

## JAMDAT MOBILE INC.

### Corporate Governance Guidelines and Principles

These Corporate Governance Guidelines & Principles were adopted by the Board of Directors (the “Board”) of JAMDAT Mobile Inc. (the “Company”) as of September 27, 2004.

*These Corporate Governance Guidelines & Principles are intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While they should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company’s Amended and Restated Articles of Incorporation and Amended and Restated By Laws, they are not intended to establish by their own force any legally binding obligations.*

#### I. ROLES & RESPONSIBILITIES

A. Role of Senior Management. Senior management, led by the Chief Executive Officer, is responsible for the running the Company’s day-to-day operations and informing the Board from time to time of the status of such operations.

B. Board Role. The role of the Board is to direct the affairs of the Company, in the interests of the shareholders, including the shareholders’ interest in optimizing financial returns and the value of the Company over the long term. The Board fulfills its role (directly or by delegating certain responsibilities to its committees) by:

1. providing advice and counsel to the Chief Executive Officer and principal senior executives;
2. electing, regularly evaluating, fixing the compensation of, and where appropriate, replacing the Chief Executive Officer;
3. overseeing the conduct of the Company’s business and strategic plans to evaluate whether the business is being properly managed;
4. reviewing and approving the Company’s financial objectives and major corporate plans and actions;
5. reviewing and approving major changes in the appropriate auditing and accounting principles and practices;
6. providing oversight of internal and external audit processes and financial reporting;
7. providing oversight of risk assessment and protection processes and processes designed to promote legal compliance; and
8. performing such other functions as the Board believes appropriate or necessary, or as otherwise prescribed by rules or regulations.

C. Care, Candor and Avoidance of Conflicts. The Company's directors recognize their obligation individually and collectively as the Board to pay careful attention and be properly informed. This requires regular attendance at Board meetings and preparation for Board meetings, including the advance review of circulated materials. The directors also recognize that candor and the avoidance of conflicts in fact and in perception are hallmarks of the accountability owed to the shareholders. Directors have a personal obligation to disclose a potential conflict of interest to the Chairman of the Board prior to any Board decision related to the matter and, if the Chairman in consultation with legal counsel determines a conflict exists or the perception of a conflict is likely to be significant, to recuse themselves from any discussion or vote related to the matter.

D. Formal Evaluation of Performance and Compensation of Officers. The Board of Directors is responsible for the annual evaluation of the performance and compensation of the Company's executive officers ("Officers"). The Board has delegated this formal evaluation to the Compensation Committee of the Board. The Compensation Committee will consult with the Chief Executive Officer with respect to the evaluation of all Officers except the Chief Executive Officer.

## **II. BOARD COMPOSITION AND SELECTION OF DIRECTORS**

A. Size of the Board. The number of directors that constitutes the Board shall be fixed from time to time by resolution adopted by a majority of the Board. The Board, in consultation with the Nominating and Governance Committee, shall periodically review its size to ensure that the current number of members most effectively supports the Company.

B. Proportion of Independent Directors. The Board believes that there should be a majority of independent directors on the Board. The Board also believes it is often in the Company's best interests to have former members of the Company's management, in addition to the Company's current Chief Executive Officer, serve as directors.

C. Selection of New Directors. The Company's stockholders annually elect the directors who will serve on the Company's Board. The Board is responsible for nominating individuals to present to the stockholders as candidates for Board membership and for selecting members to fill Board vacancies. The Board has delegated to the Nominating and Governance Committee the screening process for identifying possible Board candidates. The Board and the Nominating and Governance Committee consider the mix of director characteristics, experience and diverse perspectives and skills that are most appropriate to meet the Company's needs. Invitations to serve as a nominee are extended by the Board itself via the Chairman of the Board and the Chairman of the Nominating and Governance Committee.

D. Directors Who Change Their Present Job Status. Any Director who has a principal occupation change, including retirement, is expected to notify the Board of this change. The Nominating and Governance Committee should review each notification and make a recommendation to the Board as to the continued appropriateness of Board membership under the new circumstances.

E. Director Orientation and Continuing Education. The Company's management should provide new directors with materials, briefings and educational opportunities to permit them to become familiar with the Company to enable them to better perform their duties. Board members are also encouraged to visit Company facilities and meet with Company employees throughout

their tenure on the Board and its Committees with periodic updates on regulatory and other developments. Board members are also encouraged to attend accredited director education programs.

### III. BOARD INDEPENDENCE

A. Independent Directors. The Board has a majority of directors who are not officers or employees of the Company or its subsidiaries and who, in each case, the Board has affirmatively determined has no relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment in carrying out the responsibilities of a director.

B. Factors. The Board shall not consider a director to be independent (subject to the interpretative materials of the NASDAQ Stock Market, Inc.) if he or she:

- is, or at any time during the past three years was, employed by the Company or by any parent or subsidiary of the Company.
- accepted, or has a family member who accepted, any payments from the Company or any parent or subsidiary of the Company of more than \$60,000 during the current or any of the past three fiscal years. The following payments will not be considered: (i) compensation for Board or Board committee service; (ii) payments arising solely from investments in the Company's securities; (iii) compensation paid to a family member who is a non-executive employee of the Company or a parent or subsidiary of the Company; (iv) benefits under a tax-qualified retirement plan or non-discretionary compensation; or (v) loans permitted under Section 13(k) of the Securities Exchange Act of 1934, as amended.
- is a family member of an individual who is, or at any time during the past three years was, an executive officer of the Company or any parent or subsidiary of the Company.
- is, or has a family member who is, a partner in, or a controlling shareholder or an executive officer of, any organization (including charitable organizations) to which the Company made, or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed the greater of 5% of the recipient's consolidated gross revenues for that year or \$200,000. Payments (i) arising solely from investments in the Company's securities, or (ii) under non-discretionary charitable contribution matching programs, will not be considered.
- is, or has a family member who is, an executive officer of another entity where, at any time during the past three years, any of the Company's executives served on that entity's compensation committee.
- is, or has a family member who is, a current partner of the Company's outside auditor, or was a partner or employee of the Company's outside auditor who worked on the Company's audit at any time during any of the past three years.

C. Independence Reviews. The Board shall conduct annual independence reviews of its members.

#### **IV. BOARD PROCEDURES**

A. Selection of Chairman and Chief Executive Officer. The Board of Directors shall select and appoint the Chairman and Chief Executive Officer.

B. Lead Independent Director. If the Chairman of the Board is also the Chief Executive Officer, then the Board shall designate a lead Independent Director to coordinate among the Independent Directors.

C. Board Meetings. The Board has four regularly scheduled meetings each fiscal year, plus special meetings as required. Board members are expected to prepare for, attend and participate in all Board and applicable committee meetings. An agenda for each Board and committee meeting, along with materials to facilitate the member's understanding of the business to be conducted at the meeting should be distributed to directors in advance of the meeting. Certain matters may be discussed at a meeting without advance distribution of written materials, as appropriate.

D. Time Commitment and Board Service. Each Board member is expected to ensure that his or her other existing and planned future commitments do not materially interfere with such member's service on the Company's Board.

E. Term Limits and Retirement Age. It is the sense of the Board at this time that the Company need not adopt a provision which: (i) sets term limits for members of the Board or (ii) fixes a mandatory retirement age for members of the Board.

F. Ethics and Conflicts of Interest. The Board expects its directors, as well as its officers and employees, to act ethically at all times and to acknowledge their adherence to any applicable code of ethics.

G. Availability of Outside Advisors. The Board and its committees may retain outside advisors – legal, accounting, investment banking, and any other as deemed necessary or appropriate – of its choosing at the Company's expense. The Board need not obtain management's consent to retain outside advisors.

#### **V. EXECUTIVE SESSIONS & PRESIDING DIRECTOR**

The independent directors meet regularly without members of management or other directors present in executive session, no less frequently than two times per year, and as otherwise determined by such directors.

The executive sessions have such agendas and procedures as determined by the independent directors. The authority in such sessions to act on behalf of the Company or the Board on any matters requires an express delegation of authority by the Board.

#### **VI. FORMAL EVALUATION OF THE CHIEF EXECUTIVE OFFICER**

The Board has delegated to the Compensation Committee the task of evaluating the Chief Executive Officer annually and reporting its recommendations to the Board. The Chairman of the

Compensation Committee (together with the Lead Director or Chairman of the Board if the Chairman is an independent director) communicates the Board's conclusions to the Chief Executive Officer.

The evaluation is based on objective criteria including performance of the business, accomplishment of long-term strategic objectives, development of management, etc. The evaluation is used by the Compensation Committee in determining the Chief Executive Officer's compensation.

## **VII. MANAGEMENT DEVELOPMENT & SUCCESSION PLANNING**

The Chief Executive Officer reports at least annually to the Board on the Company's program for management development and on succession planning, which the Board views as closely related issues. In its consideration of these issues, it is the policy of the Board to consider issues related to CEO and senior executive selection and performance.

In addition, there is available on a continuing basis, and the Board and CEO periodically discuss, the Chief Executive Officer's recommendation as to a successor in the event of the sudden resignation, retirement or disability of the Chief Executive Officer.

## **VIII. DIRECTOR ORIENTATION AND CONTINUING EDUCATION**

The Board has delegated to the Nominating and Governance Committee the task of designing, with Company management, an appropriate orientation program for new directors that includes background material, meetings with senior management and visits to Company facilities. The Committee also explores, makes available and designs and provides continuing education opportunities for directors, from time to time.

## **IX. DIRECTOR COMPENSATION**

The Nominating and Governance Committee recommends to the Board for approval general principles for determining the form and amount of director compensation and subject to such principles, evaluates annually the status of Board compensation in relation to comparable U.S. companies (in terms of size, business sector, etc.), reporting its findings and recommendations to the Board for approval.

## **X. BOARD AGENDA, MATERIALS, INFORMATION AND PRESENTATIONS**

The Chairman of the Board, with input from senior members of management and the Lead Director, establishes the agenda for each Board meeting. A schedule of agenda subjects to be discussed for the ensuing year is issued at the beginning of each year (to the degree these can be foreseen). Each director is free to suggest the inclusion of item(s) on the agenda.

Information and data that is important to the Board's understanding of the business is distributed in writing to the Board generally three to five days before the Board meets, although this is not a strict standard, so as to allow for unusual circumstances. Management should ensure that material is as brief as possible while still providing the desired information.

As a general rule, Board meeting time is reserved for discussion. Presentations on specific subjects are forwarded to the directors in advance so that directors may prepare, Board meeting time may be conserved, and discussion time may be focused. However, it is recognized that there

may be occasions when an important issue arises without time for written background materials to circulate or the subject matter is not appropriate for written materials, such that more presentation time will be required.

#### **XI. DIRECTOR ACCESS TO SENIOR MANAGERS AND INDEPENDENT ADVISERS**

Directors have complete access to senior management and to the Board's advisors. Directors are expected to use good judgment to ensure that this contact is not distracting to the business operations of the Company, and that independent advisors are used efficiently.

The Board welcomes regular attendance of senior managers at Board meetings. Should the Chairman and Chief Executive Officer wish to suggest that a senior manager attend on a regular basis, such suggestion is made to the Board for its concurrence. The Board encourages management to bring managers into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) have future potential such that management believes the Board should have greater exposure to the individual.

#### **XII. BOARD INTERACTION WITH INVESTORS, PRESS, CUSTOMERS AND SHAREHOLDERS**

Management, and, in particular, the Chief Executive Officer speaks for the Company. The Chairman of the Board and, in certain circumstances, the Lead Director speaks for the Board. Individual directors may, from time to time at the request of management, meet or otherwise communicate with various constituencies. If comments from the Board are appropriate, however, they should, in most circumstances, come from the Chairman. Directors are expected to take special care in all communications concerning the Company, in light of confidentiality requirements and laws prohibiting insider trading, tipping and avoidance of selective disclosure.

#### **XIII. BOARD COMMITTEES**

The Board currently has three committees: Audit, Compensation and Nominating and Governance. Membership on such committees is limited to independent directors. The Board retains discretion to form new committees or disband current committees depending upon the circumstances.

The Nominating and Governance Committee recommends, after consultation with the Chairman of the Board and Chief Executive Officer, and with consideration of the desires of individual directors, the appointment of directors to various committees and the appointment of committee chairmen, for Board approval.

The Audit Committee oversees: (a) the quality and integrity of the Company's financial statements; (b) the independence and performance of the Company's independent auditor; (c) the Company's compliance with legal and regulatory requirements; (d) the Company's corporate accounting and reporting practices; (e) the review and approval of all audit engagement fees and terms, as well as all non-audit engagements with the independent auditors; and (f) the Company's Code of Business Conduct.

The Compensation Committee helps to ensure that: (a) the executive officers of the Company and its subsidiaries are compensated in a manner consistent with the compensation strategy of the

Company determined by the Board, (b) the treatment of all executive officers is equitable and consistent, (c) the Company effectively competes in recruiting and retaining qualified executive officers and (d) the Company meets the requirements of the appropriate regulatory bodies.

#### **XIV. ANNUAL BOARD & COMMITTEE PERFORMANCE EVALUATIONS**

The Board conducts an annual self-evaluation of its performance and the performance of its committees. The Nominating and Governance Committee recommends to the Board and its committees the methodology for such evaluations and oversees its execution.

#### **XV. CORPORATE GOVERNANCE GUIDELINES**

The Nominating and Governance Committee reviews these Guidelines periodically and recommends amendments to the Board as necessary.