

EXHIBIT U
PART 6 OF 6

Settlement Agreement with Authors Guild & AAP Google

In October 2008, we announced a settlement agreement with U.S. authors and publishers.



If approved by the court, this agreement will:

- Open access to millions of books in the U.S.
- Expand the market for authors and publishers to sell their works
- Continue to bring more of the world's offline content online.

Public Domain “The Twilight Zone”

Books published before 1923

- Out of Print
- Orphaned works, or simply unclear copyright status

Less than 20%*

75% or more

Less than 5%**

In-Print

Available in a bookstore

*OCLC analysis of the Google Books Library Project <http://www.dlib.org/dlib/september05/lavoie/09lavoie.html>

**O'Reilly Radar: http://radar.oreilly.com/archives/2005/11/ooops_only_4_of_titles_are_bein.html

Scope

Google™

The agreement settles existing US lawsuits against Google Book Search.

Agreement is between Google and a class including all US copyright holders (authors, publishers, etc.) for books that we have scanned or are intending to scan.

Agreement only pertains to uses of these books in the U.S.

- Includes international books.
- Does not cover books published after Jan 5, 2009

Covers the following works

- Included: Books
- Excluded: Journals, musical compositions, images

Overview

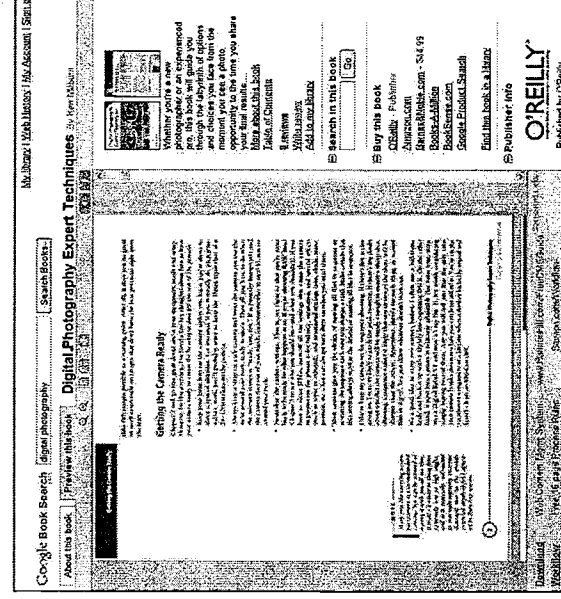
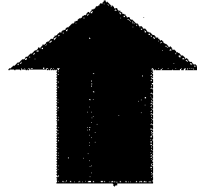
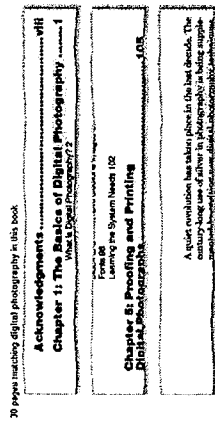
Google

- Extensive process to notify rightsholders of the agreement.
- Rightsholders have choice as to their participation:
 - Opt out of the settlement
 - Remove books from scanning
 - Select desired access models
- Google is authorized to scan, index, and make non-display uses for all books.
- Several models are defined for providing access to the content of the books. For in-print books, the access models are by default off, for out-of-print books the access models are by default turned on.
- Book Rights Registry formed as an independent organization to represent rightsholders and to collect and distribute revenue.

Changes to Google Book Search



U.S. readers will be able to search, preview, and purchase access to millions of in-copyright out-of-print books.



From Snippet View...

...to Sample Pages View

- 20% free to preview
- Can purchase full view of book
- Can purchase institutional subscriptions
- Author and/or publisher receives revenue from sales.

Registry: new nonprofit, jointly managed by publishers and authors

- **Enables rightsholders to work with Google**
 - provides a way for rightsholders to request inclusion or exclusion of their works from the project, define how they want their rights to be handled
 - collects and pays out revenue from use of their works
- **Enables competition and efficient licensing**
 - locates rightsholders and maintains accurate database of contact information, making it cheaper and easier for people to make licensing arrangements
 - licenses search engines and other third party services, to the extent authorized by law and rightsholders.

Access Models

Google™

- Preview Uses
- Online Consumer Purchase
 - Enable user to buy online access to a single work.
 - Default pricing set by Google using an algorithmic pricing model to maximize revenue for each individual work.
 - Rightsholder able to set price if desired.
- Institutional Subscription
- FTE pricing for higher educational and corporate markets.
- Public Access Terminal
 - One free on-site “terminal” for all public and university libraries in US.
- Additional models:
 - Print on demand, custom publishing, consumer subscription, PDF downloads.

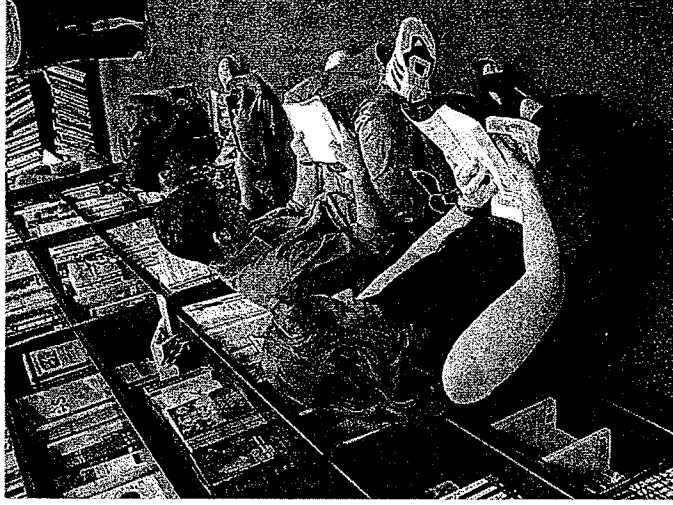
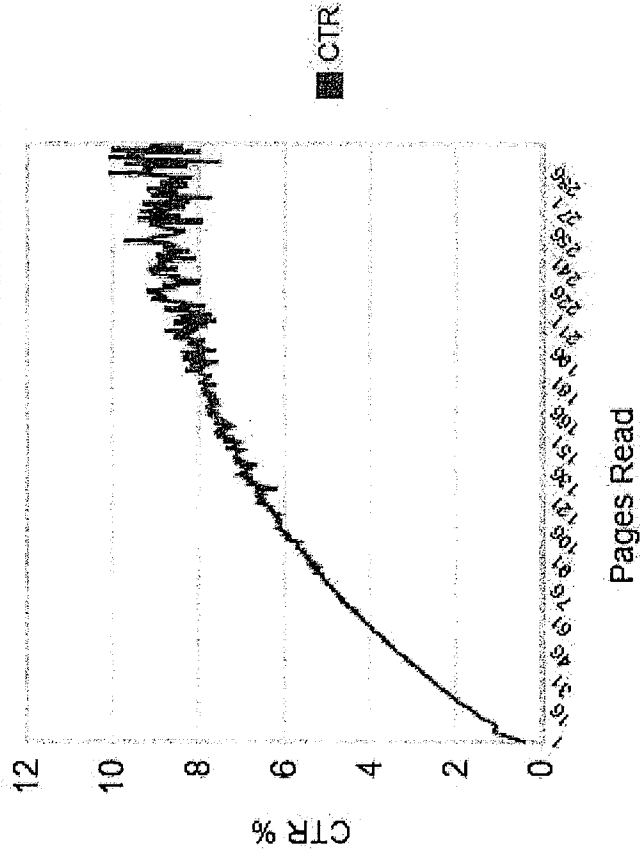
Consumer purchase

Google™

Data shows that browsing leads to buying

Sell immediate online access for your books.

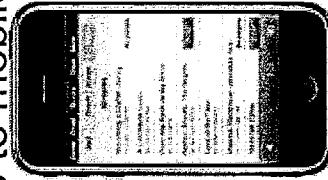
BTB Click Through Rate (All 2008)



Coming Soon: Consumer Purchase



- ✓ Enable sales directly to consumers from your Book Search previews
- ✓ Same robust security as Book Search
- ✓ Access via Google account
- copy/paste allowed up to 30% printable
- ✓ Bridge to mobile access



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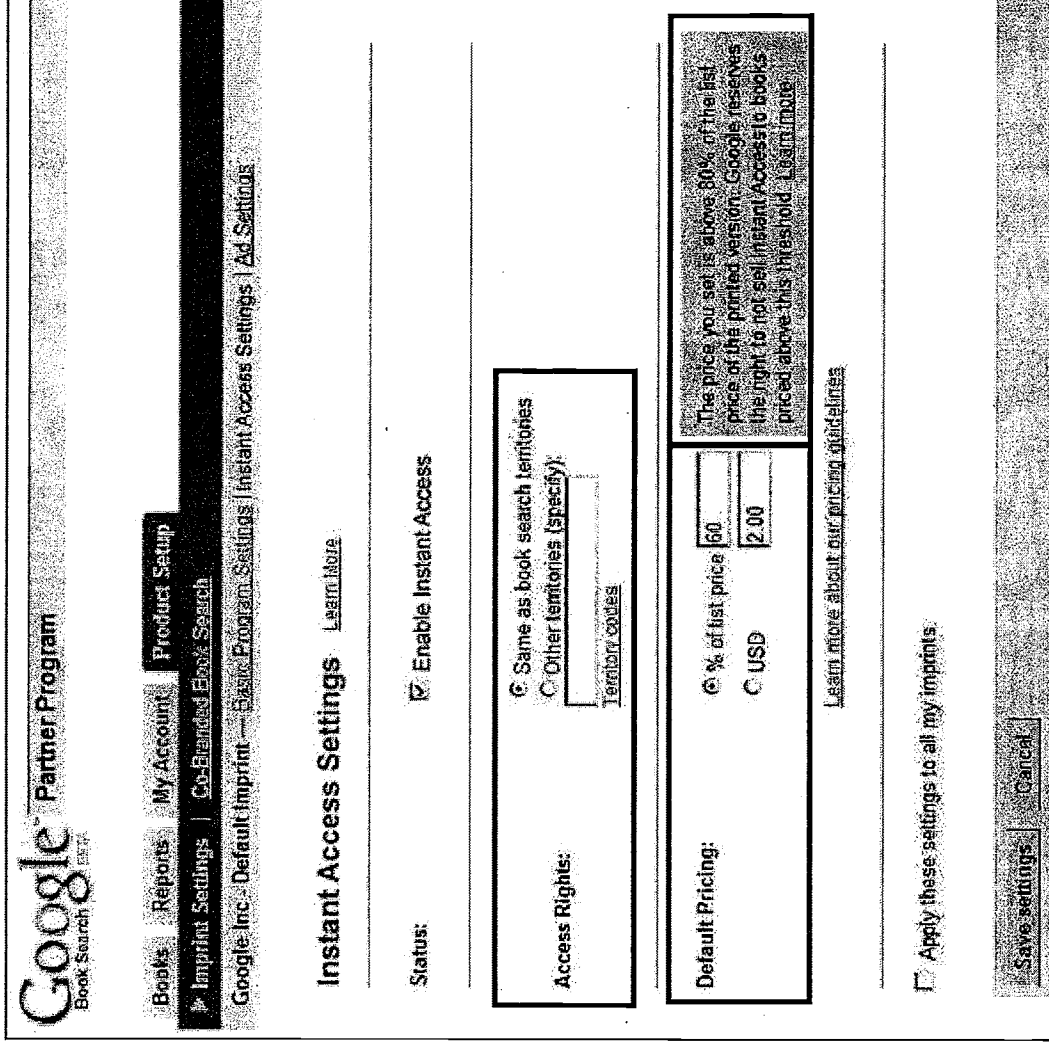
- books can be purchased by users around the world

Establish pricing

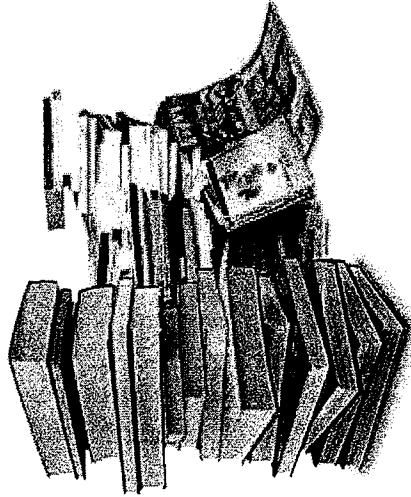
- suggested list price 60% of lowest price print edition
- ability to set 0-100% of lowest price print edition
- set different prices for individual and institutional access

Initial rollout will include US and UK publishers

- English-only interface at launch



Over 1 Million Books



Over 20,000 Publishers



Over 100 Domains

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