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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

February 20, 2017
Date of Report (Date of earliest event reported)

Yahoo! Inc.
(Exact name of registrant as specified in its charter)

Delaware	**000-28018**	**77-0398689**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

701 First Avenue **Sunnyvale, California**	**94089**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (408) 349-3300

Not applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☒ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

As previously disclosed in Yahoo! Inc.'s ("Yahoo" or the "Company") Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission (the "SEC") on July 25, 2016, Yahoo and Verizon Communications Inc. ("Verizon") entered into a Stock Purchase Agreement (the "Original Stock Purchase Agreement") on July 23, 2016, pursuant to which Yahoo has agreed to sell, and Verizon has agreed to purchase (the "Sale"), all of the outstanding shares of Yahoo Holdings, Inc., a wholly-owned subsidiary of Yahoo ("Yahoo Holdings") (and prior to the Sale to cause Yahoo Holdings to sell to a foreign subsidiary of Verizon all of the equity interests in a foreign subsidiary of Yahoo Holdings that will hold certain foreign subsidiaries relating to the Operating Business (as defined below) of Yahoo), which, immediately prior to the completion of the Sale, will own the Operating Business. Also as previously announced, concurrently with the execution of the Original Stock Purchase Agreement, Yahoo and Yahoo Holdings entered into a Reorganization Agreement (the "Original Reorganization Agreement"), pursuant to which Yahoo will transfer to Yahoo Holdings prior to the consummation of the Sale all of its assets and liabilities relating to the operating business of Yahoo (the "Operating Business"), other than specific excluded assets and retained liabilities.

On February 20, 2017, Yahoo and Verizon entered into an Amendment to Stock Purchase Agreement amending the Original Stock Purchase Agreement (the "SPA Amendment" and, together with the Original Stock Purchase Agreement, the "Amended Stock Purchase Agreement"), and, concurrently with the execution of the SPA Amendment, Yahoo and Yahoo Holdings entered into an Amendment to Reorganization Agreement amending the Original Reorganization Agreement (the "RA Amendment" and, together with the Original Reorganization Agreement, the "Amended Reorganization Agreement"). Additionally, concurrently with the execution of the SPA Amendment and the RA Amendment, Yahoo, Yahoo Holdings and Verizon entered into a Settlement and Release Agreement (the "Settlement and Release Agreement" and, together with the SPA Amendment and the RA Amendment, the "Amendment Documents," and the transactions contemplated by the Amended Stock Purchase Agreement, the Amended Reorganization Agreement, and the Settlement and Release Agreement, the "Revised Transactions").

Pursuant to the terms of the SPA Amendment, among other things, (a) the consideration to be paid by Verizon to Yahoo in connection with the Sale is reduced by $350,000,000 to $4,475,800,000 in cash, subject to certain adjustments as provided in the Amended Stock Purchase Agreement; (b) the termination fee to be paid by Yahoo to Verizon in certain circumstances is reduced to $134,274,000; (c) the date after which each of Yahoo and Verizon may terminate the Amended Stock Purchase Agreement if the Closing (as defined in the Amended Stock Purchase Agreement) has not occurred has been extended to July 24, 2017; and (d) certain data security incidents to which Yahoo has been subject will be disregarded, subject to certain exceptions, for purposes of determining whether the conditions to Closing relating to breaches by the Company of its representations, warranties, and covenants in the Amended Stock Purchase Agreement have been satisfied and whether a "Business Material Adverse Effect" under the Amended Stock Purchase Agreement has occurred.

Pursuant to the terms of the RA Amendment, among other things, (a) upon and after the Closing, the Company will retain certain post-closing cash liabilities arising out of governmental or third party investigations, litigations or other claims related to certain data security incidents and other data breaches incurred by the Company that were to be assumed by Yahoo Holdings under the Original Reorganization Agreement; (b) Verizon will indemnify the Company for 50 percent (with the Company being responsible for the remaining 50 percent) of any such liabilities that have not been finally determined and entered or stipulated against the Company prior to the Closing; and (c) the Company will be responsible for 100 percent of any such liabilities that are finally determined and entered or stipulated against the Company or its subsidiaries prior to the Closing.

Pursuant to the terms of the Settlement and Release Agreement, among other things, Verizon released certain claims, subject to certain exceptions, it (and its affiliates and representatives) may have against the Company (or its affiliates and representatives) relating to certain data security incidents and other data breaches incurred by the Company.

Additional Information

Other than as expressly modified pursuant to the Amendment Documents, the Original Stock Purchase Agreement and the Original Reorganization Agreement, which were previously filed as Exhibit 2.1 and Exhibit 2.2, respectively, to Yahoo's Current Report on Form 8-K filed with the SEC on July 25, 2016, remain in full force and effect.

The Amendment Documents are attached as Exhibits to this Current Report on Form 8-K to provide stockholders with information regarding their terms. They are not intended to provide any other factual information about Yahoo. The Amendment Documents contain representations and warranties by each of the parties to the applicable Amendment Documents. These representations and warranties were made solely for the benefit of the other parties to each such Amendment Document and (i) are not intended to be treated as categorical statements of fact, but rather as a way of allocating risk to one of the parties if those statements prove to be inaccurate, (ii) may have been qualified in the Amendment Documents by confidential disclosure schedules that were delivered to the other parties thereto in connection with the signing of the Amendment Documents, which disclosure schedules contain information that modifies, qualifies, and creates exceptions to the representations, warranties, and covenants set forth in the Amendment Documents, (iii) may be subject to standards of materiality applicable to the parties that differ from what might be viewed as material to stockholders, and (iv) were made only as of the date of the applicable agreement or such other date or dates as may be specified in such Amendment Document. Moreover, information concerning the subject matter of the representations, warranties, and covenants may change after the date of the Amendment Documents, which subsequent information may or may not be fully reflected in public disclosures by Yahoo or Verizon. Accordingly, you should not rely on the representations, warranties, and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of Yahoo or Verizon.

The foregoing summaries of the SPA Amendment, the RA Amendment, and the Settlement and Release Agreement do not purport to be complete and are subject to, and qualified in their entirety by, the full text of the SPA Amendment, the RA Amendment, and the Settlement and Release Agreement, respectively, copies of which are attached to this Current Report on Form 8-K as Exhibit 2.1, Exhibit 2.2, and Exhibit 10.1, respectively, and are incorporated herein by reference.

Item 8.01 Other Events.

On February 21, 2017, Yahoo and Verizon issued a joint press release announcing the execution of the Amendment Documents. The press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
2.1	Amendment to Stock Purchase Agreement, dated February 20, 2017, by and between Yahoo! Inc. and Verizon Communications Inc.
2.2	Amendment to Reorganization Agreement, dated February 20, 2017, by and between Yahoo! Inc. and Yahoo Holdings, Inc.
10.1	Settlement and Release Agreement, dated February 20, 2017, by and among Yahoo! Inc., Yahoo Holdings, Inc., and Verizon Communications Inc.
99.1	Joint Press Release of Yahoo! Inc. and Verizon Communications Inc., issued on February 21, 2017

Forward-Looking Statements.

This communication contains forward-looking statements concerning the proposed sale of the Operating Business. Risks and uncertainties may cause actual results to differ materially from the results predicted. Potential risks and uncertainties include, among others: (i) the inability to consummate the Revised Transactions in a timely manner or at all, due to the inability to obtain or delays in obtaining approval of Yahoo's stockholders, the necessary regulatory approvals, or satisfaction of other conditions to the closing of the Revised Transactions; (ii) the existence or occurrence of any event, change, or other circumstance that could give rise to the termination of the Amended Stock Purchase Agreement, which, in addition to other adverse consequences, could result in the Company incurring substantial fees, including, in certain circumstances, the payment of a termination fee to Verizon under the Amended Stock Purchase Agreement; (iii) potential adverse effects on Yahoo's relationships with its existing and potential advertisers, suppliers, customers, vendors, distributors, landlords, licensors, licensees, joint venture partners and other business partners; (iv) the implementation of the Revised Transactions will require significant time, attention and resources of Yahoo's senior management and others within Yahoo, potentially diverting their attention from the

conduct of Yahoo's business; (v) risks related to Yahoo's ability to retain or recruit key talent; (vi) costs, fees, expenses and charges related to or triggered by the Revised Transactions; (vii) the net proceeds that the Company will receive from Verizon is subject to uncertainties as a result of the purchase price adjustments in the Amended Stock Purchase Agreement; (viii) restrictions on the conduct of Yahoo's business, including the ability to make certain acquisitions and divestitures, enter into certain contracts, and incur certain indebtedness and expenditures until the earlier of the completion of the Revised Transactions or the termination of the Amended Stock Purchase Agreement; (ix) potential adverse effects on Yahoo's business, properties, or operations caused by Yahoo implementing the Revised Transactions or foregoing opportunities that Yahoo might otherwise pursue absent the pending Revised Transactions; (x) the initiation or outcome of any legal proceedings or regulatory proceedings that may be instituted against Yahoo and its directors and/or officers relating to the Revised Transactions; and (xi) following the Closing, the Company will be required to register and be regulated as an investment company under the Investment Company Act of 1940, which will result in, among other things, the Company having to comply with the regulations thereunder, certain stockholders potentially being prohibited from holding or acquiring shares of the Company, and the Company likely being removed from the Standard and Poor's 500 Index and other indices which could have an adverse impact on the Company's share price following the Revised Transactions.

All of these risks and uncertainties could potentially have an adverse impact on Yahoo's business and financial performance, and could cause its stock price to decline.

More information about other potential factors that could affect Yahoo's business and financial results is included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Yahoo's Annual Report on Form 10-K for the year ended December 31, 2015, as amended, and Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, which are on file with the SEC and available on the SEC's website at *www.sec.gov*. All information set forth in this communication is as of February 21, 2017. Yahoo does not intend, and undertakes no duty, to update this information to reflect subsequent events or circumstances.

Important Additional Information and Where to Find It.

On September 9, 2016, Yahoo filed with the SEC a preliminary proxy statement regarding the proposed sale of Yahoo's operating business to Verizon. Yahoo will file with the SEC a definitive version of the proxy statement, which will be sent or provided to Yahoo stockholders when available. The information contained in the preliminary proxy statement is not complete and may be changed. **BEFORE MAKING ANY VOTING DECISION, YAHOO'S STOCKHOLDERS ARE STRONGLY ADVISED TO READ YAHOO'S PRELIMINARY PROXY STATEMENT IN ITS ENTIRETY (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND, WHEN IT BECOMES AVAILABLE, YAHOO'S DEFINITIVE PROXY STATEMENT IN ITS ENTIRETY (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND ANY OTHER DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE REVISED TRANSACTIONS OR INCORPORATED BY REFERENCE THEREIN BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE REVISED TRANSACTIONS.** Investors and stockholders may obtain a free copy of Yahoo's preliminary proxy statement and any amendments or supplements to the preliminary proxy statement, Yahoo's definitive proxy statement (when available) and any amendments or supplements to the definitive proxy statement (when available), and other documents filed by Yahoo with the SEC (when available) in connection with the Revised Transactions for no charge at the SEC's website at *www.sec.gov*, on the Investor Relations page of Yahoo's website *investor.yahoo.net*, or by writing to Investor Relations, Yahoo! Inc., 701 First Avenue, Sunnyvale, CA 94089.

Yahoo and its directors and executive officers, as well as Verizon and its directors and executive officers, may be deemed participants in the solicitation of proxies from Yahoo's investors and stockholders in connection with the Revised Transactions. Information concerning the ownership of Yahoo securities by Yahoo's directors and executive officers is included in their SEC filings on Forms 3, 4 and 5, and additional information is also available in Yahoo's annual report on Form 10-K for the year ended December 31, 2015, as amended, and Yahoo's proxy statement for its 2016 annual meeting of stockholders filed with the SEC on May 23, 2016. Information about Verizon's directors and executive officers is set forth in Verizon's annual report on Form 10-K for the year ended December 31, 2015 and Verizon's proxy statement for its 2016 annual meeting of stockholders filed with the SEC on March 21, 2016. Information regarding Yahoo's directors, executive officers, and other persons who may, under the rules of the SEC, be considered participants in the solicitation of proxies in connection with the Revised Transactions, including their respective interests by security holdings or otherwise, also is set forth in the preliminary proxy statement described above and will be set forth in the definitive proxy statement relating to the Revised Transactions when it is filed with the SEC. These documents may be obtained free of charge from the sources indicated above.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

YAHOO! INC.

By: /s/ Kenneth A. Goldman
Kenneth A. Goldman
Chief Financial Officer

Date: February 21, 2017

EXHIBIT INDEX

Exhibit Number	Description
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99.1	Joint Press Release of Yahoo! Inc. and Verizon Communications Inc., issued on February 21, 2017

Exhibit 2.1

EXECUTION VERSION

AMENDMENT TO STOCK PURCHASE AGREEMENT

This AMENDMENT, dated as of February 20, 2017 (this "Amendment"), to the Stock Purchase Agreement, dated as of July 23, 2016, by and between Yahoo! Inc., a Delaware corporation ("Seller"), and Verizon Communications Inc., a Delaware corporation ("Purchaser" and, together with Seller, the "Parties") (the "Agreement"), is made by and between Seller and Purchaser.

WITNESSETH:

WHEREAS, subject to the terms and conditions set forth in this Amendment, and pursuant to Section 8.03 of the Agreement, the Parties desire to amend certain terms of the Agreement by entering into, and as set forth in, this Amendment.

NOW THEREFORE, for and in consideration of the aforesaid premises and of the mutual representations, warranties and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound, the Parties hereby agree as set forth below:

1. Modification; Full Force and Effect. Except as expressly modified and superseded by this Amendment, the terms and provisions of the Agreement are and shall continue to be in full force and effect.

2. Definitions. Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Agreement unless otherwise indicated.

3. Amendment.

Effective immediately, Article I of the Agreement is hereby amended by deleting the second sentence of Section 1.01 in its entirety and replacing it with the following:

At the Closing, in consideration for the purchase of the Shares, Purchaser shall pay in cash to Seller or its designee (a) $4,475,800,000 (the "Base Purchase Price"), plus or minus (b) the Equity Award Adjustment Amount, plus or minus (c) the Estimated Closing Adjustment Amount, minus (d) solely to the extent required pursuant to Section 4.18(b)(iii), the Principal Amount (the "Estimated Purchase Price").

Effective immediately, Article IV of the Agreement is hereby amended as follows:

(a) A new Section 4.21 is added to the end thereof, as follows:

4.21 *User Security Matters*.

(a) The parties acknowledge and agree that with respect to (i) the conditions set forth in Sections 5.02(a)(iii), 5.02(a)(iv) (other than to the extent resulting from a breach of Section 4.21(d)) and 5.02(b) to the obligations of Purchaser hereunder to consummate the Closing and purchase the Shares and (ii) the right of Purchaser to terminate this Agreement pursuant to Section 6.01(d)(i) (other than to the extent resulting from a breach

of Section 4.21(d)), (x) the existence and/or continuation of, and the knowledge of Seller or any of its Subsidiaries or any director, officer or employee of Seller or any of its Subsidiaries of, any User Security Matters, and (y) any Losses arising out of or resulting from any User Security Matters, shall be disregarded ((x) and (y), collectively, the "Excluded Matters"). For the avoidance of doubt, any material inaccuracies in the consolidated financial statements of Seller included in the SEC Documents that are the result of Seller's accounting systems or corporate enterprise infrastructure being manipulated, damaged or otherwise compromised and thereby reporting inaccurate information shall not be disregarded nor considered Excluded Matters. Purchaser hereby expressly, unconditionally and irrevocably waives and relinquishes any and all rights and bases not to consummate the Closing pursuant to Sections 5.02(a)(iii), 5.02(a)(iv) (other than to the extent resulting from a breach of Section 4.21(d)) and 5.02(b) or to terminate this Agreement pursuant to Section 6.01(d)(i) (other than to the extent resulting from a breach of Section 4.21(d)) or to exercise any other right or seek any other remedy under this Agreement, in each case on the basis of the Excluded Matters. Nothing in this Section 4.21 is intended to or shall be deemed to constitute an admission that, absent the foregoing, any of the Excluded Matters would give rise to any breach or failure to perform by Seller of any of its representations, warranties or covenants, or any right or remedy of Purchaser, under this Agreement.

(b) Seller agrees that, prior to the five (5) year anniversary of the Closing, (i) Seller shall not adopt or enter into, or permit to be adopted or entered into, a plan of liquidation or dissolution under applicable corporate law, or otherwise distribute or otherwise dispose of all or substantially all its assets (other than a sale of all or substantially all of its assets for substantially equivalent value that is not part of a plan of liquidation or dissolution under applicable corporate law), unless Seller has made provisions reasonably acceptable to Purchaser for the satisfaction of Seller's obligations with respect to the User Security Liabilities pursuant to the Reorganization Agreement and (ii) if Seller consolidates with or merges into any other Person and Seller shall not be the continuing or surviving corporation or entity of such consolidation or merger, then Seller shall make proper provisions reasonably acceptable to Purchaser for the continuing or surviving corporation or entity (or if such continuing or surviving corporation or entity in not a U.S. domestic entity, a U.S. domestic entity with adequate resources) to be responsible for the satisfaction of Seller's obligations with respect to all User Security Liabilities pursuant to the Reorganization Agreement (it being understood that this clause (ii) shall be deemed satisfied, and no provision or other action shall be required under this clause (ii), in connection with a merger of Seller with and into a U.S. domestic entity pursuant to which such U.S. domestic entity is the surviving entity in the merger and succeeds to the obligations of Seller under the Reorganization Agreement by operation of law).

(c) From and after the date hereof (and until the Closing), Seller shall in good faith take commercially reasonable steps to seek to address the User Security Matters in substantially the same manner as Seller would have addressed such matters in the absence of the transactions contemplated by this Agreement and the Reorganization Agreement; it being understood that, without limiting any other covenant or agreement contained herein, (i) the foregoing shall not require Seller to accelerate any such steps or accelerate the incurrence or resolution of any User Security Liabilities relative to what Seller would have

done in the absence of the transactions contemplated by this Agreement and the Reorganization Agreement and (ii) failure to comply with the foregoing shall not in and of itself be deemed to constitute the failure of any condition set forth in Section 5.02 to be satisfied (it being understood that, notwithstanding anything to the contrary contained herein (including Section 8.01), this Section 4.21(c) shall survive for six (6) months following the Closing (and any claim delivered in writing prior to the expiration of such six (6) month period shall survive until the resolution thereof)).

(d) Seller represents and warrants to Purchaser that the information set forth in Exhibit F hereto (the "User Engagement Data") was designed in good faith to demonstrate the impact of the press release, issued by Seller on December 14, 2016, entitled "Important Security Information for Yahoo Users", and the User Engagement Data has been prepared in all material respects in accordance with the data methodology as set forth in Section 4.21(d) of the Disclosure Schedules, consistently applied throughout the periods indicated therein. Notwithstanding anything to the contrary, Purchaser's sole and exclusive remedy for any breach of this Section 4.21(d) shall be pursuant to and in accordance with Section 5.02(a)(iv) or Section 6.01(d)(i).

(b) Section 4.02(c) of the Agreement is amended by adding the following sentence at the end thereof:

For the avoidance of doubt, and without limiting the foregoing obligations of Seller to hold the Stockholders' Meeting as promptly as practicable in accordance with this Section 4.02(c), the Stockholders' Meeting may also be an annual meeting of Seller's stockholders, at which Seller may elect directors and seek stockholder approval of other matters typically presented at Seller's annual meeting. Notwithstanding the foregoing or anything herein to the contrary, except with Purchaser's prior written consent, Seller will hold the Stockholders' Meeting no earlier than the time Seller's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 has been filed with the SEC.

(c) Section 4.03(a) of the Agreement is amended by adding the following sentence at the end thereof:

Without limiting the foregoing, prior to the Closing (or until the earlier termination of this Agreement in accordance with Section 6.01), upon reasonable notice, Seller shall promptly arrange for and permit Purchaser and its Representatives to access all personnel, properties and Books and Records of the Business as Purchaser reasonably determines is necessary or appropriate in order to investigate and verify the accuracy of the representations of Seller set forth in Section 4.21(d); provided, however, that any such access shall be conducted during normal business hours and in such a manner as not to interfere unreasonably with the normal operations of the business of Seller or the Business Subsidiaries; provided, further, that neither Seller nor any of the Business Subsidiaries shall be required to disclose any information to Purchaser if such disclosure would reasonably be expected to jeopardize any attorney-client privilege or the protections of the work product doctrine or contravene any applicable Laws (provided that, in any such case, Seller shall provide such information pursuant to alternative arrangements reasonably acceptable to Purchaser as necessary to preserve such privilege or protections or comply with such Law).

(d) Section 4.08(a) of the Agreement is amended by deleting the second sentence of Section 4.08(a) and replacing it as follows:

(a) Prior to the Closing, Seller shall (on its behalf and on behalf of the Business Subsidiaries) obtain a non-cancellable extension of the directors' and officers' liability coverage of Seller's existing directors' and officers' insurance policies and fiduciary liability insurance policies (collectively, the "D&O Insurance"), covering persons who are currently or who were officers or directors of, or in a comparable role with, Seller and/or any of the Business Subsidiaries, for a claims reporting or discovery period of six years from and after the Closing with respect to any claim related to any period of time at or prior to the Closing from an insurance carrier with the same or better credit rating as Seller's current insurance carrier with respect to D&O Insurance with terms, conditions, retentions and limits of liability that are no less favorable than the coverage provided under Seller's existing policies (for the avoidance of doubt, with the Business Subsidiaries as additional "named insureds" and/or "successor companies" as applicable, to ensure their (and their applicable indemnitees') benefit under such extension policies)); provided, that Purchaser shall pay 50% of the premium for such "tail" insurance, but in no event greater than $5,000,000.

Effective immediately, Section 6.01(b) of the Agreement is hereby amended by deleting clause (i) thereof and replacing it with the following:

(i) the Closing shall not have occurred by July 24, 2017 (the "Outside Date"); provided, that the right to terminate this Agreement under this Section 6.01(b)(i) shall not be available to a party, if any failure by such party to fulfill its obligations under this Agreement shall have been the primary cause of, or shall have resulted in, the failure of the Closing to occur on or prior to the Outside Date;

Effective immediately, Section 6.03 of the Agreement is hereby amended by replacing "$144,774,000" in the definition of "Termination Fee" with "$134,274,000".

Effective immediately, Article VII of the Agreement is hereby amended as follows:

(a) The following defined terms are added to Section 7.01 of the Agreement in appropriate alphabetical order:

"Excluded Matters" has the meaning ascribed to such term in Section 4.21.

"User Security Liabilities" has the meaning ascribed to such term in the Reorganization Agreement.

"User Security Matters" has the meaning ascribed to such term in the Reorganization Agreement.

(b) The definition of Business Material Adverse Effect in Section 7.01 of the Agreement is amended to remove "and" immediately before clause (x) in the first proviso thereof and to add the following new clause (xi) immediately following such clause (x):

"and (xi) any of the Excluded Matters (other than, for the avoidance of doubt, a breach of Section 4.21(d))"

Effective immediately, (i) the Agreement is hereby amended by adding a new Exhibit F thereto as set forth on Appendix A to this Amendment and (ii) the Disclosure Schedules are hereby amended by adding a new Section 4.21(d) thereto as set forth on Appendix B to this Amendment.

4. Reorganization Agreement Reference. The Parties acknowledge and agree that any reference in the Reorganization Agreement or any other Transaction Document (or in any other document or instrument referred to in any of the foregoing) to the Agreement shall mean the Agreement as amended by this Amendment.

5. Miscellaneous. The provisions of Article VIII of the Agreement shall apply *mutatis mutandis* to this Amendment.

[*signature page follows*]

IN WITNESS WHEREOF, the Parties have each caused this Amendment to be signed as of the date first written above.

YAHOO! INC.

By: /s/ Marissa A. Mayer
Name: Marissa A. Mayer
Title: CEO & President

[Signature Page to Amendment to Stock Purchase Agreement]

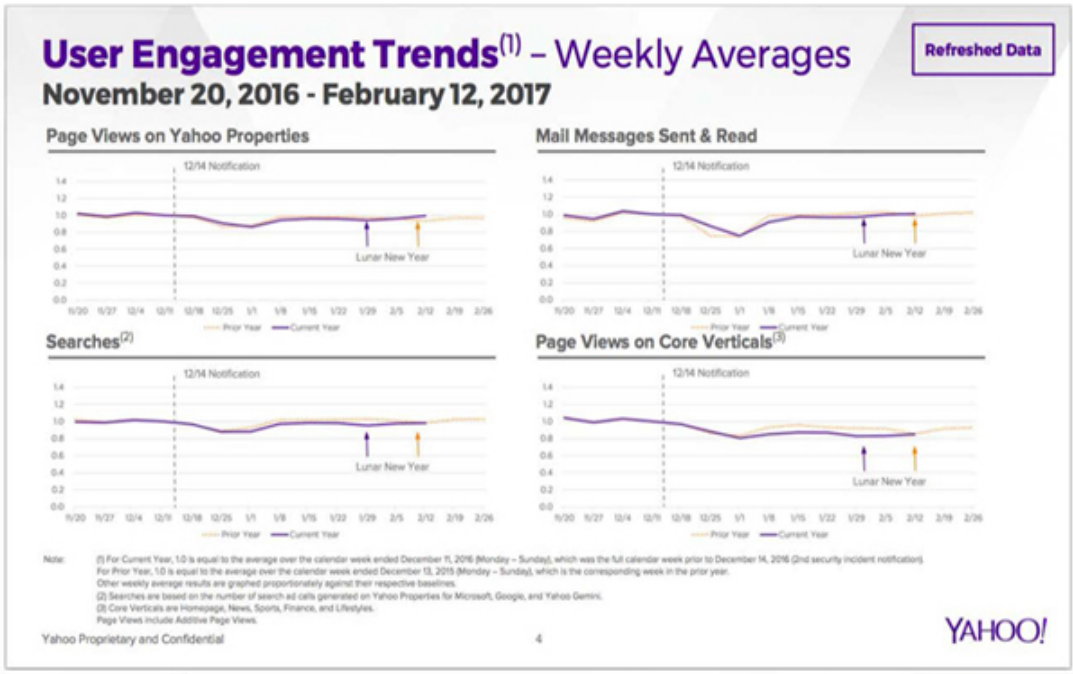
VERIZON COMMUNICATIONS INC.

By: /s/ Craig Silliman
Name: Craig Silliman
Title: Executive Vice President – Public Policy and General Counsel

[Signature Page to Amendment to Stock Purchase Agreement]

Appendix A

Exhibit F



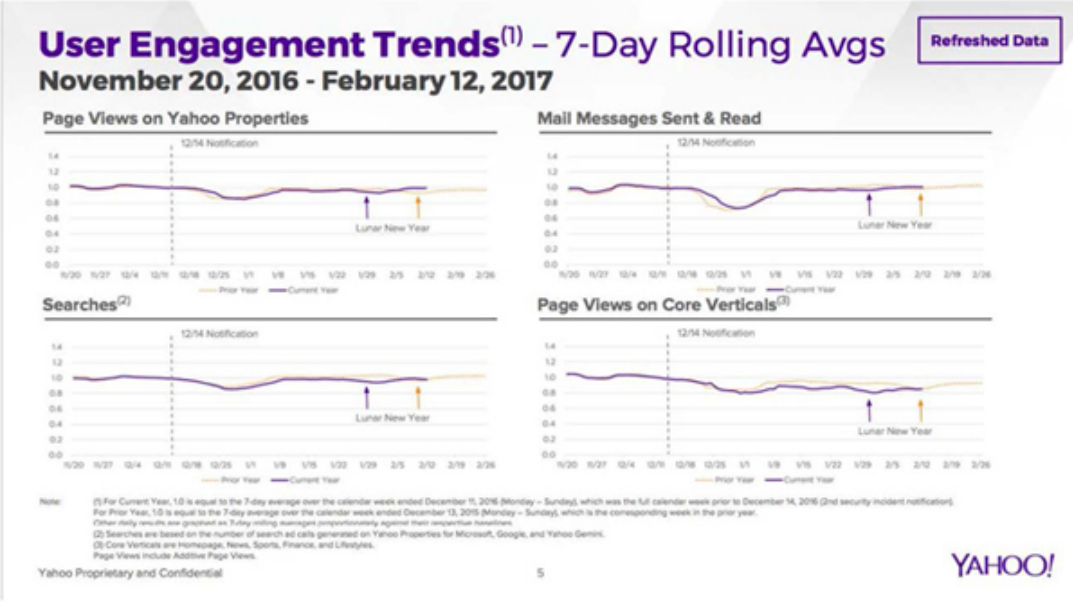


Exhibit 2.2

EXECUTION VERSION

AMENDMENT TO REORGANIZATION AGREEMENT

This AMENDMENT, dated as of February 20, 2017 (this "Amendment"), to the Reorganization Agreement, dated as of July 23, 2016, by and between Yahoo! Inc., a Delaware corporation ("Seller"), and Yahoo Holdings, Inc., a Delaware corporation (the "Company") (the "Agreement"), is made by and among (x) Seller, (y) the Company and (z) Verizon Communications Inc., a Delaware corporation ("Purchaser" and, together with Seller and the Company, the "Parties").

WITNESSETH:

WHEREAS, subject to the terms and conditions set forth in this Amendment, and pursuant to Section 10.2 of the Agreement and Sections 4.04 and 8.03 of the Purchase Agreement, the Parties desire to amend certain terms of the Agreement by entering into, and as set forth in, this Amendment.

NOW THEREFORE, for and in consideration of the aforesaid premises and of the mutual representations, warranties and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound, the Parties hereby agree as set forth below:

1. Modification; Full Force and Effect. Except as expressly modified and superseded by this Amendment, the terms and provisions of the Agreement are and shall continue to be in full force and effect.

2. Definitions. Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Agreement unless otherwise indicated.

3. Amendment.

(a) Effective immediately, Section 1.4 of the Agreement is hereby amended by adding the following paragraphs to the end thereof:

Without limiting the foregoing, "Retained Liabilities" shall also include the following Liabilities ("User Security Liabilities"), which shall in all cases be excluded from Assumed Liabilities and remain Liabilities of Seller (subject to the provisions of Sections 7.2 and 7.3 hereof): (i) any damages, fines, penalties, judgments, settlements or other similar amounts payable in cash to the extent resulting from, arising out of or imposed under or pursuant to any Third Party Actions in connection with any User Security Matters or any other Data Breaches and (ii) any damages, fines, judgments, settlements, penalties or other similar amounts payable in cash imposed by (including under or pursuant to any agreement or settlement with) any Governmental Authority, including U.S. state attorneys general and international data protection authorities, to the extent resulting from, arising out of or relating to any User Security Matters or any other Data Breaches, in the case of each of clause (i) and clause (ii), including attorneys', consultants' and other professionals' fees and expenses incurred in the investigation, defense or resolution of any such matters or liabilities; provided that User Security Liabilities shall not include any such damages, fines, penalties, judgments, settlements or other similar amounts (or the

fees and expenses associated therewith) to the extent attributable to the failure by any Company Indemnitee to comply after the Closing with any agreement assumed by it or Governmental Order applicable to it or to the Business. For the avoidance of doubt, in no event shall User Security Liabilities include, or the Parties' obligations in respect thereof cover, the Business' loss of users or partners, any diminution in the value of or lost revenues or profit of the Business or any other adverse business impact on the Business (other than the payments expressly set forth in the immediately preceding sentence) resulting from, arising out of or relating to any (x) User Security Matters or any such other Data Breaches or (y) any consent decree or other non-monetary remedy (or the cost of compliance therewith) imposed on or with respect to the Business resulting from, arising out of or relating to any User Security Matters or any such other Data Breaches. "User Security Matters" shall mean any of the matters, facts, events, disclosures, developments and occurrences described in or underlying (i) the press release, issued by Seller on September 22, 2016, entitled "An Important Message About Yahoo User Security", (ii) the section of Seller's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2016 entitled "Security Incident" appearing under the heading Recent Developments in Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation, (iii) the press release, issued by Seller on December 14, 2016, entitled "Important Security Information for Yahoo Users", (iv) the matter set forth in Schedule 1.4 or (v) any matters disclosed by Seller to Purchaser during the meetings of representatives of Seller and Purchaser held on January 23, 2017 and January 24, 2017, in each case including any related matters, facts, events, disclosures, developments and occurrences that may arise from the ongoing investigations described therein and any use or transfer of data that may have been or may be obtained as a result of any of the foregoing matters, facts, events, developments and occurrences. "Data Breaches" shall mean (i) the User Security Matters and (ii) any other security breaches, known or unknown to Seller and disclosed or undisclosed to Purchaser as of February 20, 2017, sustained by or perpetrated against Seller or any of its Subsidiaries through February 20, 2017 that, in the case of this clause (ii), were or are initiated by or at the direction of, conducted on behalf of, sponsored by or otherwise involve (x) the state believed by Seller to have sponsored some or all of the User Security Matters (the identity of which has been communicated by Seller to Purchaser prior to the date of the Amendment) or any Governmental Authority or other instrumentality of such state or (y) any other actor that sponsored or perpetrated any User Security Matter, including in each case, for the avoidance of doubt, any use or transfer of data obtained as a result of any such matters or security breaches.

User Security Liabilities shall not in any event include any Actions or Liabilities to the extent otherwise covered under Sections 1.4(a) through (g) above (provided that the Liabilities covered under Section 1.4(e)(x) shall not include (and User Security Liabilities shall include) any Liabilities to indemnify, defend or hold harmless any Third Party (for the avoidance of doubt, which term does not include any current or former directors or officers of, or persons in a comparable role with, Seller or the Business Subsidiaries) that would otherwise constitute User Security Liabilities hereunder). For the avoidance of doubt and notwithstanding anything herein to the contrary, it is the intention of the Parties that, as contemplated by Sections 7.2 and 7.3, the Company will be responsible for 50% of any User Security Liabilities other than Pre-Closing User Security Liabilities (as defined below), but that Seller will be responsible for (x) 100% of any Actions or Liabilities

covered under Sections 1.4(a) through (g) above regardless of when incurred and (y) 100% of any User Security Liabilities the amount of which has been finally determined and that have been entered or stipulated against Seller or any of its Subsidiaries and not subject to appeal, as applicable, prior to the Sale Closing Date (or, with respect to attorneys', consultants' and other professionals' fees and expenses, that relate to services rendered to Seller or any of its Subsidiaries prior to the Sale Closing Date) (the "Pre-Closing User Security Liabilities").

(b) Effective immediately, Section 5.2(c) of the Agreement is hereby amended by adding the following parenthetical at the end thereof:

(other than, in the case of Seller, its obligations in respect of any User Security Liabilities, which shall be governed by and subject to Section 4.21(b) of the Purchase Agreement)

(c) Effective immediately, Section 5.5(d) of the Agreement is hereby amended by adding a new clause (iii) at the end thereof, as follows:

(iii) Notwithstanding anything to the contrary in this Section 5.5, Seller may (in its sole discretion and to the extent permitted by applicable Tax Law) apply to change its taxable year for income and franchise tax purposes to provide for a "short" taxable year that ends on or after the Closing Date. In the event any such change is approved by the relevant taxing authority, (A) Seller shall notify the Company in writing of such change promptly after such approval is received and (B) the Company and Seller shall apply the procedures set forth in Section 5.5(d)(i) (it being understood, for the avoidance of doubt, that the preparation and filing of any Tax Returns in accordance with such changed taxable year shall not be deemed inconsistent with past practices within the meaning of Section 5.5(d)(i)), provided, however, that if the application of such procedures is not reasonably practicable, the Company and Seller shall cooperate in good faith and modify such procedures as appropriate to ensure that the Company has a reasonable opportunity to prepare and timely file all relevant Tax Returns (including any Tax Returns with due dates accelerated as a result of the change described this Section 5.5(d)(iii)) and that each Party has a reasonable opportunity to review and comment upon any Tax Return that reflects any Taxes for which such Party is responsible under this Agreement.

(d) Effective immediately, Section 7.2 of the Agreement is hereby amended by deleting the word "and" at the end of clause (a) thereof, replacing the period at the end of clause (b) thereof with "; and", and adding the following paragraph as a new clause (c) thereof:

(c) fifty percent (50%) of any User Security Liabilities other than Pre-Closing User Security Liabilities (for the avoidance of doubt, which fifty percent (50%) portion shall, subject to the terms of Section 7.4(h), be treated for all purposes hereunder (including all Tax related matters) as an Assumed Liability and not a Retained Liability),

(e) Effective immediately, Section 7.3 of the Agreement is hereby amended by:

(i) replacing clause (a) thereof with the following:

(a) any Excluded Asset or Retained Liability, including the failure of Seller or any other Person to satisfy, pay, perform and discharge when due any Retained Liabilities in accordance with their respective terms, whether prior to, at or after the Closing; provided, that, notwithstanding the foregoing, with respect to any User Security Liabilities other than Pre-Closing User Security Liabilities, Seller's obligations pursuant to this Section 7.3(a) will be limited to an amount equal to fifty percent (50%) of such User Security Liabilities; and

(ii) adding the following parenthetical "*(but subject to the proviso at the end of clause (a) above)*" immediately following the phrase "in each case" appearing immediately following clause (b) of Section 7.3 of the Agreement.

(f) Effective immediately, Section 7.4 of the Agreement is hereby amended by adding a new clause (h) at the end thereof, as follows:

(h) Notwithstanding anything to the contrary in this Agreement, any Third-Party Claim in respect of User Security Liabilities shall be controlled by the Company Indemnitees, but Seller shall be entitled to participate therein either (i) with counsel (selected by the Company Indemnitees and of recognized standing and competence) that shall serve as joint counsel for Seller and the Company Indemnitees or (ii) with separate counsel selected by Seller, and, in either case, the fees and expenses of such counsel shall be included in the User Security Liabilities for purposes of this Agreement, provided that, in the case of clause (ii), (A) unless such separate counsel is retained by Seller as a result of (1) an actual or potential conflict of interest resulting from such joint representation or the Company Indemnitees' control or (2) the counsel selected by the Company Indemnitees otherwise refusing to jointly represent Seller, the fees and expenses of such separate counsel for Seller shall not be included in User Security Liabilities and shall instead be at Seller's sole expense and (B) in the event such separate counsel is retained by Seller as a result of clause (A)(1) or (2) above, the fees and expenses of any such separate counsel for Seller beyond a single firm (plus applicable local counsel) shall not be included in User Security Liabilities and shall instead be at Seller's sole expense. The Company Indemnitees shall not settle or compromise such Third-Party Claim without the prior written consent of Seller (not to be unreasonably withheld, conditioned or delayed).

(g) Effective immediately, the Agreement is hereby amended by adding a new Schedule 1.4 thereto as set forth on Appendix A to this Amendment.

4. Purchase Agreement Reference. The Parties acknowledge and agree that any reference in the Purchase Agreement or any other Transaction Document (or in any other document or instrument referred to in any of the foregoing) to the Agreement shall mean the Agreement as amended by this Amendment.

5. Miscellaneous. The provisions of Article X of the Agreement shall apply *mutatis mutandis* to this Amendment. Purchaser hereby consents to this Amendment for purposes of Section 10.2 of the Agreement and Section 4.04 of the Purchase Agreement.

[*signature page follows*]

IN WITNESS WHEREOF, the Parties have each caused this Amendment to be signed as of the date first written above.

YAHOO! INC.

By: /s/ Marissa A. Mayer
Name: Marissa A. Mayer
Title: CEO & President

YAHOO HOLDINGS, INC.

By: /s/ Kenneth A. Goldman
Name: Kenneth A. Goldman
Title: President, Chief Financial Officer & Treasurer

[Signature Page to Amendment to Reorganization Agreement]

Acknowledged and agreed:

VERIZON COMMUNICATIONS INC.

By: /s/ Craig Silliman
Name: Craig Silliman
Title: Executive Vice President – Public Policy and General Counsel

[Signature Page to Amendment to Reorganization Agreement]

Exhibit 10.1

EXECUTION VERSION

SETTLEMENT AND RELEASE AGREEMENT

THIS SETTLEMENT AND RELEASE AGREEMENT (this "Agreement"), dated as of February 20, 2017 ("Effective Date"), is made and entered into by and among Yahoo! Inc., a Delaware corporation ("Seller"), Yahoo Holdings Inc., a Delaware corporation (the "Company"), and Verizon Communications Inc., a Delaware corporation ("Purchaser"). Capitalized terms used but not otherwise defined herein have the meanings set forth in Section 1 below.

RECITALS

WHEREAS, Seller and Purchaser are parties to that certain Stock Purchase Agreement, dated as of July 23, 2016, by and between Seller and Purchaser (the "Purchase Agreement");

WHEREAS, Seller and the Company are parties to that certain Reorganization Agreement, dated as of July 23, 2016, by and between Seller and the Company (the "Reorganization Agreement");

WHEREAS, Seller and Purchaser are, contemporaneously with the execution of this Agreement, entering into an Amendment to Stock Purchase Agreement, dated as of the date hereof (the "Amendment to Purchase Agreement");

WHEREAS, Seller, Purchaser and the Company are, contemporaneously with the execution of this Agreement, entering into an Amendment to Reorganization Agreement, dated as of the date hereof (the "Amendment to Reorganization Agreement"); and

WHEREAS, subject to the terms of this Agreement, the parties wish to settle all potential disputes relating to, arising out of or in connection with the Data Breaches, and therefore it is their intent to avoid the risk and expense of litigation, and permanently to settle and resolve all disputes, matters, claims, controversies, issues, assertions and causes of action among them, whether known or unknown, which could have been alleged or asserted, by and between the parties, without any admission of fault, liability or wrongdoing on the part of any party, or any admission on the part of any party;

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements set forth in this Agreement, the Amendment to Purchase Agreement and the Amendment to Reorganization Agreement, all of which are being executed contemporaneously, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. Definitions. Capitalized terms used but not otherwise defined in this Agreement shall have the meanings assigned to them in the Purchase Agreement, as amended by the Amendment to Purchase Agreement, or the Reorganization Agreement, as amended by the Amendment to Reorganization Agreement, as applicable.

SECTION 2. Settlement and Release of Claims. (a) In consideration of the mutual representations, warranties, covenants, rights and agreements set forth in this Agreement,

as well as the consideration set forth in the Amendment to Purchase Agreement and the Amendment to Reorganization Agreement, and for other good and valuable consideration, the receipt and sufficiency of which all parties hereby acknowledge, effective as of the Effective Date and to the fullest extent permitted by applicable Law, except as set forth in Section 2(d) or (e) of this Agreement, Purchaser, on its own behalf and on behalf of its Subsidiaries and other Affiliates (including, from and after the Closing, the Company and its Subsidiaries), and its and their respective Representatives and the respective heirs, executors, administrators, successors and assigns of each of the foregoing (collectively, the "Releasing Parties"), hereby releases and discharges any and all past, present or future claims, rights, orders, causes of action, suits, liabilities, debts, dues, sums of money, accounts, actions, reckonings, bonds, bills, specialties, covenants, contracts, controversies, counterclaims, cross-claims, defenses, obligations, promises, costs, damages, judgments, extents, executions, losses and demands of any kind, nature or description in any forum whatsoever, whether presently known or unknown, accrued or not accrued, foreseen or unforeseen, matured or not matured, patent or latent, suspected or claimed ("Claims"), which Purchaser or any of the Releasing Parties ever had, now has or hereafter can, shall or may have against Seller or any of its Subsidiaries and other Affiliates, and its and their respective stockholders and Representatives and the respective heirs, executors, administrators, successors and assigns of each of the foregoing (collectively, the "Released Parties"), for, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world, whether in contract, tort, law, equity or otherwise, arising out of, relating to, in connection with or based in any way on the Data Breaches (collectively, the "Released Claims"), including, for the avoidance of doubt, tort claims (including fraudulent inducement, fraudulent concealment and negligent misrepresentation), contract claims, warranty claims, statutory claims, declaratory judgment actions, counterclaims, cross-claims and third-party claims.

(b) In furtherance of the foregoing, and without limiting the generality thereof, except as set forth in Section 2(d) or (e) of this Agreement, Purchaser, on behalf of itself and the other Releasing Parties, hereby releases Seller and the other Released Parties from any and all Claims, whether in contract, tort, law, equity or otherwise, that any of the Data Breaches, or any matter arising out of, relating to, in connection with or based in any way on any of the Data Breaches, constitutes a breach of Contract, fraud or negligent misrepresentation warranting the failure, breach or rescission of the Purchase Agreement or any other monetary damages or remedies.

(c) In connection with the waiver and release set forth in this Section 2, Purchaser hereby expressly acknowledges present uncertainty about the facts concerning the Knowledge of Seller and the knowledge of any of Seller's directors, officers, employees or independent contractors, or any recklessness or negligence by Seller or any of its directors, officers, employees or independent contractors with respect to the existence of Data Breaches at the time of the signing of the Purchase Agreement, and that Purchaser may hereafter discover facts in addition to and/or different from those now known or believed to be true with respect to such knowledge, recklessness or negligence. Purchaser also expressly acknowledges present uncertainty as to the number, nature and extent of Data Breaches, and that Purchaser may hereafter discover facts in addition to and/or different from those now known or believed to be true regarding any Data Breaches. Purchaser expressly acknowledges these uncertainties and nonetheless fully, finally and forever releases, on behalf of itself and the other Releasing Parties, all Released Parties from any and all Released Claims as set forth in this Section 2, except as

expressly set forth in Section 2(d) or (e). No such present or future development, discovery or disclosure of facts related to any Data Breaches, including any purported knowledge, recklessness or negligence by Seller, its directors, officers, employees or its independent contractors, shall provide grounds for rescission of this Agreement.

(d) Notwithstanding anything to the contrary, "Released Claims" shall not include or limit in any manner whatsoever (i) any obligations under this Agreement, under Section 4.21 of the Purchase Agreement (for the avoidance of doubt, including any remedies for any breaches of representations contained herein or in Section 4.21(d) of the Purchase Agreement), as amended by the Amendment to Purchase Agreement, or under the last sentence of Section 4.03(a) of the Purchase Agreement, as amended by the Amendment to Purchase Agreement, or (ii) any indemnification or other obligations with respect to the User Security Liabilities under the Reorganization Agreement, as amended by the Amendment to Reorganization Agreement, or any Claim to interpret, for breach of or to enforce any such obligations referred to in clauses (i) and (ii).

(e) Notwithstanding anything to the contrary, the releases set forth in this Section 2, and the definition of "Released Claims", shall not include or limit in any manner whatsoever any Claims that any Data Breaches, other than the Excluded Matters, individually or in the aggregate, constitute or would reasonably be expected to constitute, or have contributed to or would reasonably be expected to contribute to, a Business Material Adverse Effect, which Purchaser reserves the right to assert, and, for the avoidance of doubt, Data Breaches other than the Excluded Matters shall not be disregarded for purposes of (i) the conditions set forth in Sections 5.02(a)(iii), 5.02(a)(iv) and 5.02(b) of the Purchase Agreement, as amended by the Amendment to Purchase Agreement, to the obligations of Purchaser thereunder to consummate the Closing and purchase the Shares or (ii) the right of Purchaser to terminate the Purchase Agreement, as amended by the Amendment to Purchase Agreement, pursuant to Section 6.01(d)(i) thereof.

(f) The parties intend Sections 2(a), (b) and (c) to establish a general release covering the subject matter hereof, and subject to the terms hereof (including Sections 2(d) and (e)). Except as expressly set forth in Section 2(d) or (e), those releases include, to the maximum extent permitted by Law, and subject to the terms hereof, unknown claims and Liabilities. Each party hereto hereby acknowledges that it has read and is familiar with California Civil Code Section 1542, which states as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR." Subject to the terms of this Section 2, Purchaser, on behalf of itself and the other Releasing Parties, does hereby knowingly and expressly waive and relinquish all rights and benefits which it or any other Releasing Party has or may have under California Civil Code Section 1542 (or any similar Law of any other country, state, territory or jurisdiction) to the fullest extent that it may lawfully waive such rights and benefits. Subject to the terms of this Section 2, in connection with the waiver and relinquishment set forth in this Section 2, Purchaser, on behalf of itself and the other Releasing Parties, acknowledges that it or any other Releasing Party may hereafter discover facts in addition to and/or different from those now known or believed to be true, but that notwithstanding that fact, it is Purchaser's intention, on

behalf of itself and the other Releasing Parties, hereby to fully, finally and forever release all of the Released Claims, known or unknown, suspected or unsuspected, which now exist, may in the future exist or heretofore have existed between Purchaser and any Releasing Party, on the one hand, and Seller and any other Released Party, on the other hand, and that in furtherance of such intention, the releases given herein will be and remain in effect as full and complete releases, notwithstanding the discovery or existence of any such additional or different facts.

SECTION 3. Covenant Not to Sue. (a) Purchaser, on behalf of itself and the other Releasing Parties, covenants not to bring or join any Released Claim against any Released Party before any Governmental Authority in any jurisdiction, whether as a cause of action, counterclaim, Action, defense or otherwise; provided, that this Section 3(a) shall not apply to the defense of any Action if such Action has been initiated by any Released Party against a Releasing Party. Seller and each other Released Party may plead this Agreement as a complete bar to any claim or defense brought in derogation of this covenant not to sue.

(b) Nothing in this Section 3 shall preclude any party from initiating any proceeding to interpret, for breach of or to enforce the terms of this Agreement.

SECTION 4. Representations and Warranties. (a) Each of Seller and the Company hereby represents and warrants to Purchaser as follows:

(i) It is a corporation duly organized, validly existing, and in good standing and has corporate power and authority to enter into, execute and deliver this Agreement, and to perform its obligations hereunder.

(ii) The execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate proceedings on its part, and the actions contemplated by this Agreement are authorized and permitted to be undertaken pursuant to its organizational and operational documents.

(iii) The person signing this Agreement on its behalf has the authority to execute this Agreement and thereby bind it to the terms of this Agreement.

(iv) This Agreement has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, general equity principles, other similar Laws of general application affecting enforcement of creditors' rights generally and rules of Law governing specific performance, injunctive relief and other equitable remedies.

(v) Seller has relied solely upon the advice and analysis of its own independent counsel in order for Seller to enter this Agreement, and Seller, on its own behalf and on behalf of the Released Parties, acknowledges that, except for the representations and warranties of Purchaser expressly set forth in Section 4(b), none of Purchaser, its Subsidiaries, Affiliates or any of their Representatives or the Releasing Parties makes or has made, and Seller and the Released Parties have not relied on, any representation or warranty, either express or implied, by any such Person in connection

with Seller's entering into this Agreement. Any other purported representation or warranty in connection with Seller's entering into this Agreement, whether written or oral, is hereby expressly disclaimed.

(b) Purchaser hereby represents and warrants to Seller as follows:

(i) Purchaser is a corporation duly organized, validly existing, and in good standing and has corporate power and authority to enter into, execute and deliver this Agreement, and to perform its obligations hereunder, including releasing Released Claims as set forth in Section 2.

(ii) The execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate proceedings on Purchaser's part, and the actions contemplated by this Agreement are authorized and permitted to be undertaken pursuant to Purchaser's organizational and operational documents.

(iii) The person signing this Agreement on behalf of Purchaser has the authority to execute this Agreement and thereby bind Purchaser to the terms of this Agreement.

(iv) This Agreement has been duly and validly executed and delivered by Purchaser and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, general equity principles, other similar Laws of general application affecting enforcement of creditors' rights generally and rules of Law governing specific performance, injunctive relief and other equitable remedies.

(v) Purchaser has no claims of any type pending against Seller or any Person, collectively or individually, directly or derivatively, in judicial, governmental or other regulatory bodies, relating to any of the Data Breaches, the Purchase Agreement or the Reorganization Agreement.

(vi) Purchaser is the sole and absolute owner of each and every of the Released Claims that it has released herein, and it has not sold, assigned, transferred, conveyed or otherwise assigned or disposed of any portion of the Released Claims, or any of its interests therein, to any Person.

(vii) Purchaser acknowledges and agrees that, to the extent permitted by applicable Law, Purchaser's intention, by entering into this Agreement, is to release any and all Released Claims on behalf of all Releasing Parties as provided in this Agreement and to agree to any and all provisions applicable to the Releasing Parties as set forth in this Agreement, and that, upon execution by Purchaser, to the extent permitted by applicable Law, this Agreement shall be binding upon all Releasing Parties, without the need for accession or ratification hereof by any Releasing Party or any other Person. Purchaser agrees that it shall cause each of the Releasing Parties to comply with and be bound by the terms of the Agreement to the fullest extent permitted by Law.

(viii) Purchaser has relied solely upon the advice and analysis of its own independent counsel in order for Purchaser to enter this Agreement, and Purchaser, on its own behalf and on behalf of the Releasing Parties, acknowledges that, except for the representations and warranties of Seller expressly set forth in Section 4(a), none of Seller, its Subsidiaries, Affiliates or any of their Representatives makes or has made, and Purchaser and the Releasing Parties have not relied on, any representation or warranty, either express or implied, as to the accuracy or completeness of any of the information provided or made available to Purchaser or any of the other Releasing Parties in connection with Purchaser's entering into this Agreement and agreeing to the settlement and releases set forth herein. Without limiting the generality of the foregoing, except for the representations and warranties made by Seller in Section 4(a), none of Seller nor any of the other Released Parties makes or has made, and Purchaser and the Releasing Parties have not relied on, any representation or warranty in connection with Purchaser's entering into this Agreement and agreeing to the settlement and releases set forth herein with respect to (A) this Agreement, (B) the facts of any of the Data Breaches, (C) potential legal or monetary liabilities arising out of any of the Data Breaches, (D) the contemporaneous knowledge of any Released Party concerning any of the Data Breaches or (E) the accuracy or completeness of any material, document or information made available or communicated to Purchaser or any other Releasing Party relating to any of the Data Breaches. Any other purported representation or warranty in connection with Purchaser's entering into this Agreement and agreeing to the settlement and releases set forth herein, whether written or oral, is hereby expressly disclaimed.

SECTION 5. No Admission of Liability. (a) Neither the negotiation, execution nor performance of this Agreement, nor any provision hereof nor acts undertaken pursuant to it, shall be construed as an admission or evidence of liability, wrongdoing or fault whatsoever on the part of any party or Person. Each party expressly denies and specifically disclaims any liability, wrongdoing or fault on the part of itself and its present and former directors, officers, employees and agents in connection with the subject matter of this Agreement.

(b) Each party acknowledges that the policies concerning settlement agreements contained in Federal Rule of Evidence 408, Delaware Uniform Rule of Evidence 408 and any other state, regulatory or foreign equivalent of Federal Rule of Evidence 408 limit the admissibility of this Agreement. Neither this Agreement, nor the fact of its execution, nor any of its provisions, shall be offered or received into evidence in any action or proceeding of any nature or otherwise referred to or used in any manner in any court or tribunal, except in a proceeding to interpret, for breach of or to enforce the terms of this Agreement or any of the Transaction Documents.

SECTION 6. Unknown Facts; Mistakes of Fact or Law. (a) Each party acknowledges that it may hereafter discover facts different from, or in addition to, those that it now knows or believes to be true with respect to the Released Claims, and agrees that this Agreement and the releases contained herein shall be and remain effective in all respects, notwithstanding such different or additional facts and subsequent discovery thereof.

(b) With the exception of the warranties and representations made in Section 4, in entering into this Agreement and the settlement contemplated herein, each party

assumes the risk of any misrepresentations, concealment or mistake. If any party should subsequently discover that any fact relied upon it by it entering into this Agreement was untrue, or that any fact was concealed from it, or that its understanding of the facts or of the law was incorrect, with the exception of the warranties and representations made in Section 4, such party shall not be entitled to any relief in connection therewith, including any alleged right or claim to set aside or rescind this Agreement. This Agreement is intended to be and is final and binding between the parties hereto, regardless, to the fullest extent permitted by Law, of any claims of fraud (including fraudulent inducement and fraudulent concealment), misrepresentations, promise made, lack of intention to perform, concealment of facts, or mistakes of fact or law.

SECTION 7. Miscellaneous. (a) Survival. The rights and obligations of each of the parties under this Agreement will survive the Closing indefinitely.

(b) Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of Law or otherwise, by any party without the prior written consent of the other parties. Any purported assignment in contravention of this Section 7(b) shall be null and void.

(c) Amendment. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

(d) Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future Laws effective during the term hereof, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision never comprised a part hereof, and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as part of this Agreement a provision as similar in its terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

(e) No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their permitted assigns and (subject to Section 10.5 of the Reorganization Agreement, as amended by the Amendment to Reorganization Agreement) nothing herein, express or implied, shall give or be construed to give to any Person, other than the parties hereto and such permitted assigns, any legal or equitable rights hereunder; provided, however, that the Released Parties shall be third-party beneficiaries of this Agreement and shall have the right to enforce the terms and provisions hereof.

(f) Governing Law and Jurisdiction. This Agreement shall be governed by, and construed and enforced in accordance with, the Laws of the State of Delaware, without regard to any choice or conflict of Law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of Delaware. In addition, each of the parties (i) submits to the exclusive personal jurisdiction of the Delaware Court of Chancery, any other court of the State of Delaware or any federal court sitting in the State of Delaware in the event that any dispute (whether in contract,

tort or otherwise) arises out of this Agreement; (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court; (iii) agrees that it will not bring any Action relating to this Agreement in any court other than the Delaware Court of Chancery, any other court of the State of Delaware or any federal court sitting in the State of Delaware; and (iv) agrees that it will not seek to assert by way of motion, as a defense or otherwise, (A) that any such Action is brought in an inconvenient forum, (B) that any such Action should be transferred or removed to any court other than one of the above-named courts, (C) that any such Action should be stayed by reason of the pendency of some other Action in any court other than one of the above-named courts or (D) that this Agreement or the subject matter hereof may not be enforced in or by the above-named courts. Each party hereto agrees that service of process upon such party in any such Action shall be effective if notice is given in accordance with Section 7(k). Notwithstanding the foregoing in this Section 7(f), a party may commence any Action in any court other than the above-named courts solely for the purpose of enforcing an order or judgment issued by one of the above-named courts relating to any dispute (whether in contract, tort or otherwise) arising out of this Agreement.

(g) Waiver of Jury Trial. EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT.

(h) Specific Performance. The parties agree that irreparable harm for which monetary damages, even if available, would not be an adequate remedy would occur in the event that the parties do not perform the provisions of this Agreement (including failing to take such actions as are required of such party hereunder to consummate this Agreement) in accordance with its specified terms or otherwise breach such provisions. Accordingly, the parties acknowledge and agree that the parties shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, in addition to any other remedy to which they are entitled at law or in equity. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance or other equitable relief on the basis that any other party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such order or injunction.

(i) Headings. The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part hereof.

(j) Counterparts. The parties hereto may execute this Agreement in one or more counterparts, and each fully executed counterpart shall be deemed an original but all of which taken together shall constitute one and the same agreement.

(k) Notices. Should any notice be required with respect to this Agreement, such notice shall be in writing and be given in person or by means of electronic mail, facsimile or other means of wire transmission (with request for assurance of receipt in a manner typical with respect to communications of that type), by overnight courier or by mail, and shall become

effective: (i) on delivery if given in person; (ii) on the date of transmission if sent by electronic mail, facsimile or other means of wire transmission; (iii) one (1) Business Day after delivery to the overnight service; or (iv) three (3) Business Days after being mailed, with proper postage and documentation, for first-class registered or certified mail, prepaid. Notices shall be addressed as follows:

(i) If to Seller or, prior to the Closing, the Company, to:

Yahoo! Inc.
701 First Avenue
Sunnyvale, CA 94089
Facsimile: (408) 349-3510
Attn: General Counsel and Secretary
Email: rbell@yahoo-inc.com

with a copy to (which copy shall not constitute notice):

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036
Facsimile: (212) 735-2000
Attn: Marc R. Packer
Michael J. Mies
Email: Marc.Packer@skadden.com
Michael.Mies@skadden.com

with a further copy to (which copy shall not constitute notice):

Cravath, Swaine & Moore LLP
Worldwide Plaza
825 8th Ave
New York, NY 10019
Facsimile: (212) 474-3700
Attn: Faiza J. Saeed
Eric L. Schiele
Email: FSaeed@cravath.com
ESchiele@cravath.com

with a further copy to (which copy shall not constitute notice):

Wilson Sonsini Goodrich & Rosati, Professional Corporation
650 Page Mill Road
Palo Alto, CA 94304
Facsimile: (650) 493-6811
Attn: Larry Sonsini
Email: LSonsini@wsgr.com

(ii) If to Purchaser or, after the Closing, the Company, to:

Verizon Communications Inc.
One Verizon Way, VC44E239
Basking Ridge, NJ 07920
Facsimile: 908-766-3818
Attn: William L. Horton, Jr., Senior Vice President, Deputy General Counsel and Corporate Secretary
Michael Rosenblat, Vice President, Associate General Counsel
Email: william.horton@verizon.com
michael.rosenblat@verizon.com

with a copy to (which copy shall not constitute notice):

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019
Facsimile: (212) 403-2000
Attn: Daniel A. Neff
Steven A. Rosenblum
David E. Shapiro
Edward J. Lee
Email: DANeff@wlrk.com
SARosenblum@wlrk.com
DEShapiro@wlrk.com
EJLee@wlrk.com

provided, however, that if any party shall have designated a different address by notice to the other, then notices shall be addressed to the last address so designated.

(l) Construction. The language in all parts of this Agreement shall be construed, in all cases, according to its fair meaning. The parties hereto acknowledge that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement. Words in the singular shall be deemed to include the plural and vice versa and words of one gender shall be deemed to include the other gender as the context requires. The terms “hereof,” “herein,” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement. Section references are to the Sections to this Agreement unless otherwise specified. Unless otherwise stated, all references to any Contract shall be deemed to include the schedules to such Contract. The word “including” and words of similar import when used in this Agreement mean “including, without limitation,” unless the context otherwise requires or unless otherwise specified. The word “or” shall not be exclusive. Unless otherwise specified in a particular case, the word “days” refers to calendar days. References herein to any Law shall be deemed to refer to such Law as it may be amended, modified or supplemented from time to time, unless otherwise specified. All references to “dollars” or “$” shall be deemed references to the lawful money of the United States of America.

(m) Entire Agreement. This Agreement, along with the Purchase Agreement, as amended by the Amendment to Purchase Agreement, the Reorganization Agreement, as amended by the Amendment to Reorganization Agreement, the other Transaction Documents and the Confidentiality Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior understanding, agreements or representations by or between the parties, written or oral, to the extent they relate in any way to the subject matter hereof.

(n) Counsel. Each party acknowledges and represents that it has been represented by counsel of its own choice throughout the arm's-length negotiations that preceded the execution of this Agreement and in connection with the preparation and execution of this Agreement. Each party further acknowledges and represents that it has reviewed this Agreement with its counsel and that each party understands the terms of this Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered by their duly authorized representatives as of the date first written above.

YAHOO! INC.

by /s/ Marissa A. Mayer
Name: Marissa A. Mayer
Title: CEO & President

YAHOO HOLDINGS, INC.

by /s/ Kenneth A. Goldman
Name: Kenneth A. Goldman
Title: President, Chief Financial Officer & Treasurer

VERIZON COMMUNICATIONS INC.

by /s/ Craig Silliman

Name: Craig Silliman

Title: Executive Vice President – Public Policy and General Counsel

[*Signature Page to Settlement and Release Agreement]*

News Release

FOR IMMEDIATE RELEASE
February 21, 2017

Verizon and Yahoo amend terms of definitive agreement

NEW YORK, NY and SUNNYVALE, CA – Verizon Communications Inc. (NYSE, Nasdaq: VZ) and Yahoo! Inc. (Nasdaq: YHOO) today announced that they have amended the existing terms of their agreement for the purchase of Yahoo's operating business.

Under the amended terms, Verizon and Yahoo have agreed to reduce the price Verizon will pay to acquire Yahoo's operating business by $350 million. In addition, Verizon and Yahoo will share certain legal and regulatory liabilities arising from certain data breaches incurred by Yahoo.

Marni Walden, Verizon executive vice president and president of Product Innovation and New Businesses, said: "We have always believed this acquisition makes strategic sense. We look forward to moving ahead expeditiously so that we can quickly welcome Yahoo's tremendous talent and assets into our expanding portfolio in the digital advertising space."

Walden added, “The amended terms of the agreement provide a fair and favorable outcome for shareholders. It provides protections for both sides and delivers a clear path to close the transaction in the second quarter.”

Marissa Mayer, CEO of Yahoo, said: “We continue to be very excited to join forces with Verizon and AOL. This transaction will accelerate Yahoo’s operating business especially on mobile, while effectively separating our Asian asset equity stakes. It is an important step to unlock shareholder value for Yahoo, and we can now move forward with confidence and certainty. We have a terrific, loyal, experienced team at Yahoo. I’m incredibly proud of our team’s strong product and financial execution in 2016, setting the stage for a successful integration.”

Under the amended terms, Yahoo will be responsible for 50 percent of any cash liabilities incurred following the closing related to non-SEC (Securities and Exchange Commission) government investigations and third-party litigation related to the breaches. Liabilities arising from shareholder lawsuits and SEC investigations will continue to be the responsibility of Yahoo.

Also under the amended terms, the data breaches or losses arising from them will not be taken into account in determining whether a “Business Material Adverse Effect” has occurred or whether certain closing conditions have been satisfied.

Verizon's acquisition of Yahoo – now valued at approximately $4.48 billion in cash, subject to closing adjustments – is expected to close in second-quarter 2017.

On July 23, 2016, Verizon and Yahoo entered into a definitive stock purchase agreement under which Verizon would acquire Yahoo's operating business and global audience of more than 1 billion users, including more than 600 million mobile users.

Adding Yahoo to Verizon and AOL will create one of the largest portfolios of owned and partnered global brands, with extensive technology-powered distribution capabilities. It will enhance Verizon's growth strategy of providing a cross-screen connection for consumers, creators and advertisers.

About Verizon

Verizon Communications Inc. (NYSE, Nasdaq: VZ), headquartered in New York City, has a diverse workforce of 160,900 and generated nearly $126 billion in 2016 revenues. Verizon operates America's most reliable wireless network, with 114.2 million retail connections nationwide. The company also provides communications and entertainment services over mobile broadband and the nation's premier all-fiber network, and delivers integrated business solutions to customers worldwide.

About Yahoo

Yahoo is a guide to digital information discovery, focused on informing, connecting, and entertaining users through its search, communications, and digital content products. By creating highly personalized experiences, Yahoo helps users discover the information that matters most to them around the world — on mobile or desktop. Yahoo connects advertisers with target audiences through a streamlined advertising technology stack that combines the power of Yahoo's data, content, and technology. Yahoo is headquartered in Sunnyvale, California, and has offices located throughout the Americas, Asia Pacific (APAC) and the Europe, Middle East and Africa (EMEA) regions. For more information, visit the pressroom (pressroom.yahoo.net) or the Company's blog (yahoo.tumblr.com).

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Verizon Forward Looking Statements

In this communication we have made forward-looking statements. These statements are based on our estimates and assumptions and are subject to risks and uncertainties. Forward-looking statements include the information concerning our possible or assumed future results of operations. Forward-looking statements also include those preceded or followed by the words "anticipates," "believes," "estimates," "hopes" or similar expressions. For those

statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The following important factors, along with those discussed in our filings with the Securities and Exchange Commission (the "SEC"), could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements: adverse conditions in the U.S. and international economies; the effects of competition in the markets in which we operate; material changes in technology or technology substitution; disruption of our key suppliers' provisioning of products or services; changes in the regulatory environment in which we operate, including any increase in restrictions on our ability to operate our networks; breaches of network or information technology security, natural disasters, terrorist attacks or acts of war or significant litigation and any resulting financial impact not covered by insurance; our high level of indebtedness; an adverse change in the ratings afforded our debt securities by nationally accredited ratings organizations or adverse conditions in the credit markets affecting the cost, including interest rates, and/or availability of further financing; material adverse changes in labor matters, including labor negotiations, and any resulting financial and/or operational impact; significant increases in benefit plan costs or lower investment returns on plan assets; changes in tax laws or treaties, or in their interpretation; changes in accounting assumptions that regulatory agencies, including the SEC, may require or that result from changes in the accounting rules or their application, which could result in an impact on earnings; the inability to implement our business strategies; and the inability to realize the expected benefits of strategic transactions.

Yahoo Forward Looking Statements

This communication contains forward-looking statements concerning the proposed sale of Yahoo's operating business. Risks and uncertainties may cause actual results to differ materially from the results predicted. Potential risks and uncertainties include, among others: (i) the inability to consummate the proposed transactions in a timely manner or at all, due to the inability to obtain or delays in obtaining approval of Yahoo's stockholders, the necessary regulatory approvals, or satisfaction of other conditions to the closing of the proposed transactions; (ii) the existence or occurrence of any event, change, or other circumstance that could give rise to the termination of the purchase agreement, which, in addition to other adverse consequences, could result in Yahoo incurring substantial fees, including, in certain circumstances, the payment of a termination fee to Verizon under the purchase agreement; (iii) potential adverse effects on Yahoo's relationships with its existing and potential advertisers, suppliers, customers, vendors, distributors, landlords, licensors, licensees, joint venture partners and other business partners; (iv) the implementation of the proposed transactions will require significant time, attention and resources of Yahoo's senior management and others within Yahoo, potentially diverting their attention from the conduct of Yahoo's business; (v) risks related to Yahoo's ability to retain or recruit key talent; (vi) costs, fees, expenses and charges related to or triggered by the proposed transactions; (vii) the net proceeds that Yahoo will receive from Verizon is subject to uncertainties as a result of the purchase price adjustments in the purchase agreement; (viii) restrictions on the conduct of Yahoo's business, including the ability to make certain acquisitions and divestitures, enter into certain contracts, and incur certain indebtedness and expenditures until the earlier of the completion of the proposed transactions or the termination of the purchase agreement; (ix) potential adverse effects on Yahoo's business, properties, or operations caused by Yahoo implementing the proposed transactions or foregoing opportunities that Yahoo might otherwise pursue absent the pending proposed transactions; (x) the initiation or outcome of any legal proceedings or regulatory proceedings that may be instituted against Yahoo and its directors and/or officers relating to the proposed transactions; and (xi) following the closing of the proposed transactions, Yahoo will be required to register and be regulated as an investment company under the Investment Company Act of 1940, which will result in, among other things, Yahoo having to comply with the regulations thereunder, certain stockholders potentially being prohibited from holding or acquiring shares of Yahoo, and Yahoo likely being removed from the Standard and Poor's 500 Index and other indices which could have an adverse impact on Yahoo's share price following the proposed transactions.

All of these risks and uncertainties could potentially have an adverse impact on Yahoo's business and financial performance, and could cause its stock price to decline.

More information about other potential factors that could affect Yahoo's business and financial results is included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Yahoo's Annual Report on Form 10-K for the year ended December 31, 2015, as amended, and Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, which are on file with the SEC and available on the SEC's website at www.sec.gov. All information set forth in this communication is as of February 21, 2017. Yahoo does not intend, and undertakes no duty, to update this information to reflect subsequent events or circumstances.

Important additional information and where to find it

On September 9, 2016, Yahoo! Inc. ("Yahoo") filed a preliminary proxy statement regarding the proposed sale of Yahoo's operating business to Verizon Communications Inc. ("Verizon"). Yahoo will file with the SEC a definitive

version of the proxy statement which will be sent or provided to Yahoo stockholders when available. The information contained in the preliminary proxy statement is not complete and may be changed. BEFORE MAKING ANY VOTING DECISION, YAHOO'S STOCKHOLDERS ARE STRONGLY ADVISED TO READ YAHOO'S PRELIMINARY PROXY STATEMENT IN ITS ENTIRETY (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND WHEN IT BECOMES AVAILABLE. YAHOO'S DEFINITIVE PROXY STATEMENT IN ITS ENTIRETY (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND ANY OTHER DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTIONS OR INCORPORATED BY REFERENCE THEREIN BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTIONS. Investors and stockholders may obtain a free copy of Yahoo's preliminary proxy statement and any amendments or supplements to the preliminary proxy statement, Yahoo's definitive proxy statement (when available) and any amendments or supplements to the definitive proxy statement (when available) and other documents filed by Yahoo with the SEC (when available) in connection with the proposed transactions for no charge at the SEC's website at www.sec.gov, on the Investor Relations page of Yahoo's website investor.yahoo.net or by writing to Investor Relations, Yahoo! Inc., 701 First Avenue, Sunnyvale, CA 94089.

Yahoo and its directors and executive officers, as well as Verizon and its directors and executive officers, may be deemed participants in the solicitation of proxies from Yahoo's investors and stockholders in connection with the proposed transactions. Information concerning the ownership of Yahoo securities by Yahoo's directors and executive officers is included in their SEC filings on Forms 3, 4 and 5, and additional information is also available in Yahoo's annual report on Form 10-K for the year ended December 31, 2015, as amended, and Yahoo's proxy statement for its 2016 annual meeting of stockholders filed with the SEC on May 23, 2016. Information about Verizon's directors and executive officers is set forth in Verizon's annual report on Form 10-K for the year ended December 31, 2015 and Verizon's proxy statement for its 2016 annual meeting of stockholders filed with the SEC on March 21, 2016. Information regarding Yahoo's directors, executive officers and other persons who may, under the rules of the SEC, be considered participants in the solicitation of proxies in connection with the proposed transactions, including their respective interests by security holdings or otherwise, also is set forth in the preliminary proxy statement described above and will be set forth in the definitive proxy statement relating to the proposed transactions when it is filed with the SEC. These documents may be obtained free of charge from the sources indicated above.

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