consideration when setting a salary range for a requisition is relation to compensation indicated in relevant peer group market surveys.

28.   The recruiter assigned to an open requisition is provided with the minimum and midpoint of the salary ranges for the position. The salary range for the position is not made publicly available, and the recruiter does not inform a candidate of the full salary range for a position.

29.   If a recruiter wants to make an offer at a salary above the midpoint of the set salary range, specific approval from the Compensation Committee is required.

D.   How and when Lucasfilm adjusts employee compensation

30.   Lucasfilm adjusts base salaries annually, through what is known as the pay-for-performance process. The overall budget for salary increases for the company as a whole, and for each division, is determined by analyzing external market practices and the overall financial position of the company. An individual employee's increase is awarded, within the overall budget, based on performance reviews. Employees receive annual salary adjustments in April.

31.   The salary budget is allocated between two different pools: one for merit increases and one for call-outs. The call-out budget is used for salary increases related to promotions, equity adjustments or exceptional employee performance.

32.   Lucasfilm occasionally adjusts salaries outside of the April pay-for-performance process. These are referred to as out-of-cycle increases and are given for promotions and equity adjustments. An equity adjustment is intended to bring an employee's compensation more in line with (but not necessarily equal to) internal peers or the targeted percentile of external peer compensation. All out-of-cycle increases must come out of the division's call-out budget.

33.   Each division is given a total salary budget for the year. This budget includes a budget for yearly merit increases (the merit budget) and a budget for call-outs (the call-out budget). Each division's budget is based on the division's total salaries in effect on the last day of the year prior to the year in which the budget will apply. For example, a typical division salary budget is 4% of the division's salaries in effect on December 31st of the previous year.

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Lucasfilm's salary budgets are determined prior to April of the year in which the budget will apply.

i)   A true and correct copy of Lucasfilm's 2008 Salary Budget Recommendations is attached as Exhibit C. This document generally describes Lucasfilm's compensation policy, recommended salary increase budgets, and merit increase guidelines. Lucasfilm created similar documents and guidelines for the years 2006 through 2011.

34.   All salary increases must come out of the division's salary budget. Therefore, if one employee receives a salary increase, less money is left in the division's salary budget to increase the salaries of all other employees of that division.

35.   All out-of-cycle increases must come out of the call-out budget. Therefore, if one employee receives an out-of-cycle increase, less money is left in the call-out budget to provide out-of-cycle salary increases to other employees.

36.   All individual pay actions for existing employees, other than pay-for-performance merit increases, must be approved by Lucasfilm's Compensation Committee.
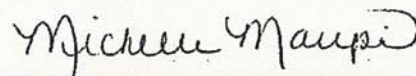
37.   Lucasfilm does not have a company-wide policy regarding making competing offers to current employees who choose to inform the company that he or she has received another job offer. Instead, all decisions regarding whether to make competing offers, and if so how much to offer, are made individually based on the specifics of the particular case at hand. If the employee's supervisor is informed of the offer, that supervisor makes a decision whether or not to seek additional compensation for such employee. Lucasfilm has between 150 and 200 employees who would make such decisions. The supervisor's decision must then be approved by the employee's division head, who must consider the division's overall salary budget and call-out budget. There are five U.S. division heads. Any compensation increase must fit within the division's existing salary budget, and any compensation increase would reduce the remaining available salary budget for the division.

38.   If the division head approves an increase to an existing employee in response to a competing offer, that increase would be proposed to the Compensation Committee for

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consideration. When determining whether to approve such an increase, the Compensation Committee considers such factors as (a) the amount of the increase and the applicable salary range; (b) the need for compensation to be fair and for similar employees to be compensated similarly; and (c) the manager and division head's reasons supporting the proposed increase, including how critical and/or difficult to replace the employee in question would be.

39.   As a practical matter, Lucasfilm rarely makes matching or competing offers to employees who have received outside employment offers. I have reviewed the records of the results of Compensation Committee meetings and requests from May 3, 2006 (the earliest date such information is available) and January 26, 2012. I am informed that these records were produced to plaintiffs and bear Bates numbers LUCAS00190520—LUCAS00190669. Of the approximately 1,110 actions and requests that required Compensation Committee approval during this period, approximately six concerned requested approvals of counter-offers. Of these six, one was for an hourly employee, and one concerned a counter-offer for a potential employee that Lucasfilm was recruiting. Of the four requests to approve a counter-offer for existing employees, three were approved and one was not. Of the six total counter-offer approvals that were requested, three took place after January 1, 2010.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was signed on November 12, 2012 at San Francisco, California.

_____
MICHELLE MAUPIN

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EXHIBIT A

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RESULTS

2008
CRONER SOFTWARE GAMES SURVEY

Conducted by

THE CRONER COMPANY
Management Consultants

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2008 CRONER SOFTWARE GAMES SURVEY

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RESULTS

2008

CRONER SOFTWARE GAMES SURVEY

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II. PARTICIPANT PROFILE

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II. PARTICIPANT PROFILE

This section provides a summary profile of the 38 survey participants based in the United States.

Incumbents employed at studios marked with an asterisk "*" are reported in the "Parent Owned Studio" cut of data in VII. United States Total Direct Compensation by Position.

PARTICIPANTS

	Participant / Reporting for	Ownership / Bus Model	Contact / Location	Contact's Phone / Email
1.	Activision Blizzard, Inc. reporting for: Activision Blizzard, Infinity Ward*, Luxoflux*, Neversoft*, Raven*, Shaba*, Toys for Bob*, Treyarch*, Underground Development*, Vicarious Visions*	Independent Publisher	Jesse Meschuk Santa Monica, CA	(310) 255-2077 jesse.meschuk@activision.com
2.	Bungie, LLC	Independent Developer	Shauna Sperry Kirkland, WA	(425) 576-7323 shauna@bungie.com
3.	Capcom USA, Inc.	Parent Owned Publisher	Maria Vidal San Mateo, CA	(650) 350-6500 mariav@capcom.com
4.	CCP North America*	Parent Owned Developer	David Bockman Stone Mountain, GA	(404) 292-1819 dbockman@ccpgames.com
5.	D3Publisher of America, Inc.	Parent Owned Publisher	Taka Endo Los Angeles, CA	(310) 231-8880 t.endo@d3p.us
6.	Day 1 Studios, LLC	Independent Developer	Laura Crowley Chicago, IL	(312) 258-0500 lcrowley@day1studios.com
7.	Digital Consulting Services reporting for: America's Army Public Applications	Independent Developer	Jeff Howell Newbury Park, CA	(805) 498-9344 jhowell@webdcs.com
8.	Disney Interactive Media Group* reporting for: Disney Online Studio*, mDisney*, Virtual Reality Studio*	Parent Owned Developer	Beth Raquel Burbank, CA	(818) 623-3806 beth.raquel@disney.com
9.	Disney Interactive Studios reporting for: Disney Interactive Studios, Avalanche Software*, Fall Line Studio*, Junction Point Studios*	Parent Owned Publisher	Amy Kilgore Burbank, CA	(818) 544-0366 amy.kilgore@disney.com
10.	Eidos Interactive Inc. reporting for: Eidos, Crystal Dynamics*	Parent Owned Publisher	Lisa Dennis Redwood City, CA	(650) 421-7621 ldennis@eidos.com
11.	Electronic Arts Inc. reporting for: Electronic Arts, Bioware, Blueprint, EA Mobile, EA Redwood Shores, EA Salt Lake City, EA Tiburon Studio, EALA, Maxis, Mythic, Pandemic, Pogo	Independent Publisher	Christine Maxwell Redwood City, CA	(650) 628-3162 cmaxwell@ea.com
12.	Foundation 9 Entertainment reporting for: Foundation 9 Entertainment, Amaze Entertainment, Backbone Entertainment, Double Helix, Fizz Factor, Griptonite, Imagine Engine, Pipeworks	Independent Developer	Essie Green Irvine, CA	(949) 698-1523 essieg@backb.com
13.	Glu Mobile Inc.	Independent Publisher	Gina Schneider San Mateo, CA	(650) 532-2427 gina.schneider@glu.com
14.	Insomniac Games, Inc.	Independent Developer	Carrie Dieterle Burbank, CA	(818) 729-2401 carrie@insomniacgames.com
15.	KingsIsle Entertainment, Inc.	Independent Developer	Darren Dixon Plano, TX	(972) 265-1970 ddixon@kingsisle.com
16.	Konami Digital Entertainment	Parent Owned Publisher	Suzanne Cantey El Segundo, CA	(310) 220-8143 cs.45067@konami.com
17.	LeapFrog Enterprises, Inc.	Independent Publisher	Cathy Peloquin Emeryville, CA	(510) 596-5405 cpeloquin@leapfrog.com
18.	Lucasfilm, Ltd. reporting for: LucasArts*	Parent Owned Developer	Michelle Maupin San Francisco, CA	(415) 746-5254 michelle.maupin@lucasfilm.com

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Participant / Reporting for	Ownership / Bus Model	Contact / Location	Contact's Phone / Email
19. Microsoft Corporation reporting for: Microsoft Corporation Entertainment and Devices Division, ACES, Ensemble, Rave, Turn 10	Parent Owned Publisher	Nile Nelson Redmond, WA	(425) 707-0573 nile.nelson@microsoft.com
20. Midway Games Inc. reporting for: Midway Amusement Games, Midway Home Entertainment, Midway Studios - Austin, Midway Studios - Los Angeles*, Surreal Software*	Parent Owned Publisher	Sarah Beck Chicago, IL	(773) 961-2145 sbeck@midway.com
21. Monolith Productions, Inc. reporting for: WB Games Inc., Monolith Productions*	Parent Owned Publisher	Patti Pudinski Kirkland, WA	(425) 739-1512 patti@lith.com
22. MTV Networks reporting for: MTV Networks, Addicting Games*, Game Trailers*, Harmonix Music Systems*, MTV Games*, NeoPets*, Nick Games*, Shockwave*	Parent Owned Publisher	Joanne Witmyer New York, NY	(212) 846-5730 joanne.witmyer@mtvstaff.com
23. NAMCO BANDAI Games America Inc.	Parent Owned Publisher	Anh Nguyen Santa Clara, CA	(408) 235-2035 anguyen@namcobandaigames.com
24. NCsoft North America reporting for: NCsoft, Carbine*, NCsoft Mountain View*	Parent Owned Publisher	Wendy Jones Austin, TX	(512) 682-4302 wjones@ncsoft.com
25. Nexon America	Parent Owned Publisher	Terrice Kim Los Angeles, CA	(213) 858-5941 tkim@nexon.net
26. Nintendo of America Inc. reporting for: Nintendo of America, Nintendo Software Technology Corp.*	Parent Owned Publisher	Sandra Titus Redmond, WA	(425) 861-2157 sandra.titus@noa.nintendo.com
27. PopCap Games, Inc.	Independent Publisher	Stephanie Jessel Seattle, WA	(206) 256-2404 sjessel@popcap.com
28. Red 5 Studios Inc.	Independent Developer	Kara Henander Irvine, CA	(949) 754-0919 khenander@red5studios.com
29. Retro Studios, Inc.*	Parent Owned Developer	Kellie Johnson Austin, TX	(512) 493-4780 kjohnson@retrostudios.com
30. Sony Computer Entertainment America, Inc. reporting for: Sony Computer Entertainment America, Incognito*	Parent Owned Publisher	Melissa Shefer Foster City, CA	(650) 655-5580 melissa_shefer@playstation.sony.com
31. Sony Online Entertainment LLC reporting for: Sony Online Entertainment, Austin Studio*, Denver Studio*, Seattle Studio*	Parent Owned Publisher	Louis Corrado San Diego, CA	(858) 577-3146 lcorrado@soe.sony.com
32. Take-Two Interactive Software, Inc. reporting for: Take-Two Interactive Software, 2K Games, 2K Boston*, 2K Los Angeles*, 2K Marin*, 2K Play New York, 2K West*, Cat Daddy*, Firaxis Games*, Jack of All Games, Rockstar Games, Rockstar New England*, Rock Star San Diego*, Visual Concepts*	Independent Publisher	Tiffany Serra New York, NY	(646) 536-2874 tiffany.serra@take2games.com
33. Terminal Reality, Inc.	Independent Developer	Diana Handler Lewisville, TX	(972) 315-8089 dianah@terminalreality.com
34. THQ Inc. reporting for: THQ, Big Huge Games*, Heavy Iron*, Helixe*, Incinerator*, Kaos*, Locomotive Games*, Mass Media*, Paradigm*, Rainbow*, Sandblast Games*, ValuSoft, Vigil*, Volition*	Independent Publisher	Julia Hann Agoura Hills, CA	(818) 871-8694 julia.hann@thq.com
35. Turbine, Inc.	Independent Publisher	Kerry Mulhern-Beauchamp Westwood, MA	(781) 407-4460 kmulhern@turbine.com
36. Ubisoft, Inc. reporting for: Ubisoft, Red Storm Entertainment*	Parent Owned Publisher	Jan Coulman San Francisco, CA	(415) 571-2133 jan.coulman@ubisoft.com
37. Warner Bros. Interactive Entertainment	Parent Owned Publisher	John Simmons Burbank, CA	(818) 977-8752 john.simmons@warnerbros.com
38. Zipper Interactive*	Parent Owned Developer	Rochelle Kruger Redmond, WA	(425) 861-6561 rkruger@zipperint.com

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OWNERSHIP

Independent / Parent Owned / Publisher / Developer

Participants' ownership and business model characteristics are classified into four major categories:
1.) independent software publishers; 2.) independent third-party software developers; 3.) parent owned software publishers; and 4.) parent owned software developers. The table below reports the definition and prevalence of each ownership and business model category.

Participant Ownership and Business Model Categories

Ownership / Business Model Category	Definitions	Prevalence n	Prevalence %
Independent publisher	Publicly-traded or privately-held independent software companies that publish and/or develop software titles. Includes independent companies that create and host massively multiplayer online games.	8	21%
Independent developer	Privately-held independent software companies whose business is the creation and development of software titles under contractual agreements with software publishers. Includes independent companies with massively multiplayer online games under development.	8	21%
Parent owned publisher	Software publishers that are subsidiaries or divisions of publicly-traded or privately-held parent companies. Includes parent owned companies that create and host massively multiplayer online games.	17	45%
Parent owned developer	Software developers that are subsidiaries or divisions of publicly-traded or privately-held parent companies. Includes parent owned companies with massively multiplayer online games under development.	5	13%

Independent companies use their own stock in their compensation plans. Parent owned companies use the stock of the parent company in their compensation plans.

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Public / Private and Location

Thirteen participants (34%) have stock that is publicly-traded on U.S. markets or are part of a publicly-traded U.S. parent company. Twenty-five participants (66%) are either privately-held or owned by a parent company based outside of the U.S. whose stock is publicly-traded on a non-U.S. stock market. The table below summarizes participants' public or private ownership and headquarter location (of parent company, where applicable).

Public / Private and Location

Ownership / Business Model Category	In United States				Outside of United States			
	Publicly-traded		Privately-held		Publicly-traded		Privately-held	
	#	%	#	%	#	%	#	%
All participants	13	34%	11	29%	12	32%	2	5%
Independent publisher	6	75%	2	25%	0	0%	0	0%
Independent developer	0	0%	8	100%	0	0%	0	0%
Parent owned publisher[1]	6	35%	0	0%	10	59%	1	6%
Parent owned developer[1]	1	20%	1	20%	2	40%	1	20%

TYPES OF SOFTWARE

The majority of participants publish or develop entertainment software only. The table below reports the types of software published or developed by participants.

Types of Software Published / Developed

Types of Software	Prevalence	
	#	%
Games / entertainment software	27	71%
Educational / "edutainment" software	1	3%
Games / entertainment + educational / "edutainment"	8	21%
Games / entertainment + educational / "edutainment" + business	1	3%
Games / entertainment + social networking	1	3%

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[1] Reports parent company location and nature of parent company stock.

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