the merger altogether.

**What Will Happen in the Merger to Motorola Mobility s Options, Restricted Stock Units and Other Equity Awards?**

For information concerning the treatment of Motorola Mobility s stock options, restricted stock units and other equity awards, see The Merger Agreement Treatment of Options, Restricted Stock Units and Other Equity Awards.

**SPECIAL MEETING**

**When and Where Will the Special Meeting of Stockholders Be Held?**

The Special Meeting of Motorola Mobility stockholders will be held on Thursday, November 17, 2011, starting at 10:00 a.m., local time, at Hyatt Regency La Jolla at Aventine, located at 3777 La Jolla Village Drive, San Diego, California 92122. For a description of the Special Meeting, refer to The Special Meeting.

**What Are the Proposals That Will Be Voted on at the Special Meeting?**

You will be asked to consider and vote on (1) the adoption of the merger agreement, (2) the adjournment of the Special Meeting to a later date, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the Special Meeting to adopt the merger agreement and (3) the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Motorola Mobility s named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable, as described in the section entitled The Merger Motorola Mobility Golden Parachute Compensation.

**How Does the Motorola Mobility Board of Directors Recommend I Vote?**

The Motorola Mobility Board of Directors has unanimously determined that the merger and the other transactions contemplated by the merger agreement are advisable and fair to, and in the best interests of, Motorola Mobility stockholders. The Motorola Mobility Board of Directors unanimously recommends that you vote your shares:

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- (1) **FOR** the adoption of the merger agreement;
- (2) **FOR** the adjournment of the Special Meeting, if necessary or appropriate, to solicit additional proxies; and
- (3) **FOR** the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Motorola Mobility's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable, as described in the section entitled "The Merger - Motorola Mobility Golden Parachute Compensation."

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**VOTING PROCEDURES AND OTHER MATTERS****Who Is Entitled to Attend and Vote at the Special Meeting?**

Only Motorola Mobility stockholders of record at the close of business on October 11, 2011 (which we refer to in this proxy statement as the record date ) will be entitled to notice of, and to vote at, the Special Meeting or any adjournment or postponement thereof. On the record date, there were 299,530,251 issued and outstanding shares of Motorola Mobility common stock entitled to vote at the Special Meeting. The Motorola Mobility common stock is the only class of voting securities of Motorola Mobility.

A list of Motorola Mobility stockholders entitled to vote at the meeting will be available for examination at the corporate offices of Motorola Mobility Holdings, Inc., 600 N. U.S. Highway 45, Libertyville, Illinois 60048 for ten days before the Special Meeting and at the Special Meeting.

**What Vote of Our Stockholders Is Required to Adopt the Merger Agreement?**

Under Delaware law, the adoption of the merger agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of Motorola Mobility common stock.

**What Vote of Our Stockholders Is Required to Adopt the Proposal to Adjourn the Special Meeting to a Later Time, if Necessary or Appropriate, to Solicit Additional Proxies?**

The adoption of the proposal to adjourn the Special Meeting to a later time, if necessary or appropriate, to solicit additional proxies requires the affirmative vote of at least a majority of the shares of Motorola Mobility common stock represented in person or by proxy at the Special Meeting and entitled to vote on the matter (also known as a majority of votes cast).

**What Vote of Our Stockholders Is Required to Approve, on an Advisory Basis, the Compensation Payable to Motorola Mobility's Named Executive Officers in Connection with the Merger?**

The approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Motorola Mobility's named executive officers in connection with the merger, including the

agreements and understandings pursuant to which such compensation may be paid or become payable, as described in the section entitled "The Merger - Motorola Mobility Golden Parachute Compensation," requires the affirmative vote of at least a majority of shares of Motorola Mobility common stock represented in person or by proxy at the Special Meeting and entitled to vote on the matter (also known as a majority of votes cast).

**What Will Happen if Our Stockholders Do Not Approve, on an Advisory Basis, the Compensation Payable to Motorola Mobility's Named Executive Officers in Connection with the Merger?**

The vote on executive compensation that may be paid or become payable in connection with the merger is a vote separate and apart from the vote to adopt the merger agreement. Accordingly, you may vote to approve the executive compensation and vote not to adopt the merger agreement and vice versa. Because the vote on executive compensation that may be paid or become payable in connection with the merger is advisory in nature only, it will not be binding on either Motorola Mobility or Google. Accordingly, because Motorola Mobility is contractually obligated to pay the compensation, if the merger agreement is adopted and the merger is completed, the compensation will be payable, subject only to the conditions applicable thereto, regardless of the outcome of the advisory vote.

**How Can I Vote Without Attending the Special Meeting?**

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There are three convenient methods for registered Motorola Mobility stockholders to direct their vote by proxy without attending the Special Meeting. Motorola Mobility stockholders can:

Vote via Internet. You can vote via the Internet. The website address for Internet voting is provided on your proxy card. You will need to use the control number appearing on your proxy card to vote via the Internet. You can use the Internet to transmit your voting instructions up until 11:59 P.M. Eastern Time on Wednesday, November 16, 2011. Internet voting is available 24 hours a day. If you vote via the Internet you do NOT need to vote by telephone or return a proxy card.

Vote by Telephone. You can also vote by telephone by calling the toll-free telephone number provided on your proxy card. You will

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need to use the control number appearing on your proxy card to vote by telephone. You may transmit your voting instructions from any touch-tone telephone up until 11:59 P.M. Eastern Time on Wednesday, November 16, 2011. Telephone voting is available 24 hours a day. If you vote by telephone you do NOT need to vote over the Internet or return a proxy card.

Vote by Mail. You can vote by marking, dating, signing and returning the enclosed proxy card in the postage-paid envelope provided. Please promptly mail your proxy card to ensure that it is received prior to the closing of the polls at the Special Meeting.

### **How Do I Vote if My Shares of Motorola Mobility Common Stock Are Held by My Bank, Broker or Other Nominee?**

If your shares of Motorola Mobility common stock are held by a bank, broker or other nominee, then your bank, broker or other nominee is considered to be the stockholder of record with respect to those shares. However, you still are considered to be the beneficial owner of those shares of Motorola Mobility common stock, with your shares being held in street name. Street name holders generally cannot vote their shares directly and must instead instruct the bank, broker or other nominee how to vote their shares. Your bank, broker or other nominee will only be permitted to vote your shares of Motorola Mobility common stock for you at the Special Meeting if you instruct it how to vote. Therefore, it is important that you promptly follow the directions provided by your bank, broker or other nominee regarding how to instruct it to vote your shares. If you wish to vote in person at the Special Meeting, you must bring a proxy from your bank, broker or other nominee authorizing you to vote at the Special Meeting.

In addition, because any shares of Motorola Mobility common stock you may hold in street name will be deemed to be held by a different stockholder than any shares you hold of record, shares held in street name will not be combined for voting purposes with shares you hold of record. To be sure your shares of Motorola Mobility common stock are voted, you should instruct your bank, broker or other nominee to vote your shares. Shares of Motorola Mobility common stock held by a corporation or business entity must be voted by an authorized officer of the entity.

### **Will My Shares be Voted if I Do Not Provide Instructions to My Bank, Broker or Other Nominee?**

Your bank, broker or other nominee will NOT be able to vote your shares of Motorola Mobility common stock unless you have properly instructed your nominee on how to vote. Because the adoption of the merger agreement requires an affirmative vote of at least a majority of the outstanding shares of Motorola Mobility common stock for approval, the failure to provide your nominee with voting instructions will have the same effect as a vote **AGAINST** the proposal to adopt the merger agreement.

Because each of (1) the proposal to adjourn the Special Meeting, if necessary or appropriate, to solicit additional proxies, and (2) the proposal to approve, on an advisory (non-binding) basis, the compensation that may be paid or become payable to Motorola Mobility's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable, as described in the section entitled *The Merger - Motorola Mobility Golden Parachute Compensation*, requires the affirmative vote of at least a majority of the shares of common stock present or represented at the Special Meeting and entitled to vote on the matter (also known as a majority of votes cast), and because your bank, broker or other nominee does not have discretionary authority to vote on the proposal, the failure to instruct your broker or other nominee with voting instructions on how to vote your shares will have no effect on the approval of that proposal.

### **How Are Votes Counted?**

Votes will be counted by the independent inspector of election appointed for the Special Meeting, who will separately count **FOR** and **AGAINST** votes and abstentions. Because under Delaware law the adoption of the merger agreement requires the affirmative vote of at least a majority of the outstanding shares of Motorola Mobility common stock, the failure to vote or the abstention from voting will have the same effect as a vote **AGAINST** the adoption of the merger agreement. Because the adoption of each of the other two proposals (to adjourn the Special Meeting, if necessary or appropriate, to solicit additional proxies, and to approve, on an advisory (non-binding) basis, the compensation that may be paid or become payable to Motorola Mobility's named executive officers in





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connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable, as described in the section entitled "The Merger (Motorola Mobility Golden Parachute Compensation)" requires the affirmative vote of at least a majority of the shares of Motorola Mobility common stock represented in person or by proxy at the Special Meeting and entitled to vote on the matter (also known as a majority of votes cast), abstentions will count as a vote **AGAINST** the proposal but the failure to vote your shares will have no effect on the outcome of the proposal.

**How Many Votes Am I Entitled to Cast?**

You are entitled to cast one vote for each share of Motorola Mobility common stock you own on the record date.

**How Many Votes Must Be Present to Conduct Business at the Special Meeting?**

In order for business to be conducted, a quorum must be represented in person or by proxy at the Special Meeting. A quorum is one third of the outstanding shares of Motorola Mobility common stock. Shares represented by a proxy marked "abstain" will be considered present at the Special Meeting for purposes of determining a quorum. If you are a Motorola Mobility stockholder of record and you submit a properly executed proxy card, vote by telephone or via the Internet or vote in person at the Special Meeting, then your shares of Motorola Mobility common stock will be counted as part of the quorum. If you are a street name holder of shares and you provide your bank, broker or other nominee with instructions as to how to vote your shares or obtain a legal proxy from such bank, broker or nominee to vote your shares in person at the Special Meeting, then your shares will be counted as part of the quorum. If you are a street name holder of shares and you do not provide your bank, broker or other nominee with instructions as to how to vote your shares and do not obtain a legal proxy from such bank, broker or nominee to vote your shares in person at the Special Meeting, then your shares (also known as broker non-votes) will be counted as part of the quorum, but will have the same effect as a vote **AGAINST** the proposal to adopt the merger agreement. All shares of Motorola Mobility common stock held by Motorola Mobility stockholders that are present in person or represented by proxy at the

Special Meeting, regardless of how such shares are voted or whether such Motorola Mobility stockholders abstain from voting, will be counted in determining the presence of a quorum.

**What if I Return a Proxy but Do Not Provide Specific Voting Instructions for Some or All of the Items?**

All shares that have been properly voted (whether via Internet or by telephone or mail) and not revoked will be voted at the Special Meeting in accordance with your instructions. If you return your signed proxy card, but do not mark the boxes showing how you wish to vote, your shares will be voted **FOR** the adoption of the merger agreement, **FOR** the adoption of the proposal to adjourn the Special Meeting, if necessary or appropriate to solicit additional proxies, and **FOR** the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Motorola Mobility's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable. With respect to any other matter that properly comes before the Special Meeting, the persons appointed as proxies will vote the shares of Motorola Mobility common stock represented by the proxy as directed by the Motorola Mobility Board of Directors.

**Who Represents My Proxy at the Special Meeting?**

If you do not vote in person at the Special Meeting, but have voted your shares over the Internet, by telephone or by signing and returning your proxy card, you have authorized Sanjay K. Jha, Marc E. Rothman, D. Scott Offer, Carol H. Forsyte and Mark R. Valentine, or any one of them, designated by the Motorola Mobility Board of Directors of Motorola Mobility to represent you and to vote your shares as instructed.

**What Does It Mean if I Receive More Than One Proxy?**

If you receive more than one proxy, it means that you hold shares of Motorola Mobility common stock that are registered in more than one account. For example, if you own your shares in various registered forms, such as jointly with your spouse, as trustee of a trust or as custodian

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for a minor, you will receive, and you will need to sign and return, a separate proxy card for those shares because they are held in a different form of record ownership. Therefore, to ensure that all of your shares are voted, you will need to sign and return each proxy card you receive or vote by

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telephone or via the Internet by using the different control number(s) on each proxy card.

**How Can I Change My Vote?**

Registered Motorola Mobility stockholders can revoke their proxy at any time before it is voted at the Special Meeting by either:

submitting another timely, later-dated proxy via Internet or by telephone or mail;

delivering timely written notice of revocation to the Secretary, Motorola Mobility Holdings, Inc., 600 N. U.S. Highway 45, Libertyville, Illinois 60048; or

attending the Special Meeting and voting in person.

If your shares are held in the name of a bank, broker or other nominee, you must obtain a proxy, executed in your favor, from the holder of record (that is, your bank, broker or nominee) to be able to vote at the Special Meeting.

**What Happens if I Sell My Shares of Motorola Mobility Common Stock Before the Special Meeting?**

If you transfer your shares of Motorola Mobility common stock after the record date but before the Special Meeting, you will, unless special arrangements are made, retain your right to vote at the Special Meeting but will transfer the right to receive the per share merger consideration to the person to whom you transfer your shares. In addition, if you sell your shares prior to the Special Meeting or prior to the effective time of the merger, you will not be eligible to exercise your appraisal rights in respect of the merger. For a more detailed discussion of your appraisal rights and the requirements for perfecting your appraisal rights, refer to [Appraisal Rights](#) and Annex D.

**Am I Entitled to Appraisal Rights in Connection With the Merger?**

Motorola Mobility stockholders who do not vote for the adoption of the merger agreement and who comply with the other special criteria and conditions set forth in Section 262 of the General Corporation Law of the State of Delaware (which we refer to as the [DGCL](#)), have the right to seek appraisal of the fair value of their shares as determined by the Delaware Court of Chancery. This appraisal amount could be more than, the same as, or less than the amount that a

Motorola Mobility stockholder would be entitled to receive under the merger agreement. For more information regarding appraisal rights, refer to [Appraisal Rights](#). In addition, a copy of Section 262 of the DGCL is attached as Annex D to this proxy statement.

**How Do I Vote if I Participate in Motorola Mobility's 401(k) Plan?**

If you own shares of Motorola Mobility common stock through the transitional Motorola Mobility stock fund of the Motorola Mobility 401(k) Plan (which we refer to in this proxy statement as the [401\(k\) Plan](#)), the proxy card includes the shares you hold in the 401(k) Plan as well as the shares you hold outside of the 401(k) Plan. Under the 401(k) Plan, participants are named fiduciaries to the extent of their authority to direct the voting of shares of Motorola Mobility common stock credited to their 401(k) Plan accounts, and their proportionate share of allocated shares for which no direction is received and unallocated shares, if any (which we refer to in this proxy statement as the [undirected shares](#)). The trustee of the 401(k) Plan will vote undirected shares in the same proportion as the shares for which directions are received, except as otherwise provided in accordance with ERISA. By submitting voting instructions via Internet, or by telephone, or if hardcopies are requested, by signing, dating and returning the proxy card, you direct the trustee of the 401(k) Plan to vote these shares, in person or by proxy, as designated therein, at the Special

Meeting.

**Who Can Answer Further Questions?**

For additional questions about the merger, assistance in submitting proxies or voting shares of Motorola Mobility common stock, or additional copies of the proxy statement or the enclosed proxy card, please contact our proxy solicitor:

D.F. King & Co., Inc.

48 Wall Street, 22nd Floor

New York, NY 10005

Toll free: 1-800-207-3158

If your bank, broker or other nominee holds your shares in street name, you should also call your bank, broker or other nominee for additional information.

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**SUMMARY**

*This summary highlights selected information from this proxy statement and may not contain all of the information that is important to you. Each item in this summary includes a page reference directing you to a more complete description of the item in this proxy statement. To understand the merger more fully and for a more complete description of the legal terms of the merger, you should read carefully this entire proxy statement, the annexes to this proxy statement and the documents we refer to in this proxy statement. See *Where You Can Find More Information* beginning on page 86. The merger agreement is attached as Annex A to this proxy statement. We encourage you to read the merger agreement.*

**THE COMPANIES (Page 26)**

**Motorola Mobility Holdings, Inc.** Motorola Mobility is a provider of innovative technologies, products and services that enable a broad range of mobile and wireline digital communication, information and entertainment experiences. Motorola Mobility's integrated products and platforms deliver rich multimedia content, such as video, voice, messaging and Internet-based applications and services to multiple screens, such as mobile devices, televisions and personal computers. Our product portfolio primarily includes mobile devices, wireless accessories, set-top boxes and video distribution systems, and wireline broadband infrastructure products and associated customer premises equipment. We are focused on developing differentiated, innovative products to meet the expanding needs of consumers to communicate, to collaborate and to discover, consume, create and share content at a time and place of their choosing on multiple devices. We operate our business in two segments, our Mobile Devices segment and our Home segment.

Motorola Mobility's principal executive offices are located at 600 N. U.S. Highway 45, Libertyville, Illinois 60048, and our telephone number is (847) 523-5000. Our Internet website address is <http://investors.motorola.com>. The information provided on Motorola Mobility's website is not part of this proxy statement and is not incorporated herein by reference.

**Google Inc.** Google is a global technology leader focused on improving the ways people connect with information. Google aspires to build products that improve the lives of billions of people globally. Google's mission is to organize the world's information and make it universally accessible and useful. Google's innovations in web search and advertising have made its website a top Internet property and its brand one of the most recognized in the world.

Google generates revenue primarily by delivering relevant, cost-effective online advertising. Businesses use Google's AdWords program to promote their products and services with targeted advertising. In addition, the third parties that comprise the Google Network use Google's AdSense program to deliver relevant ads that generate revenue and enhance the user experience.

Google's principal executive offices are located at 1600 Amphitheatre Parkway, Mountain View, California 94043, and its telephone number is (650) 253-0000. Google's Internet website address is <http://investor.google.com>. The information provided on Google's website is not part of this proxy statement and is not incorporated herein by reference.

**RB98 Inc.** RB98 Inc., a Delaware corporation and a wholly owned subsidiary of Google, was formed solely for the purpose of facilitating Google's acquisition of Motorola Mobility. RB98 Inc. has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement. Upon consummation of the proposed merger, RB98 Inc. will merge with and into Motorola Mobility and RB98 Inc. will cease to exist.

RB98 Inc.'s principal executive offices are located at 1600 Amphitheatre Parkway, Mountain View, California 94043, and its telephone number is (650) 253-0000.

**THE MERGER (Page 27)**

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The merger agreement provides that RB98 Inc., a wholly owned subsidiary of Google, will merge with and into Motorola Mobility. As a result of the merger, Motorola Mobility will become a wholly owned subsidiary of Google. Upon completion of the

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proposed merger, shares of Motorola Mobility common stock will no longer be listed on any stock exchange or quotation system.

**THE MERGER CONSIDERATION AND THE CONVERSION OF MOTOROLA MOBILITY CAPITAL STOCK (Page 59)**

If the merger is completed, by virtue of the merger, each share of Motorola Mobility common stock issued and outstanding immediately prior to the effective time of the merger will be cancelled and converted into the right to receive \$40.00 in cash, without interest and less any applicable tax withholdings, other than the following shares:

shares of Motorola Mobility common stock owned directly or indirectly by Google or RB98 Inc. or held by Motorola Mobility as treasury stock immediately prior to the effective time of the merger, which will be cancelled and no payment will be made with respect thereto; and

shares of Motorola Mobility common stock which are held by stockholders that have properly exercised their appraisal rights in accordance with Delaware law.

Following the merger, you will not own any shares of the surviving corporation and Motorola Mobility will cease to be a publicly traded company. As a privately owned company, the registration of Motorola Mobility common stock and Motorola Mobility's reporting obligations with respect to such stock under the Securities Exchange Act of 1934, as amended (which we refer to in this proxy statement as the Exchange Act), will be terminated upon application to the U.S. Securities and Exchange Commission (which we refer to in this proxy statement as the SEC). In addition, upon completion of the proposed merger, shares of Motorola Mobility common stock will no longer be listed on any stock exchange or quotation system, including the New York Stock Exchange (which we refer to in this proxy statement as the NYSE).

**ABOUT THE SPECIAL MEETING (Page 22)**

**Date, Time and Place.** The Special Meeting will be held on Thursday, November 17, 2011, starting at 10:00 a.m., local time, at the Hyatt Regency La Jolla at Aventine, located at 3777 La Jolla Village Drive, San Diego, California 92122.

**Purpose.** You will be asked to consider and vote upon (1) the adoption of the merger agreement, (2) the adjournment of the Special Meeting to a later date, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the Special Meeting to adopt the merger agreement, and (3) the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Motorola Mobility's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable, as described in the section entitled "The Merger - Motorola Mobility Golden Parachute Compensation" on page 49 of this proxy statement.

**Record Date and Quorum.** You are entitled to vote at the Special Meeting if you owned shares of Motorola Mobility common stock at the close of business on October 11, 2011, the record date for the Special Meeting. You will have one vote for each share of Motorola Mobility common stock that you owned on the record date. As of the record date, there were 299,530,251 shares of Motorola Mobility common stock outstanding and entitled to vote. One third of Motorola Mobility common stock outstanding constitutes a quorum for the purpose of considering the proposals. In the event that a quorum is not present at the Special Meeting, the meeting may be adjourned or postponed to solicit additional proxies.

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**Vote Required.** The adoption of the merger agreement requires the affirmative vote of the holders of Motorola Mobility common stock representing at least a majority of the outstanding shares of Motorola Mobility common stock. Approval of any proposal to adjourn the Special Meeting, if necessary or appropriate, including for the purpose of soliciting additional proxies, and the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Motorola Mobility's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable, as described in the section entitled "The Merger - Motorola Mobility Golden Parachute Compensation" on page 49 of this proxy statement, require the affirmative vote of the holders of at least a majority of the shares of Motorola Mobility common stock present in person or represented by proxy at the Special Meeting and entitled to vote on the matter (also known as a majority of votes cast).



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**RECOMMENDATION OF THE MOTOROLA MOBILITY BOARD OF DIRECTORS (Page 34)**

The Motorola Mobility Board of Directors has determined that the merger and the other transactions contemplated by the merger agreement are advisable and fair to, and in the best interests of, Motorola Mobility and its stockholders. The Motorola Mobility Board of Directors unanimously recommends that Motorola Mobility stockholders vote **FOR** the adoption of the merger agreement, **FOR** the adjournment of the Special Meeting, if necessary or appropriate, to solicit additional proxies, and **FOR** the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Motorola Mobility's named executive officers in connection with the merger, including the agreements and understandings pursuant to which such compensation may be paid or become payable as described in the section entitled "The Merger - Motorola Mobility Golden Parachute Compensation" on page 49 of this proxy statement.

In deciding to recommend the adoption of the merger agreement, the Motorola Mobility Board of Directors considered many factors including:

its belief that the merger agreement and the transactions contemplated by the merger agreement were more favorable to Motorola Mobility stockholders than remaining independent or other strategic alternatives reasonably available to Motorola Mobility and its stockholders, particularly in recognition of the ongoing risks the Company faces in a historically volatile consumer-based industry with intense competition from highly successful competitors, short product cycles relying heavily on product execution, carrier and consumer demand, evolving technologies and ongoing intellectual property litigation;

the fact that the terms of the merger agreement provide cash consideration which the Board considers fair even in the absence of the risks facing the Company and assuming the business executes well on its strategy;

the fact that Google must use reasonable best efforts to obtain necessary antitrust clearances and that under certain circumstances, if such clearances are not obtained despite such efforts, Google would be required to pay Motorola Mobility a reverse termination fee of \$2.5 billion and that under certain circumstances if Google breached its obligation to use reasonable best efforts to obtain necessary antitrust clearances, Motorola Mobility may be able to seek additional damages from Google in an amount equal to \$1 billion, in addition to the reverse termination fee of \$2.5 billion;

the comparison of recent and historical market prices for Motorola Mobility common stock to the per share merger consideration to be paid in the merger; and

the fact that, subject to compliance with the terms and conditions of the merger agreement, including giving Google the opportunity to match any superior proposal and the payment to Google of a \$375 million termination fee, Motorola Mobility is permitted to terminate the merger agreement in order to enter into an agreement with respect to a superior proposal.

The Motorola Mobility Board of Directors also considered the risk that the merger might not be completed in a timely manner or at all due to a failure to receive necessary antitrust clearances or due to the possible failure of another condition to the merger to be satisfied.

You should read "The Merger - Reasons for the Merger; Recommendation of the Motorola Mobility Board of Directors", beginning on page 30 of this proxy statement, for a more detailed discussion of the factors that the Motorola Mobility Board considered in deciding to recommend the adoption of the merger agreement.

**OPINION OF QATALYST PARTNERS (Page 34)**

We retained Qatalyst Partners LP (which we refer to in this proxy statement as Qatalyst Partners ) to act as our financial advisor in connection with the merger. We selected Qatalyst Partners to act as our financial advisor based on its qualifications, expertise, reputation and knowledge of the Company s business and affairs and the industry in which we operate. On August 14, 2011, Qatalyst Partners rendered to our Board of Directors its opinion that, as of such date and based upon and subject to the considerations, limitations and other matters set forth therein, the consideration to be received by the holders of Company common stock (other than Google or any affiliates of Google) pursuant to the merger agreement was fair, from a financial point of view, to such holders.

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The full text of the written opinion of Qatalyst Partners, dated August 14, 2011, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached to this proxy statement as Annex B and is incorporated into this proxy statement by reference. You should read the opinion carefully in its entirety. Qatalyst Partners provided its opinion for the information and assistance of the Motorola Mobility Board of Directors in connection with its consideration of the merger. The Qatalyst Partners opinion is not a recommendation as to how any Motorola Mobility stockholders should vote with respect to the merger or any matter. For a further discussion of the Qatalyst Partners opinion, see *The Merger Opinion of Qatalyst Partners* beginning on page 34 of this proxy statement.

**OPINION OF CENTERVIEW (Page 40)**

We also retained Centerview Partners LLC (which we refer to in this proxy statement as *Centerview*) to act as our financial advisor in connection with the Merger. We selected Centerview to act as our financial advisor based on its qualifications, expertise, reputation and knowledge of the Company's business and affairs and the industry in which we operate. On August 14, 2011, Centerview rendered its oral opinion, subsequently confirmed in writing on August 15, 2011, to the Motorola Mobility Board of Directors that, as of such date and based upon and subject to the factors and assumptions set forth in the opinion, the \$40.00 per share in cash to be paid to each holder of Motorola Mobility common stock pursuant to the merger agreement was fair, from a financial point of view, to such holders (other than any holder of shares of Motorola Mobility common stock who is entitled to demand and properly demands appraisal of such shares).

The full text of the written opinion of Centerview, dated August 15, 2011, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex C and is incorporated into this proxy statement by reference. You should read the opinion carefully in its entirety. Centerview provided its opinion for the information and assistance of the Motorola Mobility Board of Directors in connection with its consideration of the merger. The Centerview opinion

is not a recommendation as to how any holder of Motorola Mobility common stock should vote with respect to the merger or any other matter. For a further discussion of the Centerview opinion, see *The Merger Opinion of Centerview* beginning on page 40 of this proxy statement.

**TREATMENT OF OPTIONS, RESTRICTED STOCK UNITS AND OTHER EQUITY AWARDS (Page 59)**

**Employee Stock Options.** The treatment of the Motorola Mobility stock options held by employees at the effective time of the merger will vary based on the original grant date of the option.

**Unvested Stock Options Granted On or After January 4, 2011.** Each option to purchase shares of Motorola Mobility common stock held by an employee that was granted on or after January 4, 2011 and that is outstanding and unvested as of immediately prior to the effective time of the merger (each of which we refer to in this proxy statement as a *rollover stock option*) will be converted into an option to acquire a number of shares of Google Class A common stock (rounded down to the nearest whole share) equal to (1) the number of shares of Motorola Mobility common stock subject to the rollover stock option immediately prior to the effective time of the merger, multiplied by (2) the equity award exchange ratio. The per share exercise price (rounded up to the nearest cent) of the option to purchase shares of Google Class A common stock will be equal to (1) the per share exercise price of the rollover stock option in effect immediately prior to the effective time of the merger divided by (2) the equity award exchange ratio. The term, vesting schedule and all of the other terms of each rollover stock option will otherwise remain unchanged. The equity award exchange ratio equals (a) \$40.00 divided by (b) the average closing price per share of Google Class A common stock on the Nasdaq Global Select Market for the five trading day period ending on the trading day preceding the date of closing (which we refer to in this proxy statement as the *closing date*).

**All Other Employee Stock Options.** Each option to purchase shares of Motorola Mobility common stock held by an employee, whether vested or unvested, that is not a rollover stock option and that is outstanding as of immediately prior to the effective

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time of the merger (each of which we refer to in this proxy statement as a cash-out stock option ), will cease to represent a right or award with respect to shares of Motorola Mobility common stock, will become fully vested and will entitle the holder of such award to receive an amount in cash equal to (1) the number of shares of Motorola Mobility common stock subject to the cash-out stock option immediately prior to the effective time of the merger, multiplied by (2) the excess, if any, of \$40.00 over the per share exercise price of the cash-out stock option, less any applicable tax withholdings.

**Employee Restricted Stock Units.** The treatment of the Motorola Mobility restricted stock units held by employees at the effective time of the merger will vary based on the original grant date of the restricted stock unit.

**Restricted Stock Units Granted On or After January 4, 2011.** Each Motorola Mobility restricted stock unit award held by an employee that was granted on or after January 4, 2011 and that is outstanding and unvested as of immediately prior to the effective time of the merger (each of which we refer to in this proxy statement as a rollover RSU award ) will be converted into a restricted stock unit award with respect to a number of shares of Google Class A common stock (rounded to the nearest whole share) that is equal to (1) the number of shares of Motorola Mobility common stock subject to the holder's rollover RSU award immediately prior to the effective time of the merger multiplied by (2) the equity award exchange ratio. The vesting schedule and all of the other terms of each rollover RSU award will otherwise remain unchanged.

**Restricted Stock Units Granted Prior to January 4, 2011.** Each Motorola Mobility restricted stock unit award held by an employee that was granted prior to January 4, 2011 and that is outstanding and unvested as of immediately prior to the effective time of the merger (each of which we refer to in this proxy statement as a cash-out RSU award ) will cease to represent a right or award with respect to shares of Motorola Mobility common stock, will become fully vested and will entitle the holder of such award to receive an amount in cash equal to (1) the number of shares underlying such cash-out RSU award immediately prior to the effective time of the merger, multiplied by (2) \$40.00, less any applicable tax withholdings.

**Employee Restricted Shares.** Each Motorola Mobility restricted share award that is outstanding as of immediately prior to the effective time of the merger (each of which we refer to in this proxy statement as a restricted share award ) held by Dr. Sanjay K. Jha (the only individual who holds restricted shares) will be converted into an award with respect to a number of restricted shares of Google Class A common stock (rounded to the nearest whole share) equal to (1) the number of shares of Motorola Mobility common stock subject to Dr. Jha's restricted share award immediately prior to the effective time of the merger, multiplied by (2) the equity award exchange ratio. The vesting schedule and all of the other terms of each restricted share award will otherwise remain unchanged.

**Director Stock Options.** Each option to purchase shares of Motorola Mobility common stock held by a non-employee director at the effective time of the merger, whether vested or unvested, that is outstanding as of immediately prior to the effective time of the merger (each of which we refer to in this proxy statement as a director stock option ), will become fully vested and be converted into the right to receive a cash payment equal to (1) the number of shares of Motorola Mobility common stock subject to the director stock option immediately prior to the effective time of the merger, multiplied by (2) the excess, if any, of \$40.00 over the per share exercise price of the director stock option, less any applicable tax withholdings.

**Director Restricted Stock Units and Deferred Stock Units.** Each Motorola Mobility restricted stock unit award held by a non-employee director that was granted on or after January 4, 2011 and does not, by its terms, become settled upon the effective time of the merger or upon the director's departure from the Motorola Mobility Board of Directors and that is outstanding as of immediately prior to the effective time of the merger (each of which we refer to in this proxy statement as a director rollover RSU award ) will be converted into a restricted stock unit award with respect to a number of shares of Google Class A common stock (rounded to the nearest whole share) that is equal to (1) the number of shares of Motorola Mobility common stock subject to the holder's director rollover RSU award immediately prior to the effective time of the merger multiplied by (2) the equity award exchange ratio. All of the other terms of each director rollover RSU award will otherwise remain unchanged.

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Each Motorola Mobility restricted stock unit award (other than a director rollover RSU award) and deferred stock unit award held by a non-employee director that is outstanding as of immediately prior to the effective time of the merger will cease to represent a right or award with respect to shares of Motorola Mobility common stock, will become fully vested and will entitle the holder of such award to receive an amount in cash equal to (1) the number of shares underlying such award immediately prior to the effective time of the merger, multiplied by (2) \$40.00, less any applicable tax withholdings.

**INTERESTS OF MOTOROLA MOBILITY S DIRECTORS AND EXECUTIVE OFFICERS IN THE MERGER (Page 45)**

Motorola Mobility s directors and executive officers have interests in the merger that are different from, or in addition to, their interests as Motorola Mobility stockholders. The members of the Motorola Mobility Board of Directors were aware of and considered these interests, among other matters, in evaluating the merger agreement and the merger, and in recommending to Motorola Mobility stockholders that the merger agreement be adopted.

These interests include:

With respect to executive officers, the vesting and cash-out of all Motorola Mobility stock options and restricted stock units with an original grant date prior to January 4, 2011 and, with respect to non-employee directors, the vesting and cash-out of all restricted stock units that by their terms would become vested upon the effective time of the merger or upon the director s departure from the Motorola Mobility Board of Directors and the vesting and cash-out of all stock options and deferred stock units.

With respect to executive officers, all unvested equity-based awards with an original grant date on or after January 4, 2011 and, with respect to non-employee directors, all restricted stock units that would not, by their terms, become settled upon the effective time of the merger or upon the director s departure from the Motorola Mobility Board of Directors, in each case, will roll over into comparable equity-based awards with respect to shares of Google Class A common stock in accordance with a formula described under The Merger Agreement Treatment of Options, Restricted Stock Units and Other Equity Awards, beginning on page 58 of this proxy statement. Any converted awards held by the executive officers would vest in the event that the employment of the executive officer were terminated by the surviving corporation without cause or by the executive officer for good reason within two years following the effective time of the merger.

Dr. Jha s employment agreement and Motorola Mobility s Change in Control Severance Plan provide change in control severance benefits to Motorola Mobility s executive officers in the event of certain qualifying terminations of employment in connection with or following the merger. In addition, certain executive officers would be eligible for reimbursement of excise taxes imposed on the severance payments and benefits under Section 4999 of the Internal Revenue Code of 1986, as amended (which we refer to in this proxy statement as the Code ), unless the value of the payments and benefits does not exceed 110% of the maximum amount payable without triggering the excise taxes, in which case the payments and benefits will be reduced to the maximum amount.

In the event that the effective time of the merger occurs in 2011, the executive officers would be entitled to payment of annual bonuses at the greater of (1) actual performance in 2011 and (2) 75% of target performance in 2011.

Motorola Mobility s directors and executive officers are entitled to continued indemnification and insurance coverage on terms at least as favorable as their current coverage under the merger agreement.

**SECURITY OWNERSHIP OF MANAGEMENT AND DIRECTORS (Page 83)**

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As of October 11, 2011, the directors and executive officers of Motorola Mobility beneficially owned in the aggregate approximately 909,950 of the

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shares of Motorola Mobility common stock entitled to vote at the Special Meeting, representing approximately 0.30% of Motorola Mobility's outstanding common stock. We currently expect that each of these individuals will vote all of his or her shares of Motorola Mobility common stock in favor of each of the proposals.

**APPRAISAL RIGHTS (Page 79)**

Under the DGCL, Motorola Mobility stockholders who do not vote in favor of the merger agreement and the merger will have the right to seek appraisal of the fair value of their shares of Motorola Mobility common stock as determined by the Delaware Court of Chancery if the merger is completed, but only if they submit a written demand for such an appraisal prior to the vote on the merger agreement and the merger and comply with the other DGCL procedures explained in this proxy statement. This appraisal amount could be more than, the same as, or less than the amount that a Motorola Mobility stockholder would be entitled to receive under the merger agreement and in Annex D to this proxy statement.

**CONDITIONS TO THE MERGER (Page 74)**

**Conditions to Each Party's Obligations.** Each party's obligation to consummate the merger is subject to the satisfaction or waiver of the following conditions:

adoption of the merger agreement by the affirmative vote of holders of at least a majority of the outstanding shares of Motorola Mobility common stock;

absence of any order issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the merger;

absence of any law that has been enacted, entered or promulgated by any governmental entity that prohibits or makes illegal consummation of the merger;

termination or expiration of any applicable waiting period (or extension thereof) under the HSR Act;

issuance by the European Commission of a decision under the EC Merger Regulation declaring the merger compatible with the common market; and

additional antitrust clearances in Canada, China, Israel, Russia, Taiwan and Turkey.

**Conditions to Motorola Mobility's Obligations.** The obligation of Motorola Mobility to consummate the merger is subject to the satisfaction or waiver of further conditions, including:

the truth and correctness of Google's and RB98 Inc.'s representations and warranties on the date of the merger agreement and on the date of the closing of the merger (or in the case of representations and warranties that are made as of an earlier date, as of the earlier date), except where the failures to be true and correct, individually or in the aggregate, have not prevented or materially delayed or materially impaired, and would not be reasonably likely to prevent or materially delay or materially impair, the ability of Google to perform its obligations under the merger agreement or to consummate the merger;

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Google's and RB98 Inc.'s performance or compliance in all material respects with all obligations required to be performed or complied with by them under the merger agreement; and

the receipt by Motorola Mobility of an officer's certificate by Google certifying to the effect that the foregoing two conditions have been satisfied.

**Conditions to Google's and RB98 Inc.'s Obligations.** The obligation of Google and RB98 Inc. to consummate the merger is subject to the satisfaction or waiver of further conditions, including:

Motorola Mobility has not suffered a material adverse effect since December 31, 2010 through the bring-down date (as further described under "The Merger Agreement - Conditions to the Merger - Conditions to Google's and RB98 Inc.'s Obligations," beginning on page 73 of this proxy statement);

the truth and correctness, in all material respects (without giving effect to any materiality qualifications in such representations and warranties), of Motorola Mobility's representations and warranties concerning (1) the organization and qualification of Motorola Mobility, (2) the



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authority for entry into the merger agreement and certain actions by the Motorola Mobility Board of Directors, (3) the delivery of fairness opinions by each of Qatalyst Partners and Centerview, and (4) the inapplicability of anti-takeover statutes to the merger and the absence of a Motorola Mobility stockholders rights plan, on the date of the merger agreement and on the date of the closing of the merger (or in the case of representations and warranties that are made as of an earlier date, as of the earlier date);

the truth and correctness of Motorola Mobility's representations and warranties concerning its capitalization, on the date of the merger agreement and on the bring-down date (or in the case of representations and warranties that are made as of an earlier date, as of the earlier date), except for *de minimis* failures to be so true and correct;

the truth and correctness (without giving effect to any materiality qualifications in such representations and warranties) of Motorola Mobility's other representations and warranties in the merger agreement, on the date of the merger agreement and on the bring-down date (or in the case of representations and warranties that are made as of an earlier date, as of the earlier date or period), except where the failure to be true and correct have not had and are not reasonably likely to have, individually or in the aggregate, a material adverse effect on Motorola Mobility and its subsidiaries, taken as a whole;

Motorola Mobility's performance or compliance in all material respects with all obligations required to be performed or complied with by it under the merger agreement;

the receipt by Google of an officer's certificate by Motorola Mobility certifying to the effect that the foregoing five conditions have been satisfied; and

the unqualified tax opinion delivered by Motorola Mobility's tax counsel to Motorola, Inc. (renamed Motorola Solutions, Inc.), our former parent, has not been withdrawn (unless such withdrawal arises from any breach of any statement or representation contained in any representation letter from Google delivered to Motorola Mobility's tax counsel).

**TERMINATION OF THE MERGER AGREEMENT (Page 75)**

Motorola Mobility and Google may terminate the merger agreement by mutual written consent at any time before the consummation of the merger. In addition, with specified exceptions, either Motorola Mobility or Google may terminate the merger agreement at any time before the consummation of the merger if:

any court of competent jurisdiction or other governmental entity has issued an order, or taken any other action, restraining, enjoining or otherwise prohibiting the merger, and the order or action has become final and non appealable (however, a party may not invoke this termination right unless it has used its reasonable best efforts to contest, appeal and remove the order or action, and is not in material violation of the merger agreement);

the merger has not occurred on or before the outside date, which is currently August 15, 2012 but is subject to extensions as described below (however, a party may not invoke this termination right if it has failed to fulfill in any material respect any of its covenants and agreements in the merger agreement and such failure was the primary cause of the failure of the merger to occur on or before the outside date); or

the merger agreement was not adopted by Motorola Mobility stockholders with the requisite vote at the Special Meeting or at any adjournment or postponement of the Special Meeting.

The outside date is currently August 15, 2012 but may be extended if at least one of the mutual conditions described above (disregarding the condition relating to adoption of the merger agreement by Motorola Mobility stockholders) has not been satisfied to the extent the condition is related to antitrust laws or clearances (which we refer to in this proxy statement as the antitrust conditions ). Under that circumstance, either Motorola Mobility or Google may extend the outside date by a two-month period. The outside date may be extended by these two-month periods up to a total of three times, but may not be extended beyond February 15, 2013.

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Motorola Mobility may also terminate the merger agreement:

if either Google or RB98 Inc. has breached its representations and warranties, or has failed to perform its covenants or agreements in the merger agreement, which breach or failure to perform (1) would give rise to the failure of a condition to Motorola Mobility's obligation to consummate the merger and (2) is not cured by Google or RB98 Inc. within 30 days following written notice to Google of the breach or failure to perform, or by its nature or timing is not capable of being cured; or

to enter into, concurrently with the termination of the merger agreement, a written and definitive agreement providing for a superior proposal if (1) the Motorola Mobility stockholders have not yet adopted the merger agreement, (2) Motorola Mobility has not committed a willful and intentional breach of the non-solicitation provisions in the merger agreement and has satisfied other specified requirements and conditions concerning notification and negotiation with Google, (3) the Motorola Mobility Board of Directors determines in good faith (after consultation with its financial advisors and outside legal counsel) that the acquisition proposal constitutes a superior proposal and the failure to terminate the merger agreement would be reasonably likely to be inconsistent with the directors' exercise of their fiduciary obligations to Motorola Mobility stockholders under applicable law, and (4) prior to or concurrently with the termination of the merger agreement, Motorola Mobility pays to Google the \$375 million termination fee described under

Termination Fees and The Merger Agreement Termination Fees, beginning on page 77 of this proxy statement.

Prior to exercising its termination right in respect of a superior proposal, Motorola Mobility must give Google at least three business days' prior written notice of its intention to so terminate the merger agreement (which notice must specify the material terms and conditions of the superior proposal) and provide Google an unredacted copy of the relevant proposed transaction agreement and other material documents contemplated with or by the party making the superior proposal. In addition, if requested by

Google, Motorola Mobility must negotiate in good faith with Google during the notice period to enable Google to propose changes to the terms of the merger agreement that would cause the superior proposal to no longer constitute a superior proposal. In connection with that process, the Motorola Mobility Board of Directors must consider in good faith (after consultation with its financial advisors and outside legal counsel) any changes to the merger agreement proposed in writing by Google. Finally, the Motorola Mobility Board of Directors must have determined that the superior proposal would still continue to constitute a superior proposal if the changes proposed by Google were to be given effect. If at any time there is a change to any material terms of the superior proposal, Motorola must deliver to Google an additional notice and a summary of the relevant proposed transaction agreement and other material documents. And, in that case, a new three-business-day notice period will commence during which time Motorola Mobility will be obligated to take the actions described above in this paragraph.

Google may also terminate the merger agreement if:

Motorola Mobility has breached its representations and warranties, or has failed to perform its covenants or agreements in the merger agreement, which breach or failure to perform (1) would give rise to the failure of a condition to Google's and RB98 Inc.'s obligations to consummate the merger and (2) is not cured by Motorola Mobility within 30 days following written notice to Motorola Mobility of the breach or failure to perform, or by its nature or timing is not capable of being cured;

the Motorola Mobility Board of Directors or any committee of the Motorola Mobility Board of Directors has changed its recommendation (as further described under The Merger Agreement Motorola Mobility Board Recommendation, beginning on page 70 of this proxy statement) and the merger agreement was not adopted by Motorola Mobility stockholders with the requisite vote at the Special Meeting or at any adjournment of the Special Meeting; or

Motorola Mobility enters into any agreement or understanding providing for, or deliberately

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intended to facilitate, an acquisition transaction as described under **No Solicitation** and **The Merger Agreement No Solicitation**, beginning on page 68 of this proxy statement (unless Google has consented to such entry).

**TERMINATION FEES (Page 77)**

Motorola Mobility has agreed to pay Google a fee of \$375 million (which we refer to in this proxy statement as the **termination fee** ) if:

all of the following occurs:

(1) (a) after the date of the merger agreement and prior to the termination of the merger agreement, a proposal for an acquisition transaction (as further described under **The Merger Agreement No Solicitation**, beginning on page 68 of this proxy statement) is made to Motorola Mobility or directly to Motorola Mobility stockholders generally (or becomes otherwise publicly known), or any person announces an intention to make a proposal for an acquisition transaction, and (b) if the merger agreement has been terminated on the basis that the merger agreement has not been adopted by Motorola Mobility stockholders with the requisite vote at the Special Meeting or at any adjournment or postponement of the Special Meeting, the proposal or announcement is not publicly and irrevocably withdrawn at least 10 business days prior to the Special Meeting;

(2) the merger agreement is terminated under the following circumstances: (a) (i) the outside date, as and if extended, has passed, (ii) the vote on the adoption of the merger agreement by Motorola Mobility stockholders has not yet occurred, and (iii) the antitrust conditions have been satisfied, (b) the merger agreement has not been adopted by Motorola Mobility stockholders with the requisite vote at the Special Meeting or at any adjournment or postponement of the Special Meeting, or (c) Motorola Mobility has breached its representations and warranties, or has failed to perform its covenants and agreements, in either case, in a manner that gave rise to the termination right described under **Termination of the Merger Agreement** above; and

(3) within 12 months following the termination of the merger agreement, Motorola Mobility enters into an agreement providing for, or consummates, an acquisition transaction involving 50% or more of the non- cash or cash equivalent assets of Motorola Mobility and its subsidiaries, taken as a whole, or 50% or more of the outstanding shares of Motorola Mobility common stock;

the merger agreement is terminated by Google under the following circumstances: (1) the Motorola Mobility Board of Directors or a committee of the Motorola Mobility Board of Directors has made a recommendation change, and the merger agreement was not adopted by Motorola Mobility stockholders with the requisite vote at the Special Meeting or at any adjournment or postponement of the Special Meeting, or (2) Motorola Mobility enters into any agreement or understanding providing for, or deliberately intended to facilitate, an acquisition transaction (unless Google has consented to such entry); or

the merger agreement is terminated (1) by Motorola Mobility to enter into a written and definitive agreement providing for a superior proposal, or (2) by Motorola Mobility or Google if the merger agreement was not adopted by Motorola Mobility stockholders with the requisite vote at the Special Meeting or at any adjournment or postponement of the Special Meeting, and, at the time of the meeting, the Motorola Mobility Board of Directors or a committee of the Motorola Mobility Board of Directors has changed its recommendation.

Google has agreed to pay Motorola Mobility a fee of \$2.5 billion (which we refer to in this proxy statement as the **reverse termination fee** ) if all of the following occur:

the merger agreement is terminated by either Motorola Mobility or Google under the following circumstances: (1) a court or other governmental entity has issued an order, or taken any other action, restraining, enjoining or otherwise prohibiting the merger, and the order or action is with respect to antitrust laws and has become final and non appealable, or



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(2) the outside date, as and if extended, has occurred and, at the time of the termination of the merger agreement, the antitrust conditions have not been satisfied;

the failure of the antitrust conditions to be satisfied is not primarily caused by any material willful and intentional breach by Motorola Mobility of its obligations to use reasonable best efforts to obtain antitrust and other clearances; and

all other conditions to the obligations of Google and RB98 Inc. to consummate the merger described above have been satisfied or waived (and, in the case of those conditions that by their terms are to be satisfied at the closing, those conditions would be satisfied if the closing were to occur).

The payment of the reverse termination fee does not relieve Google or RB98 Inc. for any failure to comply with their obligations to use their reasonable best efforts to obtain termination or expiration of any waiting periods under the HSR Act and such other approvals, consents and clearances as may be necessary, proper or advisable to effectuate the merger under the antitrust laws and to remove any court or regulatory orders under the antitrust laws impeding the ability to consummate the merger by the outside date. However, to the extent Motorola Mobility makes claims in respect of breaches by Google or RB98 Inc. of the obligations described in the previous sentence, to the extent related to or resulting in the failure of the antitrust conditions, the aggregate liability of Google and RB98 Inc. will be limited to \$3.5 billion (which includes the amount of any reverse termination fee payable by Google under the merger agreement).

**NO SOLICITATION (Page 68)**

Motorola Mobility has agreed that it and its subsidiaries will, and will instruct its representatives and its subsidiaries' representatives to, immediately cease any solicitation, knowing encouragement, discussions or negotiations that may be ongoing with respect to an acquisition proposal and immediately instruct any person (including that person's representatives) that has confidential information about Motorola Mobility that was furnished by or on behalf of Motorola Mobility in connection with any actual or potential acquisition proposal to return or

destroy all such information. In addition, Motorola Mobility has agreed that neither it nor its subsidiaries will, nor will they authorize or knowingly permit their representatives to, directly or indirectly:

solicit, initiate, propose or induce the making, submission or announcement of, or knowingly encourage or assist, an acquisition proposal;

furnish to any person any non-public information relating to Motorola Mobility or its subsidiaries in connection with any acquisition proposal;

furnish to any person any non-public information relating to Motorola Mobility or its subsidiaries in response to any other proposal or inquiry for a potential transaction that on its face is one of the specified transactions described under The Merger Agreement No Solicitation, beginning on page 68 of this proxy statement;

afford to any person access to the business, properties, assets, books, records or other non-public information, or to any personnel of Motorola Mobility or any of its subsidiaries in connection with any acquisition proposal;

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afford to any person access to the business, properties, assets, books, records or other non-public information, or to any personnel of Motorola Mobility or any of its subsidiaries in response to any other proposal or inquiry for a potential transaction that on its face is one of the specified transactions described under The Merger Agreement No Solicitation, beginning on page 68 of this proxy statement;

enter into, participate, engage in or continue or renew discussions or negotiations with any person with respect to any acquisition proposal; or

enter into, or authorize Motorola Mobility or any of its subsidiaries to enter into, any letter of intent, agreement or understanding of any kind providing for, or deliberately intended to facilitate an acquisition transaction.

However, until the merger agreement has been adopted by Motorola Mobility stockholders with the requisite vote at the Special Meeting or at any adjournment or postponement of the Special Meeting, if the Motorola Mobility Board of Directors receives



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an acquisition proposal that it determines in good faith (after consultation with its financial advisor and outside legal counsel) either constitutes a superior proposal (as further described under The Merger Agreement No Solicitation, beginning on page 68 of this proxy statement) or could reasonably be expected to result in a superior proposal (and at the time of taking the following action, the acquisition proposal continues to constitute or remains reasonably expected to result in a superior proposal), the Motorola Mobility Board of Directors may:

participate or engage in discussions or negotiations with the person that has made the *bona fide* unsolicited written acquisition proposal (which must not have resulted from a knowing breach of the non-solicitation provisions of the merger agreement);

furnish to the person that has made the *bona fide* unsolicited written acquisition proposal (which must not have resulted from a knowing breach of the non-solicitation provisions of the merger agreement) any non-public information relating to Motorola Mobility or any of its subsidiaries, pursuant to a confidentiality agreement that contains provisions restricting disclosure and use that are no less favorable in the aggregate to Motorola Mobility than those in the confidentiality agreement entered into between Motorola Mobility and Google; and/or

afford to the person that has made the *bona fide* unsolicited written acquisition proposal (which must not have resulted from a knowing breach of the non-solicitation provisions of the merger agreement) access to the business, properties, assets, books, records or other non-public information, or to the personnel, of Motorola Mobility or any of its subsidiaries, pursuant to a confidentiality agreement that contains provisions restricting disclosure and use that are no less favorable in the aggregate to Motorola Mobility than those in the confidentiality agreement entered into between Motorola Mobility and Google.

Contemporaneously with furnishing any non-public information to any person, Motorola Mobility must make available the same non-public information to Google to the extent the information has not been previously made available to Google. In addition, upon receipt of an acquisition proposal,

Motorola Mobility must promptly (and in any event within 24 hours) provide to Google (1) a copy of the acquisition proposal, if made in writing, or a summary of the material terms of the acquisition proposal, if not made in writing, and (2) any information known to Motorola Mobility relating to the identity of the person making the acquisition proposal (including, if the person is not an issuer with equity securities registered with the SEC, the person's direct and indirect investors). Finally, Motorola Mobility must give Google prior written notice (which prior written notice must be given, to the extent practicable, at least 12 hours in advance) of Motorola Mobility's intention to participate or engage in discussions or negotiations with, or furnish non-public information or afford access to, a person making an acquisition proposal.

**MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER (Page 54)**

The receipt of cash for shares of Motorola Mobility common stock pursuant to the merger generally will be a taxable transaction for U.S. federal income tax purposes. In general, a U.S. Holder (as defined in the section u