

**MAKEMUSIC, INC.**  
**GOVERNANCE COMMITTEE**  
**POLICIES FOR DIRECTOR NOMINATIONS AND SHAREHOLDER PROPOSALS**

The following Governance Committee Policies were adopted on June 1, 2004 by the Governance Committee of MakeMusic, Inc. (the “Company”) pursuant to the Governance Committee Charter, and were approved by the Board of Directors on June 9, 2004. The Policies were revised and approved by the Board on December 6, 2007.

*Minimum Qualification of Directors*

The Governance Committee believes that candidates for the Board should have certain minimum qualifications, including being able to read and understand basic financial statements, having familiarity with the Company’s business and industry, having high moral character and mature judgment and being able to work collegially with others. The Governance Committee may modify these minimum qualifications from time to time.

*Board Membership Criteria*

The Governance Committee will consider candidates for the Board who are recommended by shareholders, directors, third party search firms engaged by the Company and other sources. In evaluating director nominees, the Governance Committee considers the following factors:

- the independence standards established by the Company, the presence of any material interests that could cause a conflict between the Company’s interests and the interests of the director nominee, and the director nominee’s ability to exercise his or her best business judgment in the interest of all shareholders;
- the director nominee’s willingness to adhere to the Company’s Code of Ethics;
- the director nominee’s ability to devote sufficient time to the business of the Board and at least one of the Board’s standing committees, in light of the number of other boards on which the director nominee serves (for profit and not-for-profit) and the other business and professional commitments of the director nominee;
- the appropriate size and the diversity of the Company’s Board of Directors;
- the knowledge, skills and experience of the director nominee, including experience in the industry in which the Company operates, as well as in the general areas of business, finance, management and public service, in light of prevailing business conditions and the knowledge, skills and experience already possessed by other members of the Board;
- the director nominee’s familiarity with domestic and international business matters;
- legal and regulatory requirements that are applicable to the Company;
- the director nominee’s experience with accounting rules and practices;
- the relationship of the Company’s business to the changing needs of society; and
- the Board’s desire to balance the considerable benefit of continuity with the periodic injection of the fresh perspective provided by new members.

The Governance Committee will consider the attributes of the candidates and the needs of the Board and will review all candidates in the same manner, regardless of the source of the recommendation.

### *Shareholder Nomination of Directors*

A shareholder who wishes to recommend one or more directors must provide a written recommendation to the Secretary of the Company at the address below. Notice of a recommendation must include:

- with respect to the shareholder:
  - such shareholder's name and address, and
  - the class and number of shares such shareholder owns;
- with respect to the director nominee:
  - name, age, business address, residence address,
  - current principal occupation,
  - five year employment history with employer names and a description of the employer's business,
  - the number of shares beneficially owned by the director nominee,
  - whether such director nominee can read and understand basic financial statements,
  - board membership(s), if any, and
  - a description of the experience and character traits of the director nominee that, based on the Board Membership Criteria, cause the director nominee to be suitable for Board membership, and, if desired, an explanation of why the shareholder believes that the director nominee would make a meaningful contribution to the Board.

The recommendation must be accompanied by a written consent of the director nominee to stand for election if nominated by the Board of Directors and to serve if elected by the shareholders.

The Company may require any nominee to furnish additional information that may be needed to determine the eligibility of the nominee.

MakeMusic, Inc.  
Attn: Secretary  
7615 Golden Triangle Drive, Suite M  
Eden Prairie, MN 55344-3847

### *Shareholder Proposals*

A shareholder who wishes to present a proposal at the Annual Meeting of Shareholders must provide a written notice to the Secretary of the Company at the address below. A notice of proposal must include, for each matter, a brief description of the matter to be brought before the meeting; the reasons to bring the matter before the meeting; and the shareholder's name, address, the class and number of shares such shareholder owns, and any material interest the shareholder may have in the proposal. If a shareholder wishes to have the proposal to be included in the Company's proxy statement, the shareholder must submit such notice of proposal to the Secretary of the Company by the time specified in the prior year's proxy statement of the Company. The Secretary will forward the proposals and recommendations to the Governance Committee for consideration.

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### *Other Shareholder Communications*

Shareholders may communicate directly with the Board of Directors. All communications should be directed to our Secretary at 7615 Golden Triangle Drive, Suite M, Eden Prairie, MN 55344-3847, and should prominently indicate on the outside of the envelope that it is intended for the Board of Directors or for non-management directors. If no director is specified, the communication will be forwarded to the entire Board.

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