

Exhibit 1

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re Pinterest Derivative Litigation

Lead Case No. 3:20-cv-08331-WHA

Hon. William Alsup

STIPULATION AND AGREEMENT OF SETTLEMENT

Subject to the approval of the U.S. District Court for the Northern District of California (the “**Court**”), this Stipulation and Agreement of Settlement (“**Stipulation**”) is made and entered into by and among the following Settling Parties (as defined herein)¹, each by and through his, her, or its respective counsel: (1) the Employees Retirement System of Rhode Island, Sal Toronto, Stephen Bushansky, and Howard Petretta (“**Plaintiffs**”); (2) current and former Pinterest officers and/or directors Benjamin Silbermann, Evan Sharp, Jeffrey Jordan, Jeremy Levine, Gokul Rajaram, Fredric Reynolds, Michelle Wilson, Leslie Kilgore, Todd Morgenfeld, and Andrea Wishom (the “**Individual Defendants**”); and (3) nominal defendant Pinterest, Inc. (“**Pinterest**” and, together with the Individual Defendants, “**Defendants**”). Plaintiffs and Defendants are collectively referred to herein as the “**Settling Parties**.”

This Stipulation and resulting Settlement are intended by the Settling Parties to fully, finally, and forever compromise, resolve, discharge, release, and settle the Released Claims (as defined herein), upon the terms and subject to the conditions set forth herein.

I. DEFINITIONS

As used in this Stipulation, in addition to the capitalized terms defined above, the following terms have the meanings specified below:

¹ All capitalized terms not otherwise defined elsewhere in this Stipulation shall have the meanings ascribed in the “Definitions” section below.

1 (a) “**Board**” means Pinterest’s Board of Directors.

2 (b) “**Court**” means the U.S. District Court for the Northern District of California.

3 (c) “**Current Pinterest Stockholders**” means any Person who owned Pinterest common
4 stock as of the date of the execution of this Stipulation (which shall be defined by the date of the last
5 signature on the Stipulation), excluding the Individual Defendants, the current officers and directors
6 of Pinterest, members of their immediate families, and their legal representatives, heirs, successors,
7 or assigns, and any entity in which the Individual Defendants have or had a controlling interest.

8 (d) “**Effective Date**” means the date by which all of the events and conditions specified
9 in Paragraph 5.1 herein have been met and have occurred.

10 (e) “**Federal Consolidated Action**” means *In re Pinterest Derivative Litigation*, No.
11 3:20-cv-08331-WHA (N.D. Cal.), which is composed of the following actions: *Bushansky v.*
12 *Silbermann*, No. 3:20-cv-08331-WHA (N.D. Cal.); *Employees’ Retirement System of Rhode Island*
13 *v. Silbermann*, No. 3:20-cv-08438-WHA (N.D. Cal.); *Toronto v. Silberman*, No. 3:20-cv-09390-
14 WHA (N.D. Cal.); and *Petretta v. Silbermann*, No. 3:21-cv-05385-WHA (N.D. Cal.).

15 (f) “**Fee & Expense Award**” means any fee and expense award issued by the Court in
16 the Federal Consolidated Action. Other than the references made herein as to Plaintiffs’ Counsel’s
17 intention to move the Court for an award of fees and expenses, the parties acknowledge that they
18 have had no negotiations or discussions regarding the payment of attorney’s fees or reimbursement
19 of litigation expenses.

20 (g) “**Final**” means the time when a Judgment that has not been reversed, vacated, or
21 modified in any way is no longer subject to appellate review, either because of disposition on appeal
22 and conclusion of the appellate process (including potential writ proceedings) or because of passage,
23 without action, of time for seeking appellate or writ review. More specifically, it is that situation
24 when (i) no appeal or petition for review by writ has been filed and the time has passed for any notice
25 of appeal or writ petition to be timely filed from the Judgment; or (ii) if an appeal or writ proceeding
26 has been filed, the court of appeals has either affirmed the Judgment or dismissed that appeal or writ
27 proceeding and the time for any reconsideration or further appellate review has passed; or (iii) a
28 higher court has granted further appellate review and that court has either affirmed the underlying

1 Judgment or affirmed the court of appeals' decision affirming the Judgment or dismissing the appeal
2 or writ proceeding, and the time for any reconsideration or further appellate review has passed. For
3 purposes of this paragraph, an "appeal" shall not include any appeal challenging any Fee & Expense
4 Award. Any proceeding or order, or any appeal or writ petition pertaining solely to any Fee &
5 Expense Award, shall not in any way delay or preclude the Judgment from becoming Final. Any
6 reference to the "Finality" of the Settlement shall incorporate the definition of Final in this paragraph.

7 (h) "**Judgment**" means the final order and judgment to be rendered by the Court,
8 substantially in the form attached hereto as Exhibit E.

9 (i) "**Notice**" means the Notice of Pendency and Proposed Settlement of Derivative
10 Actions, substantially in the form of Exhibit B attached hereto.

11 (j) "**Person**" or "**Persons**" means an individual, corporation, limited liability corporation,
12 professional corporation, partnership, limited partnership, limited liability partnership, association,
13 joint stock company, estate, legal representative, trust, unincorporated association, government or
14 any political subdivision or agency thereof, or any business or legal entity, and each of their spouses,
15 heirs, predecessors, successors, representatives, or assignees.

16 (k) "**Pinterest Defendants**" means Individual Defendants Benjamin Silbermann, Evan
17 Sharp, Jeffrey Jordan, Jeremy Levine, Gokul Rajaram, Fredric Reynolds, Michelle Wilson, Leslie
18 Kilgore, Todd Morgenfeld, Andrea Wishom, and Nominal Defendant Pinterest.

19 (l) "**Plaintiffs' Counsel**" means Cohen Milstein Sellers & Toll PLLC, Renne Public Law
20 Group, Weisslaw LLP, Bottini & Bottini, Inc., and Robbins LLP.

21 (m) "**Preliminary Approval Order**" means the order to be entered by the Court,
22 substantially in the form of Exhibit D attached hereto, including, *inter alia*, preliminarily approving
23 the terms and conditions of the Settlement, directing that Notice be provided to Current Pinterest
24 Stockholders, and scheduling a Settlement Hearing to consider whether the Settlement and any Fee
25 & Expense Award should be finally approved and whether the Judgment should be entered.

26 (n) "**Related Persons**" means each of a Person's immediate family members and current,
27 former, or future parents, subsidiaries, associates, affiliates, partners, joint venturers, officers,
28 directors, principals, stockholders, members, agents, representatives, employees, attorneys, financial

1 or investment advisors, consultants, accountants, investment bankers, commercial bankers, trustees,
2 engineers, insurers, co-insurers, reinsurers, spouses, heirs, assigns, executors, general or limited
3 partners or partnerships, personal or legal representatives, estates, administrators, predecessors,
4 successors, advisors, and/or any other individual or entity in which a Person has or had a controlling
5 interest or which is or was related to or affiliated with a Person.

6 (o) **“Released Claims”** means collectively the Released Plaintiffs’ Claims and the
7 Released Defendants’ Claims. **“Released Plaintiffs’ Claims”** means all claims, rights, demands,
8 obligations, controversies, debts, disputes, damages, losses, issues, liabilities, charges, and causes of
9 action of every nature and description, in law or equity, including known claims and Unknown
10 Claims, whether arising under state, federal, common, or foreign law, that (a) were or could have
11 been asserted by Pinterest, Plaintiffs, or any Current Pinterest Stockholders derivatively on behalf of
12 Pinterest and (b) arise out of or relate to the allegations, transactions, facts, matters, disclosures, or
13 non-disclosures set forth in the Federal Consolidated Action, except for claims relating to the
14 enforcement of the Settlement. **“Released Defendants’ Claims”** means all claims, rights, demands,
15 obligations, controversies, debts, disputes, damages, losses, issues, liabilities, charges, and causes of
16 action of every nature and description, in law or equity, including known claims and Unknown
17 Claims, whether arising under state, federal, common, or foreign law, that arise out of or relate to
18 the institution, prosecution, or settlement of the claims against the Individual Defendants and
19 Pinterest in the Federal Consolidated Action, except for claims relating to the enforcement of the
20 Settlement.

21 (p) **“Released Defendant Persons”** means, collectively, each and all of Individual
22 Defendants, Pinterest, and each and all of the Related Persons of each of the Individual Defendants
23 and Pinterest.

24 (q) **“Released Persons”** means, collectively, the Released Defendant Persons and the
25 Released Stockholder Persons. **“Released Person”** means, individually, any of the Released Persons.

26 (r) **“Released Stockholder Persons”** means each and all of the Plaintiffs, Plaintiffs’
27 Counsel, and each and all of their Related Persons.

28 (s) **“Settlement”** means the settlement documented in this Stipulation and its Exhibits A,

1 B, C, D, and E.

2 (t) “**Settlement Consideration**” means the consideration provided to Pinterest through
3 the Settlement as set forth in Exhibit A.

4 (u) “**Settlement Hearing**” means a hearing to be held by the Court upon duly-given notice
5 to review this Stipulation and its exhibits, determine whether the Settlement should be finally
6 approved, the amount of any Fee and Expense Award, and whether the Judgment should be entered.

7 (v) “**Special Committee**” refers to the committee formed by Pinterest’s Board of
8 Directors on June 28, 2020.

9 (w) “**Summary Notice**” means the Summary Notice of Pendency and Proposed
10 Settlement of Derivative Actions, substantially in the form of Exhibit C attached hereto.

11 (x) “**Unknown Claims**” means any and all of the Released Claims that any of the Settling
12 Parties or any Current Pinterest Stockholder does not know or suspect to exist in his, her, or its favor
13 at the time of the release of such claims, including claims which, if known by him, her, or it, might
14 have affected his, her, or its decision to settle or the terms of his, her, or its settlement with and
15 releases provided to the Released Persons, or might have affected his, her, or its decision not to
16 object to this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate
17 and agree that, upon the Effective Date, the Settling Parties and all Current Pinterest Stockholders
18 shall expressly waive, and, with respect to Released Claims that could have been asserted
19 derivatively on behalf of the Company, all other Pinterest stockholders by operation of the Judgment
20 shall have expressly waived, the provisions, rights, and benefits of California Civil Code § 1542
21 (“**Section 1542**”), or any other law of the United States or any state or territory of the United States,
22 or principle of common law that is similar, comparable, or equivalent to Section 1542, which
23 provides:

24 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
25 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
26 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
27 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
PARTY.

28 The Settling Parties and each Current Pinterest Stockholder may hereafter discover facts in

1 addition to or different from those which he, she, or it now knows or believes to be true with respect
2 to the subject matter of the Released Claims, known or unknown, suspected or unsuspected,
3 contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore
4 have existed upon any theory of law or equity now existing or coming into existence in the future,
5 including, but not limited to, conduct which is negligent, intentional, with or without malice, or a
6 breach of any duty, law or rule, but the Settling Parties and each Current Pinterest Stockholder shall
7 expressly, fully, finally and forever settle and release, and upon the Effective Date and by operation
8 of the Judgment shall have settled and released, fully, finally, and forever, any and all Released
9 Claims as applicable without regard to the subsequent discovery or existence of such different or
10 additional facts. The Settling Parties acknowledge, and the Current Pinterest Stockholders shall be
11 deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was
12 separately bargained for and is a key element of the Settlement of which this release is a part.

13 **II. PROCEDURAL BACKGROUND**

14 **A. The Federal Consolidated Action**

15 In November and December 2020, Plaintiffs filed three shareholder derivative complaints on
16 behalf of nominal defendant Pinterest: *Bushansky v. Silbermann, et al.*, No. 3:20-cv-08331-WHA
17 (N.D. Cal.), ECF No. 1; *Employees' Retirement System of Rhode Island v. Silbermann, et al.*, No.
18 3:20-cv-08438-WHA (N.D. Cal.), ECF No. 1; and *Toronto v. Silbermann, et al.*, No. 3:20-cv-09390-
19 WHA (N.D. Cal.), ECF No. 1. On February 19, 2021, the Court consolidated these three cases and
20 appointed an interim leadership structure. ECF No. 49. On February 26, 2021, Plaintiffs filed a
21 consolidated complaint (the "Consolidated Complaint"), which asserted claims for (1) breach of
22 fiduciary duty, (2) waste of corporate assets, (3) abuse of control, (4) unjust enrichment, and (5)
23 violations of Section 14(a) of the Exchange Act and Rule 14a-9. The Consolidated Complaint
24 alleges that Plaintiffs have standing to bring the shareholder derivative claims because a demand on
25 Pinterest's Board would have been futile. ECF No. 54.

26 On April 22, 2021, Pinterest moved to dismiss the Consolidated Complaint pursuant to
27 Federal Rule of Civil Procedure 23.1 on the grounds that Plaintiffs had failed to adequately allege
28 that demand would have been futile. ECF No. 69. In addition, the Individual Defendants moved to

1 dismiss the Consolidated Complaint pursuant to Federal Rule of Civil Procedure 12(b)(6). ECF No.
2 72. On May 27, 2021, Plaintiffs opposed Pinterest's motion to dismiss. ECF No. 73.

3 Pursuant to the stipulation of the parties, on June 1, 2021, the Court referred the case to the
4 Northern District of California ADR Program, appointed Chief Magistrate Judge Joseph C. Spero as
5 Special Master, and postponed the filing of Defendants' reply brief in support of their motion to
6 dismiss while the parties engaged in the mediation process. ECF No. 76. On September 9, 2021,
7 the parties held a case management conference at which time the Court granted an extension of time
8 for the mediation process.

9 On July 14, 2021, another shareholder derivative complaint was filed. *Petretta v.*
10 *Silbermann, et al.*, No. 3:21-cv-05385-WHA (N.D. Cal.). On July 19, 2021, Plaintiffs filed an
11 unopposed notice of consolidation of related case. ECF No. 85. On October 6, 2021, the Court
12 consolidated *Petretta* into the Federal Consolidated Action.²

13 The Individual Defendants deny the allegations made by Plaintiffs in the Federal
14 Consolidated Action.

15 B. The Special Committee

16 On June 28, 2020, the Board formed a Special Committee and empowered it to investigate
17 and address concerns raised by former Pinterest employees regarding company culture and other
18 issues. Directors Kilgore, Levine, Reynolds, and Wilson were selected to serve on the Special
19 Committee, and Ms. Wishom joined when she became a director. After engaging independent
20 counsel at WilmerHale, fair employment experts at DCI Consulting Group, and diversity, equity,
21 and inclusion expert Dr. Arin Reeves of Nextions, the Special Committee began its review.
22 Following a careful review (including interviews with 350 current and former employees), in
23 December 2020, the Special Committee publicly released its recommendations to enhance
24

25
26 ² On March 24, 2021, a related shareholder derivative complaint was filed in the Delaware Court of
27 Chancery by Key West Police Officers' and Firefighters' Retirement Plan on behalf of nominal
28 defendant Pinterest, asserting claims for breach of fiduciary duty: *Key West Police Officers' and*
Firefighters' Retirement Plan v. Silbermann, et al., Case No. 2021-0257-SG (Del. Ch.). On May 10,
2021, upon stipulation by the parties, the Delaware Court of Chancery entered an order staying the
Delaware derivative action in favor of the Federal Consolidated Action.

1 Pinterest's culture. The Board unanimously adopted those recommendations and began
2 implementing them.

3 C. Extensive Settlement Negotiations

4 At the direction of the Court, all negotiations were conducted under the auspices of, and
5 through, Chief Magistrate Judge Spero. In advance of the proposed mediation, Plaintiffs' Counsel
6 reviewed internal documents produced by Pinterest. These documents included, among other things,
7 (1) minutes, agendas, board presentations, and other materials relating to regularly conducted and
8 special meetings of the Board and Board committees; (2) internal Pinterest policies and procedures;
9 and (3) materials relating to the independence of the members of the Special Committee. Plaintiffs'
10 Counsel also conducted numerous meetings and phone calls with Pinterest's counsel. Plaintiffs'
11 Counsel asked the Special Committee's counsel for detailed descriptions of the Special Committee's
12 process and progress in its investigation and explored possible paths to resolution. Plaintiffs' Counsel
13 presented to Defendants' Counsel and the Special Committee's Counsel the results of Plaintiffs' own
14 investigations and potential reforms.

15 The Settling Parties participated in their first formal settlement conference with Chief
16 Magistrate Judge Spero via Zoom on June 28, 2021. A second formal settlement conference with
17 Magistrate Judge Spero was held on September 13, 2021, also via Zoom. In between the
18 conferences, the parties exchanged through Judge Spero numerous demands and counter offers for
19 resolution of the action, met in working groups dozens of times, spoke with Magistrate Judge Spero
20 both separately and collectively, and met with counsel for the Special Committee. The Settling
21 Parties have expended significant time and resources participating in settlement negotiations, where
22 the merits of the claims asserted in the Federal Consolidated Action and defenses thereto were
23 extensively discussed between the parties and independently with the mediator, Magistrate Judge
24 Spero. The Settling Parties have now reached a definitive agreement to settle the Federal
25 Consolidated Action upon the terms and subject to the conditions set forth in this Stipulation.

26 III. STOCKHOLDERS' CLAIMS AND THE BENEFITS OF SETTLEMENT

27 Plaintiffs' Counsel have reviewed and analyzed confidential, non-public internal documents.
28 In addition, Plaintiffs' Counsel have reviewed and analyzed data from many other sources specific

1 to this matter, including but not limited to: (1) Pinterest’s public filings with the SEC, press releases,
2 announcements, transcripts of investor conference calls, and news articles; and (2) securities analyst,
3 business, and financial media reports about Pinterest. Plaintiffs’ Counsel have also (1) researched
4 the applicable law with respect to the claims asserted (or which could be asserted) in this litigation
5 and the potential defenses thereto; (2) researched, drafted, and filed complaints and sent books-and-
6 records inspection demands; (3) interviewed former Pinterest employees; (4) reviewed documents
7 produced in response to books-and-records inspection demands; (5) consulted with retained experts
8 on numerous matters relevant to the pending litigation and settlement issues; (6) prepared detailed
9 mediation statements; (7) reviewed documents and information provided in advance of the mediation
10 sessions and during settlement negotiations, including by counsel to the Special Committee, which
11 gave Plaintiffs’ Counsel a presentation of the Special Committee’s investigation process and
12 findings; (8) participated in settlement conferences held via Zoom on June 28, 2021 and September
13 13, 2021; and (9) engaged in months-long settlement discussions with Defendants’ counsel.

14 Plaintiffs’ Counsel believe that the claims asserted in the Federal Consolidated Action have
15 merit and that their investigation of the evidence supports the claims asserted. Without conceding
16 the merit of any of Defendants’ defenses, and in light of the benefits of the Settlement as well as to
17 avoid the potentially protracted time, expense, and uncertainty associated with continued litigation,
18 including potential trial(s) and appeal(s), Plaintiffs and Plaintiffs’ Counsel have concluded that it is
19 desirable that the Federal Consolidated Action be fully and finally settled in the manner and upon
20 the terms and conditions set forth in this Stipulation. Plaintiffs and Plaintiffs’ Counsel recognize the
21 significant risk, expense, and length of continued proceedings necessary to prosecute the Federal
22 Consolidated Action against Defendants through trial(s) and through possible appeal(s). Plaintiffs’
23 Counsel have also taken into account the uncertain outcome and the risk of any litigation, especially
24 complex litigation such as the Federal Consolidated Action, the difficulties and delays inherent in
25 such litigation, the cost to Pinterest—on behalf of which Plaintiffs are prosecuting the Federal
26 Consolidated Action—and distraction to Pinterest’s management and employees that would result
27 from extended litigation. Based on their evaluation, and in light of what Plaintiffs’ Counsel believe
28 to be the significant benefits conferred upon Pinterest as a result of the Settlement, Plaintiffs and

1 Plaintiffs' Counsel have determined that the Settlement is in the best interests of Plaintiffs and
2 Pinterest and have agreed to settle upon the terms and subject to the conditions set forth herein.

3 **IV. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

4 Each Individual Defendant has denied and continues to deny that he or she has committed or
5 attempted to commit any violations of law, any breaches of fiduciary duty owed to Pinterest, or any
6 wrongdoing whatsoever, and expressly maintains that, at all relevant times, he or she acted in good
7 faith and in a manner that he or she reasonably believed to be in the best interests of Pinterest and its
8 stockholders.

9 Defendants further deny that Plaintiffs, Pinterest, or its stockholders suffered any damage or
10 were harmed as a result of any act, omission, or conduct by the Individual Defendants as alleged in
11 the Federal Consolidated Action or otherwise. Defendants further assert, among other things, that
12 Plaintiffs lack standing to litigate derivatively on behalf of Pinterest because Plaintiffs cannot
13 properly plead that a demand on the Board would be futile.

14 Pinterest believes that the Settlement is fair, reasonable, and in the best interests of the
15 Company, its stockholders, and its employees. Defendants are, therefore, entering into this
16 Settlement for its benefits and to eliminate the uncertainty, distraction, disruption, burden, risk, and
17 expense of further litigation. Pursuant to the terms set forth below, this Stipulation (including the
18 exhibits) shall not be construed as, or deemed to be evidence of, an admission or concession by the
19 Individual Defendants with respect to any claim of fault, liability, wrongdoing, or damage or any
20 defect in the defenses that Individual Defendants have, or could have, asserted.

21 **V. TERMS OF THE STIPULATION AND AGREEMENT OF**
22 **SETTLEMENT**

23 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and among
24 Plaintiffs (for themselves and derivatively on behalf of Pinterest), the Individual Defendants, and
25 Pinterest, each by and through their respective attorneys of record, that in exchange for the
26 consideration set forth below and the benefits flowing to the Settling Parties from the Settlement,
27 and subject to the approval of the Court, the Released Claims shall be fully, finally, and forever
28 compromised, settled, discharged, relinquished, and released, and the Federal Consolidated Action

1 shall be dismissed with prejudice as to all Defendants and claims, with full preclusive effect as to
2 Plaintiffs and all Current Pinterest Stockholders, upon and subject to the terms and conditions of the
3 Stipulation, as set forth below.

4 **1. Settlement Consideration**

5 1.1. In consideration of the Settlement and the releases provided therein, and
6 subject to the terms and conditions of this Stipulation, the Settling Parties have agreed to the
7 Settlement Consideration for Pinterest as set forth in Exhibit A.

8 1.2. Exhibit A is part of and subject to all provisions in this Stipulation.

9 1.3. If any of the terms of the Settlement Consideration set forth in Exhibit A should
10 conflict with any applicable law(s), rule(s), or regulation(s) (including of any national securities
11 exchange or interdealer quotation system or relating to employee representatives), the Company will
12 comply with such applicable law(s), rule(s), or regulation(s) notwithstanding any provision therein.

13 1.4. Plaintiffs' efforts were responsible for the Settlement Consideration set forth
14 in Exhibit A, and the Settlement Consideration confers a substantial and material benefit on Pinterest
15 and its stockholders. Plaintiffs' efforts contributed to the corporate governance changes
16 recommended by the Special Committee in December 2020. The Special Committee's
17 recommendations and their subsequent implementation confer a substantial and material benefit on
18 Pinterest and its stockholders.

19 1.5. Pinterest's Board has approved a resolution reflecting its determination that:
20 (a) the Settlement confers substantial and material benefits on Pinterest and its stockholders; (b) the
21 Settlement is fair, reasonable, and in the best interests of Pinterest and its stockholders; and (c)
22 Pinterest is authorized, subject to Court approval, to enter into and take all actions necessary to
23 effectuate the Settlement.

24 **2. Procedure for Implementing the Settlement**

25 2.1. Following the last party's execution of this Stipulation, Plaintiffs' Counsel
26 shall submit the Stipulation together with its exhibits to the Court and file a motion for preliminary
27 approval of settlement, requesting, *inter alia*: (i) preliminary approval of the Settlement and entry of
28 the Preliminary Approval Order substantially in the form attached as Exhibit D hereto; (ii) approval

1 of the form, content, and method of providing notice to Pinterest stockholders and approval of the
2 forms of Notice and Summary Notice attached as Exhibits B and C hereto; and (iii) a date for the
3 Settlement Hearing.

4 2.2. Defendants shall be responsible for the costs of providing reasonable notice of
5 the Settlement in such form and manner as is required by the Court in order to obtain final settlement
6 approval.

7 2.3. The Settling Parties agree to request that the Court hold a hearing in the Federal
8 Consolidated Action sixty (60) days after Notice is given, at which time the Court will consider and
9 determine whether the Judgment, substantially in the form of Exhibit E hereto, should be entered: (i)
10 approving the terms of the Settlement as fair, reasonable, and adequate; (ii) dismissing with prejudice
11 the Federal Consolidated Action pursuant to the terms of this Stipulation against Defendants; and
12 (iii) ruling upon any application for a Fee & Expense Award.

13 2.4. Pending the Effective Date, the Settling Parties agree that all proceedings and
14 discovery in the Federal Consolidated Action shall be stayed (except as otherwise provided herein
15 and the proceedings necessary to effectuate the consummation and final approval of the Settlement)
16 and not to initiate any other proceedings other than those related to the Settlement itself. The Settling
17 Parties shall not file, prosecute, instigate, or in any way participate in the commencement or
18 prosecution of any of the Released Claims.

19 **3. Fee and Expense Awards**

20 3.1. Per instructions of the Hon. William Alsup, any Fee & Expense Award will be
21 determined by the Court.

22 3.2. Pinterest agrees to pay or cause its insurers to pay any court-ordered attorneys'
23 fees and expenses awarded to Plaintiffs' Counsel. The Parties have not engaged in any negotiations
24 or discussions concerning an amount of any attorneys' fee and expense award at any time through
25 the execution of this Settlement. The Settlement is not contingent on any attorneys' fees and
26 expenses award.
27

28 3.3. Any Fee & Expense Award shall be paid or caused to be paid within thirty (30)

1 calendar days after award by the Court, and Plaintiffs providing complete payment information,
2 whichever comes later, notwithstanding any objections or appeals of the Settlement or any Fee &
3 Expense Award, subject to each Plaintiffs' Counsel's separate obligation to make appropriate
4 refunds or repayments to the escrow account if, as a result of any appeal or further proceedings on
5 remand, or successful collateral attack, any Fee & Expense Award is lowered or the Settlement is
6 disapproved by a final order not subject to further review.
7

8 **4. Releases**

9 4.1. Upon the Effective Date, the Plaintiffs and all Current Pinterest Stockholders
10 will release the Released Defendant Persons from the Released Plaintiffs' Claims. Upon the
11 Effective Date, Pinterest will further release the Individual Defendants and their Related Persons
12 from the Released Plaintiffs' Claims.

13 4.2. Upon the Effective Date, the Individual Defendants, Pinterest, and all Current
14 Pinterest Stockholders will release the Released Stockholder Persons from the Released Defendants'
15 Claims.

16 4.3. Upon the Effective Date, Plaintiffs (acting on their own behalf and derivatively
17 on behalf of Pinterest and all Current Pinterest Stockholders) and any Current Pinterest Stockholder
18 shall be forever barred and enjoined from commencing, instituting, or prosecuting any of the
19 Released Plaintiffs' Claims against any of the Released Defendant Persons or any action or other
20 proceeding against any of the Released Defendant Persons arising out of, relating to, or in connection
21 with the Released Plaintiffs' Claims, the Federal Consolidated Action, or the filing, prosecution,
22 defense, settlement, or resolution of the Federal Consolidated Action. Upon the Effective Date,
23 Pinterest shall be forever barred and enjoined from commencing, instituting, or prosecuting any of
24 the Released Plaintiffs' Claims against any of the Individual Defendants or their Related Parties or
25 any action or other proceeding against any of the Individual Defendants or their Related Parties
26 arising out of, relating to, or in connection with the Released Plaintiffs' Claims, the Federal
27 Consolidated Action, or the filing, prosecution, defense, settlement, or resolution of the Federal
28 Consolidated Action. Nothing herein shall in any way impair or restrict the rights of any Settling

1 Party to enforce the terms of the Stipulation.³

2 4.4. Upon the Effective Date, the Individual Defendants, Pinterest, and any Current
3 Pinterest Stockholder shall be forever barred and enjoined from commencing, instituting, or
4 prosecuting any of the Released Defendants' Claims against any of the Released Stockholder Persons
5 or any action or other proceeding against any of the Released Stockholder Persons arising out of,
6 relating to, or in connection with the Released Defendants' Claims, the Federal Consolidated Action,
7 or the filing, prosecution, defense, settlement, or resolution of the Federal Consolidated Action.
8 Nothing herein shall in any way impair or restrict the rights of any Settling Party to enforce the terms
9 of the Stipulation.

10 5. **Conditions of Settlement**

11 5.1. The Effective Date of the Settlement shall be the date on which all of the
12 following events have occurred:

13 a. approval of the Settlement at or after the Settlement Hearing following
14 notice to Current Pinterest Stockholders as set forth in Paragraph 2.2;

15 b. entry of the Judgment, in all material respects in the form set forth as
16 Exhibit E annexed hereto, approving the Settlement without awarding costs to any party, except as
17 provided herein, dismissing with prejudice the Federal Consolidated Action pursuant to the terms of
18 this Stipulation, and releasing the Released Persons from the Released Claims; and

19 c. the passing of the date upon which the Judgment becomes Final.

20 5.2. If any of the conditions specified above in Paragraph 5.1 are not met, then the
21 Stipulation shall be cancelled and terminated, unless all of the Settling Parties agree in writing to
22 proceed with the Stipulation. If for any reason the Effective Date of this Stipulation does not occur,
23 or if this Stipulation is in any way canceled, terminated, or fails to become Final in accordance with
24 its terms: (i) all Settling Parties and Released Persons shall be restored to their respective positions
25 prior to execution of this Stipulation; (ii) all releases delivered in connection with the Stipulation
26

27 _____
28 ³ The Released Plaintiffs' Claims also shall not include any claims that arise out of or are based upon
any conduct of the Released Individual Defendants after the Effective Date of this Stipulation.

1 shall be null and void, except as otherwise provided for in the Stipulation; (iii) any Fee & Expense
2 Award shall not be paid or, if already paid, shall be refunded in accordance with Paragraph 3.3; and
3 (iv) all negotiations, proceedings, documents prepared, and statements made in connection herewith
4 shall be without prejudice to the Settling Parties, shall not be deemed or construed to be an admission
5 by any of the Settling Parties of any act, matter, or proposition, and shall not be used or referred to
6 in any manner for any purpose (other than to enforce the terms remaining in effect) in any subsequent
7 proceeding in the Federal Consolidated Action or in any other action or proceeding. In such event,
8 the terms and provisions of this Stipulation (other than those set forth in Section I(a)-(aa), and
9 Paragraphs 5.2, 6.7, and 6.9) shall have no further force and effect with respect to the Settling Parties
10 and shall not be used in the Federal Consolidated Action or in any other proceeding for any purpose.

11 5.3. No court order (including by this Court), or modification or reversal on appeal
12 of any court order, concerning any Fee & Expense Award and interest awarded by a court shall
13 constitute grounds for cancellation or termination of the Stipulation, affect the enforceability of the
14 Stipulation, or delay the Judgment from becoming Final.

15 **6. Miscellaneous Provisions**

16 6.1. The Settling Parties (i) acknowledge that it is their intent to consummate the
17 Settlement; and (ii) agree to act in good faith and cooperate to take all reasonable and necessary
18 steps to expeditiously implement the terms and conditions of the Settlement set forth in this
19 Stipulation.

20 6.2. The Settling Parties intend this Settlement to be a final and complete resolution
21 of all disputes between them arising out of, based upon, or related to the Federal Consolidated Action
22 and the Released Claims. The Settlement compromises claims that are contested and shall not be
23 deemed an admission by any Settling Party as to the merits of any claim, allegation, or defense. The
24 Settling Parties and their respective undersigned counsel agree that at all times during the course of
25 the litigation each has complied with the requirements of the applicable laws and rules of the Court.
26 The Settling Parties agree that the Released Claims are being settled voluntarily after consultation
27 with an experienced mediator and competent legal counsel who were fully competent to assess the
28 strengths and weaknesses of their respective clients' claims or defenses.

1 6.3. The Settling Parties agree that the terms of the Settlement were negotiated in
2 good faith by the Settling Parties. The Settling Parties will request that the Judgment contain a
3 finding that during the course of the Federal Consolidated Action, the Settling Parties complied with
4 the applicable rules of the State of California, State of Delaware, and Federal Rules of Civil
5 Procedure (including, but not limited to, Federal Rule of Civil Procedure 11). The Settling Parties
6 reserve their right to rebut, in a manner that the parties determine to be appropriate, any contention
7 made in any public forum that the Federal Consolidated Action was brought or defended in bad faith
8 or without a reasonable basis.

9 6.4. Except as provided in Paragraphs 4.3 and 4.4, any disputes arising out of the
10 finalization of the Settlement documentation will be resolved by Magistrate Judge Spero unless the
11 Pinterest Board of Directors believes approving such resolution would be in violation of their
12 fiduciary duties.

13 6.5. Each of the Individual Defendants expressly denies and continues to deny all
14 allegations of wrongdoing or liability against himself or herself arising out of or relating to any
15 conduct, statements, acts, or omissions alleged, or which could have been alleged, in the Federal
16 Consolidated Action. Each of the Individual Defendants reserves the right to rebut any and all
17 allegations of breach of fiduciary duty, wrongdoing, or liability, whatsoever, against himself or
18 herself or that any valid claim has been asserted against any of them.

19 6.6. With respect to any other action that is not listed above as part of the Federal
20 Consolidated Action and that is currently pending or is later filed in any state or federal court
21 asserting claims that are related to the subject matter of the Federal Consolidated Action prior to
22 final Court approval of the Settlement, Plaintiffs shall provide supporting documentation as is
23 reasonably requested by Defendants in order to obtain the dismissal, stay, or withdrawal of such
24 related litigation, including where appropriate joining in any motion to dismiss or stay such
25 litigation.

26 6.7. Neither the Stipulation (including any exhibits attached hereto), nor the
27 Settlement, nor any act performed or document executed pursuant to or in furtherance of the
28 Stipulation or the Settlement: (i) is or may be deemed to be or may be offered, attempted to be

1 offered, or used or referred to in any way by the Settling Parties as a presumption, a concession, an
2 admission, or evidence of any fault, wrongdoing, or liability of any of the Settling Parties or of the
3 validity of any Released Claims; or (ii) is or may be deemed to be or may be used as a presumption,
4 concession, admission, or evidence of any liability, fault, or omission of any of the Released Persons
5 in any civil, criminal, or administrative proceeding in any court, administrative agency, or other
6 tribunal. Neither this Stipulation, nor the Settlement, nor any act performed or document executed
7 pursuant to or in furtherance of this Stipulation, or the Settlement, shall be admissible in any
8 proceeding for any purpose, except to enforce the terms of the Settlement, and except that the
9 Released Persons may file the Stipulation and/or the Judgment in any action or proceeding that may
10 be brought against them to support a defense or counterclaim based on principles of *res judicata*,
11 collateral estoppel, full faith and credit, release, standing, good faith settlement, judgment bar or
12 reduction, or any other theory of claim preclusion or issue preclusion or similar defense or
13 counterclaim.

14 6.8. Within sixty (60) days of the Effective Date, Plaintiffs' Counsel will return all
15 confidential documents and other materials they received from Defendants or the Special Committee
16 in connection with the Federal Consolidated Action (including but not limited to documents
17 Pinterest provided in connection with the mediation, and all documents and materials produced
18 pursuant to Section 220 of the Delaware General Corporation Law) (collectively, "**Discovery**
19 **Material**") or destroy all such Discovery Material and certify to that fact; provided, however, that
20 Plaintiffs' Counsel shall be entitled to retain all filings, court papers, mediation statements, interview
21 and hearing transcripts, and attorney-work product containing or reflecting Discovery Material,
22 subject to the requirement that Plaintiffs' Counsel shall not disclose any information contained or
23 referenced in the Discovery Material to any person except, following reasonable advance notice to
24 Pinterest, pursuant to a validly issued subpoena not subject to a motion to quash, court order, or
25 agreement with Pinterest.

26 6.9. All designations and agreements made and orders entered during the course of
27 the Federal Consolidated Action relating to the confidentiality of documents or information shall
28 survive this Settlement. Nothing in this Stipulation, or the negotiations relating thereto, is intended

1 to or shall be deemed to constitute a waiver of any applicable privilege or immunity, including,
2 without limitation, the attorney-client privilege, the joint defense privilege, or work product
3 protection.

4 6.10. The Stipulation and the exhibits attached hereto constitute the entire
5 agreement among the Settling Parties with respect to the Settlement, and supersede any and all prior
6 negotiations, discussions, agreements, or undertakings, whether oral or written, with respect to such
7 matters. The Settling Parties expressly acknowledge that, in entering into this Stipulation, they are
8 not relying upon any statements, representations, or warranties by any Settling Party except as
9 expressly set forth herein. Plaintiffs agree that they intend to confer on all Released Defendant
10 Persons the benefit of all releases and other protections set forth in Paragraph 4.1 above. Defendants
11 agree that they intend to confer on all Released Stockholder Persons the benefit of all releases and
12 other protections set forth in Paragraph 4.2 above. The Settling Parties agree that each of the
13 Released Persons who is not a Settling Party is an express third-party beneficiary of those releases
14 and other protections, and is entitled to enforce the terms of those releases and other protections to
15 the same extent that such Released Persons who are not Settling Parties could enforce such terms if
16 they were party to the Stipulation. All provisions in the Stipulation providing that nothing herein
17 shall in any way impair or restrict the rights of any Settling Party to enforce the terms of this
18 Stipulation are agreed to mean additionally that nothing herein shall in any way impair or restrict
19 the rights of any Released Person who is not a Settling Party to enforce the terms of the Stipulation.

20 6.11. This Stipulation supersedes and replaces any prior or contemporaneous
21 writing, statement, or understanding pertaining to the Federal Consolidated Action, and no parol or
22 other evidence may be offered to explain, construe, contradict, or clarify its terms, the intent of the
23 Settling Parties or their counsel, or the circumstances under which the Stipulation was made or
24 executed.

25 6.12. It is understood by the Settling Parties that except for matters expressly
26 represented herein, the facts or law with respect to which this Stipulation is entered into may turn
27 out to be other than, or different from, the facts now known to each party or believed by such party
28 to be true; each party therefore expressly assumes the risk of facts or law turning out to be different

1 and agrees that this Stipulation shall be in all respects effective and not subject to termination by
2 reason of any such different facts or law.

3 6.13. The exhibits to the Stipulation are material and integral parts hereof and are
4 fully incorporated herein by reference.

5 6.14. The headings herein are used for the purpose of convenience only and are not
6 meant to have legal effect.

7 6.15. The Stipulation may be amended or modified only by a written instrument
8 signed by or on behalf of all the Settling Parties or their respective successors-in-interest.

9 6.16. This Stipulation shall be deemed drafted equally by all parties hereto.

10 6.17. The Stipulation and the Settlement shall be binding upon, and inure to the
11 benefit of, the Settling Parties.

12 6.18. The Stipulation and the exhibits attached hereto shall be considered to have
13 been negotiated, executed, and delivered, and to be wholly performed, in the State of California, and
14 the rights and obligations of the Settling Parties to the Stipulation shall be construed and enforced
15 in accordance with, and governed by, the internal, substantive laws of California without giving
16 effect to that State's choice-of-law principles.

17 6.19. No representations, warranties, or inducements have been made to any of the
18 Settling Parties concerning the Stipulation or its exhibits other than the representations, warranties,
19 and covenants contained and memorialized in such documents.

20 6.20. The Settling Parties represent and warrant that they have not assigned or
21 transferred or attempted to assign or transfer to any Person any of the Released Claims or any portion
22 thereof or interest therein.

23 6.21. Any failure by any party to this Stipulation to insist upon the strict
24 performance by any other party of any of the provisions of this Stipulation shall not be deemed a
25 waiver of any of the provisions, and such party, notwithstanding such failure, shall have the right
26 thereafter to insist upon the strict performance of any and all of the provisions of this Stipulation to
27 be performed by such other party.

28 6.22. In the event that any portion of the Settlement is found to be unlawful, void,

1 unconscionable, or against public policy by a court of competent jurisdiction, the remaining terms
2 and conditions of the Settlement shall remain intact.

3 6.23. In the event that there exists a conflict or inconsistency between the terms of
4 this Stipulation and the terms of any exhibits hereto, the terms of this Stipulation shall prevail.

5 6.24. Each counsel or other Person executing the Stipulation or its exhibits on behalf
6 of any of the Settling Parties hereby warrants that such Person has the full authority to do so.

7 6.25. The Stipulation may be executed in one or more counterparts, each of which
8 so executed shall be deemed to be an original and such counterparts together constitute one and the
9 same Stipulation. The Settling Parties agree that signatures submitted through facsimile or by e-
10 mailing .PDF files or signed using DocuSign shall constitute original and valid signatures. A
11 complete set of executed counterparts shall be filed with the Court.

12 6.26. Without further order of the Court, the Settling Parties may agree to reasonable
13 extensions of time to carry out any of the provisions of this Stipulation.

14 6.27. IN WITNESS WHEREOF, the Settling Parties hereto have caused the
15 Stipulation to be executed, by their duly authorized attorneys.

16
17 [SIGNATURE PAGES FOLLOW]

18
19 Dated: November 23, 2021

FRESHFIELDS BRUCKHAUS DERINGER US

LLP

By: _____

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Exhibit A

In re Pinterest Derivative Litigation, Case No. 3:20-cv-08331

Agreed Settlement Commitments

I. Duration

1. Unless noted otherwise, the provisions noted herein shall be in effect for no less than five years, after final approval of the settlement.

II. Board Oversight Changes

1. The Chief Executive Officer will partner with the Chair of the Talent Development and Compensation Committee (“TDCC”) or the lead independent director to serve as the Chief Executive Officer’s co-sponsor in DEI work at Pinterest (the “Board Liaison”).
2. The TDCC will oversee coaching of the Executive Team by RHR International (or by other such similarly qualified coaches) and will continue to retain them if they meet the goals for which they were retained. The coaching will focus on promoting a respectful and inclusive workplace, including strategies for making employees feel heard and valued, encouraging efficient and inclusive decision-making, mitigating bias, and leading by example on DEI initiatives. The Executive Team reports to the TDCC periodically about its progress on diversity metrics and progress on meeting diverse slates during the hiring process.
3. The Global Head of Inclusion & Diversity and the Chief People Officer will have a direct communication line to and will meet twice a year, at minimum, with the TDCC in a session that the Chief Executive Officer does not attend to discuss Pinterest’s progress on DEI goals, impediments to achieving those goals, and whether members of Pinterest’s Executive Leadership Team have served as champions of DEI work or impediments to their work.
4. The Board, or a committee thereof, will oversee any departure by a member of the Executive Leadership Team, including by reviewing the reason for the executive’s departure, any material legal risks implicated by their departure, and any recommendations for changes to Company policy or procedure arising from the executive’s tenure and/or departure. In the event that the Board determines that additional diligence is necessary, including interviewing the departing Executive, the Board will undertake such diligence.
5. Complaints of serious discrimination, harassment, or retaliation involving a member of the Executive Leadership Team or a Board member are escalated to the Audit Committee.
6. Pinterest shall create a process for Internal Audit to evaluate progress on the implementation of measurable DEI reforms, with audit reports presented to the Audit Committee on a periodic basis as the audits progress and summary to the full board on an annual basis.
7. When adding new board members, Pinterest commits to considering the background, experience, and training of Board candidates in DEI issues, as well as ensuring that the new members receive training on DEI best practices, which could include training on inclusivity and unconscious bias.
8. The Special Committee (or after the committee sunsets, the TDCC) will be advised by the Chief Executive Officer, Board Liaison, Global Head of Inclusion & Diversity, and Chief People Officer on the Implementation Team’s progress on DEI goals.

9. The “DEI Senior Leadership Team” will be comprised of the Board Liaison, Chief Executive Officer, Global Head of Inclusion & Diversity, Chief People Officer, General Counsel, and the top executives in each organization.
10. Information gathered through Pulse surveys, listening sessions, and training evaluations should be analyzed and on a twice-annual basis, aggregated and presented to the DEI Senior Leadership Team and TDCC. If widespread or systemic concerns are raised by employees, the Company should take action to address them or document the reasons they did not take action.

III. Ombuds Office

1. Pinterest shall maintain an Ombuds Office pilot program for at least two years. At the onset of the pilot program, Pinterest agrees to retain tEQuitable as the service provider for the Ombuds Program and will continue to retain tEQuitable if it meets the goals for which it was retained. To ensure the Ombuds Office has context for the individual employee experience, it will be provided with access as needed to DEI and People information including Pulse surveys, training assessments, listening sessions, and transcripts of All-Hands meetings. It will be charged with providing confidential advice to individual employees about how to handle potential complaints and with gathering information that could provide insight about possible systemic problems that inhibit progress in creating a diverse and inclusive environment. The Ombuds Office will report substantively to the TDCC. The Ombuds Office will report periodically its observations of the company, at least twice a year, to the TDCC. The TDCC will decide whether to continue the program after the initial pilot program phase.

IV. Increase Transparency

1. Pinterest agrees not to enforce non-disclosure agreements for individuals who made gender or race discrimination claims so long as they only discuss the underlying facts and circumstances of incidents and reporting process.
2. Pinterest will publish a diversity report twice a year for two years, and thereafter will do so annually. The report will describe, at a high level, progress made in implementation of DEI goals and pay equity.
3. Assess progress toward DEI goals. Pinterest shall use employee survey responses and broader people data to measure progress toward DEI goals.

V. Emphasize that Executives Have Primary Responsibility for DEI

1. In recognition of the critical importance and substantial amount of DEI work to be done at Pinterest and the significant recent turnover in key roles with responsibility for DEI, the Company must take steps to emphasize that executives filling those roles are responsible for the results of DEI initiatives, along with the CEO and the Executive Leadership Team.
2. The Global Head of Inclusion & Diversity should have the title of “Chief Diversity, Equity, and Inclusion Officer.”
3. Plaintiffs’ proposed rubric, in the form noted in Appendix A hereto, will be considered in evaluating the skills of applicants for Global Head of Inclusion and Diversity.

VI. Create Accountability for DEI People and Business Goals

1. During the settlement's first year each member of the Executive Leadership Team will develop DEI people/culture and DEI business initiatives in consultation with the Chief People Officer and the Global Head of Inclusion & Diversity. Each member of the Executive Leadership Team shall revisit such initiatives and efforts on a yearly basis and amend them as needed.
2. Pinterest should promote DEI across its broader community of employees simultaneous to and integrated with its work on enhancing internal DEI initiatives. This promotion will include support of Employee Resource Groups and providing employees with DEI-related discussion and training opportunities.
3. Pinterest will strengthen its process for including DEI people/culture and DEI business initiatives and efforts in every manager's performance evaluation. Annual evaluations will assess managers' progress in creating an inclusive workplace culture, with each manager's evaluation including the manager's reflection upon their own efforts. The People goals will support and encourage meaningful progress toward the overall diverse representation and inclusive culture goals.

VII. Vision

1. Pinterest is committed to maintaining a workplace free from discrimination and retaliation and ensuring that its culture creates accountability in order to ensure equal opportunity and a fair workplace for all.
2. Pinterest's vision and the work of the Implementation Team and Inclusive Product Team should reflect DEI aspirations with respect to both Pinterest's employees and Pinterest's content.
3. The company will commit to maintaining an inclusion advisory council, in the form noted in Appendix B hereto, including experts external to the company who are knowledgeable about diversity and inclusion who can provide expertise and advice to the company. After the initial two years of the Council's existence, the TDCC will evaluate whether the Council is effective in helping the company to achieve its DEI goals.

VIII. I&D Team

1. The I&D Team shall track the progress of its strategic plan and report such progress quarterly to the Global Head of Inclusion & Diversity, as well as, with respect to org-specific plans, the head of each business unit.

IX. Implementation Team

1. Accountability for implementation of this agreement will rest with the Global Head of Inclusion & Diversity and the top executives in each organization. The Implementation Team will also have a direct line of communication to the Board Liaison.

X. Employee Safety

1. As a preventative measure, the Company's Acceptable Use Policy shall expressly prohibit doxxing. The Company's response to a possible doxxing incident shall include, where appropriate, utilizing an internal escalation and alert protocol, offering employees targeted by doxxing attacks online presence curation services, and using a specialized third-party vendor

to help remove the abusive content, where feasible. The Company will consider whether a public statement of support is appropriate (with the targeted employee's consent).

XI. Create Opportunities for Women and/or People of Color

1. The company will offer women and people of color who are leaders at the company the opportunity to attend a well-recognized external leadership development program focused on formal leadership development, *e.g.* as offered by Harvard Business School and Stanford Graduate School of Business.
2. For Employee Resource Groups, community leaders are compensated with a stipend of \$5K for each co-president and \$2.5K for VPs per year, and are subject to term limits.
3. The company adopts the Inclusive Product Program described in Appendix C.

XII. Communities

1. Sponsors will be evaluated annually for their fulfillment of DEI goals. Sponsors will participate in trainings on avoiding discrimination, harassment, and/or retaliation.
2. The company will allocate funds to Communities (Employee Resource Groups) focused on employees who are women and/or people of color.

XIII. Make People Processes More Equitable

1. Pinterest will require bi-annual audits for pay equity across gender and racial categories, and take any steps needed to maintain this equity. This review should examine ratings, promotion, and compensation. Pinterest will use Secretariat Economists as the third-party audit provider and will continue to retain them if they meet the goals for which they were retained. The TDCC must approve any substitution of Secretariat Economists. The Company will consider the audit information in deciding what, if any, corrective action to take.
2. The Company will review, every other year, and update if appropriate its frameworks for hiring, leveling, performance evaluation, and promotion, and document any changes over time (including the rationale and/or research supporting those changes).
3. Provide guidance to candidates prior to their interviews of what they can expect at the interview (for example, will they be asked to do a role play, asked open-ended questions about past experience, etc.) and advise candidates that they can speak to the recruiter if they have any concerns about the interview process.
4. The Company will ensure that the interview and post-interview evaluation process is standardized across candidates interviewing for equivalent positions, and structured with the aim of reducing the risk of bias in the interview process.
5. Any individual participating in an interview process will have completed training on inclusive hiring practices. This training will review the different forms of bias that might impact the hiring process. To the extent practicable, the Company will include diverse employees in the panels that interview job candidates.

6. Pinterest's Diverse Slates Policy shall state that "It is recommended that the exception process be triggered only after valid sourcing efforts have been made, or when making an opportunistic hire for a role that is important for Pinterest's business objectives and there is a limited pool of qualified candidates" and "If a business unit has not considered diverse slates for at least 80% of positions open in the prior year, the head of the organization, the Chief People Officer, and Chief Diversity Officer will collaborate to evaluate whether improvements need to be made to its recruiting process." Individuals authorized to approve exceptions to the diverse slate requirements will consider the number of exceptions requested and made to date.
7. Pinterest will offer award programs that can be used to recognize employees for significant efforts to promote DEI.
8. The company will include in its Central Role Expectations that a core competency for every position that involves supervision or management is competence in managing a diverse workforce and promoting equity.
9. Current employees will have electronic access to the company organization chart, and to job level information for employees throughout the company. Employees will also have access to compensation ranges for all levels within their job family.
10. Managers should be evaluated against their core and functional competencies, including leadership behaviors that are focused on their effectiveness as performance managers and career developers.
11. Annually, managers should be evaluated and held accountable for providing regular and meaningful feedback guided by role expectations.
12. Pinterest will train employees regarding the way in which evaluation on perceived personality traits may introduce undue bias in employee evaluations rather than promote business objectives.
13. Training should be evidence-based (including hypothetical scenarios and/or role playing), designed with clear, measurable goals in mind.
14. Pinterest shall include interactive components in its mandatory online workplace training to drive engagement, effectiveness and impact. Employees will have an opportunity to share feedback on the training through surveys or other listening systems.
15. Pinterest will require participation in trainings on inclusivity, unconscious bias, and bystander intervention.
16. Pinterest's anti-harassment and anti-discrimination training should be designed to ensure that the company's vision for diversity, inclusion, and equal opportunity is reinforced at every level and reflected in the handling of discrimination, harassment, and retaliation complaints.
17. Pinterest's trainings on the Total Rewards processes should explain the philosophy behind the processes; explain the criteria that should be relied upon for making leveling, compensation, performance evaluation, assignment and promotion decisions; and emphasize the importance of consistency in making these decisions.
18. Pinterest shall provide to the Board Liaison the recommendations of the organizational

development consultant retained to assist the People Team to assess resources and capabilities.

19. Pinterest educates members of the People Team who conduct workplace investigations regarding recusal when faced with conflicts of interest to ensure that those who conduct workplace investigations do so with independence.
20. The investigations' policy shall include examples for circumstances involving actual, potential, or perceived conflicts of interest in which outside counsel or independent investigators should be engaged to conduct an investigation.
21. Pinterest's employee-facing guide to the investigations process describes the investigations process as independent, free of conflicts of interest, and unbiased, and what to do in the event that they suspect bias or lack of independence.
22. Pinterest's Harassment and Discrimination Policy reflects that bullying is a prohibited form of conduct.
23. Pinterest's Harassment and Discrimination Policy defines discrimination and retaliation and gives examples of how discrimination and retaliation can manifest, including in promotion decisions, job assignments, compensation, attendance at meetings and social events, and other decisions that affect the terms and conditions of employment. Pinterest's definition of retaliation in the Policy includes any conduct that would have a chilling effect on reporting employee concerns (including regarding discrimination).
24. Pinterest policies state that its Harassment and Discrimination Policy applies to any conduct that arises out of or may impact working relationships and the broader working environment, regardless of where it occurs (including on social media).
25. Pinterest implements a process for following up with complainants and reporters after the close of an investigation to confirm that there are no lingering issues and that the complainant or reporter has not experienced retaliation.
26. Pinterest's decision-making process for corrective action recommendations takes into account and addresses circumstances where conduct falls short of the Company's expectations for employees, and the Company's expectations for managers, even if such conduct does not constitute a policy violation.

XIV. Funding for Implementation and Maintenance of Reforms

1. The Company shall closely track spending of funds used for implementation and maintenance of the reforms, and on an annual basis a report summarizing the same shall be provided to both the Board and the DEI Senior Leadership Team, along with suggestions for more impactful allocation of such funds and resources to promote the goals of the reforms.
2. The Board shall allocate \$50 million in funding for the creation, implementation, and annual maintenance of the reforms noted herein, to be expended over a period no longer than ten years after final approval of the settlement.

RUBRIC**Global Head of Inclusion and Diversity**

- Create a list of criteria to ensure the candidate has the competencies and skills to succeed.
Expertise to include:
 - Knowledge
 - Skills
 - Experience
- Design compensation at an appropriately executive level to ensure the position is attractive to highly skilled and respected candidates.

Criteria	Evidence
Knowledge	<ul style="list-style-type: none"> • Demonstrates strong knowledge of DEI concepts and strategies • Has a strong Point of View on how to implement DEI strategies at all levels of the organization • Incorporates DEI into both human capital and platform/business • Understands how to build community with people who have been historically marginalized
Skills	<ul style="list-style-type: none"> • Designs processes, in partnership with CHRO, to ensure fairness and a sense of belonging • Creates community with affinity groups • Implements processes to hear and respectfully manage complaints • Oversees training as a pathway to change (not an end goal)
Experience	<ul style="list-style-type: none"> • Works with leaders to craft and deliver on DEI goals that forward human capital and business goals • Evaluates progress using data at all levels of the organization • Demonstrates ability to create and implement DEI strategies

Pinterest Inclusion Advisory Council

A. Mission

Pinterest will form an Inclusion Advisory Council. The IAC's mission is to serve as a sounding board and place of collaboration that aids Pinterest by fostering frank and meaningful conversations about the elimination of bias and developing ways to advance inclusion in communities with which Pinterest interacts. The IAC will, among other things: (1) organically connect Pinterest with the communities it impacts in order to listen, learn, and partner with those communities; (2) support Pinterest's efforts to build a diverse, equitable, and inclusive culture that ensures all employees are empowered and valued and the product reflects the diverse population of Pinners around the world both within the Company and externally; and (3) assist Pinterest in fighting discrimination and creating meaningful and lasting change.

Areas of collaboration between Pinterest and the IAC will primarily include:

- The IAC will consult on Pinterest's diversity goals and provide advice on such goals, recommend approaches for accelerating progress on such goals, and learning from progress on certain goals or in certain areas of the company. In addition, the Head of Inclusive Product will meet annually with the Inclusion Advisory Council regarding its work to promote diverse and inclusive product features and content and to supply new ideas for product inclusion initiatives.
- The IAC will consult on Pinterest's outreach to historically marginalized communities and on oversight measures to help ensure that Pinterest's systems are inclusive and lead to equitable outcomes.
- The IAC will consult on Pinterest policies related to anti-discrimination and acceptable use of the platform, responding to discrimination complaints.
- The IAC will consult on improving company culture by promoting diversity, equity, and inclusion and fighting workplace discrimination.

B. Membership

IAC Membership will consist of at least five external members, which may be leaders on civil rights issues, diversity advocates, experts in inclusion and equity in technology, among others. If an individual affiliated with an organization can no longer serve on the IAC, the organization can nominate a replacement.

The initial membership of the IAC is comprised of representatives from among the following organizations:

- i. Values Partnership
- ii. NAACP
- iii. American Association of People with Disabilities
- iv. Asian Americans Advancing Justice
- v. The Center for Native American Youth (a program of Aspen Institute)

- vi. Poderistas
- vii. National Black Justice Coalition
- viii. National Transgender Center for Equality
- ix. /Dev/Color
- x. The Asian American Foundation

The IAC will meet at least twice a year.

Additionally, the IAC will meet at least twice a year with the Board Co-Sponsor of DEI Work at Pinterest, Global Head of Inclusion & Diversity, and Chief People Officer, and at least annually with the Head of Inclusive Product and the Head of Social Impact and Philanthropy. The IAC may meet with any of these officers more frequently, as appropriate.

In order to ensure the participation and commitment of the highest quality professionals, Pinterest shall compensate each outside member of the IAC for his or her services at a fair and reasonable rate for consultants with comparable skills and experience.

C. Reporting

Per the Settlement Agreement, the IAC's meetings shall be mentioned in the Annual Diversity Report.

D. Funding Commitment

In order to provide appropriate funding for IAC and programs it recommends, Pinterest shall provide an adequate budget for the IAC at all times during the service of its members.

E. Conflicts of Interest

IAC members shall not improperly benefit from any relationships between their outside business interests and IAC. In the event that an IAC member has an outside business relationship with an entity that seeks to provide services to IAC or Pinterest, the IAC member shall promptly disclose such relationship to IAC and recuse himself or herself from any final recommendation or determination to engage such service provider.

F. Modifications

Approval of the Talent Development and Compensation Committee of Pinterest's Board is required prior to making any material changes to the mission of the IAC.

Inclusive Product Program

Pinterest is proud to promote diversity and inclusion both within the Company and outside of it. By promoting diverse and inclusive product features and content and exploring opportunities to build a more inclusive product by applying diverse data in its machine learning, Pinterest helps inspire and support Pinners no matter their race, color, gender, abilities, or how they identify.

In order to further support these efforts, the Company will adopt and implement the following Inclusive Product Program:

1. The Inclusive Product Program is central to Pinterest's operational goal to foster DEI internally and through its platform development.
2. In order to ensure that Pinterest's emphasis on diversity and inclusion remain core to the Company's values, products, and platform, a cross-functional Inclusive Product Team will be located within the Products organization.
3. The Inclusive Product Team will be led by the Head of Inclusive Product.
4. At least 20 different employees from across Pinterest will contribute to and be considered part of the Inclusive Product Team.
5. In order to benefit from different areas of expertise across the Company, the Inclusive Product Team will be cross-functional and include, among others and as the work of the Inclusive Product Team requires, engineers, data scientists, researchers, public policy personnel, and designers.
6. The Inclusive Product Team will identify a pipeline of project opportunities for using Pinterest to promote diversity and inclusion and, as appropriate, Pinterest will commit the financial resources to such projects.
7. The Head of Inclusive Product, the Global Head of Inclusion and Diversity, and the Head of Social Impact and Philanthropy will meet to evaluate opportunities for Pinterest to use its products to promote diversity and inclusion.
8. The Head of Inclusive Product will also meet at least annually with the Inclusion Advisory Council designed to elicit new ideas for product inclusion initiatives.
9. The Head of Inclusive Product will have funding to retain such experts and advisors as appropriate to further the mission of the Inclusive Product Team.
10. Members of the Inclusive Product Team will receive annual training in programs related to DEI and/or behavioral science, such as unconscious bias.
11. The Company will provide opportunities for members of the Inclusive Product Team to attend conferences concerning diversity and inclusion in the technology industry, such as Grace Hopper.
12. The Inclusive Product Team will offer two paid internships and/or apprenticeships every year to individuals from backgrounds traditionally underrepresented in technology. Pinterest's recruitment effort for these positions will include, for example, Historically Black Colleges and Universities and Hispanic-Serving Institutions.

Appendix C

13. At least once a year, the Head of Inclusive Product will present to the TDCC. The presentation will provide the TDCC with updates on the Inclusive Product Team's current efforts and initiatives, in addition to its ideas for potential future initiatives.

Exhibit B

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re Pinterest Derivative Litigation

Lead Case No. 3:20-cv-08331-WHA

Honorable William Alsup

**NOTICE OF PENDENCY AND PROPOSED
SETTLEMENT OF DERIVATIVE ACTIONS**

TO: ALL PERSONS AND ENTITIES WHO HELD PINTEREST, INC. COMMON STOCK AS OF NOVEMBER 23, 2021.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. This Notice relates to a proposed settlement (“Settlement”) of the following derivative actions: *Bushansky v. Silbermann*, No. 3:20-cv-08331-WHA (N.D. Cal.), *Employees’ Retirement System of Rhode Island v. Silbermann*, No. 3:20-cv-08438-WHA (N.D. Cal.), *Toronto v. Silbermann*, No. 3:20-cv-09390-WHA (N.D. Cal.), and *Petretta v. Silbermann*, No. 3:21-cv-05385-WHA (N.D. Cal.), together consolidated as *In re Pinterest Derivative Litigation*, No. 3:20-cv-08331-WHA (N.D. Cal.) (together, the “Actions”). If the Court approves the proposed Settlement, you, Pinterest, and all Current Pinterest Stockholders will be forever barred from contesting the fairness, adequacy, and reasonableness of the proposed Settlement and from pursuing the Released Plaintiffs’ Claims.

All capitalized terms used in this Notice that are not otherwise defined herein have the meanings provided in the Stipulation and Agreement of Settlement entered into on November 23, 2021 (“Stipulation”), by and among (1) the Employees’ Retirement System of Rhode Island, Sal Toronto, Stephen Bushansky, and Howard Petretta (together, “Plaintiffs”); (2) current and former officers and/or members of the Board of Directors (“Board”) of Pinterest, Benjamin Silbermann, Evan Sharp, Jeffrey Jordan, Jeremy Levine, Gokul Rajaram, Fredric Reynolds, Michelle Wilson, Leslie Kilgore, Andrea Wishom, and Todd Morgenfeld (together, the “Individual Defendants”); and (3) nominal defendant Pinterest, Inc. (“Pinterest” and, together with the Individual Defendants, “Defendants”). Plaintiffs and Defendants are collectively referred to herein as the “Parties.”

THIS NOTICE PROVIDES ONLY A SUMMARY OF THE MATERIAL TERMS OF THE SETTLEMENT AND RELEASES. You can obtain more information by reviewing the Stipulation, which is available on Pinterest’s investor relations website at <https://investor.pinterestinc.com> and on Interim Lead Plaintiffs’ Counsel’s website at <https://www.cohenmilstein.com/case-study/re-pinterest-derivative-litigation>. Because the Settlement involves the resolution of derivative actions, which were brought on behalf of and for the benefit of the Company, and not individual or class actions on behalf of Pinterest shareholders, the benefits from the Settlement will go to Pinterest. Individual Pinterest stockholders will not receive any direct payment from the Settlement. **ACCORDINGLY,**

THERE IS NO PROOF OF CLAIM FORM FOR STOCKHOLDERS TO SUBMIT IN CONNECTION WITH THIS SETTLEMENT. STOCKHOLDERS ARE NOT REQUIRED TO TAKE ANY ACTION IN RESPONSE TO THIS NOTICE.

PURPOSE OF NOTICE

1. The purpose of this Notice is to explain the Actions, the terms of the proposed Settlement, and how the proposed Settlement affects Current Pinterest stockholders' legal rights. This Notice is issued pursuant to an Order of the United States District Court for the Northern District of California (the "Court") dated _____, 202_ ("Preliminary Approval Order"), and further pursuant to the requirements of the Federal Rules of Civil Procedure, including Rule 23.1.

2. The Court will hold a hearing (the "Settlement Hearing") on _____, 2022 at __:00 a.m., either in person at the United States District Court for the Northern District of California, San Francisco Courthouse, Courtroom 12 – 19th Floor, 450 Golden Gate Avenue, San Francisco, CA 94102, or by telephone or video conference (in the discretion of the Court), to consider whether the Judgment, substantially in the form of Exhibit E to the Stipulation, should be entered: (i) approving the terms of the Settlement as fair, reasonable, and adequate; (ii) dismissing with prejudice the Federal Consolidated Action pursuant to the terms of the Stipulation; and (iii) ruling upon any application for any Fee & Expense Award. You have a right to participate in the Settlement Hearing.

3. This Notice describes the rights you may have in the Actions and pursuant to the Stipulation and what steps you may take, but are not required to take, in relation to the Settlement.

BACKGROUND OF THE SETTLING MATTERS

Factual Background

4. The Settlement arises out of the Actions alleging breaches of fiduciary duty, among other claims, against certain current and former officers and directors of Pinterest. Plaintiffs alleged that the Individual Defendants breached their fiduciary duties in connection with, among other things, (1) a pattern of employment discrimination and retaliation by certain executives at the Company; (2) failures of oversight by the Board; (3) waste of corporate assets, abuse of control, and unjust enrichment; and (4) a violation of Section 14(a) of the Securities Exchange Act of 1934.

5. The Individual Defendants deny the allegations made by Plaintiffs in the Actions.

The Actions

6. In November and December 2020, Plaintiffs filed three shareholder derivative complaints on behalf of nominal defendant Pinterest: *Bushansky*, No. 3:20-cv-08331-WHA; *Employees' Retirement System of Rhode Island*, No. 3:20-cv-08438-WHA; and *Toronto*, No. 3:20-cv-09390-WHA. Prior to filing a lawsuit, each plaintiff served a books and records demand on the Company pursuant to 8 Del. C. § 220 ("Section 220") and received and reviewed relevant

documents. On February 19, 2021, the Court consolidated these three cases and appointed an interim leadership structure. On February 26, 2021, Plaintiffs filed a consolidated complaint (the “Consolidated Complaint”), asserting claims for (1) breach of fiduciary duty, (2) waste of corporate assets, (3) abuse of control, (4) unjust enrichment, and (5) violations of Section 14(a) of the Securities Exchange Act of 1934 and Rule 14a-9. The Consolidated Complaint alleges that Plaintiffs have standing to bring the shareholder derivative claims because a demand on Pinterest’s Board would have been futile.

7. On April 22, 2021, Pinterest moved to dismiss the Consolidated Complaint pursuant to Federal Rule of Civil Procedure 23.1 on the grounds that Plaintiffs had failed to adequately allege that demand would have been futile. The Individual Defendants filed a joinder, arguing that the Consolidated Complaint should also be dismissed pursuant to Federal Rule of Civil Procedure 12(b)(6). On May 27, 2021, Plaintiffs opposed Pinterest’s motion to dismiss.

8. Pursuant to the stipulation of the parties, on June 1, 2021, the Court referred the case to the Northern District of California ADR Program, appointed Chief Magistrate Judge Joseph C. Spero as Special Master, and postponed the filing of Defendants’ reply brief in support of their motion to dismiss while the parties engaged in the mediation process before Judge Spero.

9. On July 14, 2021, another shareholder derivative complaint was filed. *Petretta v. Silbermann*, No. 3:21-cv-05385-WHA. On July 19, 2021, Plaintiffs filed an unopposed notice of consolidation of related case. On October 6, 2021, the Court consolidated the *Petretta* action into the Federal Consolidated Action

The Special Committee

10. On June 28, 2020, the Board formed a Special Committee and empowered it to investigate and address concerns raised by former Pinterest employees regarding company culture and other issues. Directors Kilgore, Levine, Reynolds, and Wilson were selected to serve on the Special Committee, and Ms. Wishom joined when she became a director. After engaging independent counsel at WilmerHale, fair employment experts at DCI Consulting Group, and diversity, equity, and inclusion expert Dr. Arin Reeves of Nextions, the Special Committee began its review. Following a careful review (including interviews with 350 current and former employees), in December 2020, the Special Committee publicly released its recommendations to enhance Pinterest’s culture. The Board unanimously adopted those recommendations and began implementing them.

The Extensive Settlement Negotiations

11. In advance of the mediation before Judge Spero, Plaintiffs’ Counsel reviewed internal documents produced by Pinterest. These documents included, among other things, (1) minutes, agendas, board presentations, and other materials relating to regularly conducted and special meetings of the Board and Board committees; (2) internal Pinterest policies and procedures; and (3) materials relating to the independence of the members of the Special Committee. Plaintiffs’ Counsel also conducted numerous meetings and phone calls with Pinterest’s counsel. Plaintiffs’ Counsel asked the Special Committee’s counsel for detailed descriptions of the Special Committee’s process and progress in its investigation and explored

possible paths to resolution. Plaintiffs' Counsel presented to Defendants' Counsel and the Special Committee's Counsel the results of Plaintiffs' own investigations and potential reforms.

12. Plaintiffs' Counsel engaged in extensive settlement negotiations with Defendants, spanning many months. The settlement negotiations were mediated through Judge Spero. The Parties engaged in two mediation sessions held by Zoom, on June 28, 2021, and September 13, 2021. Judge Spero presided over both sessions.

13. Between the two mediation sessions, the Parties continued their dialogue, including through frequent working group sessions, with the ongoing assistance of Judge Spero. Over several sessions, the working group negotiated the detailed Agreed Settlement Commitments that form part of the Settlement and are attached to the Stipulation as Exhibit A.

14. On October 4, 2021, after telephonic meetings, Judge Spero conveyed a mediator's proposal to resolve remaining areas of contention between the Parties. The Parties accepted the mediator's proposal and, thereafter, negotiated a term sheet setting forth the material terms of the Settlement.

15. The Parties subsequently reached a definitive agreement to settle the Actions, upon the terms and conditions set forth in the Stipulation, dated November 23, 2021.

16. On _____, 202_ the Court entered the Preliminary Approval Order in connection with the Settlement that, among other things, preliminarily approved the Settlement, authorized this Notice to be provided to Current Pinterest Stockholders, and scheduled the Settlement Hearing to consider whether to grant final approval of the Settlement and any application for an award of attorney's fees and reimbursement of expenses to counsel for any Plaintiff.

TERMS OF THE SETTLEMENT

17. In consideration of the Settlement and the releases provided therein, and subject to the terms and conditions of the Stipulation, the Parties have agreed to the following settlement consideration for Pinterest.

18. The Company will implement and maintain the Agreed Settlement Commitments detailed in Exhibit A to the Stipulation and Exhibit 1 to this Notice, including but not limited to the following: (i) the Chief Executive Officer will partner with the Chair of the Talent Development and Compensation Committee ("TDCC") or the lead independent director to serve as a co-sponsor in DEI work at Pinterest; (ii) the TDCC will oversee coaching of the Executive Team; (iii) Pinterest will not enforce non-disclosure agreements for individuals who made gender or race discrimination claims so long as they only discuss the underlying facts and circumstances of incidents and reporting process; (iv) each member of the Executive Leadership Team will develop DEI people/culture and DEI business initiatives in consultation with the Chief People Officer and the Global Head of Inclusion & Diversity; (v) Pinterest will create accountability for DEI People and Business Goals and annual evaluations will assess managers' progress in creating an inclusive workplace culture; (vi) Pinterest will require bi-annual audits for pay equity across gender and racial categories and take any steps needed to maintain this equity, with the review

examining ratings, promotion, and compensation; (vii) Pinterest will adopt the Inclusive Product Program to promote diverse and inclusive product features and content; (viii) current employees will have electronic access to the Company's organization chart and to job level information for employees throughout the company and to compensation ranges for all levels within their job family; (ix) the Company's Acceptable Use Policy shall expressly prohibit doxxing and Pinterest's response to a possible doxxing incident shall include, where appropriate, utilizing an internal escalation and alert protocol, offering employees targeted by doxxing attacks online presence curation services, and using a specialized third-party vendor to help remove abusive content, where feasible; (x) the Board, or a committee thereof, will oversee any departure by a member of the Executive Leadership Team, including by reviewing the reason for the executive's departure, any material legal risks implicated by their departure, and any recommendations for changes to Company policy or procedure arising from the executive's tenure and/or departure; (xi) Internal Audit will evaluate progress on the implementation of measurable DEI reforms, with audit reports presented to the Audit Committee on a periodic basis as the audits progress and summary to the full board on an annual basis; and (xii) Pinterest will publish a diversity report twice a year for two years, and thereafter annually, which will describe at a high level progress made in implementation of DEI goals and pay equity.

19. Such reforms shall be in place throughout the Company for a period of five (5) years from the Effective Date of the Settlement, unless otherwise noted in Exhibit A to the Stipulation.

20. Pinterest's Board will allocate \$50 million in funding for the creation, implementation, and annual maintenance of the reforms noted herein, to be expended over a period no longer than ten years after final approval of the Settlement.

REASONS FOR THE SETTLEMENT

21. Plaintiffs' Counsel believe that the claims asserted in the Actions have merit and that their investigation of the evidence supports the claims asserted. Without conceding the merit of any of Defendants' defenses, and in light of the benefits of the Settlement as well as to avoid the risk, uncertainty, and potentially protracted time and expense associated with continued litigation, including potential trial(s) and appeal(s), Plaintiffs and Plaintiffs' Counsel have concluded that it is desirable that the Actions be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation. Plaintiffs' Counsel have also taken into account the uncertain outcome and the risk of any litigation, especially complex litigation such as the Actions, the difficulties and delays inherent in such litigation, the cost to Pinterest—on behalf of which Plaintiffs are prosecuting the Actions—and distraction to Pinterest's management and employees that would result from extended litigation. Based on their evaluation, and in light of what Plaintiffs' Counsel believe to be the significant benefits conferred upon Pinterest as a result of the Settlement, Plaintiffs and Plaintiffs' Counsel have determined that the Settlement is in the best interests of Plaintiffs and Pinterest and have agreed to settle the Actions upon the terms and subject to the conditions set forth in the Stipulation.

22. Each Individual Defendant has denied and continues to deny that he or she has committed or attempted to commit any violations of law, any breaches of fiduciary duty owed to Pinterest, or any wrongdoing whatsoever, and expressly maintains that, at all relevant times, he or

she acted in good faith and in a manner that he or she reasonably believed to be in the best interests of Pinterest and its stockholders. Defendants further deny that Plaintiffs, Pinterest, or its stockholders suffered any damage or were harmed as a result of any act, omission, or conduct by the Individual Defendants as alleged in the Actions or otherwise. Defendants further assert, among other things, that Plaintiffs lack standing to litigate derivatively on behalf of Pinterest because Plaintiffs cannot properly plead that a demand on the Board would be futile.

23. Pinterest's Board has approved a resolution reflecting its determination that: (a) the Settlement confers substantial and material benefits on Pinterest and its stockholders; (b) the Settlement is fair, reasonable, and in the best interests of Pinterest and its stockholders; and (c) Pinterest is authorized, subject to Court approval, to enter into and take all actions necessary to effectuate the Settlement. Defendants have, therefore, entered into the Settlement for the benefit of Pinterest to eliminate the uncertainty, distraction, disruption, burden, risk, and expense of further litigation.

RELEASES

24. Upon the Effective Date, the Plaintiffs and all Current Pinterest Stockholders will release the Released Defendant Persons from the Released Plaintiffs' Claims. Upon the Effective Date, Pinterest will further release the Individual Defendants and their Related Persons from the Released Plaintiffs' Claims.

25. Upon the Effective Date, Plaintiffs (acting on their own behalf and derivatively on behalf of Pinterest and all Current Pinterest Stockholders), Pinterest, and any Current Pinterest Stockholder shall be forever barred and enjoined from commencing, instituting, or prosecuting any of the Released Plaintiffs' Claims against any of the Released Defendant Persons or any action or other proceeding against any of the Released Defendant Persons arising out of, relating to, or in connection with the Released Plaintiffs' Claims, the Federal Consolidated Action, or the filing, prosecution, defense, settlement, or resolution of the Federal Consolidated Action. Upon the Effective Date, Pinterest shall be forever barred and enjoined from commencing, instituting, or prosecuting any of the Released Plaintiffs' Claims against any of the Individual Defendants or their Related Parties or any action or other proceeding against any of the Individual Defendants or their Related Parties arising out of, relating to, or in connection with the Released Plaintiffs' Claims, the Federal Consolidated Action, or the filing, prosecution, defense, settlement, or resolution of the Federal Consolidated Action.

26. By Order of the Court, pending final determination of whether the Settlement is approved, Plaintiffs and all other Pinterest stockholders are barred and enjoined from asserting, commencing, instituting, or prosecuting any of the Released Plaintiffs' Claims against any of the Released Defendant Persons.

27. **THE ABOVE DESCRIPTION OF THE PROPOSED SETTLEMENT AND RELEASES IS A SUMMARY.** The complete terms, including the definitions of the Effective Date, Released Defendant Claims, Released Defendant Persons, Released Plaintiffs' Claims, Released Stockholder Persons, and Unknown Claims, are set forth in the Stipulation, which is available on Pinterest's investor relations website at <https://investor.pinterestinc.com/> and Interim

Lead Plaintiffs' Counsel's website at <https://www.cohenmilstein.com/case-study/pinterest-inc-derivative-litigation>.

Application for a Fee and Expense Award

28. The Parties *have not* separately negotiated any agreement concerning the amount of any fee and expense award to any counsel for a Plaintiff. Rather, subject to approval of the Court, counsel for each Plaintiff will seek fees and expenses awards not to exceed two times their lodestar and for reasonable expenses incurred in the litigation. The total request by counsel for all Plaintiffs for fees and expenses will not exceed \$5,380,000.

29. Pinterest shall pay or Defendants shall cause their insurers to pay the full amount of any fee and expense award awarded by the Court. Pinterest Stockholders are not personally liable for any such fees or expenses.

30. Any fee and expense award is subject to approval by the Court at the Settlement Hearing and will not affect the Finality of the Settlement. The Court's decision granting, in whole or in part, any application for a fee and expense award is not a condition of the Stipulation or to entry of the Judgment. Any request for a fee and expense award will be considered by the Court separately from the Court's consideration of the question whether the Settlement is fair, reasonable, adequate, and in the best interests of Pinterest and Current Pinterest stockholders.

SETTLEMENT HEARING AND RIGHT TO APPEAR AND OBJECT

31. The Court has scheduled a Settlement Hearing, to be held on _____, 2022, at __:00 a.m., either in person at the United States District Court for the Northern District of California, San Francisco Courthouse, Courtroom 12 – 19th Floor, 450 Golden Gate Avenue, San Francisco, CA 94102, or by telephone or video conference (in the discretion of the Court), to consider whether the Judgment, substantially in the form of Exhibit E to the Stipulation, should be entered: (i) approving the terms of the Settlement as fair, reasonable, and adequate and in the best interests of Pinterest and Pinterest's stockholders; (ii) dismissing with prejudice the Actions against Defendants pursuant to the terms of the Stipulation; and (iii) ruling upon any application for a fee and expense award.

32. **Please Note:** The date and time of the Settlement Hearing may change without further written notice to Current Pinterest Stockholders. In addition, the COVID-19 pandemic is a fluid situation that creates the possibility that the Court may decide to conduct the Settlement Hearing by video or telephonic conference, or otherwise allow Current Pinterest Stockholders to appear at the hearing by video or telephone, without further written notice. **In order to determine whether the date and time of the Settlement Hearing have changed, or whether Current Pinterest Stockholders must or may participate by telephone or video, it is important that you monitor the Court's docket before making any plans to attend the Settlement Hearing. Any updates regarding the Settlement Hearing, including any changes to the date or time of the hearing or updates regarding in-person or remote appearances at the Hearing, will be posted to that docket. If the Court requires or allows Current Pinterest Stockholders to participate in the Settlement Hearing by telephone or video conference, the information for accessing the telephone or video conference will be posted to the Court's docket.**

33. Any Person who held Pinterest stock as of November 23, 2021 (“Current Pinterest Stockholder”) and continues to hold the stock as of the date of the Settlement Hearing may appear at the Settlement Hearing to show cause why the proposed Settlement should not be approved; why the Judgment should not be entered thereon; or why any application for a fee and expense award should not be granted; *provided, however*, that no such Person shall be heard unless such Person has filed with the Clerk of the United States District Court for the Northern District of California, San Francisco Courthouse, Courtroom 12 – 19th Floor 450 Golden Gate Avenue, San Francisco, CA 94102, and served (by hand, first-class mail, or express service) on Plaintiffs’ Counsel and Defendants’ Counsel a written and signed notice of objection that includes: (i) the objector’s name, address, and telephone number (and, if represented, that of his, her, or its counsel), along with a representation as to whether the objector intends to appear at the Settlement Hearing; (ii) proof that the objector owned shares of Pinterest common stock as of November 23, 2021, and continues to hold common stock in Pinterest; (iii) a statement of the objections to any matters before the Court, the grounds for the objections or the reasons for the objector’s desiring to appear and be heard, as well as all documents or writings the objector desires the Court to consider, including any legal and evidentiary support; and (iv) if the objector has indicated that he, she or it intends to appear at the Settlement Hearing, the identities of any witnesses the objector may call to testify and any exhibits the objector intends to introduce into evidence at the Settlement Hearing. Any such objection must be filed with the Court and received by the below-noted counsel by no later than _____, 2022, which is twenty-one (21) calendar days prior to the Settlement Hearing.

Office of the Clerk

San Francisco Courthouse, Courtroom 12 – 19th Floor
450 Golden Gate Avenue,
San Francisco, CA 94102

Counsel for Employees Retirement System of Rhode Island

Julie Goldsmith Reiser, Esq.
Cohen Milstein Sellers & Toll PLLC
1100 New York Ave NW, Suite 500
Washington, DC 20005

Counsel for Defendants

Boris Feldman, Esq.
Freshfields Bruckhaus Deringer US LLP
2710 Sand Hill Road
Menlo Park, CA 94025

34. Documentation establishing ownership of Pinterest common stock must consist of copies of monthly brokerage account statements, or an authorized statement from the objector’s broker containing the information found in an account statement.

35. Unless the Court otherwise directs, no Person shall be entitled to object to the approval of the Settlement, the Judgment to be entered approving the Settlement, any application for any Fee and Expense award, or otherwise be heard except by serving and filing a written objection and supporting papers as prescribed above. Any Person who fails to object in the manner

described above shall be deemed to have waived the right to object to any aspect of the proposed Settlement and any fee and expense award (including any right of appeal or collateral attack); be forever barred and foreclosed from objecting to the fairness, reasonableness, or adequacy of the Settlement, the Judgment to be entered approving the Settlement, or any Fee and Expense Award; and be deemed to have waived and forever barred and foreclosed from being heard, in this or any other proceeding, with respect to any matters concerning the Settlement or any Fee and Expense Award.

ORDER AND FINAL JUDGMENT OF THE COURT

36. The Parties will jointly request at the Settlement Hearing that the Court determine and enter the Judgment concluding that the Settlement is fair, reasonable, adequate, and in the best interests of Pinterest stockholders. The Judgment shall, among other things:

- a. Determine that the requirements of Rule 23.1 of the Federal Rules of Civil Procedure and due process have been satisfied in connection with this Notice;
- b. Approve the Settlement as fair, reasonable, adequate, and in the best interests of Pinterest and Pinterest stockholders;
- c. Dismiss the Actions with prejudice against all Defendants without costs except as provided in the Stipulation, and release the Released Claims; and
- d. Determine the amount of any fee and expense award.

SCOPE OF THIS NOTICE

37. This Notice does not purport to be a comprehensive description of the Actions, the terms of the Settlement, or the Settlement Hearing. For the full details of the Actions, Pinterest stockholders may inspect the pleadings, the Stipulation, and the orders entered by the Court and are referred to the office of the Clerk of Court, San Francisco Courthouse, Courtroom 12 – 19th Floor 450 Golden Gate Avenue, San Francisco, CA 94102. The Stipulation is also available on Pinterest’s investor relations website at <https://investor.pinterestinc.com/>.

38. If you have questions regarding the Settlement, you may contact Interim Lead Counsel:

Julie Goldsmith Reiser, Esq.
Cohen Milstein Sellers & Toll PLLC
1100 New York Ave NW, Suite 500
Washington, DC 20005
202-408-4600
jreiser@cohenmilstein.com

Exhibit C

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re Pinterest Derivative Litigation

Lead Case No. 3:20-cv-08331-WHA

Honorable William Alsup

**SUMMARY NOTICE OF PENDENCY AND PROPOSED
SETTLEMENT OF DERIVATIVE ACTIONS**

TO: ALL PERSONS AND ENTITIES WHO HELD PINTEREST, INC. COMMON STOCK AS OF NOVEMBER 23, 2021.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. This Notice relates to a proposed settlement (“Settlement”) of the following derivative actions: *Bushansky v. Silbermann*, No. 3:20-cv-08331-WHA (N.D. Cal.), *Employees’ Retirement System of Rhode Island v. Silbermann*, No. 3:20-cv-08438-WHA (N.D. Cal.), *Toronto v. Silberman*, No. 3:20-cv-09390-WHA (N.D. Cal.), and *Petretta v. Silbermann*, No. 3:21-cv-05385-WHA (N.D. Cal.), together consolidated as *In re Pinterest Derivative Litigation*, No. 3:20-cv-08331-WHA (N.D. Cal.) (together, the “Actions”). If the Court approves the proposed Settlement, you, Pinterest, and all Current Pinterest Stockholders will be forever barred from contesting the fairness, adequacy, and reasonableness of the proposed Settlement and from pursuing the Released Plaintiffs Claims.

All capitalized terms used in this Notice that are not otherwise defined herein have the meanings provided in the Stipulation and Agreement of Settlement entered into on November 23, 2021 (“Stipulation”), by and among (1) the Employees’ Retirement System of Rhode Island, Sal Toronto, Stephen Bushansky, and Howard Petretta (together, “Plaintiffs”); (2) current and former officers and/or members of the Board of Directors (“Board”) of Pinterest, Benjamin Silbermann, Evan Sharp, Jeffrey Jordan, Jeremy Levine, Gokul Rajaram, Fredric Reynolds, Michelle Wilson, Leslie Kilgore, Andrea Wishom, and Todd Morgenfeld (together, the “Individual Defendants”); and (3) nominal defendant Pinterest, Inc. (“Pinterest” and, together with the Individual Defendants, “Defendants”). Plaintiffs and Defendants are collectively referred to herein as the “Parties.”

THIS NOTICE PROVIDES ONLY A SUMMARY OF THE MATERIAL TERMS OF THE SETTLEMENT AND RELEASES. You can obtain more information by reviewing the Stipulation as well as the full Notice of Pendency and Proposed Settlement of Derivative Actions (“Notice”), both of which are available on Pinterest’s investor relations website at <https://investor.pinterestinc.com/investor-overview/default.aspx> and on Interim Lead Plaintiffs’ Counsel’s website at <https://www.cohenmilstein.com/case-study/re-pinterest-derivative-litigation>.

This Notice describes the rights you may have in the Actions and pursuant to the Stipulation

and what steps you may take, but are not required to take, in relation to the Settlement.

In consideration of the Settlement and the releases provided therein, and subject to the terms and conditions of the Stipulation, the Parties have agreed to the following Settlement Consideration for Pinterest:

1. The Company will implement and maintain the Agreed Settlement Commitments, including but not limited to the following: (i) the Chief Executive Officer will partner with the Chair of the Talent Development and Compensation Committee (“TDCC”) or the lead independent director to serve as a co-sponsor in DEI work at Pinterest; (ii) the TDCC will oversee coaching of the Executive Team; (iii) Pinterest will not enforce non-disclosure agreements for individuals who made gender or race discrimination claims so long as they only discuss the underlying facts and circumstances of incidents and reporting process; (iv) each member of the Executive Leadership Team will develop DEI people/culture and DEI business initiatives in consultation with the Chief People Officer and the Global Head of Inclusion & Diversity; (v) Pinterest will create accountability for DEI People and Business Goals and annual evaluations will assess managers’ progress in creating an inclusive workplace culture; (vi) Pinterest will require bi-annual audits for pay equity across gender and racial categories and take any steps needed to maintain this equity, with the review examining ratings, promotion, and compensation; (vii) Pinterest will adopt the Inclusive Product Program to promote diverse and inclusive product features and content; (viii) current employees will have electronic access to the Company’s organization chart and to job level information for employees throughout the company and to compensation ranges for all levels within their job family; (ix) the Company’s Acceptable Use Policy shall expressly prohibit doxxing and Pinterest’s response to a possible doxxing incident shall include, where appropriate, utilizing an internal escalation and alert protocol, offering employees targeted by doxxing attacks online presence curation services, and using a specialized third-party vendor to help remove abusive content, where feasible; (x) the Board, or a committee thereof, will oversee any departure by a member of the Executive Leadership Team, including by reviewing the reason for the executive’s departure, any material legal risks implicated by their departure, and any recommendations for changes to Company policy or procedure arising from the executive’s tenure and/or departure; (xi) Internal Audit will evaluate progress on the implementation of measurable DEI reforms, with audit reports presented to the Audit Committee on a periodic basis as the audits progress and summary to the full board on an annual basis; and (xii) Pinterest will publish a diversity report twice a year for two years, and thereafter annually, which will describe at a high level progress made in implementation of DEI goals and pay equity.
2. Such reforms shall be in place throughout the Company for a period of five (5) years from the Effective Date of the Settlement, unless otherwise noted in Exhibit A to the Stipulation.
3. Pinterest’s Board will allocate \$50 million in funding for the creation, implementation, and annual maintenance of the reforms noted herein, to be expended over a period no longer than ten years after final approval of the Settlement.

The Parties *have not* separately negotiated any agreement concerning the amount of any fee and expense award to any counsel for a Plaintiff. Rather, subject to approval of the Court,

counsel for each Plaintiff will seek fees and expenses awards not to exceed two times their lodestar and for reasonable expenses incurred in the litigation. The total request by counsel for all Plaintiffs for fees and expenses will not exceed \$5,380,000. Pinterest shall pay or Defendants shall cause their insurers to pay the full amount of any fee and expense award awarded by the Court. Pinterest Stockholders are not personally liable for any such fees or expenses.

The Court has scheduled a Settlement Hearing, to be held on _____, 2022, at ___:00 a.m., either in person at the United States District Court for the Northern District of California, San Francisco Courthouse, Courtroom 12 – 19th Floor, 450 Golden Gate Avenue, San Francisco, CA 94102, or by telephone or video conference (in the discretion of the Court), to consider whether the Judgment, substantially in the form of Exhibit E to the Stipulation, should be entered: (i) approving the terms of the Settlement as fair, reasonable, and adequate and in the best interests of Pinterest and Pinterest’s stockholders; (ii) dismissing with prejudice the Actions against Defendants pursuant to the terms of the Stipulation; and (iii) ruling upon any application for any fee and expense award.

Please Note: The date and time of the Settlement Hearing may change without further written notice to Current Pinterest Stockholders. In addition, the COVID-19 pandemic is a fluid situation that creates the possibility that the Court may decide to conduct the Settlement Hearing by video or telephonic conference, or otherwise allow Current Pinterest Stockholders to appear at the hearing by video or telephone, without further written notice. **In order to determine whether the date and time of the Settlement Hearing have changed, or whether Current Pinterest Stockholders must or may participate by telephone or video, it is important that you monitor the Court’s docket before making any plans to attend the Settlement Hearing. Any updates regarding the Settlement Hearing, including any changes to the date or time of the hearing or updates regarding in-person or remote appearances at the Hearing, will be posted to that docket. If the Court requires or allows Current Pinterest Stockholders to participate in the Settlement Hearing by telephone or video conference, the information for accessing the telephone or video conference will be posted to the Court’s docket.**

Any Person who owned Pinterest common stock as of November 23, 2021 (“Current Pinterest Stockholder”) and continues to hold the stock as of the date of the Settlement Hearing may appear at the Settlement Hearing to show cause why the proposed Settlement should not be approved; why the Judgment should not be entered thereon; or why any application for any fee and expense award should not be granted; *provided, however*, that any such objections **must** be filed with the Court and served on Plaintiffs’ Counsel and Pinterest’s counsel **no later than** _____, in accordance with the instructions set forth in the Notice.

Because the Settlement involves the resolution of derivative actions, which were brought on behalf of and for the benefit of the Company, and not individual or class actions on behalf of Pinterest shareholders, the benefits from the Settlement will go to Pinterest. Individual Pinterest stockholders will not receive any direct payment from the Settlement. **ACCORDINGLY, THERE IS NO PROOF OF CLAIM FORM FOR STOCKHOLDERS TO SUBMIT IN CONNECTION WITH THIS SETTLEMENT.**

STOCKHOLDERS ARE NOT REQUIRED TO TAKE ANY ACTION IN RESPONSE TO THIS NOTICE.

If you have any questions regarding the Summary Notice, the Actions, or the Settlement, you may contact Interim Lead Counsel:

Julie Goldsmith Reiser, Esq.
Cohen Milstein Sellers & Toll PLLC
1100 New York Ave NW, Suite 500
Washington, DC 20005
202-408-4600
jreiser@cohenmilstein.com

Exhibit D

1 UNITED STATES DISTRICT COURT
2 NORTHERN DISTRICT OF CALIFORNIA
3 SAN FRANCISCO DIVISION
4

5
6 Lead Case No. 3:20-cv-08331-WHA

7 *In re Pinterest Derivative Litigation*

8 **[PROPOSED] ORDER GRANTING**
9 **PLAINTIFFS' UNOPPOSED MOTION**
10 **FOR PRELIMINARY APPROVAL OF**
11 **PROPOSED SETTLEMENT**

12 Date :
13 Time:
14 Courtroom 12, 19th Floor
15 The Honorable William Alsup

16 WHEREAS, a stockholder derivative litigation is pending in this Court including the
17 following derivative actions brought on behalf of Pinterest: *Bushansky v. Silbermann*, No. 3:20-
18 cv-08331-WHA (N.D. Cal.), *Employees' Retirement System of Rhode Island v. Silbermann*, No.
19 3:20-cv-08438-WHA (N.D. Cal.), *Toronto v. Silbermann*, No. 3:20-cv-09390-WHA (N.D. Cal.),
20 and *Petretta v. Silbermann*, No. 3:21-cv-05385-WHA (N.D. Cal.), together consolidated as *In re*
21 *Pinterest Derivative Litigation*, No. 3:20-cv-08331-WHA (N.D. Cal.) (the "Federal Consolidated
22 Action");

23 WHEREAS, (1) the Interim Lead Plaintiff Employees' Retirement System of Rhode Island
24 ("ERSRI"), along with Interim Executive Committee Plaintiffs Stephen Bushansky and Sal
25 Toronto, and Plaintiff Howard Petretta; (2) current and former Pinterest, Inc. ("Pinterest") officers
26 and/or directors Benjamin Silbermann, Evan Sharp, Jeffrey Jordan, Jeremy Levine, Gokul
27 Rajaram, Fredric Reynolds, Michelle Wilson, Leslie Kilgore, Todd Morgenfeld, and Andrea
Wishom (the "Individual Defendants"); and (3) nominal defendant Pinterest (together with the

1 Individual Defendants, “Defendants”) (Plaintiffs and Defendants are collectively referred to herein
2 as the “Parties”) have entered into the Stipulation and Agreement of Settlement (the “Stipulation”)
3 dated November 23, 2021, which sets forth the terms and conditions of the proposed settlement
4 (the “Settlement”) that provides for a complete dismissal with prejudice of the claims asserted in
5 the Federal Consolidated Action and the release of the Released Claims (as defined in the
6 Stipulation) on the terms and conditions set forth therein, subject to the approval of the United
7 States District Court for the Northern District of California (“Court”);

8 WHEREAS, Plaintiffs’ Counsel filed an unopposed motion for preliminary approval of the
9 Settlement and entry of this Preliminary Approval Order; approving the form, content, and method
10 of providing notice of the Settlement to Current Pinterest Stockholders; and scheduling the date
11 and time for the Settlement Hearing, as defined herein;

12 WHEREAS, in accordance with the terms of the Stipulation, the Parties request that the
13 Court hold the Settlement Hearing approximately sixty (60) calendar days after notice is given;

14 WHEREAS, the Court has read and considered the Stipulation and its exhibits, including
15 (i) the proposed Notice of Pendency and Proposed Settlement of Derivative Actions (“Notice”);
16 (ii) the proposed Summary Notice of Pendency and Proposed Settlement of Derivative Actions
17 (“Summary Notice”); and (iii) the proposed Order and Final Judgment finally approving the
18 Settlement (“Judgment”). Finding that substantial and sufficient grounds exist for entering this
19 Order, the Court hereby **ORDERS** as follows:

20 1. This Order incorporates by reference the definitions in the Stipulation and, unless
21 otherwise defined in this Order, all capitalized terms used in this Order shall have the same
22 meaning as set forth in the Stipulation.

23 2. The Court preliminarily approves the Settlement on the terms set forth in the Stipulation,
24 subject to further consideration at a hearing to be held before the Court on _____, 202_, at
25 _____ .m., (the “Settlement Hearing”) either in person at the United States District Court for
26 the Northern District of California, San Francisco Courthouse, Courtroom 12 – 19th Floor, 450
27 Golden Gate Avenue, San Francisco, CA 94102 or by telephone or video conference, to consider

1 whether the Judgment, substantially in the form of Exhibit E to the Stipulation, should be entered:
2 (i) approving the terms of the Settlement as fair, reasonable, and adequate; (ii) dismissing with
3 prejudice the Federal Consolidated Action pursuant to the terms of the Stipulation; and (iii) ruling
4 upon any application for any Fee & Expense Award.

5 3. The Court expressly reserves the right to adjourn the Settlement Hearing, or any
6 adjournment thereof, without any further notice to Current Pinterest Stockholders other than an
7 announcement at the Settlement Hearing or at any adjournment of the Settlement Hearing. The
8 Court expressly reserves the right to approve the proposed Settlement with such modifications as
9 the Parties may agree to without further notice to Current Pinterest Stockholders. The Court
10 reserves the right to enter its Judgment approving the Settlement and dismissing the claims against
11 the Defendants with prejudice regardless of whether the Court has awarded any Fee & Expense
12 Award. The Court also reserves the right to extend any of the deadlines set forth in this Order
13 without further notice to Current Pinterest Stockholders. The Court further reserves the right to
14 hold the Settlement Hearing by telephone or video conference without further notice to Current
15 Pinterest Stockholders. If the Court orders that the Settlement Hearing be conducted telephonically
16 or by video conference, that decision will be posted on the Court's docket.

17 4. The Court approves the form, content, and requirements of the Notice attached to the
18 Stipulation as Exhibit B and the Summary Notice attached to the Stipulation as Exhibit C, and
19 finds that the dissemination of the Notice and Summary Notice, substantially in the manner and
20 form set forth in this Order, meets the requirements of Rule 23.1 of the Federal Rules of Civil
21 Procedure and due process, and constitutes due and sufficient notice of all matters relating to the
22 Settlement.

23 5. Within seventeen calendar days of the Court's entry of this Order, Pinterest shall cause
24 the Notice and Stipulation to be posted on its investor relations website until the Judgment becomes
25 Final and shall publish the Summary Notice in *Investor's Business Daily*. Pinterest shall cause to
26 be paid all costs of notice of the Settlement regardless of whether the Settlement is finally approved
27 by the Court or the Effective Date otherwise fails to occur.

1 6. Interim Lead Plaintiff’s Counsel will also post the Notice and Stipulation on its website.

2 7. At least seven (7) calendar days prior to the Settlement Hearing, Pinterest’s counsel shall
3 file with the Court an appropriate affidavit or declaration with respect to the publication of the
4 Summary Notice, and posting of the Notice and Stipulation.

5 8. Any Person who held Pinterest stock as of November 23, 2021 (“Current Pinterest
6 Stockholder”) and continues to hold the stock as of the date of the Settlement Hearing may appear
7 at the Settlement Hearing to show cause why the proposed Settlement should not be approved;
8 why the Judgment should not be entered thereon; or why any application for any Fee & Expense
9 award should not be granted; *provided, however*, that no such Person shall be heard unless such
10 Person has filed with the Clerk of the United States District Court for the Northern District of
11 California, San Francisco Courthouse, Courtroom 12 – 19th Floor 450 Golden Gate Avenue, San
12 Francisco, CA 94102, and served (by hand, first-class mail, or express service) on Interim Lead
13 Plaintiffs’ Counsel and Counsel for Defendants a written and signed notice of objection that
14 includes: (i) the objector’s name, address, and telephone number (and, if represented, that of his,
15 her, or its counsel), along with a representation as to whether the objector intends to appear at the
16 Settlement Hearing; (ii) proof that the objector owned shares of Pinterest common stock as of
17 November 23, 2021, and continues to hold common stock in Pinterest; (iii) a statement of the
18 objections to any matters before the Court, the grounds for the objections or the reasons for the
19 objector’s desiring to appear and be heard, as well as all documents or writings the objector desires
20 the Court to consider, including any legal and evidentiary support; and (iv) if the objector has
21 indicated that he, she or it intends to appear at the Settlement Hearing, the identities of any
22 witnesses the objector may call to testify and any exhibits the objector intends to introduce into
23 evidence at the Settlement Hearing. Any such objection must be filed with the Court and received
24 by the below-noted counsel by no later than _____, 2022, which is twenty-one (21)
25 calendar days prior to the Settlement Hearing.
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Counsel for Interim Lead Plaintiff Employees Retirement System of Rhode Island

Julie G. Reiser, Esq.
Cohen Milstein Sellers & Toll PLLC
1100 New York Ave NW, Suite 500
Washington, DC 20005

Counsel for Defendants

Boris Feldman, Esq.
Freshfields Bruckhaus Deringer US LLP
2710 Sand Hill Road
Menlo Park, CA 94025

9. Documentation establishing ownership of Pinterest common stock must consist of copies of monthly brokerage account statements, or an authorized statement from the objector's broker containing the information found in an account statement.

10. Any Person who fails to object in the manner described above shall be deemed to have waived the right to object to any aspect of the proposed Settlement and any Fee & Expense Award (including any right of appeal or collateral attack); be forever barred and foreclosed from objecting to the fairness, reasonableness, or adequacy of the Settlement, the Judgment to be entered approving the Settlement, or any Fee & Expense Award; and be deemed to have waived and forever barred and foreclosed from being heard, in this or any other proceeding with respect to any matters concerning the Settlement or any Fee & Expense Award.

11. Plaintiffs shall file and serve papers in support of final approval of the proposed Settlement, and any application for any Fee & Expense Award, by no later than thirty-five (35) calendar days prior to the Settlement Hearing. Any objections thereto by any Current Pinterest Stockholder shall be filed and served no later than twenty-one (21) calendar days prior to the Settlement Hearing. If reply papers are necessary, they are to be filed and served by no later than seven (7) calendar days prior to the Settlement Hearing. The Parties shall be permitted to file reply papers regardless of whether they filed opening papers in support of the proposed Settlement.

12. Until otherwise ordered by the Court, the Court stays all proceedings in the Federal Consolidated Action other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation.

1 13. Pending final determination of whether the Settlement is approved, the Court bars and
2 enjoins all Plaintiffs and all other Current Pinterest Stockholders from asserting, commencing,
3 instituting, or prosecuting any of the Released Plaintiffs' Claims against any of the Released
4 Defendant Persons.

5 14. Neither the Stipulation (including any exhibits attached thereto), nor the Settlement,
6 nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the
7 Settlement: (i) is or may be deemed to be or may be offered, attempted to be offered, or used or
8 referred to in any way by the Parties as a presumption, a concession, an admission, or evidence of
9 any fault, wrongdoing, or liability of any of the Parties or of the validity of any Released Claims;
10 or (ii) is or may be deemed to be or may be used as a presumption, concession, admission, or
11 evidence of any liability, fault, or omission of any of the Released Persons in any civil, criminal,
12 or administrative proceeding in any court, administrative agency, or other tribunal. Neither the
13 Stipulation nor the Settlement, nor any act performed or document executed pursuant to or in
14 furtherance of the Stipulation or the Settlement, shall be admissible in any proceeding for any
15 purpose, except to enforce the terms of the Settlement, and except that the Released Persons may
16 file the Stipulation and/or the Judgment in any action or proceeding that may be brought against
17 them to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel,
18 full faith and credit, release, standing, good faith settlement, judgment bar or reduction, or any
19 other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

20 15. The Court retains jurisdiction to consider all further applications arising out of or
21 connected with the proposed Settlement.

22 **IT IS SO ORDERED** this ____ day of _____, 202_.

23 _____
24 HON. WILLIAM ALSUP
25 UNITED STATES DISTRICT JUDGE
26

Exhibit E

1 Settlement (the “Stipulation”) dated November 23, 2021, which sets forth the terms and conditions
2 of the proposed settlement (the “Settlement”) that provides for a complete dismissal with prejudice
3 of the claims asserted in the Federal Consolidated Action and the release of the Released Claims
4 (as defined in the Stipulation) on the terms and conditions set forth therein, subject to the approval
5 of the United States District Court for the Northern District of California (“Court”);

6 WHEREAS, by Order dated _____202_, (“Preliminary Approval Order”), this
7 Court: (i) preliminarily approved the Settlement; (ii) ordered that notice of the proposed
8 Settlement be provided to Current Pinterest Stockholders; (iii) provided any Person who held
9 Pinterest stock as of November 23, 2021 and continued to hold Pinterest stock as of the date of
10 the Settlement Hearing with the opportunity to object to the proposed Settlement and/or any
11 application for any Fee & Expense Award; and (iv) scheduled a hearing regarding final approval
12 of the Settlement (“Settlement Hearing”);

13 WHEREAS, on _____, 2022, after full briefing, the Court held the Settlement
14 Hearing to consider, among other things, whether Judgment should be entered: (i) finally
15 approving the terms of the Settlement as fair, reasonable, and adequate and in the best interests
16 of Pinterest and Pinterest Stockholders; (ii) dismissing with prejudice the Federal Consolidated
17 Action against Defendants pursuant to the terms of the Stipulation; and (iii) ruling upon any
18 application for any Fee & Expense Award;

19 Reasonable and adequate notice having been given to Current Pinterest Stockholders as
20 required in the Preliminary Approval Order, and the Court having considered all of the papers
21 filed and proceedings had in this matter and otherwise being fully informed and good cause
22 appearing therefor, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

23 1. This Judgment incorporates by reference the definitions in the Stipulation and,
24 unless otherwise defined in this Judgment, all capitalized terms used in this Judgment shall have
25 the same meaning as set forth in the Stipulation.

26 2. The Court has jurisdiction over the subject matter of the Actions, including all

1 matters necessary to effectuate the Settlement, and over all Parties.

2 3. The Court finds that the posting of the Notice and Stipulation on Pinterest's
3 investor relations website and on Interim Lead Plaintiff's Counsel's website and the publication
4 of the Summary Notice in *Investor's Business Daily* was implemented in accordance with the
5 Preliminary Approval Order.

6 4. The Court further finds that the method of providing notice of the Settlement
7 and the Settlement Hearing set forth in the Preliminary Approval Order: (i) constitutes notice
8 that is reasonably calculated, under the circumstances, to apprise Current Pinterest
9 Stockholders of the pendency of the Actions, of the effect of the proposed Settlement (including
10 the releases to be provided thereunder), of their right to object to the Settlement and/or any
11 application for any Fee & Expense Award, and of their right to appear at the Settlement
12 Hearing; (ii) constitutes due, adequate, and sufficient notice to all Persons entitled to receive
13 notice of the proposed Settlement; and (iii) fully satisfies the requirements of Rule 23.1(c) of
the Federal Rules of Civil Procedure and the requirements of due process.

14 5. The Court finds that the Settlement set forth in the Stipulation is fair, reasonable,
15 and adequate as to each of the Parties and Current Pinterest Stockholders, and hereby finally
16 approves the Settlement in all respects, finds that the Settlement set forth in the Stipulation
17 provides substantial benefits to the Parties, including Pinterest, and to Current Pinterest
18 Stockholders, and orders the Parties to perform its terms to the extent the Parties have not
already done so.

19 6. The Federal Consolidated Action, all claims contained therein, and the Released
20 Claims, are hereby ordered compromised, settled, released, discharged, and dismissed with
21 prejudice by virtue of the proceedings in the Federal Consolidated Action and this Judgment.
22 The Parties are each to bear their own costs, except as otherwise provided in the Stipulation
and in connection with any Fee & Expense Award approved by the Court.

23 7. The terms of the Stipulation and of this Judgment shall be forever binding on
24 the Parties and all Current Pinterest Stockholders, as well as their respective successors and
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1 assigns. Any Current Pinterest Stockholder who has not timely submitted any actual or potential
2 objection to the Settlement in the manner provided in the Notice is deemed to have waived the
3 right to object to any aspect of the Settlement and any Fee & Expense Award (including any
4 right of appeal or collateral attack); be forever barred and foreclosed from objecting to the
5 fairness, reasonableness, or adequacy of the Settlement, the Judgment to be entered approving
6 the Settlement, or any Fee & Expense Award; and be deemed to have waived and forever barred
7 and foreclosed from being heard, in this or any other proceeding with respect to any matters
8 concerning the Settlement or any Fee & Expense Award.

8 8. The Court orders that the releases set forth in the Stipulation shall be effective
9 as of the Effective Date. Accordingly, the Court orders that:

10 a. Upon the Effective Date, Plaintiffs and all Current Pinterest Stockholder shall be
11 deemed to have, and by operation of this Judgment shall have, fully, finally, and forever released,
12 relinquished, discharged, and dismissed with prejudice the Released Plaintiffs' Claims against
13 the Released Defendant Persons and shall be forever barred and enjoined from asserting,
14 commencing, instituting, or prosecuting any of the Released Plaintiffs' Claims against any
15 Released Defendant Person. Upon the Effective Date, Pinterest shall be deemed to have, and by
16 operation of this Judgment shall have, fully, finally, and forever released, relinquished,
17 discharged, and dismissed with prejudice the Released Plaintiffs' Claims against the Individual
18 Defendants and their Related Persons (as defined in the Stipulation) and shall be forever barred
19 and enjoined from asserting, commencing, instituting, or prosecuting any of the Released
20 Plaintiffs' Claims against any of the Individual Defendants and their Related Persons.

20 b. Upon the Effective Date, the Individual Defendants, Pinterest, and all Current
21 Pinterest Stockholders shall be deemed to have, and by operation of this Judgment shall have,
22 fully, finally, and forever released, relinquished, discharged, and dismissed with prejudice the
23 Released Defendant Claims (including Unknown Claims) against the Released Stockholder
24 Persons, and shall be forever barred and enjoined from asserting any Released Defendant Claims
25 against any Released Stockholder Person.

1 c. “Released Plaintiffs’ Claims” means all claims, rights, demands, obligations,
2 controversies, debts, disputes, damages, losses, issues, liabilities, charges, and causes of action
3 of every nature and description, in law or equity, including known claims and Unknown Claims,
4 whether arising under state, federal, common, or foreign law, that (i) were or could have been
5 asserted by Pinterest, Plaintiffs, or any Current Pinterest Stockholders derivatively on behalf of
6 Pinterest and (ii) arise out of or relate to the allegations, transactions, facts, matters, disclosures,
7 or non-disclosures set forth in the Federal Consolidated Action, except for claims relating to the
8 enforcement of the Settlement.

9 d. “Released Defendant Persons” means, collectively, each and all of the Individual
10 Defendants, Pinterest, and each and all of the Related Persons of each of the Individual
11 Defendants and Pinterest.

12 e. “Released Persons” means, collectively, the Released Defendant Persons and the
13 Released Stockholder Persons. “Released Person” means, individually, any of the Released
14 Persons.

15 f. “Unknown Claims” means any and all of the Released Claims that any of the
16 Settling Parties or any Current Pinterest Stockholder does not know or suspect to exist in his,
17 her, or its favor at the time of the release of such claims, including claims which, if known by
18 him, her, or it, might have affected his, her, or its decision to settle or the terms of his, her, or its
19 settlement with and releases provided to the Released Persons, or might have affected his, her,
20 or its decision not to object to this Settlement. With respect to any and all Released Claims, the
21 Settling Parties stipulate and agree that, upon the Effective Date, the Settling Parties and all
22 Current Pinterest Stockholders shall expressly waive, and, with respect to Released Claims that
23 could have been asserted derivatively on behalf of the Company, all other Pinterest stockholders
24 by operation of the Judgment shall have expressly waived, the provisions, rights, and benefits of
25 California Civil Code § 1542 (“Section 1542”), or any other law of the United States or any state
26 or territory of the United States, or principle of common law that is similar, comparable, or
27 equivalent to Section 1542, which provides:

1 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS
2 THAT THE CREDITOR OR RELEASING PARTY DOES NOT
3 KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT
4 THE TIME OF EXECUTING THE RELEASE AND THAT, IF
5 KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
6 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR
7 OR RELEASED PARTY.

8 The Settling Parties and each Current Pinterest Stockholder may hereafter discover facts
9 in addition to or different from those which he, she, or it now knows or believes to be true with
10 respect to the subject matter of the Released Claims, known or unknown, suspected or unsuspected,
11 contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore
12 have existed upon any theory of law or equity now existing or coming into existence in the future,
13 including, but not limited to, conduct which is negligent, intentional, with or without malice, or a
14 breach of any duty, law or rule, but the Settling Parties and each Current Pinterest Stockholder
15 shall expressly, fully, finally and forever settle and release, and upon the Effective Date and by
16 operation of the Judgment shall have settled and released, fully, finally, and forever, any and all
17 Released Claims as applicable without regard to the subsequent discovery or existence of such
18 different or additional facts. The Settling Parties acknowledge, and the Current Pinterest
19 Stockholders shall be deemed by operation of the Judgment to have acknowledged, that the
20 foregoing waiver was separately bargained for and is a key element of the Settlement of which this
21 release is a part.

22 g. “Released Defendant Claims” means all claims, rights, demands, obligations,
23 controversies, debts, disputes, damages, losses, issues, liabilities, charges, and causes of action
24 of every nature and description, in law or equity, including known claims and Unknown Claims,
25 whether arising under state, federal, common, or foreign law, that arise out of or relate to the
26 institution, prosecution, or settlement of the claims against the Individual Defendants and
27 Pinterest in the Federal Consolidated Action, except for claims relating to the enforcement of the
Settlement.

h. “Released Stockholder Persons” means each and all of the Plaintiffs, Plaintiffs’

1 Counsel, and each and all of their Related Persons.

2 9. Neither this Judgment, nor the Stipulation (including any exhibits attached
3 hereto), nor the Settlement, nor any act performed or document executed pursuant to or in
4 furtherance of the Stipulation or the Settlement: (i) is or may be deemed to be or may be offered,
5 attempted to be offered, or used or referred to in any way by the Settling Parties as a presumption,
6 a concession, an admission, or evidence of any fault, wrongdoing, or liability of any of the
7 Settling Parties or of the validity of any Released Claims; or (ii) is or may be deemed to be or
8 may be used as a presumption, concession, admission, or evidence of any liability, fault, or
9 omission of any of the Released Persons in any civil, criminal, or administrative proceeding in
10 any court, administrative agency, or other tribunal. Neither this Judgment, nor the Settlement,
11 nor any act performed or document executed pursuant to or in furtherance of this Judgment, or
12 the Settlement, shall be admissible in any proceeding for any purpose, except to enforce the
13 terms of the Settlement and Judgment, and except that the Released Persons may file the
14 Stipulation and/or the Judgment in any action or proceeding that may be brought against them
15 to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, full
16 faith and credit, release, standing, good faith settlement, judgment bar or reduction, or any other
17 theory of claim preclusion or issue preclusion or similar defense or counterclaim.

18 10. Fee & Expense Awards in the amount of \$_____ are hereby awarded,
19 which amount the Court finds to be fair and reasonable and which shall be paid to _____
20 in accordance with the terms of the Stipulation.

21 11. The Court retains jurisdiction to consider and resolve any disputes that may arise
22 with respect to the interpretation, implementation, and enforcement of this Judgment.

23 12. This Judgment is a final, appealable judgment and shall be entered forthwith by
24 the Clerk in accordance with Rule 58 of the Federal Rules of Civil Procedure.
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IT IS SO ORDERED this ____ day of _____, 202_.

HON. WILLIAM ALSUP
UNITED STATES DISTRICT JUDGE

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