

1 (based on my discussions with Mr. Thennisch) that they would be used for settlement
2 purposes only. Indeed, at the time that I provided these documents to Mr. Thennisch,
3 Plaintiff and Defendants had entered into a stipulated, voluntary stay of discovery,
4 upon which this Court entered an order. A true and correct copy of that order (Dkt.
5 65) is attached hereto as Exhibit 15.

6 7. Prior to transmitting the Financial Analysis and SoundScan Report to Mr.
7 Thennisch, I had explained to him that “the documents were not necessarily self-
8 explanatory.” I said as much in my email to him on October 11, 2011 at 5:53 p.m.,
9 which appears at page 2 of Exhibit E.

10 8. During my phone call with Mr. Thennisch, I explained to him my
11 understanding that the dollar amounts referenced in the Financial Analysis did not
12 show revenues to the Moving Defendants, and that revenues to Moving Defendants, if
13 any, would be far less than these numbers. I specifically discussed with Mr.
14 Thennisch that mechanical royalties as well as costs of manufacturing CDs and
15 packaging (among other things) would be paid before some portion of remaining
16 revenues, if any, would be paid to any of the Moving Defendants.

17 I declare under penalty of perjury under the laws of the United States that the
18 foregoing is true and correct and that this declaration is executed in Santa Monica,
19 California, on March 26, 2012.

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21 // Allen B. Grodsky //
22 Allen B. Grodsky
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