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14 [Additional counsel appear on signature page]

15 **UNITED STATES DISTRICT COURT**
 16 **NORTHERN DISTRICT OF CALIFORNIA**
SAN FRANCISCO DIVISION

17 IN RE TWITTER, INC. SHAREHOLDER
 18 DERIVATIVE LITIGATION,

Lead Case No.: 3:16-cv-06136-JST

(Consolidated with Nos. 3:16-cv-06457-JST
 and 4:16-cv-06492-JST)

19 This Document Relates To:

20 ALL ACTIONS.

**STIPULATION AND [PROPOSED]
 ORDER STAYING THE ACTION**

(Derivative Action)

Judge: Honorable Jon S. Tigar

Courtroom: 9

Date Action Filed: October 24, 2016

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1 Plaintiffs Jim Porter, Ernesto Espinoza, and Francis Fleming (“Plaintiffs”) and
2 individual defendants Richard Costolo, Anthony Noto, Jack Dorsey, Peter Fenton, David
3 Rosenblatt, Marjorie Scardino, Evan Williams, Peter Chernin, Peter Currie, and nominal
4 defendant Twitter, Inc. (“Twitter” and, together with the individual defendants, the
5 “Defendants”), through their respective counsel, hereby stipulate as follows:

6 WHEREAS, between October 24, 2016, and November 8, 2016, Plaintiffs filed
7 shareholder derivative actions pleading claims for, among other things, violations of federal
8 securities law, breaches of fiduciary duties, waste of corporate assets, and unjust enrichment
9 against certain current and/or former directors and officers of Twitter, and this Court
10 consolidated those actions (the “Consolidated Derivative Action” or “Action”) on January 20,
11 2017 (Doc. No. 21) (the “January 2017 Order”);

12 WHEREAS, pursuant to the January 2017 Order, Plaintiffs and Defendants (the
13 “Parties”) have met and conferred to discuss further proceedings in the Consolidated
14 Derivative Action and hereby submit this stipulation and proposed order;

15 WHEREAS, in addition to the Consolidated Derivative Action, there is a related
16 federal securities class action pending before this Court entitled *Shenwick v. Twitter, Inc.*,
17 No. 3:16-cv-05314-JST (the “Securities Action”);

18 WHEREAS, the defendants in the Securities Action plan to file a motion to dismiss the
19 consolidated amended complaint filed in that matter, and a hearing on defendants’ anticipated
20 motion to dismiss has been scheduled for September 14, 2017;

21 WHEREAS, while Plaintiffs believe the allegations set forth in the Consolidated
22 Derivative Action have merit independent of, and are not dependent on, the facts alleged in the
23 Securities Action, the Parties agree that motion work in the Securities Action may help inform
24 the manner in which the Consolidated Derivative Action proceeds and may affect or
25 substantially streamline the resolution of the Action;

26 WHEREAS, due to the unique facts and circumstances presented by this case, and the
27 Parties’ interest in preserving the Company’s resources and avoiding potentially unnecessary
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1 costs and litigation during the pendency of the Securities Action, the Parties agree that the
2 interests of justice and efficient and effective case management would best be served by
3 temporarily deferring prosecution of the Consolidated Derivative Action until the resolution of
4 the anticipated motion to dismiss in the Securities Action; and

5 WHEREAS, the Parties agree that, at any time during which the prosecution of this
6 Consolidated Derivative Action is stayed pursuant to this Order, any Party may file a motion
7 with the Court seeking to modify the terms of the Order, which motion may be opposed by any
8 other Party.

9 NOW THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between
10 the Parties, through their undersigned counsel, subject to approval of the Court, as follows:

11 1. Subject to Paragraphs 2-8 below, all proceedings in the Consolidated Derivative
12 Action shall be stayed until a ruling on the defendants' anticipated motion to dismiss in the
13 Securities Action.

14 2. Within thirty (30) days after the ruling on the motion to dismiss in the
15 Securities Action, the Parties in this Consolidated Derivative Action will meet and confer in
16 good faith to determine a schedule for further proceedings in the Action, and will submit a
17 proposed scheduling stipulation for this Court's review and approval.

18 3. If the parties in the Securities Action decide to engage in mediation, Defendants
19 agree to provide Plaintiffs in the Consolidated Derivative Action with reasonable advance
20 notice of the mediation.

21 4. Notwithstanding the stay of the Consolidated Derivative Action, Plaintiffs shall
22 be permitted to file a consolidated complaint, as well as any subsequent amended complaints,
23 during the pendency of the stay. Defendants shall be under no obligation to move to dismiss
24 or otherwise respond to any such complaint while the Consolidated Derivative Action is
25 stayed.

26 5. In entering this Stipulation and agreement, Defendants expressly reserve all of
27 their defenses and objections that they may have in the Consolidated Derivative Action,
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1 including defenses and objections to jurisdiction and venue, and the stay of the Action shall
2 not be, and shall not be deemed, a waiver of any of Defendants' defenses or objections.

3 6. The Parties agree that any challenges to Plaintiffs' allegations that demand on
4 the Twitter Board of Directors (the "Board") is or was futile will be determined based on the
5 composition of the Board as of the time the first derivative complaint was filed.

6 7. This Stipulation shall not preclude or prevent the Parties from stipulating to, or
7 filing a motion seeking, a court order lifting, modifying, or extending the terms of this
8 Stipulation, and any Party's right to oppose such motion.

9 8. By entering into this Stipulation, the Parties do not waive any rights not
10 specifically addressed herein, including the right to pursue formal discovery and/or file any
11 motion any Party deems appropriate once this case is no longer stayed.

12 Dated: April 12, 2017

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21 Dated: April 12, 2017

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Dated: April 12, 2017

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David Rosenblatt, Marjorie Scardino, Evan
Williams, Peter Chernin, Peter Currie, and
Nominal Defendant Twitter, Inc.

SIGNATURE ATTESTATION

I am the ECF user whose identification and password are being used to file the foregoing Joint Case Management Statement. In compliance with Local Rule 5-1(i)(3), I hereby attest that concurrence in the filing of this document has been obtained.

Dated: April 12, 2017

s/ Frank J. Johnson
FRANK J. JOHNSON

ORDER

PURSUANT TO STIPULATION, IT IS SO ORDERED.

Dated: April 13, 2017


HONORABLE JON S. TIGAR
UNITED STATES DISTRICT JUDGE