



**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM S-8**

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

**Yahoo! Inc.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**77-0398689**  
(I.R.S. Employer  
Identification No.)

**701 First Avenue  
Sunnyvale, California 94089**  
(Address of Principal Executive Offices, Including Zip Code)

**Right Media Inc. 2005 Stock Option Plan  
Right Media Inc. 2007 Restricted Stock Unit Plan  
Right Media Inc. Stock Option Agreement, dated March 1, 2005, with Michael Walrath  
Right Media Inc. Stock Option Agreement, dated March 1, 2005, with Brian O'Kelley**  
(Full Title of the Plan)

**Blake Jorgensen  
Chief Financial Officer  
Yahoo! Inc.  
701 First Avenue  
Sunnyvale, California 94089  
(408) 349-3300**  
(Name, Address and Telephone Number, Including Area Code, of Agent For Service)

COPIES TO:

**Michael Callahan, Esq.**  
Executive Vice President, General Counsel and  
Secretary  
Yahoo! Inc.  
701 First Avenue  
Sunnyvale, California 94089

**J. Jay Herron, Esq.**  
O'Melveny & Myers LLP  
610 Newport Center Drive, Suite 1700  
Newport Beach, California 92660

**CALCULATION OF REGISTRATION FEE**

Title Of Securities To Be Registered	Amount To Be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount Of Registration Fee
Common Stock, par value \$0.001 per share, issuable under Right Media Inc. 2005 Stock Option Plan	3,417,252 shares (1)(2)	\$ 2.59(3)	\$ 8,850,682.68(3)	\$ 271.72
Common Stock, par value \$0.001 per share, issuable under Right Media Inc. 2007 Restricted Stock Unit Plan	1,727,439 shares (1)(2)	\$23.63(4)	\$40,819,383.57(4)	\$1,253.16
Common Stock, par value \$0.001 per share, issuable under Right Media Inc. Stock Option Agreement, dated March 1, 2005, with Michael Walrath	1,314,499 shares (1)(2)	\$ 0.57(5)	\$ 749,264.43(5)	\$ 23.00
Common Stock, par value \$0.001 per share, issuable under Right Media Inc.	306,804 shares (1)(2)	\$ 0.57(5)	\$ 174,878.28(5)	\$ 5.37

Stock Option Agreement, dated March 1, 2005, with Brian O'Kelley			
TOTAL	6,765,994 shares (1)(2)		\$50,594,208.96(3)(4)(5)
			\$1,553.24

- (1) This Registration Statement covers, in addition to the number of shares of Yahoo! Inc., a Delaware corporation (the "Company" or the "Registrant"), common stock, par value \$0.001 per share (the "Common Stock"), stated above, options and other rights to purchase or acquire the shares of Common Stock covered by this Registration Statement and, pursuant to Rule 416(c) under the Securities Act of 1933, as amended (the "Securities Act"), an additional indeterminate number of shares, options and rights that may be offered or issued pursuant to the Right Media Inc. 2005 Stock Option Plan, the Right Media Inc. 2007 Restricted Stock Unit Plan, the Right Media Inc. Stock Option Agreement, dated March 1, 2005, with Michael Walrath and the Right Media Inc. Stock Option Agreement, dated March 1, 2005, with Brian O'Kelley (collectively, the "Right Media Plans") as a result of one or more adjustments under these plans to prevent dilution resulting from one or more stock splits, stock dividends or similar transactions. Stock awards outstanding under the Right Media Plans were assumed by the Company following the effectiveness of the acquisition of Right Media Inc., a Delaware corporation ("Right Media"), by Roundhouse Acquisition Corp., a Delaware corporation and wholly-owned subsidiary of the Company ("Roundhouse Acquisition Corp."), pursuant to the Amended and Restated Agreement and Plan of Merger and Reorganization, dated as of May 30, 2007, by and among the Company, Right Media, Roundhouse Acquisition Corp., and Christopher Moore as the representative of the Right Media stockholders.
- (2) Each share of Common Stock is accompanied by a preferred stock purchase right pursuant to the Amended and Restated Rights Agreement, dated as of April 1, 2005, as may be amended from time to time, between the Registrant and EquiServe Trust Company, N.A., as Rights Agent.
- (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(h) under the Securities Act, based upon the weighted average exercise price of options outstanding under this plan.
- (4) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(h) and Rule 457(c) under the Securities Act, based upon the average of the high and low prices of the Common Stock on July 30, 2007, as quoted on the Nasdaq Global Select Market.
- (5) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(h) under the Securities Act, based upon the exercise price of options outstanding under these option agreements.

The Exhibit Index for this Registration Statement is at page 7.

# TABLE OF CONTENTS

PART I

PART II

Item 3. Incorporation of Documents by Reference

Item 4. Description of Securities

Item 5. Interests of Named Experts and Counsel

Item 6. Indemnification of Directors and Officers

Item 7. Exemption from Registration Claimed

Item 8. Exhibits

Item 9. Undertakings

SIGNATURES

EXHIBIT INDEX

EXHIBIT 4.1

EXHIBIT 4.2

EXHIBIT 4.3

EXHIBIT 4.4

EXHIBIT 5.1

EXHIBIT 23.1

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**PART I**

INFORMATION REQUIRED IN THE  
SECTION 10(a) PROSPECTUS

The documents containing the information specified in Part I of Form S-8 will be sent or given to participants as specified by Securities Act Rule 428(b) (1).

**PART II**

INFORMATION REQUIRED IN THE  
REGISTRATION STATEMENT

**Item 3. Incorporation of Documents by Reference.**

The following documents of the Company filed with the Securities and Exchange Commission (the "Commission") are incorporated herein by reference (excluding any portions of such documents that have been "furnished" but not "filed" for purposes of the Exchange Act):

- (a) The Company's Annual Report on Form 10-K for its fiscal year ended December 31, 2006 filed with the Commission on February 23, 2007 (Commission File No. 000-28018);
- (b) The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 filed with the Commission on May 10, 2007 (Commission File No. 000-28018);
- (c) The Company's Current Reports on Form 8-K filed with the Commission on January 19, 2007, March 2, 2007, March 29, 2007, May 2, 2007, May 15, 2007, May 30, 2007, June 15, 2007, June 18, 2007 and July 27, 2007 (each, Commission File No. 000-28018);
- (d) The description of the Company's Common Stock contained in its Registration Statement on Form 8-A filed with the Commission on March 12, 1996, as updated by the Company's Current Report on Form 8-K filed with the Commission on August 11, 2000 (each, Commission File No. 000-28018), and any other amendment or report filed for the purpose of updating such description; and
- (e) The description of the Company's preferred stock purchase rights contained in its Registration Statement on Form 8-A filed with the Commission on March 19, 2001, as amended by the Company's Registration Statement on Form 8-A/A filed with the Commission on April 30, 2004 and as updated by the Company's Current Report on form 8-K filed with the Commission on April 4, 2005 (each, Commission File No. 000-28018), and any other amendment or report filed for the purpose of updating such description.

All documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold shall be deemed to be incorporated by reference into this Registration Statement and to be a part hereof from the date of filing of such documents. Any statement contained herein or in a document, all or a portion of which is incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or amended, to constitute a part of this Registration Statement.

## [Table of Contents](#)

### **Item 4. Description of Securities.**

Not applicable.

### **Item 5. Interests of Named Experts and Counsel.**

Not applicable.

### **Item 6. Indemnification of Directors and Officers.**

Section 145 of the General Corporation Law of the State of Delaware (the "DGCL") allows for the indemnification of officers, directors and other corporate agents in terms sufficiently broad to indemnify such persons under certain circumstances for liabilities (including reimbursement for expenses incurred) arising under the Securities Act. Article XII of the Company's amended and restated certificate of incorporation and Article VI of the Company's bylaws authorize indemnification of the Company's directors, officers, employees and other agents to the extent and under the circumstances permitted by the DGCL.

The Company has entered into indemnification agreements with its directors and certain officers that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers to the fullest extent not prohibited by law. The Company maintains liability insurance for the benefit of its officers and directors.

The above discussion of the DGCL and of the Company's amended and restated certificate of incorporation, bylaws, and indemnification agreements is not intended to be exhaustive and is qualified in its entirety by such statute, amended and restated certificate of incorporation, bylaws and indemnification agreements.

### **Item 7. Exemption from Registration Claimed.**

Not applicable.

### **Item 8. Exhibits.**

See the attached Exhibit Index at page 7, which is incorporated herein by reference.

### **Item 9. Undertakings.**

a. The undersigned Registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:
  - i. To include any prospectus required by Section 10(a)(3) of the Securities Act;
  - ii. To reflect in the prospectus any facts or events arising after the effective date of this Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement;
  - iii. To include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;

provided however, that Paragraphs (a)(1)(i) and (a)(1)(ii) of this Section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports

## Table of Contents

filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.

2. That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
  3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- b. The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- h. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, executive officers and controlling persons of the Registrant pursuant to the provisions described in Item 6 above, or otherwise, the Registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Sunnyvale, State of California, on August 1, 2007.

YAHOO! INC.

By: /s/ Jerry Yang  
Jerry Yang  
Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints Jerry Yang and Blake Jorgensen, and each of them, acting individually and without the other, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place, and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments, exhibits thereto and other documents in connection therewith) to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or either of them individually, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Jerry Yang</u> Jerry Yang	Chief Executive Officer and Director (principal executive officer)	August 1, 2007
<u>/s/ Blake Jorgensen</u> Blake Jorgensen	Chief Financial Officer (principal financial officer)	August 1, 2007
<u>/s/ Michael Murray</u> Michael Murray	Senior Vice President, Finance and Chief Accounting Officer (principal accounting officer)	August 1, 2007
<u>/s/ Terry Semel</u> Terry Semel	Chairman of the Board	August 1, 2007



[Table of Contents](#)

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Roy Bostock</u> Roy Bostock	Director	August 1, 2007
<u>/s/ Ronald Burkle</u> Ronald Burkle	Director	August 1, 2007
<u>/s/ Eric Hippeau</u> Eric Hippeau	Director	August 1, 2007
<u>/s/ Vyomesh Joshi</u> Vyomesh Joshi	Director	August 1, 2007
<u>/s/ Arthur Kern</u> Arthur Kern	Director	August 1, 2007
<u>/s/ Robert Kotick</u> Robert Kotick	Director	August 1, 2007
<u>/s/ Edward Kozel</u> Edward Kozel	Director	August 1, 2007
<u>Mary Agnes Wilderotter</u>	Director	
<u>/s/ Gary Wilson</u> Gary Wilson	Director	August 1, 2007

**EXHIBIT INDEX**

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
4.1	Right Media Inc. 2005 Stock Option Plan.
4.2	Right Media Inc. 2007 Restricted Stock Unit Plan.
4.3	Right Media Inc. Stock Option Agreement, dated March 1, 2005, between Right Media Inc. and Michael Walrath.
4.4	Right Media Inc. Stock Option Agreement, dated March 1, 2005, between Right Media Inc. and Brian O’Kelley.
5.1	Opinion of O’Melveny & Myers LLP (opinion of counsel).
23.1	Consent of PricewaterhouseCoopers LLP, Independent Registered Public Accounting Firm.
23.2	Consent of Counsel (included in Exhibit 5.1).
24.1	Power of Attorney (included in this Registration Statement under “Signatures”).

**RIGHT MEDIA INC.**  
**2005 STOCK OPTION PLAN**

**I. ESTABLISHMENT OF PLAN; DEFINITIONS**

1. **Purpose.** The purpose of this Right Media Inc. 2005 Stock Option Plan is to provide an incentive to key Employees and non-Employee Directors of, and Consultants and other independent advisors to, Right Media Inc., a Delaware corporation (the “**Company**”) or any of its Affiliates, who are in a position to contribute materially to the long-term success of the Company, to increase their interest in the welfare of the Company and its Affiliates and to aid in attracting and retaining Employees, Directors and Consultants of outstanding ability.

2. **Definitions.** Unless the context clearly indicates otherwise, the following terms shall have the meanings set forth below:

“**Affiliate**” shall mean any “subsidiary” (as defined in Section 424(f) of the Code) or “parent” (as defined in Section 424(e) of the Code) of the Company.

“**Board**” shall mean the Board of Directors of the Company.

“**Business**” shall mean (i) the development and maintenance of an online advertising network involving the sale of advertising space to advertisers across a group of internet web-sites, (ii) the development and sale of advertising management technology designed to schedule, deliver, optimize and report on delivery of online advertising campaigns and (iii) any other line of business the Company is engaged in during the course of a particular Grantee’s tenure.

“**Cause**” shall mean (i) for a Grantee who is a party to an employment or consulting agreement with the Company or an Affiliate which agreement provides for a definition of “Cause” therein, “Cause” shall have the same meaning as provided for in such agreement, or (ii) for a Grantee who is not a party to such an agreement, “Cause” shall mean repeated failure to properly perform assigned duties (after written notice of at least one such failure had previously been communicated to the Grantee by the Company), gross negligence, commission of a felony or any act materially injurious to the Company or an Affiliate involving dishonesty or breach of any duty of confidentiality or loyalty.

“**Change of Control**” shall mean (i) for a Grantee who is a party to an employment or consulting agreement with the Company or an Affiliate which agreement provides for a definition of “Change of Control” therein, “Change of Control” shall have the same meaning as provided for in such agreement, or (ii) for a Grantee who is not a party to such an agreement, “Change of Control” shall mean the satisfaction of any one or more of the following conditions (and the “Change of Control” shall be deemed to have occurred as of the first day that any one or more of the following conditions shall have been satisfied):

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(a) Any person (as such term is used in paragraphs 13(d) and 14(d)(2) of the Exchange Act, hereinafter in this definition, “**Person**”), other than the Company or an Affiliate or an employee benefit plan of the Company or an Affiliate, becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities;

(b) The closing of a merger, consolidation or other business combination (a “**Business Combination**”) other than a Business Combination in which holders of common stock of the Company immediately prior to the Business Combination have substantially the same proportionate ownership of common stock of the surviving corporation immediately after the Business Combination as immediately before;

(c) The closing of the sale or disposition of all or substantially all of the Company’s assets to any entity that is not an Affiliate;

(d) The persons who were members of the Board immediately before a tender offer by any Person other than the Company or an Affiliate, or before a merger, consolidation or contested election, or before any combination of such transactions, cease to constitute a majority of the members of the Board as a result of such transaction or transactions; or

(e) Any other event which shall be deemed by a majority of the members of the Board to constitute a “**Change of Control.**”

“**Code**” shall mean the Internal Revenue Code of 1986, as it may be amended from time to time.

“**Committee**” shall mean a committee designated by the Board which committee shall administer the Plan as set forth in Section 4 of this Article I of the Plan; provided, however, that if no such committee shall be so designated, the Board shall serve as the Committee.

“**Company**” shall mean Right Media Inc., a Delaware corporation.

“**Competitor**” shall mean any person or entity engaged in the Business.

“**Consultant**” shall mean any non-Employee consultant or advisor to the Company or an Affiliate who has contracted directly with the Company or an Affiliate to render bona fide consulting or advisory services thereto.

“**Director**” shall mean any individual who is a member of the Board and/or a member of the board of directors of an Affiliate, and who is not an Employee.

“**Disability**” shall mean the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be

expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months, all as described in Section 22(e) (3) of the Code.

“**Employee**” shall mean any employee, including officers, of the Company or an Affiliate.

“**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended.

“**Fair Market Value**” shall mean on any date, (i) if the Stock is not listed on a national securities exchange or quoted on Nasdaq, the fair market value of the Stock on that date as determined by the Board, or (ii) if the Stock is listed on a national securities exchange or is quoted on Nasdaq, the closing price reported on the composite tape for issues listed on such exchange on such date, or the closing price or the average of the closing dealer “bid” and “asked” prices for the Stock as quoted on Nasdaq, or if no trades shall have been reported for such date, on the next preceding date on which there were such trades reported; provided, however, that if no quotations shall have been made within the 10 business days immediately preceding such date, Fair Market Value shall be determined by the Board.

“**Family Member**” shall mean, with respect to a Grantee, any child, stepchild, grandchild, parent, stepparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, brother-in-law or sister-in-law, including adoptive relationships, any person sharing the Grantee’s household (other than a tenant of the Grantee), a trust in which such persons have more than 50% of the beneficial interest, a foundation in which such persons (or the Grantee) control the management of assets and any other entity in which such persons (or the Grantee) own more than 50% of the voting interests.

“**Grantee**” shall mean an Employee, Director or Consultant who has been granted a Stock Option under the Plan.

“**Incentive Stock Option**” shall mean a Stock Option granted to an Employee pursuant to the Incentive Stock Option provisions set forth in Article II of the Plan.

“**Nasdaq**” shall mean the National Association of Securities Dealers Automated Quotation System.

“**Non-Qualified Stock Option**” shall mean a Stock Option granted to an Employee, Director or Consultant pursuant to the Non-Qualified Stock Option provisions set forth in Article III of the Plan.

“**Option Period**” shall mean as the period set forth in the applicable Stock Option Agreement.

“**Plan**” shall mean this Right Media Inc. 2005 Stock Option Plan as set forth herein, along with any appendices, exhibits or attachments incorporated herein, as amended from time to time.

“**Rule 16b-3**” shall mean Rule 16b-3 promulgated by the Securities Exchange Commission under Section 16, or any successor rule.

“**Section 16**” shall mean Section 16 of the Exchange Act or any successor statute.

“**Shares**” shall mean shares of Stock.

“**Stock**” shall mean authorized but unissued shares of the Common Stock of the Company, par value \$0.01 per share, or reacquired shares of the Company’s Common Stock.

“**Stock Option**” shall mean an option, which shall include a Non-Qualified Stock Option and/or Incentive Stock Option, granted pursuant to the Plan to purchase shares of Stock.

“**Stock Option Agreement**” shall mean the written instrument evidencing the grant of one or more Stock Options under the Plan and which shall contain the terms and conditions applicable to such grant.

“**Ten Percent Shareholder**” shall mean an Employee who at the time an Incentive Stock Option is granted thereto owns stock possessing more than 10% of the total combined voting power of all stock of the Company or of any of its Affiliates.

3. Shares Subject to the Plan. There are hereby reserved for issuance under the Plan seven thousand two hundred and fifty four (7,254) Shares. If a Stock Option shall expire and terminate for any reason, in whole or in part, without being exercised, the number of Shares as to which such expired or terminated Stock Option shall not have been exercised may again become available for the grant of new Stock Options hereunder. No Employee may receive one or more Stock Options in any calendar year for the purchase of more than three thousand (3,000) Shares. The limitation set forth in the preceding sentence shall be applied in a manner which shall permit compensation generated in connection with the exercise of Options to constitute “performance-based” compensation for purposes of Section 162(m) of the Code, including, but not limited to, counting against such maximum number of Shares, to the extent required under Section 162(m) of the Code, any shares subject to Options that are canceled or repriced.

4. Administration of the Plan. The Plan shall be administered by the Committee. Subject to the express provisions of the Plan, the Committee shall have authority to determine the eligibility of Employees, Directors and Consultants to participate in the Plan, to grant Stock Options under the Plan and to determine whether Stock Options granted under the Plan to Employees shall be Non-Qualified Stock Options or Incentive Stock Options, to interpret the Plan, to prescribe, amend, and rescind rules and regulations relating to the Plan, to determine the terms and provisions of Stock Option Agreements and to make all other determinations necessary or advisable for the administration of the Plan. Any controversy or claim arising out of or related to the Plan shall be determined unilaterally by and in the sole discretion of the Committee. Any determination, decision or action of the Committee in connection with the construction, interpretation, administration, implementation or maintenance of the Plan shall be final, conclusive and binding upon all Grantees and all person(s) claiming under or through any Grantees.

Should the Stock become publicly traded, there shall be 2 Committees under the Plan. Solely for the purpose of Stock Options granted under the Plan to (a) Employees and Directors who are subject to Section 16; and/or (b) Employees who are “covered employees” within the meaning of Section 162(m)(3) of the Code, a special Committee comprised solely of 2 or more individuals who are both (i) “non-employee directors” (as such term is defined in Rule 16b-3(b)(3) promulgated by the Securities and Exchange Commission under the Exchange Act), and (ii) “outside directors” (as such term is defined in Treasury Regulation § 1.162-27(e)(3), shall administer the Plan to satisfy the applicable requirements of Treasury Regulation § 1.162-27(e)(2)(vi) and Rule 16b-3 with respect to such Employees and Directors. For all other purposes of the Plan, the regular Committee shall administer the Plan.

Notwithstanding anything contained in this Section 4 to the contrary, no member of the Committee shall have the authority to render any decision with respect to his or her participation in or entitlement to benefits under the Plan.

5. Amendment or Termination. The Board may, at any time, alter, amend, suspend, discontinue, or terminate the Plan; provided, however, that no such action shall adversely affect the right of any Grantee under any Stock Option previously granted thereto hereunder.

6. Effective Date of Plan. The Plan shall become effective on January 1, 2005, subject to the Plan’s approval by the shareholders and the Board of the Company.

## II. INCENTIVE STOCK OPTION PROVISIONS

### 1. Granting of Incentive Stock Options.

(a) Solely Employees shall be eligible to receive Incentive Stock Options under the Plan.

(b) When granting an Incentive Stock Option, the Committee shall determine the purchase price of the Stock subject thereto, provided that the purchase price of each share of Stock subject to an Incentive Stock Option shall not be less than 100% of the Fair Market Value of a share of the Stock on the date the Incentive Stock Option is granted; and, provided, further, that the purchase price of each share of Stock subject to an Incentive Stock Option granted to a Ten Percent Shareholder shall not be less than 110% of the Fair Market Value of a share of the Stock on the date the Incentive Stock Option is granted.

(c) No Incentive Stock Option shall be exercisable more than 10 years from the date the Incentive Stock Option was granted; provided, however, that an Incentive Stock Option granted to a Ten Percent Shareholder shall not be exercisable more than 5 years from the date the Incentive Stock Option was granted.

(d) The Committee shall determine and shall designate from time to time those Employees who are to be granted Incentive Stock Options and shall specify the number of shares of Stock subject to each Incentive Stock Option.

(e) Notwithstanding any other provision hereof, the aggregate Fair Market Value (determined at the time of grant) of the Stock with respect to which Incentive- Stock Options are exercisable for the first time by an Employee during any calendar year (under all such plans of the Company and its Affiliates) shall not exceed \$100,000.

(f) The Committee, in its sole discretion, shall determine whether any particular Incentive Stock Option shall become exercisable in one or more installments, shall specify the installment dates, and, within the limitations herein provided, shall determine the total period during which the Incentive Stock Option shall be exercisable. Further, the Committee may make such other provisions as may be generally acceptable or desirable in the opinion of the Committee or necessary to qualify the grants of Incentive Stock Options under the requirements of Section 422 of the Code.

(g) The Committee may grant at any time new Incentive Stock Options to an Employee who has previously received Incentive Stock Options or other Stock Options, whether such prior Incentive Stock Options or other Stock Options are then outstanding, have previously been exercised in whole or in part or are canceled in connection with the issuance of new Incentive Stock Options.

2. Exercise of Incentive Stock Options. The purchase price of Stock subject to an Incentive Stock Option shall be payable upon its exercise in cash or by certified check, bank draft or postal or express money order. In addition, the Committee, in its discretion, may permit a Grantee to make partial or full payment of the purchase price by utilization of a "cashless exercise" or any other method made available by the Committee.

3. Termination of Employment. Except as provided otherwise in the applicable Stock Option Agreement (in which case the provisions of the Stock Option Agreement shall control over the provisions of this Section 3):

(a) Except as provided in paragraphs (b) and (c) below, if a Grantee's employment with the Company or Affiliate is terminated other than by the Company or Affiliate for Cause, only those Incentive Stock Options held by the Grantee which were immediately exercisable at the termination of the Grantee's employment shall be exercisable by the Grantee following the termination of the Grantee's employment. Such Incentive Stock Options must be exercised within 30 days following such termination of employment (but in no event after expiration of the Option Period) or they shall be forfeited.

(b) Notwithstanding anything to the contrary contained in paragraph (a) above, if a Grantee's employment with the Company or Affiliate is terminated by the Company or Affiliate for Cause, all then outstanding Incentive Stock Options held by the Grantee shall expire immediately and such Incentive Stock Options shall not be exercisable after the termination of the Grantee's employment.

(c) Notwithstanding anything to the contrary contained in paragraphs (a) and (b) above, if a Grantee's employment with the Company or an Affiliate is terminated on account of the Grantee's death or Disability, only those Incentive Stock Options held by the



Grantee which were immediately exercisable at the date of the Grantee's death or Disability, as applicable, shall be exercisable by the Grantee, the representative of the Grantee's estate or the Grantee's beneficiaries to whom the Incentive Stock Options have been transferred. Such Incentive Stock Options must be exercised by the earlier of (i) 6 months from the date of the Grantee's death or Disability, as applicable, or (ii) the expiration of the Option Period, or they shall be forfeited.

(d) If, within thirty (30) days of the occurrence of a Change of Control, the purchaser/surviving entity involved therein does not offer any Grantee employment on substantially comparable terms (including, but not limited to, cash and equity compensation and benefits) to those such Grantee had in connection with the Grantee's employment with the Company or an Affiliate immediately prior to the occurrence of the Change of Control, unless otherwise provided in Grantee's Incentive Stock Option Agreement, vesting under this Section 3(d) shall be determined in the sole discretion of the Board.

4. Failure to Satisfy ISO Requirements. Any Incentive Stock Option granted to an Employee under the Plan which does not satisfy the applicable requirements of Section 422 of the Code shall thereupon automatically, to the extent of such failure, be deemed to be a Non-Qualified Stock Option for all purposes of the Plan.

### **III. NON-QUALIFIED STOCK OPTION PROVISIONS.**

#### **1. Granting of Non-Qualified Stock Options.**

(a) Employees, Directors and Consultants shall be eligible to receive Non-Qualified Stock Options under the Plan.

(b) The Committee shall determine and shall designate from time to time those Employees, Directors and/or Consultants who are to be granted Non-Qualified Stock Options and shall specify the number of shares of Stock subject to each Non-Qualified Stock Option.

(c) The Committee may grant at any time new Non-Qualified Stock Options to an Employee, Director or Consultant who has previously received Non-Qualified Stock Options or other Stock Options, whether such prior Non-Qualified Stock Options or other Stock Options are then outstanding, have previously been exercised in whole or in part or are canceled in connection with the issuance of new Non-Qualified Stock Options.

(d) When granting a Non-Qualified Stock Option, the Committee shall determine the purchase price of the Stock subject thereto.

(e) The Committee, in its sole discretion, shall determine whether any particular Non-Qualified Stock Option shall become exercisable in one or more installments, specify the installment dates and, within the limitations herein provided, determine the total period during which the Non-Qualified Stock Option shall be exercisable. Further, the

Committee may make such other provisions as may be generally acceptable or desirable in the opinion of the Committee.

2. Exercise of Non-Qualified Stock Options. The purchase price of Stock subject to a Non-Qualified Stock Option shall be payable upon its exercise in cash or by certified check, bank draft or postal or express money order. In addition, the Committee, in its discretion, may permit a Grantee to make partial or full payment of the purchase price by utilization of a “cashless exercise” or any other method made available by the Committee.

3. Termination of Employment, Director Status or Consulting Engagement. Except as provided otherwise in the applicable Stock Option Agreement (in which case the provisions of the Stock Option Agreement shall control over the provisions of this Section 3):

(a) Except as provided in paragraphs (b) and (c) below, if the employment with the Company or an Affiliate of a Grantee who is an Employee is terminated other than by the Company or Affiliate for Cause, only those Non-Qualified Stock Options held by the Grantee which were immediately exercisable at the termination of the Grantee’s employment shall be exercisable by the Grantee following the termination of the Grantee’s employment. Such Non-Qualified Stock Options must be exercised within 30 days following such termination of employment (but in no event after expiration of the Option Period) or they shall be forfeited.

(b) Notwithstanding anything to the contrary contained in paragraph (a) above, if the employment with the Company or an Affiliate of a Grantee who is an Employee is terminated by the Company or Affiliate for Cause, all then outstanding Non-Qualified Stock Options held by the Grantee shall expire immediately and such Non-Qualified Stock Options shall not be exercisable after the termination of the Grantee’s employment.

(c) Notwithstanding anything to the contrary contained in paragraphs (a) and (b) above, if the employment with the Company or an Affiliate of a Grantee who is an Employee is terminated on account of the Grantee’s death or Disability, only those Stock Options held by the Grantee which were immediately exercisable at the date of the Grantee’s death or Disability, as applicable, shall be exercisable by the Grantee, the representative of the Grantee’s estate or the Grantee’s beneficiaries to whom the Non-Qualified Stock Options have been transferred. Such Non-Qualified Stock Options must be exercised by the earlier of (i) 6 months from the date of the Grantee’s death or Disability, as applicable, or (ii) the expiration of the Option Period, or they shall be forfeited.

(d) If a Grantee’s status as a Director or engagement as a Consultant shall terminate other than by the Company or Affiliate for Cause (including Grantee’s death or Disability), without such Grantee thereupon becoming an Employee, only those Non-Qualified Stock Options held by the Grantee which were immediately exercisable at the termination of the Grantee’s status as a Director or engagement as a Consultant, as applicable, shall be exercisable by the Grantee following such termination. Such Non-Qualified Stock Options must be exercised within 30 days after such termination (but in no event after expiration of the Option Period) or they shall be forfeited. Notwithstanding the foregoing, if a Grantee’s status as a Director or

engagement as a Consultant shall terminate for Cause, all then outstanding Non-Qualified Stock Options held by the Grantee shall expire immediately and such Non-Qualified Stock Options shall not be exercisable after the termination of the Grantee's status as a Director or engagement as a Consultant.

(e) Solely with respect to a Grantee who is an Employee, if, within thirty (30) days of the occurrence of a Change of Control, the purchaser/surviving entity involved therein does not offer such Grantee employment on substantially comparable terms (including, but not limited to, cash and equity compensation and benefits) to those such Grantee had in connection with the Grantee's employment with the Company or an Affiliate immediately prior to the occurrence of the Change of Control, unless otherwise provided in Grantee's Stock Option Agreement, vesting under this Section 3(e) shall be determined in the sole discretion of the Board.

#### **IV. SPECIAL RULES.**

1. Right of First Refusal. Solely during such time that the Stock is not publicly traded, no Grantee (or beneficiary of a Grantee including but not limited to the Grantee's estate) may sell or otherwise transfer (except for inter vivos transfers to Family Members pursuant to paragraph 2(d) of Section V) any Stock obtained thereby pursuant to the exercise of a Stock Option hereunder without first (a) providing the Company with a written offer to sell the Stock to the Company on the same terms as were offered to the Grantee (or the Grantee's beneficiary) by a third party (a copy of which third party offer shall be attached to the Grantee's or beneficiary's offer to sell such Stock to the Company) for a sales price equal to that stated in the third party's purchase offer, and (b) waiting 60 days from the date of the Company's receipt of such offer. If the Company shall accept the Grantee's or beneficiary's offer in writing within said 60-day period, the Grantee or beneficiary and the Company shall promptly effect such transaction. If the Company does not provide a written acceptance of the Grantee's or beneficiary's offer within said 60 day period, the Grantee or beneficiary shall be entitled to accept such third party's offer and effect such transaction.

2. Call Option. Solely during such time that the Stock is not publicly traded, upon the termination of (a) an Employee's employment with the Company or an Affiliate, (b) a Director's membership on the Board or on the board of directors of an Affiliate or (c) a Consultant's consulting or advisory engagement by the Company or Affiliate, the Company shall have the right to purchase from such individual or from such individual's estate, for a period of 30 days following the date of such termination, any Stock obtained thereby pursuant to the exercise of a Stock Option hereunder for a purchase price equal to the exercise price paid by the Employee, Director or Consultant, as the case may be, in connection with such Stock Option.

#### **V. GENERAL PROVISIONS.**

1. Recapitalization Adjustments.

(a) In the event of any change in capitalization affecting the Stock, including, without limitation, a stock dividend or other distribution, stock split, reverse stock

split, recapitalization, consolidation, subdivision, split-up, spin-off, split-off, combination or exchange of shares or other form of reorganization or recapitalization, or any other change affecting the Stock, the Board shall authorize and make such proportionate adjustments, if any, as the Board shall deem appropriate to reflect such change, including, without limitation, with respect to the aggregate number of shares of Stock for which Stock Options in respect thereof may be granted under the Plan, the number of shares of Stock covered by each outstanding Stock Option, and the purchase price per share of Stock in respect of outstanding Stock Options.

(b) Any provision hereof to the contrary notwithstanding, in the event the Company is a party to a merger or other reorganization, the Board shall determine the treatment of outstanding Stock Options, which treatment may include the assumption of outstanding Stock Options by the surviving company or its parent, their continuation by the Company (if the Company is the surviving company), accelerated vesting and/or accelerated expiration or settlement in cash.

## 2. General.

(a) Each Stock Option shall be evidenced by a Stock Option Agreement which Agreement shall require the Grantee to enter into and be bound by the terms of the Company's Shareholders' Agreement, if any.

(b) The granting of a Stock Option in any year shall not give the Grantee any right to similar grants in future years or any right to be retained as an Employee, Director or Consultant, and all Grantees shall remain subject to discharge or removal to the same extent as if the Plan were not in effect.

(c) No Grantee, and no beneficiary or other person claiming under or through him, shall have any right, title or interest by reason of any Stock Option to any particular assets of the Company, or any shares of Stock allocated or reserved for the purposes of the Plan or subject to any Stock Option, except as set forth herein.

(d) No Stock Option shall or may be sold, exchanged, assigned, pledged, encumbered, or otherwise hypothecated or disposed of except by will or the laws of descent and distribution, and a Stock Option shall be exercisable during the Grantee's lifetime solely by the Grantee or his conservator. Notwithstanding the immediately preceding sentence, a Non-Qualified Stock Option (not an Incentive Stock Option) may be transferred by the Grantee as an inter vivos gift to a Family Member.

(e) Notwithstanding any other provision of the Plan or agreements made pursuant thereto, the Company's obligation to issue or deliver any certificate or certificates for shares of Stock under a Stock Option, and the transferability of Stock acquired by exercise of a Stock Option, shall be subject to all of the following conditions:

(i) Any registration or other qualification of such shares under any state or federal law or regulation, or the maintaining in effect of any such registration or

other qualification which the Board shall, in its absolute discretion upon the advice of counsel, deem necessary or advisable;

(ii) The obtaining of any other consent, approval or permit from any state or federal governmental agency which the Board shall, in its absolute discretion upon the advice of counsel, determine to be necessary or advisable; and

(iii) Each stock certificate issued pursuant to a Stock Option shall bear such legends which the Company shall determine, in its absolute discretion, are necessary or advisable, or which in the opinion of counsel to the Company are required under applicable federal or state securities laws.

(f) All payments to Grantees or to their legal representatives shall be subject to any applicable tax, community property or other statutes or regulations of the United States or of any state having jurisdiction thereover. If the Grantee is an Employee, the Grantee may be required to pay to the Company the amount of any withholding taxes which the Committee, in its sole discretion, deems necessary to be withheld in order to comply with any applicable statutes or regulations with respect to a Stock Option or its exercise. In the event that such payment is not made when due, the Company shall have the right to deduct, to the extent permitted by law, from any payment or settlement of any kind otherwise due to such person, all or part of the amount required to be withheld. The Company shall not be required to issue Stock pursuant to the exercise of a Stock Option until such applicable obligations, if any, shall have been satisfied.

(g) The Company shall issue any Stock certificates required to be issued in connection with the exercise of a Stock Option with reasonable promptness following such exercise.

(h) The Plan and the grant or exercise of Stock Options granted under the Plan shall be subject to, and shall in all respects comply with, the applicable laws of Delaware.

Should the participation of any Employee or Director in the Plan be subject to Section 16, it is the express intent of the Company that the Plan and the Stock Options granted under the Plan satisfy and be interpreted in a manner to achieve the result that the applicable requirements of Rule 16b-3 shall be satisfied with respect to such Employees and Directors, with the result that such Employees and Directors shall be entitled to the benefits of Rule 16b-3 or other applicable exemptive rules under Section 16. If any provision of the Plan or of any Stock Option would otherwise frustrate or conflict with the intent of the Company set forth in the immediately preceding sentence, to the extent possible, such provision shall be interpreted and deemed amended so as to avoid such conflict, and, to the extent of any remaining irreconcilable conflict with such intent, the provision shall, solely with respect to Employees and Directors subject to Section 16, be deemed void.

(i) It is the express intention of the Company that the Plan and the Stock Options granted under the Plan to Employees subject to the restrictions contained in

Section 162(m) of the Code satisfy and be interpreted in a manner to achieve the result that the grant of such Stock Options shall constitute “performance-based compensation” for purposes of Section 162(m) of the Code. If any provision of the Plan or of any Stock Option would otherwise frustrate or conflict with the intent of the Company set forth in the immediately preceding sentence, to the extent possible, such provision shall be interpreted and deemed amended so as to avoid such conflict, and to the extent of any remaining irreconcilable conflict with such intent, the provision shall, solely with respect to Employees subject to the restrictions contained in Section 162(m) of the Code, be deemed void.

**APPENDIX A**  
**TO**  
**RIGHT MEDIA INC. 2005 STOCK OPTION PLAN**  
**(for California residents)**

This Appendix A to the Right Media Inc. 2005 Stock Option Plan will apply only to Stock Options granted under the Plan to persons who are residents of the State of California. Capitalized terms contained herein will have the same meanings given to them in the Plan, unless otherwise provided in this Appendix A. Notwithstanding any provisions contained in the Plan to the contrary and to the extent required by Section 25102(o) of the California Corporations Code and the regulations promulgated thereunder ("25102(o)"), the following terms will apply to all Stock Options granted to residents of the State of California, until such time as the Board amends this Appendix A or the Board otherwise provides. This Appendix A shall be deemed a part of the Plan and may be amended by the Board in accordance with Section 5 of Article I of the Plan.

(a) Non-Qualified Stock Options ("NSOs") may be granted to Employees, Directors and Consultants. Incentive Stock Options ("ISOs") may be granted only to Employees.

(b) The exercise price per Share of the Stock subject to an NSO shall not be less than 85% of the Fair Market Value of a Share on the date of grant. Any person who owns more than 10% of the total combined voting power of all classes of outstanding stock of the Company or any of its Affiliates shall not be eligible to receive an NSO unless the exercise price per Share is at least 110% of Fair Market Value of a Share on the date of grant.

(c) The term of any Stock Option shall not exceed 10 years from the date of grant.

(d) Stock Options shall be transferable by the Grantee only by (i) a beneficiary designation, (ii) a will or (iii) the laws of descent and distribution, except as provided in the next sentence. If the applicable Stock Option Agreement so provides, an NSO shall also be transferable by the Grantee as permitted by Rule 701 of the Securities Act of 1933, as amended.

(e) In the event of a change in the capitalization affecting the Stock described in Section 1(a) of Article V of the Plan, the Board shall make the adjustments described in that Section to the extent required by 25102(o).

(f) In the case of a Grantee who is not an officer of the Company, a Director or Consultant, a Stock Option shall become exercisable at least as rapidly as 20% per year over the five-year period commencing on the date of grant.

(g) If a Grantee's service as an Employee, Director or Consultant terminates for any reason other than Cause, then the Grantee's Stock Options shall remain exercisable (to the extent vested and exercisable on the termination date) as provided in the Plan, but at least until the earliest of the following occasions: (i) the expiration date of the NSO or

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ISO; (ii) the date 30 days after the termination of the Grantee's Service for any reason other than death or Disability; or (iii) the date six months after the termination of the Grantee's Service by reason of death or Disability.

(h) No Stock Options shall be granted under the Plan to California residents after the later of (i) the Plan's adoption by the Board or (ii) the most recent increase in the number of Shares reserved under Section 3 that was approved by the Company's stockholders. If the Company's stockholders fail to approve the Plan within 12 months after its adoption by the Board, then any grants, exercises or sales that have already occurred under the Plan shall be rescinded and no additional grants, exercises or sales shall thereafter be made under the Plan.

(i) The Company each year shall furnish to Grantees and stockholders who have received Stock under the Plan its balance sheet and income statement, unless such Grantees or stockholders are key Employees whose duties with the Company assure them access to equivalent information. Such balance sheet and income statement need not be audited.

(j) Any Shares issued upon exercise of a Stock Option shall be subject to such special forfeiture conditions, rights of repurchase, rights of first refusal and other transfer restrictions as the Board may determine. Such restrictions shall apply in addition to any restrictions that may apply to holders of Shares generally. In the case of a Grantee who is not an officer of the Company, a Director or a Consultant:

(i) Any right to repurchase the Grantee's Shares at the original exercise price upon termination of the Grantee's service shall lapse at least as rapidly as 20% per year over the five-year period commencing on the date of the option grant;

(ii) Any such right may be exercised only for cash or for cancellation of indebtedness incurred in purchasing the Shares; and

(iii) Any such right may be exercised only within 90 days after the later of (A) the termination of the Grantee's service or (B) the date of the option exercise.

(k) The Shares issued upon exercise of a Stock Option shall be subject to the Call Option described in Section 2 of Article IV of the Plan except that the following additional rules shall apply to such Call Option: (i) the Call Option shall lapse with respect to 20% of the Shares subject to the Stock Option each year over the 5-year period commencing on the date of option grant, (ii) if the Call Option has lapsed in accordance with clause (i), then until such time as the Company's Stock is publicly traded, the Company shall have the right to repurchase the Shares issued upon exercise of a Stock Option at the Fair Market Value of the Company's Stock on the date of repurchase and (iii) such Call Option shall comply with clause (j) above.



## RIGHT MEDIA INC.

## 2007 RESTRICTED STOCK UNIT PLAN

1. *Purposes of the Plan.* The purposes of this 2007 Restricted Stock Unit Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to Employees of the Company and its Subsidiaries and to promote the success of the Company's business. To accomplish the foregoing, the Plan provides that the Company may grant Restricted Stock Units (as hereinafter defined).

2. *Definitions.* As used herein, the following definitions shall apply:

"Administrator" means the Board or any of its Committees appointed pursuant to Section 4 of the Plan.

"Applicable Laws" means any legal requirements of all state and federal laws, including without limitation securities laws and the Code, in any event, relating to the administration of stock incentive plans such as the Plan.

"Award" means an award of Restricted Stock Units (as defined below).

"Board" means the Board of Directors of the Company.

"Code" means the Internal Revenue Code of 1986, as amended.

"Committee" means the Committee appointed by the Board of Directors in accordance with Section 4(a) of the Plan.

"Common Stock" means the common stock of the Company.

"Company" means Right Media Inc., a Delaware corporation.

"Consultant" means any person, but not including a Non-Employee Director, who is engaged by the Company, Parent or Subsidiary to render services and is compensated for such services.

"Continuous Status as an Employee or Consultant" means the absence of any interruption or termination of service as an Employee or Consultant. Continuous Status as an Employee or Consultant shall not be considered interrupted in the case of: (i) sick leave; (ii) military leave; (iii) any other leave of absence approved by the Administrator, provided that such leave is for a period of not more than ninety (90) days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (iv) in the case of transfers between locations of the Company or between the Company, Parent and Subsidiaries or their respective successors. For purposes of this Plan, a change in status from an Employee to a Consultant or from a Consultant to an Employee will not constitute an interruption of Continuous Status as an Employee or Consultant. If an

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entity ceases to be a Subsidiary, an interruption of Continuous Status as an Employee or Consultant shall not be deemed to have occurred with respect to each Employee or Consultant in respect of such Subsidiary who immediately becomes an Employee or Consultant of the Company, Parent or another Subsidiary that does not cease to be a Subsidiary after giving effect to the transaction or other event giving rise to the change in status.

“Director” means a member of the Board.

“Employee” means any person, including Named Executives, Officers and Directors, employed by the Company, Parent or Subsidiary, with the status of employment determined based upon such minimum number of hours or periods worked as shall be determined by the Administrator in its discretion, subject to any requirements of the Code. The payment of a director’s fee by the Company to a Director shall not be sufficient to constitute “employment” of the Director by the Company.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Fair Market Value” means, as of any date, the fair market value of Common Stock determined as follows:

- (i) If the Common Stock is listed on any established stock exchange or a national market system including without limitation the Nasdaq Global Market and Nasdaq Global Select Market, its Fair Market Value shall be the closing sales price for such stock as quoted on such exchange or such system on the date of determination (if for a given day no sales were reported, the closing bid on that day shall be used), as such price is reported in The Wall Street Journal or such other source as the Administrator deems reliable;
- (ii) If the Common Stock is listed on The Nasdaq Stock Market (but not on the Nasdaq Global Market or Nasdaq Global Select Market thereof) or regularly quoted by a recognized securities dealer but selling prices are not reported, its Fair Market Value shall be the mean between the bid and asked prices for the Common Stock on the date of determination, as reported in The Wall Street Journal or such other source as the Administrator deems reliable; or
- (iii) In the absence of an established market for the Common Stock, the Fair Market Value thereof shall be determined in good faith by the Administrator in compliance with any applicable legal, tax (including, without limitation, Section 409A of the Code) and accounting requirements.

“Non-Employee Director” means a Director who is not an Employee.

“Officer” means an officer of the Company, Parent or Subsidiary.

“Parent” means a “parent corporation” of the Company, whether now or hereafter existing, as defined in Section 424(e) of the Code, or any successor provision.

“Plan” means this 2007 Restricted Stock Unit Plan, as amended from time to time.

“Reporting Person” means an Officer, Director, or greater than ten percent stockholder of the Company, Parent or Subsidiary within the meaning of Rule 16a-2 under the Exchange Act, who is required to file reports pursuant to Rule 16a-3 under the Exchange Act.

“Restricted Stock Unit” means the right to receive in cash or Shares the Fair Market Value of a Share granted pursuant to Section 8 of the Plan.

“Rule 16b-3” means Rule 16b-3 promulgated under the Exchange Act, as the same may be amended from time to time, or any successor provision.

“Share” means a share of the Common Stock, as adjusted in accordance with Section 10 of the Plan.

“Stock Exchange” means any stock exchange or consolidated stock price reporting system on which prices for the Common Stock are quoted at any given time.

“Subsidiary” means a “subsidiary corporation” of the Company (“Subsidiaries” meaning more than one “subsidiary corporation”) whether now or hereafter existing, as defined in Section 424(f) of the Code, or any successor provision.

3. *Stock Subject to the Plan.* The Shares may be authorized, but unissued, or reacquired Common Stock. The maximum aggregate number of Shares that may be issued under the Plan is 6,666,666 Shares. The foregoing numerical limit is subject to adjustment as contemplated by Section 10.

#### 4. Administration of the Plan.

(a) *The Administrator.* The Plan shall be administered by and all Awards under the Plan shall be authorized by the Administrator. The “Administrator” means the Board or one or more committees appointed by the Board or another committee (within its delegated authority) to administer all or certain aspects of the Plan. Any such committee shall be comprised solely of one or more Directors or such number of Directors as may be required under Applicable Law. A committee may delegate some or all of its authority to another committee so constituted. The Board or a committee comprised solely of Directors may also delegate, to the extent permitted by Section 157(c) of the Delaware General Corporation Law and any other Applicable Law, to one or more Officers of the Company or Parent, its powers under the Plan (a) to designate the Employees other than an Officer who is a Reporting Person who will receive grants of Awards under the Plan, and (b) to determine the number of Shares subject to, and the other terms and conditions of, such Awards. The Board may delegate different levels of authority to different committees with administrative and grant authority under the Plan. Unless otherwise provided in the Bylaws of the Company or the applicable charter of any

Administrator: (a) a majority of the members of the acting Administrator shall constitute a quorum, and (b) the vote of a majority of the members present assuming the presence of a quorum or the unanimous written consent of the members of the Administrator shall constitute action by the acting Administrator.

With respect to awards intended to satisfy the requirements for performance-based compensation under Section 162(m) of the Code, the Plan shall be administered by a committee consisting solely of two or more outside directors (as this requirement is applied under Section 162(m) of the Code); provided, however, that the failure to satisfy such requirement shall not affect the validity of the action of any other committee otherwise duly authorized and acting in the matter. Award grants, and transactions in or involving Awards, intended to be exempt under Rule 16b-3 promulgated under the Exchange Act, must be duly and timely authorized by the Board or a committee consisting solely of two or more non-employee directors (as this requirement is applied under Rule 16b-3 promulgated under the Exchange Act). To the extent required by any applicable Stock Exchange, the Plan shall be administered by a committee composed entirely of independent directors (within the meaning of the applicable Stock Exchange rules).

- (b) *Powers of the Administrator.* Subject to the provisions of the Plan and in the case of a Committee, the specific duties delegated by the Board to such Committee, and subject to the approval of any relevant authorities, including the approval, if required, of any Stock Exchange, the Administrator shall have the authority, in its discretion:
- (i) to determine the Fair Market Value of the Common Stock, in accordance with the definition of such term set forth above;
  - (ii) to select the Consultants and Employees to whom Awards may from time to time be granted hereunder;
  - (iii) to determine whether and to what extent Awards are granted hereunder;
  - (iv) to determine the number of Shares of Common Stock, if any, to be covered by each Award granted hereunder;
  - (v) to approve forms of agreements, not inconsistent with the terms of the Plan, for use under the Plan;
  - (vi) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder, including, but not limited to, the Share price and any restriction or limitation, the vesting of any Award or the acceleration of vesting or waiver of a forfeiture restriction, based in each case on such factors as the Administrator shall determine, in its sole discretion;

- (vii) to determine whether and under what circumstances an Award may be settled in cash or other consideration instead of Common Stock;
  - (viii) to adjust the number of Shares subject to any Award or change previously imposed terms and conditions, in such circumstances as the Administrator may deem appropriate, in each case subject to Sections 3 and 13;
  - (ix) to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan; and
  - (x) in order to fulfill the purposes of the Plan and without amending the Plan, to modify Awards to participants who are foreign nationals or employed outside of the United States in order to recognize differences in applicable local law, tax policies or customs.
- (c) *Effect of Administrator's Decision.* All decisions, determinations and interpretations of the Administrator shall be final and binding on all holders of any Award.

5. Eligibility.

- (a) *Recipients of Grants.* Awards may be granted to eligible Employees and Consultants. An Employee or Consultant who has been granted an Award may, if he or she is otherwise eligible, be granted additional Awards.
- (b) *No Employment Rights.* The Plan shall not confer upon any Award recipient any right with respect to continuation of employment or consulting relationship with the Company, nor shall it interfere in any way with such recipient's right or the Company's right to terminate his or her employment or consulting relationship at any time, with or without cause.

6. *Term of Plan.* The Plan shall become effective upon the earlier to occur of its adoption by the Board or its approval by the stockholders of the Company as described in Section 17 of the Plan. It shall continue in effect until July 2, 2017, unless sooner terminated under Section 13 of the Plan.

7. *Term of Awards.* The term of each Award shall be the term stated in the written agreement evidencing such Award.

8. Restricted Stock Units.

- (a) *General.* Restricted Stock Units may be issued either alone, in addition to, or in tandem with cash awards made outside of the Plan. After the Administrator determines that it will grant Restricted Stock Units under the Plan, it shall advise the recipient in writing of the terms, conditions and restrictions related to the offer (which may include restrictions based on performance criteria, passage of time or other factors or a combination thereof), and the number of Restricted Stock Units that such person shall be entitled to receive. The offer shall be accepted by

execution of a Restricted Stock Units Award agreement in the form determined by the Administrator.

- (b) *Rights as a Stockholder.* A recipient who is awarded Restricted Stock Units shall possess no incidents of ownership with respect to the Shares represented by such Restricted Stock Units, unless and until the same are transferred to the recipient pursuant to the terms of the Restricted Stock Unit.
- (c) *Other Provisions.* The Restricted Stock Units Award agreement shall contain such other terms, provisions and conditions not inconsistent with the Plan as may be determined by the Administrator in its sole discretion. In addition, the provisions of Restricted Stock Units Award agreements need not be the same with respect to each Award or each recipient who is awarded Restricted Stock Units.

9. *Tax Withholding.* Upon any vesting or payment of an Award, the Company, Parent or Subsidiary shall have the right at its option to:

- (a) require the Award recipient (or the recipient's personal representative or beneficiary, as the case may be) to pay or provide for payment of the minimum amount of any taxes which the Company, Parent or Subsidiary may be required to withhold with respect to such Award event or payment; or
- (b) deduct from any amount otherwise payable in cash to the Award recipient (or the recipient's personal representative or beneficiary, as the case may be) the minimum amount of any Award recipient's taxes which the Company, Parent or Subsidiary may be required to withhold with respect to such cash payment.

In any case where a tax is required to be withheld in connection with the delivery of Shares under the Plan, the Administrator may in its sole discretion (subject to Applicable Laws) grant (either at the time of the Award or thereafter) to the Award recipient the right to elect, pursuant to such rules and subject to such conditions as the Administrator may establish, to (i) have the Company reduce the number of Shares to be delivered by (or otherwise reacquire from the recipient) the appropriate number of Shares, valued in a consistent manner at their Fair Market Value or at the sales price in accordance with authorized procedures for cashless exercises, necessary to satisfy the minimum applicable withholding obligation on vesting or payment, or (ii) surrender to the Company Shares which (A) in the case of Shares initially acquired from the Company, have been owned by the Award recipient for such period of time (if any) as may be required to avoid a charge to the Company's earnings, and (B) have a Fair Market Value equal to the minimum amount required to be withheld. For these purposes, the Fair Market Value of the Shares to be withheld or repurchased, as applicable, shall be determined on the date that the amount of tax to be withheld is to be determined pursuant to the Code (the "Tax Date").

Any surrender by a Reporting Person of previously owned Shares to satisfy tax withholding obligations incurred in connection with an Award granted under the Plan must comply with the applicable provisions of Rule 16b-3.

All elections by an Award recipient to have Shares withheld to satisfy tax withholding obligations shall be made in writing in a form acceptable to the Administrator and shall be subject to the following restrictions: (i) the election must be made on or prior to the applicable Tax Date; (ii) once made, the election shall be irrevocable as to the particular Shares for which the election is made; and (iii) all elections shall be subject to the consent or disapproval of the Administrator.

10. Adjustments Upon Changes in Capitalization, Corporate Transactions.

- (a) *Changes in Capitalization.* Subject to any required action by the stockholders of the Company, (i) the number and type of shares of Common Stock (or other securities) covered by each outstanding Award, (ii) the number and type of shares of Common Stock (or other securities) that have been authorized for issuance under the Plan but as to which no Awards have yet been granted or that have been returned to the Plan upon cancellation or expiration of an Award or otherwise and/or (iii) the maximum number of shares of Common Stock for which Awards may be granted to any Employee under the Plan, shall be equitably and proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination, recapitalization or reclassification of the Common Stock, or any other increase or decrease in the number of issued shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been “effected without receipt of consideration.” Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock (or other securities) subject to an Award.

It is intended that, if possible, any adjustments contemplated by the preceding paragraph be made in a manner that satisfies applicable legal, tax (including, without limitation, Section 409A of the Code) and accounting (so as not to trigger any charge to earnings with respect to such adjustment) requirements. Without limiting the generality of the preceding sentence or of Section 4(c), any good faith determination by the Administrator as to whether an adjustment is required pursuant to this Section 10(a), and the extent and nature of any such adjustment, shall be conclusive and binding on all persons.

- (b) *Corporate Transactions.* In the event of the proposed dissolution or liquidation of the Company, each Award will terminate immediately prior to the

consummation of such proposed action, unless otherwise provided by the Administrator. Additionally, the Administrator may, in the exercise of its sole discretion in such instances, declare that any Award shall terminate as of a date fixed by the Administrator. In the event of a proposed sale of all or substantially all of the assets of the Company, or the merger of the Company with or into another corporation, each Award shall be assumed or an equivalent Award shall be substituted by such successor corporation or a parent or subsidiary of such successor corporation.

11. *Non-transferability of Awards.* An Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. Except as otherwise provided by the Administrator, an Award may only be purchased during the lifetime of the recipient of the Award.

12. *Time of Granting of an Award.* The date of grant of an Award shall, for all purposes, be the date on which the Administrator makes the determination granting such Award, or such other later date as is determined by the Administrator in compliance with applicable legal, tax (including, without limitation, Section 409A of the Code) and accounting requirements. Notice of the grant determination shall be given to each Employee or Consultant to whom an Award is so granted within a reasonable time after the date of such grant.

13. Amendment and Termination of the Plan.

- (a) *Amendment and Termination.* Subject to 13(c) below, the Board may amend, alter, suspend, discontinue, or terminate the Plan or any portion thereof at any time; provided, that no such amendment, alteration, suspension, discontinuation or termination shall be made without stockholder approval if such approval is necessary to comply with any tax, securities or regulatory law or requirement or any applicable Stock Exchange requirement with which the Board intends the Plan to comply or if such amendment constitutes a “material amendment.” For purposes of the Plan, a “material amendment” shall mean an amendment that (i) materially increases the benefits accruing to participants under the Plan, (ii) materially increases the number of securities that may be issued under the Plan, (iii) materially modifies the requirements for participation in the Plan, or (iv) is otherwise deemed a material amendment by the Administrator pursuant to any Applicable Law or applicable accounting or Stock Exchange rules.
- (b) *Amendments to Awards.* Without limiting any other express authority of the Administrator under (but subject to) the express limits of the Plan, the Administrator by agreement or resolution may waive conditions of or limitations on Awards that the Administrator in the prior exercise of its discretion has imposed, without the consent of the Award recipient, and (subject to the requirements of Section 13(c)) may make other changes to the terms and conditions of Awards.



(c) *Limitations on Amendments to Plan and Awards.* No amendment, suspension or termination of the Plan or change of or affecting any outstanding Award shall, without written consent of the Award recipient, affect in any manner substantially adverse to such recipient any rights or benefits of such recipient or obligations of the Company under any Award granted under the Plan prior to the effective date of such change. Changes, settlements and other actions contemplated by Section 10 shall not be deemed to constitute changes or amendments for purposes of this Section 13(c).

14. *Compliance with Laws.* The Plan, the granting and vesting of Awards under the Plan, the offer, issuance and delivery of shares of Common Stock, and/or the payment of money under the Plan or under Awards are subject to compliance with all applicable federal, state and foreign laws, rules and regulations (including but not limited to state and federal securities law and federal margin requirements) and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. The person acquiring any securities under the Plan will, if requested by the Company, Parent or a Subsidiary, provide such assurances and representations to the Company, Parent or Subsidiary as the Administrator may deem necessary or desirable to assure compliance with all Applicable Law and accounting requirements.

15. *Reservation of Shares.* The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder and which Company has made a commercially reasonable effort to obtain, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

16. *Agreements.* Awards shall be evidenced by written agreements in such form as the Administrator shall approve from time to time and which shall not be inconsistent with the terms of this Plan.

17. *Stockholder Approval.* Continuance of the Plan shall be subject to approval by the stockholders of the Company within twelve (12) months before or after the date the Plan is adopted. Such stockholder approval shall be obtained in the manner and to the degree required under applicable federal and state law and the rules of any stock exchange upon which the Shares are listed.

18. *Unfunded Status of Plan.* The Plan is intended to constitute an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a participant by the Company, nothing contained herein shall give any such participant any rights that are greater than those of a general creditor of the Company.

19. *Governing Law.* The Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Delaware, without giving effect to the conflict of laws principles thereof.

**RIGHT MEDIA INC.**  
**STOCK OPTION AGREEMENT**

THIS AGREEMENT made as of March 1, 2005, by and between Right Media Inc., a Delaware corporation (the “**Company**”), and Michael Walrath (“**Walrath**”).

WITNESSETH:

WHEREAS, the Board has authorized the grant to Walrath of this option to acquire Stock in the Company, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises contained herein, the Company and Walrath hereby agree as follows:

1. Definitions.

“**Board**” shall mean the Board of Directors of the Company.

“**Cause**” shall have the meaning set forth in Walrath’s Employment Agreement with the Company.

“**Change of Control**” shall mean the satisfaction of any one or more of the following conditions (and the “Change of Control” shall be deemed to have occurred as of the first day that any one or more of the following conditions shall have been satisfied):

(a) Any person (as such term is used in paragraphs 13(d) and 14(d)(2) of the Exchange Act, hereinafter in this definition, “**Person**”), other than the Company or an affiliate of the Company or an employee benefit plan of the Company or such affiliate, becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities;

(b) The closing of a merger, consolidation or other business combination (a “**Business Combination**”) other than a Business Combination in which holders of common stock of the Company immediately prior to the Business Combination have substantially the same proportionate ownership of common stock of the surviving corporation immediately after the Business Combination as immediately before;

(c) The closing of the sale or disposition of all or substantially all of the Company’s assets to any entity that is not an affiliate of the Company;

(d) The persons who were members of the Board immediately before a tender offer by any Person other than the Company, or before a merger, consolidation or contested election, or before any combination of such transactions, cease to constitute a majority of the members of the Board as a result of such transaction or transactions; or

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(e) Any other event which shall be deemed by a majority of the members of the Board to constitute a “Change of Control.”

“**Code**” shall mean the Internal Revenue Code of 1986, as it may be amended from time to time.

“**Company**” shall mean Right Media Inc., a Delaware corporation.

“**Disability**” shall mean the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months, all as described in Section 22(e)(3) of the Code.

“**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended.

“**Fair Market Value**” shall mean on any date, (i) if the Stock is not listed on a national securities exchange or quoted on NASDAQ, the fair market value of the Stock on that date as determined by the Board, or (ii) if the Stock is listed on a national securities exchange or is quoted on NASDAQ, the closing price reported on the composite tape for issues listed on such exchange on such date, or the closing price or the average of the closing dealer “bid” and “asked” prices for the Stock as quoted on NASDAQ, or if no trades shall have been reported for such date, on the next preceding date on which there were such trades reported; provided, however, that if no quotations shall have been made within the 10 business days immediately preceding such date, Fair Market Value shall be determined by the Board.

“**Family Member**” shall mean, with respect to Walrath, any child, stepchild, grandchild, parent, stepparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, brother-in-law or sister-in-law, including adoptive relationships, any person sharing Walrath’s household (other than a tenant of Walrath), a trust in which such persons have more than 50% of the beneficial interest, a foundation in which such persons (or Walrath) control the management of assets and any other entity in which such persons (or Walrath) own more than 50% of the voting interests.

“**Rule 16b-3**” shall mean Rule 16b-3 promulgated by the Securities Exchange Commission under Section 16, or any successor rule.

“**Section 16**” shall mean Section 16 of the Exchange Act or any successor statute.

“**Shares**” shall mean shares of Stock.

“**Stock**” shall mean authorized but unissued shares of the Common Stock of the Company, par value \$0.01 per share, or reacquired shares of the Company’s Common Stock.

2. Grant of Option. The Company hereby grants to Walrath an option to purchase Two Thousand, Five Hundred (2,500) shares of the Company’s Stock for an exercise price per Share equal to \$297.06 (the “**Option**”). This is not an incentive stock option within the meaning of Section 422 of the Code.

3. Option Terms. Walrath may exercise all or any part of the Option by no later than the day prior to the tenth anniversary of the date of this Agreement (the "**Option Period**").

4. Exercise of Option.

(a) The Option shall become exercisable at such time as shall be provided herein and shall be exercisable by written notice of such exercise, in the form prescribed by the Board, to the Secretary of the Company, at its principal office. The notice shall specify the number of Shares for which the Option is being exercised.

(b) Shares purchased pursuant to the Option shall be paid for in full at the time of such purchase in cash or by check, bank draft or postal or express money order or by "cashless exercise," as prescribed by the Board, or by any other method made available by the Board.

5. Vesting. The Option shall vest and become exercisable pursuant to the following schedule:

<u>Service for the Company from Date of Grant</u>	<u>Number of Vested and Exercisable Shares Subject to Option</u>
Terminated prior to March 1, 2006	0
Terminated on or after March 1, 2006	625 Shares as of March 1, 2006, plus an additional 52.08 Shares per calendar month of service following March 1, 2006, with all 2,500 Shares becoming fully vested and exercisable as of March 1, 2009

Notwithstanding the above schedule, upon an acquisition of the Company or other Business Combination that constitutes a Change of Control, if, within thirty (30) days of the occurrence of the Change of Control, Walrath is not offered employment with the purchaser/surviving entity on substantially comparable employment terms and conditions (including, but not limited to, cash and equity compensation and benefits) to those Walrath had in connection with Walrath's employment with the Company immediately prior to such Change of Control, fifty percent (50%) of the then nonvested portion of the Option shall vest and become exercisable, unless the valuation of the Company determined by such acquisition or other Business Combination, or proceeds available for distribution to the Company's stockholders as a result thereof, exceeds \$150 million, in which case, the Option shall thereupon become fully vested and exercisable.

6. Termination of Employment.

(a) Walrath shall forfeit any unvested portion of the Option upon termination of employment with the Company for any reason.

(b) Except as provided in paragraphs (c) and (d) below, if Walrath's employment with the Company is terminated other than by the Company for Cause, only that portion of the Option held by Walrath which was immediately exercisable at the termination of Walrath's employment shall be exercisable by Walrath following the termination of Walrath's employment. Such Option must be exercised within 30 days following such termination of employment (but in no event after expiration of the Option Period) or they shall be forfeited.

(c) Notwithstanding anything to the contrary contained in paragraph (b) above, if Walrath's employment with the Company is terminated by the Company for Cause, any portion of this Option outstanding held by Walrath shall expire immediately and such Option shall not be exercisable after the termination of Walrath's employment.

(d) Notwithstanding anything to the contrary contained in paragraphs (b) and (c) above, if Walrath's employment with the Company is terminated on account of Walrath's death or Disability, only that portion of this Option held by Walrath which was immediately exercisable at the date of Walrath's death or Disability, as applicable, shall be exercisable by Walrath, the representative of Walrath's estate or Walrath's beneficiaries to whom the Option has been transferred. Such portion of the Option must be exercised by the earlier of (i) 6 months from the date of Walrath's death or Disability, as applicable, or (ii) the expiration of the Option Period, or they shall be forfeited.

#### 7. Special Rules.

(a) Right of First Refusal. Solely during such time that the Stock is not publicly traded, neither Walrath (nor a beneficiary of Walrath including, but not limited to, Walrath's estate) may sell or otherwise transfer (except for intervivos transfers to Family Members pursuant to Section 9) any Stock obtained thereby pursuant to the exercise of this Option hereunder without first (i) providing the Company with a written offer to sell the Stock to the Company on the same terms as were offered to Walrath (or Walrath's beneficiary) by a third party (a copy of which third party offer shall be attached to Walrath's or his beneficiary's offer to sell such Stock to the Company) for a sales price equal to that stated in the third party's purchase offer, and (ii) waiting 60 days from the date of the Company's receipt of such offer. If the Company shall accept Walrath's or his beneficiary's offer in writing within said 60 day period, Walrath or his beneficiary and the Company shall promptly effect such transaction. If the Company does not provide a written acceptance of Walrath's or his beneficiary's offer within said 60 day period, the Grantee or beneficiary shall be entitled to accept such third party's offer and effect such transaction.

(b) Call Option. Solely during such time that the Stock is not publicly traded, upon the termination of Walrath's employment with the Company, the Company shall have the right to purchase from such individual or from such individual's estate, for a period of 30 days following the date of such termination, any Stock obtained thereby pursuant to the exercise of an Option hereunder for a purchase price equal to the exercise price paid by Walrath, in connection with such Option.

8. Recapitalization Adjustments.

(a) In the event of any change in capitalization affecting the Stock, including, without limitation, a stock dividend or other distribution, stock split, reverse stock split, recapitalization, consolidation, subdivision, split-up, spin-off, split-off, combination or exchange of shares or other form of reorganization or recapitalization, or any other change affecting the Stock, the Board shall authorize and make such proportionate adjustments, if any, as the Board shall deem appropriate to reflect such change, including, without limitation, with respect to the aggregate number of shares of Stock subject to this Option and the purchase price per share of Stock in respect of this Option.

(b) Any provision hereof to the contrary notwithstanding, in the event the Company is a party to a merger or other reorganization, the Board shall determine the treatment of this Option, which treatment may include the assumption of this Option by the surviving company or its parent, their continuation by the Company (if the Company is the surviving company), accelerated vesting and/or accelerated expiration or settlement in cash.

9. Restrictions on Transfer of Option. This Agreement and the Option shall not be transferable otherwise than by will or by the laws of descent and distribution other than as an *intervivos* gift to a Family Member, and the Option shall be exercisable, during Walrath's lifetime, solely by Walrath, except on account of Walrath's Disability.

10. Regulation by the Board. This Agreement and the Option shall be subject to the administrative procedures and rules as the Board shall adopt. All decisions of the Board upon any question arising under this Agreement, shall be conclusive and binding upon Walrath and any person or persons to whom any portion of the Option has been transferred by will, by the laws of descent and distribution or by *intervivos* gift to a Family Member.

11. Reservation of Shares. With respect to the Option, the Company hereby agrees to at all times reserve for issuance and/or delivery upon payment by Walrath of the Option price, such number of Shares as shall be required for issuance and/or delivery upon such payment pursuant to the Option.

12. Delivery of Share Certificates. Within a reasonable time after the exercise of the Option the Company shall cause to be delivered to Walrath, his legal representative or his beneficiary, a certificate for the Shares purchased pursuant to the exercise of the Option.

13. Withholding. In the event Walrath elects to exercise the Option (or any part thereof), if the Company shall be required to withhold any amounts by reason of any federal, state or local tax rules or regulations in respect of the issuance of Shares to Walrath, the Company shall be entitled to deduct and withhold such amounts.

14. Amendment. The Board may amend this Agreement at any time and from time to time; provided, however, that no amendment of this Agreement that would materially and adversely impair Walrath's rights or entitlements with respect to the Option shall be effective without the prior written consent of Walrath.

15. Market-Standoff Period.

(a) In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing such offering of the Company's securities, Walrath agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the Company's initial public offering.

(b) The obligations described in Section 15(a) hereof shall apply only if all officers and directors of the Company and each holder of one percent (1%) or more of the Company's capital stock on a fully diluted basis enter into similar agreements, and shall not apply to a registration relating solely to employee benefit plans, or to a registration relating solely to a transaction pursuant to Rule 145 under the Securities Act.

(c) In order to enforce the foregoing covenants, the Company may impose stop-transfer instructions with respect to the securities of Walrath (and the securities of every other person subject to the restrictions in Section 15(a) hereof).

16. Effective Date of Grant. The Option shall be effective as of the date first written above.

17. General.

(a) The granting of this Option shall not give Walrath any right to similar grants in future years or any right to be retained as an employee of the Company. Walrath shall remain subject to discharge or removal to the same extent as if this Option were not in effect.

(b) Neither Walrath nor any beneficiary or other person claiming under or through him, shall have any right, title or interest by reason of any Option to any particular assets of the Company, or any shares of Stock, except as set forth herein.

(c) Notwithstanding any other provision of this Agreement, the Company's obligation to issue or deliver any certificate or certificates for shares of Stock under this Option, and the transferability of Stock acquired by exercise of this Option, shall be subject to all of the following conditions:

(i) Any registration or other qualification of such shares under any state or federal law or regulation, or the maintaining in effect of any such registration or other qualification which the Board shall, in its absolute discretion upon the advice of counsel, deem necessary or advisable;



(ii) The obtaining of any other consent, approval or permit from any state or federal governmental agency which the Board shall, in its absolute discretion upon the advice of counsel, determine to be necessary or advisable; and

(iii) Each Stock certificate issued pursuant to the exercise of this Option shall bear such legends which the Company shall determine, in its absolute discretion, are necessary or advisable, or which in the opinion of counsel to the Company are required under applicable federal or state securities laws.

(d) The Company shall issue any Stock certificates required to be issued in connection with the exercise of this Option with reasonable promptness following such exercise.

(e) The grant of and exercise of this Option shall be subject to, and shall in all respects comply with, the applicable laws of Delaware.

(f) Should Walrath's receipt and/or exercise of this Option be subject to Section 16, it is the express intent of the Company that this Option satisfy and be interpreted in a manner to achieve the result that the applicable requirements of Rule 16b-3 shall be satisfied with respect to Walrath with the result that Walrath shall be entitled to the benefits of Rule 16b-3 or other applicable exemptive rules under Section 16. If any provision of this Option would otherwise frustrate or conflict with the intent of the Company set forth in the immediately preceding sentence, to the extent possible, such provision shall be interpreted and deemed amended so as to avoid such conflict, and, to the extent of any remaining irreconcilable conflict with such intent, the provision shall be deemed void.

(g) It is the express intention of the Company that this Option satisfy and be interpreted in a manner to achieve the result that the grant of this Option shall constitute "performance-based compensation" for purposes of Section 162(m) of the Code. If any provision of this Option would otherwise frustrate or conflict with the intent of the Company set forth in the immediately preceding sentence, to the extent possible, such provision shall be interpreted and deemed amended so as to avoid such conflict, and to the extent of any remaining irreconcilable conflict with such intent, the provision shall, solely with respect to the restrictions contained in Section 162(m) of the Code, be deemed void.

**[The remainder of this page is intentionally blank.]**

18. Walrath Acknowledgment. By executing this Agreement, Walrath hereby acknowledges that he (a) has received and read this Agreement and agrees to be bound by all of the terms of this Agreement, and (b) upon exercising any portion of the Option, if he is required to, shall enter into and be bound by all of the terms of the Company's Shareholders' Agreement, if any.

RIGHT MEDIA, INC.

/s/ Christine Hunsicker  
Christine Hunsicker  
Title: Chief Operating Officer

/s/ Michael Walrath  
Michael Walrath

**RIGHT MEDIA INC.**  
**STOCK OPTION AGREEMENT**

THIS AGREEMENT made as of March 1, 2005, by and between Right Media Inc., a Delaware corporation (the "**Company**"), and Brian O'Kelley ("**O'Kelley**").

WITNESSETH:

WHEREAS, the Board has authorized the grant to O'Kelley of this option to acquire Stock in the Company, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises contained herein, the Company and O'Kelley hereby agree as follows:

1. Definitions.

"**Board**" shall mean the Board of Directors of the Company.

"**Cause**" shall mean repeated failure to properly perform assigned duties (after written notice of at least one such failure had previously been communicated to the Grantee by the Company), gross negligence, commission of a felony or any act materially injurious to the Company involving dishonesty or breach of any duty of confidentiality or loyalty.

"**Change of Control**" shall mean the satisfaction of any one or more of the following conditions (and the "Change of Control" shall be deemed to have occurred as of the first day that any one or more of the following conditions shall have been satisfied):

(a) Any person (as such term is used in paragraphs 13(d) and 14(d)(2) of the Exchange Act, hereinafter in this definition, "**Person**"), other than the Company or an affiliate of the Company or an employee benefit plan of the Company or such affiliate, becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities;

(b) The closing of a merger, consolidation or other business combination (a "**Business Combination**") other than a Business Combination in which holders of common stock of the Company immediately prior to the Business Combination have substantially the same proportionate ownership of common stock of the surviving corporation immediately after the Business Combination as immediately before;

(c) The closing of the sale or disposition of all or substantially all of the Company's assets to any entity that is not an affiliate of the Company;

(d) The persons who were members of the Board immediately before a tender offer by any Person other than the Company, or before a merger, consolidation or

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contested election, or before any combination of such transactions, cease to constitute a majority of the members of the Board as a result of such transaction or transactions; or

(e) Any other event which shall be deemed by a majority of the members of the Board to constitute a “Change of Control.”

“**Code**” shall mean the Internal Revenue Code of 1986, as it may be amended from time to time.

“**Disability**” shall mean the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months, all as described in Section 22(e)(3) of the Code.

“**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended.

“**Fair Market Value**” shall mean on any date, (i) if the Stock is not listed on a national securities exchange or quoted on NASDAQ, the fair market value of the Stock on that date as determined by the Board, or (ii) if the Stock is listed on a national securities exchange or is quoted on NASDAQ, the closing price reported on the composite tape for issues listed on such exchange on such date, or the closing price or the average of the closing dealer “bid” and “asked” prices for the Stock as quoted on NASDAQ, or if no trades shall have been reported for such date, on the next preceding date on which there were such trades reported; provided, however, that if no quotations shall have been made within the 10 business days immediately preceding such date, Fair Market Value shall be determined by the Board.

“**Family Member**” shall mean, with respect to O’Kelley, any child, stepchild, grandchild, parent, stepparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, brother-in-law or sister-in-law, including adoptive relationships, any person sharing O’Kelley’s household (other than a tenant of O’Kelley), a trust in which such persons have more than 50% of the beneficial interest, a foundation in which such persons (or O’Kelley) control the management of assets and any other entity in which such persons (or O’Kelley) own more than 50% of the voting interests.

“**Rule 16b-3**” shall mean Rule 16b-3 promulgated by the Securities Exchange Commission under Section 16, or any successor rule.

“**Section 16**” shall mean Section 16 of the Exchange Act or any successor statute.

“**Shares**” shall mean shares of Stock.

“**Stock**” shall mean authorized but unissued shares of the Common Stock of the Company, par value \$0.01 per share, or reacquired shares of the Company’s Common Stock.

2. Grant of Option. The Company hereby grants to O’Kelley an option to purchase Nine Hundred and Six (906) shares of the Company’s Stock for an exercise price per Share equal to \$297.06 (the “**Option**”). This is not an incentive stock option within the meaning of Section 422 of the Code.

3. Option Terms. O'Kelley may exercise all or any part of the Option by no later than the day prior to the tenth anniversary of the date of this Agreement (the "**Option Period**").

4. Exercise of Option.

(a) The Option shall become exercisable at such time as shall be provided herein and shall be exercisable by written notice of such exercise, in the form prescribed by the Board, to the Secretary of the Company, at its principal office. The notice shall specify the number of Shares for which the Option is being exercised.

(b) Shares purchased pursuant to the Option shall be paid for in full at the time of such purchase in cash or by check, bank draft or postal or express money order or by "cashless exercise," as prescribed by the Board, or by any other method made available by the Board.

5. Vesting. The Option shall vest and become exercisable pursuant to the following schedule:

<u>Service for the Company from Date of Grant</u>	<u>Number of Vested and Exercisable Shares Subject to Option</u>
Terminated prior to March 1, 2006	0
Terminated on or after March 1, 2006	226 Shares as of March 1, 2006, plus an additional 18.89 Shares per calendar month of service following March 1, 2006, with all 906 Shares becoming fully vested and exercisable as of March 1, 2009

Notwithstanding the above schedule, upon an acquisition of the Company or other Business Combination that constitutes a Change of Control, if, within thirty (30) days of the occurrence of the Change of Control, O'Kelley is not offered employment with the purchaser/surviving entity on substantially comparable employment terms and conditions (including, but not limited to, cash and equity compensation and benefits) to those O'Kelley had in connection with O'Kelley's employment with the Company immediately prior to such Change of Control, fifty percent (50%) of the then nonvested portion of the Option shall vest and become exercisable, unless the valuation of the Company determined by such acquisition or other Business Combination, or proceeds available for distribution to the Company's stockholders as a result thereof, exceeds \$150 million, in which case, the Option shall thereupon become fully vested and exercisable.

6. Termination of Employment.

(a) O'Kelley shall forfeit any unvested portion of the Option upon termination of employment with the Company for any reason.

(b) Except as provided in paragraphs (c) and (d) below, if O'Kelley's employment with the Company is terminated other than by the Company for Cause, only that portion of the Option held by O'Kelley which was immediately exercisable at the termination of O'Kelley's employment shall be exercisable by O'Kelley following the termination of O'Kelley's employment. Such Option must be exercised within 30 days following such termination of employment (but in no event after expiration of the Option Period) or they shall be forfeited.

(c) Notwithstanding anything to the contrary contained in paragraph (b) above, if O'Kelley's employment with the Company is terminated by the Company for Cause, any portion of this Option outstanding held by O'Kelley shall expire immediately and such Option shall not be exercisable after the termination of O'Kelley's employment.

(d) Notwithstanding anything to the contrary contained in paragraphs (b) and (c) above, if O'Kelley's employment with the Company is terminated on account of O'Kelley's death or Disability, only that portion of this Option held by O'Kelley which was immediately exercisable at the date of O'Kelley's death or Disability, as applicable, shall be exercisable by O'Kelley, the representative of O'Kelley's estate or O'Kelley's beneficiaries to whom the Option has been transferred. Such portion of the Option must be exercised by the earlier of (i) 6 months from the date of O'Kelley's death or Disability, as applicable, or (ii) the expiration of the Option Period, or they shall be forfeited.

#### 7. Special Rules.

(a) Right of First Refusal. Solely during such time that the Stock is not publicly traded, neither O'Kelley (nor a beneficiary of O'Kelley including, but not limited to, O'Kelley's estate) may sell or otherwise transfer (except for intervivos transfers to Family Members pursuant to Section 9) any Stock obtained thereby pursuant to the exercise of this Option hereunder without first (i) providing the Company with a written offer to sell the Stock to the Company on the same terms as were offered to O'Kelley (or O'Kelley's beneficiary) by a third party (a copy of which third party offer shall be attached to O'Kelley's or his beneficiary's offer to sell such Stock to the Company) for a sales price equal to that stated in the third party's purchase offer, and (ii) waiting 60 days from the date of the Company's receipt of such offer. If the Company shall accept O'Kelley's or his beneficiary's offer in writing within said 60 day period, O'Kelley or his beneficiary and the Company shall promptly effect such transaction. If the Company does not provide a written acceptance of O'Kelley's or his beneficiary's offer within said 60 day period, the Grantee or beneficiary shall be entitled to accept such third party's offer and effect such transaction.

(b) Call Option. Solely during such time that the Stock is not publicly traded, upon the termination of O'Kelley's employment with the Company, the Company shall have the right to purchase from such individual or from such individual's estate, for a period of 30 days following the date of such termination, any Stock obtained thereby

pursuant to the exercise of an Option hereunder for a purchase price equal to the exercise price paid by O'Kelley, in connection with such Option.

8. Recapitalization Adjustments.

(a) In the event of any change in capitalization affecting the Stock, including, without limitation, a stock dividend or other distribution, stock split, reverse stock split, recapitalization, consolidation, subdivision, split-up, spin-off, split-off, combination or exchange of shares or other form of reorganization or recapitalization, or any other change affecting the Stock, the Board shall authorize and make such proportionate adjustments, if any, as the Board shall deem appropriate to reflect such change, including, without limitation, with respect to the aggregate number of shares of Stock subject to this Option and the purchase price per share of Stock in respect of this Option.

(b) Any provision hereof to the contrary notwithstanding, in the event the Company is a party to a merger or other reorganization, the Board shall determine the treatment of this Option, which treatment may include the assumption of this Option by the surviving company or its parent, their continuation by the Company (if the Company is the surviving company), accelerated vesting and/or accelerated expiration or settlement in cash.

9. Restrictions on Transfer of Option. This Agreement and the Option shall not be transferable otherwise than by will or by the laws of descent and distribution other than as an intervivos gift to a Family Member, and the Option shall be exercisable, during O'Kelley's lifetime, solely by O'Kelley, except on account of O'Kelley's Disability.

10. Regulation by the Board. This Agreement and the Option shall be subject to the administrative procedures and rules as the Board shall adopt. All decisions of the Board upon any question arising under this Agreement, shall be conclusive and binding upon O'Kelley and any person or persons to whom any portion of the Option has been transferred by will, by the laws of descent and distribution or by intervivos gift to a Family Member.

11. Reservation of Shares. With respect to the Option, the Company hereby agrees to at all times reserve for issuance and/or delivery upon payment by O'Kelley of the Option price, such number of Shares as shall be required for issuance and/or delivery upon such payment pursuant to the Option.

12. Delivery of Share Certificates. Within a reasonable time after the exercise of the Option the Company shall cause to be delivered to O'Kelley, his legal representative or his beneficiary, a certificate for the Shares purchased pursuant to the exercise of the Option.

13. Withholding. In the event O'Kelley elects to exercise the Option (or any part thereof), if the Company shall be required to withhold any amounts by reason of any federal, state or local tax rules or regulations in respect of the issuance of Shares to O'Kelley, the Company shall be entitled to deduct and withhold such amounts.

14. Amendment. The Board may amend this Agreement at any time and from time to time; provided, however, that no amendment of this Agreement that would materially and

adversely impair O'Kelley's rights or entitlements with respect to the Option shall be effective without the prior written consent of O'Kelley.

15. Market-Standoff Period.

(a) In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing such offering of the Company's securities, O'Kelley agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the Company's initial public offering.

(b) The obligations described in Section 15(a) hereof shall apply only if all officers and directors of the Company and each holder of one percent (1%) or more of the Company's capital stock on a fully diluted basis enter into similar agreements, and shall not apply to a registration relating solely to employee benefit plans, or to a registration relating solely to a transaction pursuant to Rule 145 under the Securities Act.

(c) In order to enforce the foregoing covenants, the Company may impose stop-transfer instructions with respect to the securities of O'Kelley (and the securities of every other person subject to the restrictions in Section 15(a) hereof).

16. Effective Date of Grant. The Option shall be effective as of the date first written above.

17. General.

(a) The granting of this Option shall not give O'Kelley any right to similar grants in future years or any right to be retained as an employee of the Company. O'Kelley shall remain subject to discharge or removal to the same extent as if this Option were not in effect.

(b) Neither O'Kelley nor any beneficiary or other person claiming under or through him, shall have any right, title or interest by reason of any Option to any particular assets of the Company, or any shares of Stock, except as set forth herein.

(c) Notwithstanding any other provision of this Agreement, the Company's obligation to issue or deliver any certificate or certificates for shares of Stock under this Option, and the transferability of Stock acquired by exercise of this Option, shall be subject to all of the following conditions:

(i) Any registration or other qualification of such shares under any state or federal law or regulation, or the maintaining in effect of any such registration or other qualification which the Board shall, in its absolute discretion upon the advice of counsel, deem necessary or advisable;



(ii) The obtaining of any other consent, approval or permit from any state or federal governmental agency which the Board shall, in its absolute discretion upon the advice of counsel, determine to be necessary or advisable; and

(iii) Each Stock certificate issued pursuant to the exercise of this Option shall bear such legends which the Company shall determine, in its absolute discretion, are necessary or advisable, or which in the opinion of counsel to the Company are required under applicable federal or state securities laws.

(d) The Company shall issue any Stock certificates required to be issued in connection with the exercise of this Option with reasonable promptness following such exercise.

(e) The grant of and exercise of this Option shall be subject to, and shall in all respects comply with, the applicable laws of Delaware.

(f) Should O'Kelley's receipt and/or exercise of this Option be subject to Section 16, it is the express intent of the Company that this Option satisfy and be interpreted in a manner to achieve the result that the applicable requirements of Rule 16b-3 shall be satisfied with respect to O'Kelley with the result that O'Kelley shall be entitled to the benefits of Rule 16b-3 or other applicable exemptive rules under Section 16. If any provision of this Option would otherwise frustrate or conflict with the intent of the Company set forth in the immediately preceding sentence, to the extent possible, such provision shall be interpreted and deemed amended so as to avoid such conflict, and, to the extent of any remaining irreconcilable conflict with such intent, the provision shall be deemed void.

(g) It is the express intention of the Company that this Option satisfy and be interpreted in a manner to achieve the result that the grant of this Option shall constitute "performance-based compensation" for purposes of Section 162(m) of the Code. If any provision of this Option would otherwise frustrate or conflict with the intent of the Company set forth in the immediately preceding sentence, to the extent possible, such provision shall be interpreted and deemed amended so as to avoid such conflict, and to the extent of any remaining irreconcilable conflict with such intent, the provision shall, solely with respect to the restrictions contained in Section 162(m) of the Code, be deemed void.

**[The remainder of this page is intentionally blank.]**

18. O'Kelley Acknowledgment. By executing this Agreement, O'Kelley hereby acknowledges that he (a) has received and read this Agreement and agrees to be bound by all of the terms of this Agreement, and (b) upon exercising any portion of the Option, if he is required to, shall enter into and be bound by all of the terms of the Company's Shareholders' Agreement, if any.

RIGHT MEDIA INC.

/s/ Michael Walrath

By: Michael Walrath

Title: Chief Executive Officer

/s/ Brian O'Kelley

Brian O'Kelley

[O'Melveny &amp; Myers LLP Letterhead]

August 1, 2007  
Yahoo! Inc.  
701 First Avenue  
Sunnyvale, California 94089

Re: Registration of Securities of Yahoo! Inc.

Ladies and Gentlemen:

In connection with the registration of up to an additional 6,765,994 shares of Common Stock of Yahoo! Inc., a Delaware corporation (the "Company"), par value \$0.001 per share (the "Shares"), and additional preferred stock purchase rights pursuant to the Amended and Restated Rights Agreement, dated as of April 1, 2005, between the Company and EquiServe Trust Company, N.A., as Rights Agent (the "Rights"), under the Securities Act of 1933, as amended, pursuant to a Registration Statement on Form S-8 (the "Registration Statement"), filed with the Securities and Exchange Commission on or about the date hereof, such Shares and related Rights to be issued or delivered pursuant to the Right Media Inc. 2005 Stock Option Plan, the Right Media Inc. 2007 Restricted Stock Unit Plan, the Right Media Inc. Stock Option Agreement, dated March 1, 2005, with Michael Walrath and the Right Media Inc. Stock Option Agreement, dated March 1, 2005, with Brian O'Kelley (each a "Right Media Plan"), you have requested our opinion set forth below.

In our capacity as counsel, we have examined originals or copies of those corporate and other records of the Company that we considered appropriate.

On the basis of such examination and our consideration of those questions of law we considered relevant, and subject to the limitations and qualifications in this opinion, we are of the opinion that:

- (1) the Shares and related Rights have been duly authorized by all necessary corporate action on the part of the Company;
- (2) when issued in accordance with such authorization, the provisions of the applicable Right Media Plan, and relevant agreements duly authorized by and in accordance with the terms of the applicable Right Media Plan, and upon payment for and delivery of the Shares as contemplated in accordance with the applicable Right Media Plan, and either (a) the countersigning of the certificate or certificates representing the Shares by a duly authorized signatory of the registrar for the Company's Common Stock, or (b) the book-entry of the Shares by the transfer agent for the Company's Common Stock in the name of The Depository Trust Company or its nominee, the Shares will be validly issued, fully paid and non-assessable; and
- (3) when issued in accordance with such authorization, the provisions of the applicable Right Media Plan, and relevant agreements duly authorized by and in accordance with the terms of the applicable Right Media Plan, the Rights that accompany such shares of Common Stock will be validly issued.

We consent to your filing this opinion as an exhibit to the Registration Statement.

Respectfully submitted,

/s/ O'Melveny & Myers LLP

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated February 23, 2007 relating to the financial statements, financial statement schedule, management's assessment of the effectiveness of internal control over financial reporting and the effectiveness of internal control over financial reporting, which appears in Yahoo! Inc.'s Annual Report on Form 10-K for the year ended December 31, 2006.

*/s/PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
San Jose, California  
August 1, 2007