

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2010
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>	
A This return/report is for:	<input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or <input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____
B This return/report is:	<input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input checked="" type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	<input type="checkbox"/>
D Check box if filing under:	<input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>BUNGIE 401(K) PLAN</u>	1b Three-digit plan number (PN) ► <u>001</u> 1c Effective date of plan <u>10/01/2007</u>
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>BUNGIE, INC.</u> <u>550-106TH AVE NE</u> <u>SUITE 207</u> <u>BELLEVUE, WA 98004</u>	2b Employer Identification Number (EIN) <u>20-8039915</u> 2c Sponsor's telephone number <u>425-440-6852</u> 2d Business code (see instructions) <u>541519</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>09/26/2011</u>	<u>BRENT ABRAHAMSEN</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")

BUNGIE, INC.

550-106TH AVE NE
SUITE 207
BELLEVUE, WA 98004**3b** Administrator's EIN

20-8039915

3c Administrator's telephone number

425-440-6852

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:**a** Sponsor's name

BUNGIE LLC

4b EIN

20-8039915

4c PN

001

5 Total number of participants at the beginning of the plan year**5**

184

6 Number of participants as of the end of the plan year (welfare plans complete only lines **6a**, **6b**, **6c**, and **6d**).**a** Active participants.....**6a**

195

b Retired or separated participants receiving benefits.....**6b**

0

c Other retired or separated participants entitled to future benefits.....**6c**

20

d Subtotal. Add lines **6a**, **6b**, and **6c**.....**6d**

215

e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....**6e**

0

f Total. Add lines **6d** and **6e**.....**6f**

215

g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....**6g**

202

h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....**6h**

0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)**7****8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2F 2G 2J 2K 2T 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:**9a** Plan funding arrangement (check all that apply)(1) ☐

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

Trust

(4) ☐

General assets of the sponsor

9b Plan benefit arrangement (check all that apply)(1) ☐

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

Trust

(4) ☐

General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)**a Pension Schedules**(1) ☒**R** (Retirement Plan Information)(2) ☐**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary(3) ☐**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary**b General Schedules**(1) ☒**H** (Financial Information)(2) ☐**I** (Financial Information - Small Plan)(3) ☐**A** (Insurance Information)(4) ☒**C** (Service Provider Information)(5) ☐**D** (DFE/Participating Plan Information)(6) ☐**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning **01/01/2010** and ending **12/31/2010**

A Name of plan BUNGIE 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 BUNGIE, INC.	D Employer Identification Number (EIN) 20-8039915	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FID.INV.INST.OPS.CO.

04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65 60	RECORDKEEPER	650	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

NRP FINANCIAL INC

34-1905835

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
61	ADVISOR	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

LPL FINANCIAL CORPORATION

95-2834236

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
61	ADVISOR	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>AM CENT HERITAGE A - AMERICAN CENTU</p> <p>44-0619208</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>0.25%</p>		
<p>(a) Enter service provider name as it appears on line 2</p> <p>FIDELITY INVESTMENTS INSTITUTIONAL</p>		
<p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">60</p>		
<p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p>		
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>AM CENT REAL EST A - AMERICAN CENTU</p> <p>44-0619208</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>0.25%</p>		
<p>(a) Enter service provider name as it appears on line 2</p> <p>FIDELITY INVESTMENTS INSTITUTIONAL</p>		
<p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">60</p>		
<p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p>		
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>AM CENT SM CAP GR A - AMERICAN CENT</p> <p>44-0619208</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>0.25%</p>		

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
BLK RK INTL OPP A - BNY MELLON INVES 760 MOORE ROAD KING OF PRUSSIA, PA 19406		0.25%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
BLK RK NAT RESOURCE A - PNC GLOBAL I 04-2871943		0.25%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
CALVERT EQUITY A - BOSTON FINANCIAL 04-2526037		0.25%

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
FA STK SEL ALL CAP A - FIDELITY INV 04-2882358	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
FID TREASURY FD - FIDELITY INV INST 04-2882358	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
JPM EQUITY IDX A - BOSTON FINANCIAL 04-2526037	\$15.00	

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
JPM INTL EQ INDEX A - BOSTON FINANC	0.30%	
04-2526037		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
LOOMIS BOND ADMIN - BOSTON FINANCIA	0.35%	
04-2526037		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPHMR GOLD SPLMIN A - OPPENHEIMERF P.O. BOX 5270 COLORADO, CO 80217	0.25%	

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OPPHMR INTL GROWTH A - OPPENHEIMERF P.O. BOX 5270 COLORADO, CO 80217	0.25%	
(a) Enter service provider name as it appears on line 2		(c) Enter amount of indirect compensation
NRP FINANCIAL INC	61	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JPM INTL EQ INDEX A - JPMORGAN DIST 74-2945358	\$0-<\$4M=1.00% \$4M-<\$10M=0.75% \$10M-<\$50M=0.50% \$50M+=0.25%	
(a) Enter service provider name as it appears on line 2		(c) Enter amount of indirect compensation
NRP FINANCIAL INC	61	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OPPHMR GOLD SPLMIN A - OPPENHEIMERF 13-2953455	\$5M+=0.25%	

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NRP FINANCIAL INC	61	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPHMR INTL GROWTH A - OPPENHEIMERF 13-2953455	\$5M+=0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
LPL FINANCIAL CORPORATION	61	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
JPM INTL EQ INDEX A - JPMORGAN DIST 74-2945358	\$0-<\$4M=1.00% \$4M-<\$10M=0.75% \$10M-<\$50M=0.50% \$50M+=0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
LPL FINANCIAL CORPORATION	61	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPHMR GOLD SPLMIN A - OPPENHEIMERF 13-2953455	\$5M+=0.25%	

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
LPL FINANCIAL CORPORATION	61	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPHMR INTL GROWTH A - OPPENHEIMERF 13-2953455	\$5M+=0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning **01/01/2010** and ending **12/31/2010**

A Name of plan BUNGIE 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 BUNGIE, INC.	D Employer Identification Number (EIN) 20-8039915	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1249231	1987165
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	51836	67392
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	3852359	6273360
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	5153426	8327917

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	5153426	8327917
-----------------------------------------------------------	-----------	---------	---------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	967723	
(B) Participants	2a(1)(B)	1366464	
(C) Others (including rollovers)	2a(1)(C)	17314	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2351501

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	165	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	4578	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		4743

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	107036	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		107036

(3) Rents	2b(3)		
-----------------	--------------	--	--

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		754488
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		3217768

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	42612	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		42612
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	665	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		665
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		43277

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		3174491
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: GRANT THORNTON LLP

(2) EIN: 36-6055558

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
4a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
4b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
4c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
4e Was this plan covered by a fidelity bond?.....	X		1000000
4f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
4j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
4k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
4l Has the plan failed to provide any benefit when due under the plan?		X	
4m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
4n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection.
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>BUNGIE 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BUNGIE, INC.</u>	D Employer Identification Number (EIN) <u>20-8039915</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____			
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---------------------------------------------------------------------------------------------------------------------------------------------------

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
11 a Does the ESOP hold any preferred stock?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2010
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer _____

b EIN _____

c Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer _____

b EIN _____

c Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer _____

b EIN _____

c Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer _____

b EIN _____

c Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer _____

b EIN _____

c Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer _____

b EIN _____

c Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**Financial Statements and Report of Independent
Certified Public Accountants**

Bungie 401(k) Plan

December 31, 2010 and 2009

Contents

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Report of Independent Certified Public Accountants

To the Participants and Plan Administrative Committee of
Bungie 401(k) Plan

We were engaged to audit the statements of net assets available for benefits of Bungie 401(k) Plan (the Plan) as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended, and the schedule of assets (held at end of year) as of and for the year ended December 31, 2010, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Fidelity Management Trust Company, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements and the supplemental schedule. We have been informed by the Plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the Trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan administrator by the Trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and the supplemental schedule taken as a whole. The form and content of the information included in the financial statements and the supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Grant Thornton LLP

Seattle, Washington
September 19, 2011

Bungie 401(k) Plan

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,

	<u>2010</u>	<u>2009</u>
ASSETS		
Investments, at fair value		
Mutual funds	\$ 6,273,360	\$ 3,852,359
Cash and cash equivalents	<u>1,987,165</u>	<u>1,249,231</u>
Total investments	<u>8,260,525</u>	<u>5,101,590</u>
Notes receivable from participants	<u>67,392</u>	<u>51,836</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 8,327,917</u></u>	<u><u>\$ 5,153,426</u></u>

The accompanying notes are an integral part of these financial statements.

Bungie 401(k) Plan

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31,

	<u>2010</u>	<u>2009</u>
ADDITIONS		
Additions to net assets attributed to:		
Contributions		
Participant contributions and rollovers	\$ 1,383,778	\$ 1,224,567
Employer contributions	967,723	817,270
Investment income		
Interest and dividends	107,201	49,742
Net appreciation in fair value of investments	754,488	790,525
Interest on notes receivable from participants	<u>4,578</u>	<u>1,884</u>
Total additions	<u>3,217,768</u>	<u>2,883,988</u>
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefit payments	42,612	31,005
Administrative expenses	<u>665</u>	<u>775</u>
Total deductions	<u>43,277</u>	<u>31,780</u>
Net increase in net assets available for benefits	3,174,491	2,852,208
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>5,153,426</u>	<u>2,301,218</u>
End of year	<u><u>\$ 8,327,917</u></u>	<u><u>\$ 5,153,426</u></u>

The accompanying notes are an integral part of these financial statements.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE A - DESCRIPTION OF PLAN

The following description of the Bungie 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provision.

1. General

The Plan is a defined contribution plan, established October 1, 2007, covering all eligible employees of Bungie LLC (the Company). The Plan provides for contributions pursuant to Section 401(a) of the Internal Revenue Code and is subject to the provisions of the Employee Retirement Income Security Act of 1974. On December 31, 2010, the Company restructured from an LLC to a C corporation. Bungie Inc. became the plan sponsor effective January 1, 2011.

2. Eligibility

Employees are eligible to participate in the Plan who are at least age 18, unless they are a resident of Puerto Rico or an independent contractor. In February 2011, the Plan was amended to exclude interns and other temporary employees who have not completed 1,000 hours of service.

3. Contributions

Under the provisions of the Plan, participants may defer, on a pretax basis, up to 50% of their annual eligible compensation, subject to Internal Revenue Code regulations. Reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation and welfare benefits, bonuses, commissions, the taxable value of qualified or non-qualified stock options and severance pay are excluded from eligible compensation. Participants may also contribute amounts representing distributions from other qualified defined benefit and contribution plans. During both 2010 and 2009, the Company matched 100% of earnings contributed by the participant, excluding rollover contributions, up to a maximum of 6% annually. Participants are immediately vested in employer matching contributions but may not request a hardship withdrawal of these contributions.

4. Participant Accounts

Participants' accounts are credited with their contributions, any Company contributions and any related income, expenses, gains or losses. Earnings allocations are based on participants' units in their investment funds. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Upon enrollment in the Plan, a participant may direct Company and participant contributions into any of the Plan's investment options.

5. Vesting

Participants are always 100% vested in their rollover contributions, employer matching contributions, deferral contributions and any earnings thereon.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE A - DESCRIPTION OF PLAN - Continued

6. Investment Options

Participants may select one or more predetermined investment options for the investing of contributions and allocated earnings. Contributions are deposited directly into the participant-elected investment vehicles.

The Plan provides for various investment fund options which, in turn, invest in a combination of stocks, bonds, and other investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

7. Notes Receivable from Participants

Plan participants may obtain fixed-rate loans, generally for periods not to exceed five years, against their vested account balances, provided that certain conditions are met. Participants may borrow a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 reduced by the participant's highest outstanding loan balance over the previous 12 months or 50% of their vested account balances from the Plan. Participants are not allowed to have more than one open loan at a given time. If loans are for the purchase of a primary residence, repayment periods can extend up to 10 years. Interest is paid by the borrower at a rate determined by the administrator based on the prevailing interest rates for loans made under similar circumstances and shall remain fixed throughout the duration of the loan. At December 31, 2010, the interest rate on outstanding participant loans was 7.75%. These loans were previously presented as Participant loans within Investments. See Note B, "New Accounting Standards" for further discussion.

8. Distribution of Benefits

Upon retirement, disability or termination, a participant may elect to take a distribution up to the vested balance of the participant's account or rollover the vested interest into another qualified plan. For distributions due to disability, participants must terminate their employment with the Company. Participants may defer the receipt of their distribution until a later date; however, the Plan has the option to distribute all account balances less than \$1,000 without participant consent. Upon death, the participant's vested account balance shall be paid to the designated beneficiary.

9. Tax Status

The Company has adopted a prototype standardized Plan with a deferral arrangement, which received a favorable opinion letter from the Internal Revenue Service which stated that the Plan and its related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has since been amended and restated. In the opinion of the Plan administrator, the Plan and its related trust are designed and currently operating in compliance with the applicable requirements of the IRC.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE A - DESCRIPTION OF PLAN - Continued

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Company has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan is no longer subject to income tax examinations for years prior to 2007.

10. Administrative Expenses

The Plan's administrator fees are paid for by the Plan Sponsor. Initial loan setup fees are paid by the participants.

NOTE B - SUMMARY OF ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America.

2. Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. The fair value of mutual funds are based on quoted market prices on the last business day of the Plan year. Money market funds are stated at cost, which approximates fair value.

Purchases and sales of securities are recorded on a trade date basis. Interest and dividend income are accrued as earned. Net appreciation or depreciation in fair value is the net gain or loss on disposition of investments plus the net unrealized increase or decrease in fair value during the year of investments held at year-end.

3. Risks and Uncertainties

The Plan invests in various investment securities which are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and changes therein.

4. Payment of Benefits

Benefits are recorded when paid.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE B - SUMMARY OF ACCOUNTING POLICIES - Continued

5. Contributions

Employee and Employer contributions are recorded in the period during which the Company makes payroll deductions from the Plan participants' earnings.

6. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires the Plan administrator to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

7. Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

8. Reclassification

Certain prior year amounts have been reclassified to conform to the December 31, 2010 presentation.

9. New Accounting Standards

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Updated ("ASU") No. 2010-06, *Improving Disclosures about Fair Value Measurements* that requires new fair value measurement classification disclosures and clarifies existing disclosures. The guidance requires disclosures about transfers into and out of Levels 1 and 2 of the fair value hierarchy, and separate disclosures about purchases, sales, issuances and settlements relating to Level 3 measurements. It also clarifies the existing fair value disclosures regarding valuation techniques, inputs used in those valuation models and at what level of detail fair value disclosures should be provided. The Company adopted ASU 2010-06 as of January 1, 2010, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. Early application is permitted. Levels 1, 2 and 3 of fair value measurements are defined in Note G. The adoption of the remaining disclosure requirements in ASU 2010-06 is not expected to materially impact the Plan's current fair value disclosures.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE B - SUMMARY OF ACCOUNTING POLICIES - Continued

In September 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Updated ("ASU") No. 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans* (ASC 962). This ASU requires participant loans to be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. The guidance is effective for fiscal years ending after December 15, 2010, with early adoption permitted. The guidance should be applied retrospectively to all periods presented. The Plan adopted this guidance as of December 31, 2010. Participant loans previously reported as a component of investments have been reclassified to a component of receivables in order to conform to the current year presentation.

NOTE C - CERTIFIED INVESTMENT INFORMATION

The Plan administrator has obtained certification from Fidelity Management Trust Company that the following unaudited information included in the Plan's financial statements and supplemental schedule is complete and accurate:

- Investment assets and notes receivable from participants, as shown in the statements of net assets available for benefits as of December 31, 2010 and 2009.
- Net investment income and interest income on notes receivable from participants, as shown in the statements of changes in net assets available for benefits for the years ended December 31, 2010 and 2009.
- Information included on the supplemental schedule of assets (held at end of year) as of December 31, 2010.

The Plan administrator elected the method of compliance permitted by Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Under the provisions of ERISA, information certified by a trust company or an insurance company need not be subjected to independent audit.

NOTE D - PLAN TERMINATION

In the event of Plan termination, each Participant affected by such termination shall have a vested interest of 100%. The Plan administrator will facilitate the distribution of account balances in single lump sum payments in accordance with Plan provisions until all assets have been distributed by the Trustee.

NOTE E - PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by an entity affiliated with Fidelity Management Trust Company, the custodian of the Plan. These transactions qualify as party-in-interest transactions.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE F - INVESTMENTS IN EXCESS OF 5% OF NET ASSETS

The following table presents the fair value of individual investments that represent 5% or more of the Plan's net assets at December 31:

	2010	2009
Fidelity Treasury Fund*	\$ 1,987,165	\$ 1,249,231
American Century Heritage Fund	704,291	411,090
BlackRock International Opportunities Fund	635,076	388,080
Fidelity Advisors Equity Income Fund*	509,007	332,760
Oppenheimer International Growth Fund	496,157	351,377
Fidelity Advisors Selector All Cap Fund Class A*	454,298	-
Fidelity Advisors Small Cap Fund*	444,680	275,525
**Fidelity Advisors Dynamic Capital Appreciation Fund*	-	294,497

* Represents party-in-interest transactions.

**Null value represents funds that did not represent 5% or more of net assets.

NOTE G - FAIR VALUE MEASUREMENT

Fair value accounting guidance provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under the accounting guidance described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
Level 2	<p>Inputs to the valuation methodology include</p> <ul style="list-style-type: none"> • quoted prices for similar assets or liabilities in active markets; • quoted prices for identical or similar assets or liabilities in inactive markets; • inputs other than quoted prices that are observable for the asset or liability; • inputs that are derived principally from or corroborated by observable market data by correlation or other means. <p>If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.</p>
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE G - FAIR VALUE MEASUREMENT - Continued

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Investments classified within level 3 whose fair value measurements consider several inputs may include level 1 or level 2 inputs as components of the overall fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the net asset value (NAV) of shares held by the plan at year end.

Money Market funds: Valued at cost, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010:

Assets at Fair Value as of December 31, 2010

Asset	Level 1	Level 2	Level 3	Total
Domestic bond funds	\$ 517,734	\$ -	\$ -	\$ 517,734
Domestic equity funds	2,912,879	-	-	2,912,879
International equity funds	1,319,183	-	-	1,319,183
Domestic & international stock and bond funds	1,259,663	-	-	1,259,663
Commodity Trust	263,901	-	-	263,901
Total Mutual Funds	6,273,360	-	-	6,273,360
Money Market Funds	1,987,165	-	-	1,987,165
Total	\$ 8,260,525	\$ -	\$ -	\$ 8,260,525

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE G - FAIR VALUE MEASUREMENT - Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009:

Assets at Fair Value as of December 31, 2009

Asset	Level 1	Level 2	Level 3	Total
Domestic bond funds	\$ 364,480	\$ -	\$ -	\$ 364,480
Domestic equity funds	1,717,046	-	-	1,717,046
International equity funds	839,614	-	-	839,614
Domestic & international stock and bond funds	830,682	-	-	830,682
Commodity Trust	100,537	-	-	100,537
Total Mutual Funds	3,852,359	-	-	3,852,359
Money Market Funds	1,249,231	-	-	1,249,231
Total	\$ 5,101,590	\$ -	\$ -	\$ 5,101,590

NOTE H - SUBSEQUENT EVENTS

The Plan evaluated its December 31, 2010 financial statements for subsequent events through September 19, 2011, the date the financial statements were available to be issued. The Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements, except as described in Note A.

Supplemental Schedule

Bungie 401(k) Plan

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

For the year ended December 31, 2010

Identity of Issuer	Investment option	2010
Cash and Cash Equivalents		
* Fidelity	FIDELITY TREASURY FUND	\$ 1,987,165
		<u>1,987,165</u>
Domestic Bond Funds		
* Fidelity	FA STRAT INCOME A	289,928
Loomis	LOOMIS BOND ADMIN	<u>227,806</u>
		517,734
Domestic Equity Funds		
American Century	AM CENT HERITAGE A	704,291
* Fidelity	FA EQUITY INCOME A	509,007
* Fidelity	FA STK SEL ALL CAP A	454,298
* Fidelity	FA SMALL CAP A	444,680
* Fidelity	FA GROWTH & INCOME A	348,887
* Calvert	CALVERT SIF: EQUITY A	163,329
JP Morgan	JPM EQUITY IDX A	138,757
* Fidelity	FA LEV CO STOCK A	84,883
American Century	AM CENT SM CAP GR A	37,423
American Century	AM CENT REAL EST A	<u>27,324</u>
		2,912,879
International Equity Funds		
BlackRock	BLKRK INTL OPP A	635,076
Oppenheimer	OPPHMR INTL GROWTH A	496,157
* Fidelity	FA EMERG MARKETS A	133,874
JP Morgan	JPM INTL EQ INDEX A	<u>54,076</u>
		1,319,183
Commodity Trust		
Oppenheimer	OPPHMR GOLD SPLMIN A	189,919
BlackRock	BLKRK NAT RESOURCES A	<u>73,982</u>
		263,901
Domestic & International Stock & Bond Funds		
* Fidelity	FA FREEDOM 2010 A	10,357
* Fidelity	FA FREEDOM 2020 A	79,456
* Fidelity	FA FREEDOM 2030 A	156,175
* Fidelity	FA FREEDOM 2040 A	250,482
* Fidelity	FA FREEDOM 2005 A	7,239
* Fidelity	FA FREEDOM 2015 A	20,845
* Fidelity	FA FREEDOM 2025 A	123,887
* Fidelity	FA FREEDOM 2035 A	230,748
* Fidelity	FA FREEDOM 2045 A	95,181
* Fidelity	FA FREEDOM 2050 A	255,961
* Fidelity	FA FREEDOM INC A	<u>29,332</u>
		1,259,663
Mutual Funds		6,273,360
* Notes receivable from participants**		<u>67,392</u>
Net Assets Available for Benefits		<u>\$ 8,327,917</u>

Cost information is omitted due to all accounts being participant directed

*Represents party-in-interest transactions.

** Interest rates on notes receivable from participants during 2010 were 7.75% per annum.

**Financial Statements and Report of Independent
Certified Public Accountants**

Bungie 401(k) Plan

December 31, 2010 and 2009

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Report of Independent Certified Public Accountants

To the Participants and Plan Administrative Committee of
Bungie 401(k) Plan

We were engaged to audit the statements of net assets available for benefits of Bungie 401(k) Plan (the Plan) as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended, and the schedule of assets (held at end of year) as of and for the year ended December 31, 2010, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Fidelity Management Trust Company, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements and the supplemental schedule. We have been informed by the Plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the Trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan administrator by the Trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and the supplemental schedule taken as a whole. The form and content of the information included in the financial statements and the supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Grant Thornton LLP

Seattle, Washington
September 19, 2011

Bungie 401(k) Plan

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,

	<u>2010</u>	<u>2009</u>
ASSETS		
Investments, at fair value		
Mutual funds	\$ 6,273,360	\$ 3,852,359
Cash and cash equivalents	<u>1,987,165</u>	<u>1,249,231</u>
Total investments	<u>8,260,525</u>	<u>5,101,590</u>
Notes receivable from participants	<u>67,392</u>	<u>51,836</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 8,327,917</u></u>	<u><u>\$ 5,153,426</u></u>

The accompanying notes are an integral part of these financial statements.

Bungie 401(k) Plan

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31,

	<u>2010</u>	<u>2009</u>
ADDITIONS		
Additions to net assets attributed to:		
Contributions		
Participant contributions and rollovers	\$ 1,383,778	\$ 1,224,567
Employer contributions	967,723	817,270
Investment income		
Interest and dividends	107,201	49,742
Net appreciation in fair value of investments	754,488	790,525
Interest on notes receivable from participants	<u>4,578</u>	<u>1,884</u>
Total additions	<u>3,217,768</u>	<u>2,883,988</u>
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefit payments	42,612	31,005
Administrative expenses	<u>665</u>	<u>775</u>
Total deductions	<u>43,277</u>	<u>31,780</u>
Net increase in net assets available for benefits	3,174,491	2,852,208
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>5,153,426</u>	<u>2,301,218</u>
End of year	<u><u>\$ 8,327,917</u></u>	<u><u>\$ 5,153,426</u></u>

The accompanying notes are an integral part of these financial statements.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE A - DESCRIPTION OF PLAN

The following description of the Bungie 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provision.

1. General

The Plan is a defined contribution plan, established October 1, 2007, covering all eligible employees of Bungie LLC (the Company). The Plan provides for contributions pursuant to Section 401(a) of the Internal Revenue Code and is subject to the provisions of the Employee Retirement Income Security Act of 1974. On December 31, 2010, the Company restructured from an LLC to a C corporation. Bungie Inc. became the plan sponsor effective January 1, 2011.

2. Eligibility

Employees are eligible to participate in the Plan who are at least age 18, unless they are a resident of Puerto Rico or an independent contractor. In February 2011, the Plan was amended to exclude interns and other temporary employees who have not completed 1,000 hours of service.

3. Contributions

Under the provisions of the Plan, participants may defer, on a pretax basis, up to 50% of their annual eligible compensation, subject to Internal Revenue Code regulations. Reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation and welfare benefits, bonuses, commissions, the taxable value of qualified or non-qualified stock options and severance pay are excluded from eligible compensation. Participants may also contribute amounts representing distributions from other qualified defined benefit and contribution plans. During both 2010 and 2009, the Company matched 100% of earnings contributed by the participant, excluding rollover contributions, up to a maximum of 6% annually. Participants are immediately vested in employer matching contributions but may not request a hardship withdrawal of these contributions.

4. Participant Accounts

Participants' accounts are credited with their contributions, any Company contributions and any related income, expenses, gains or losses. Earnings allocations are based on participants' units in their investment funds. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Upon enrollment in the Plan, a participant may direct Company and participant contributions into any of the Plan's investment options.

5. Vesting

Participants are always 100% vested in their rollover contributions, employer matching contributions, deferral contributions and any earnings thereon.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE A - DESCRIPTION OF PLAN - Continued

6. Investment Options

Participants may select one or more predetermined investment options for the investing of contributions and allocated earnings. Contributions are deposited directly into the participant-elected investment vehicles.

The Plan provides for various investment fund options which, in turn, invest in a combination of stocks, bonds, and other investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

7. Notes Receivable from Participants

Plan participants may obtain fixed-rate loans, generally for periods not to exceed five years, against their vested account balances, provided that certain conditions are met. Participants may borrow a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 reduced by the participant's highest outstanding loan balance over the previous 12 months or 50% of their vested account balances from the Plan. Participants are not allowed to have more than one open loan at a given time. If loans are for the purchase of a primary residence, repayment periods can extend up to 10 years. Interest is paid by the borrower at a rate determined by the administrator based on the prevailing interest rates for loans made under similar circumstances and shall remain fixed throughout the duration of the loan. At December 31, 2010, the interest rate on outstanding participant loans was 7.75%. These loans were previously presented as Participant loans within Investments. See Note B, "New Accounting Standards" for further discussion.

8. Distribution of Benefits

Upon retirement, disability or termination, a participant may elect to take a distribution up to the vested balance of the participant's account or rollover the vested interest into another qualified plan. For distributions due to disability, participants must terminate their employment with the Company. Participants may defer the receipt of their distribution until a later date; however, the Plan has the option to distribute all account balances less than \$1,000 without participant consent. Upon death, the participant's vested account balance shall be paid to the designated beneficiary.

9. Tax Status

The Company has adopted a prototype standardized Plan with a deferral arrangement, which received a favorable opinion letter from the Internal Revenue Service which stated that the Plan and its related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has since been amended and restated. In the opinion of the Plan administrator, the Plan and its related trust are designed and currently operating in compliance with the applicable requirements of the IRC.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE A - DESCRIPTION OF PLAN - Continued

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Company has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan is no longer subject to income tax examinations for years prior to 2007.

10. Administrative Expenses

The Plan's administrator fees are paid for by the Plan Sponsor. Initial loan setup fees are paid by the participants.

NOTE B - SUMMARY OF ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America.

2. Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. The fair value of mutual funds are based on quoted market prices on the last business day of the Plan year. Money market funds are stated at cost, which approximates fair value.

Purchases and sales of securities are recorded on a trade date basis. Interest and dividend income are accrued as earned. Net appreciation or depreciation in fair value is the net gain or loss on disposition of investments plus the net unrealized increase or decrease in fair value during the year of investments held at year-end.

3. Risks and Uncertainties

The Plan invests in various investment securities which are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and changes therein.

4. Payment of Benefits

Benefits are recorded when paid.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE B - SUMMARY OF ACCOUNTING POLICIES - Continued

5. Contributions

Employee and Employer contributions are recorded in the period during which the Company makes payroll deductions from the Plan participants' earnings.

6. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires the Plan administrator to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

7. Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

8. Reclassification

Certain prior year amounts have been reclassified to conform to the December 31, 2010 presentation.

9. New Accounting Standards

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Updated ("ASU") No. 2010-06, *Improving Disclosures about Fair Value Measurements* that requires new fair value measurement classification disclosures and clarifies existing disclosures. The guidance requires disclosures about transfers into and out of Levels 1 and 2 of the fair value hierarchy, and separate disclosures about purchases, sales, issuances and settlements relating to Level 3 measurements. It also clarifies the existing fair value disclosures regarding valuation techniques, inputs used in those valuation models and at what level of detail fair value disclosures should be provided. The Company adopted ASU 2010-06 as of January 1, 2010, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. Early application is permitted. Levels 1, 2 and 3 of fair value measurements are defined in Note G. The adoption of the remaining disclosure requirements in ASU 2010-06 is not expected to materially impact the Plan's current fair value disclosures.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE B - SUMMARY OF ACCOUNTING POLICIES - Continued

In September 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Updated ("ASU") No. 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans* (ASC 962). This ASU requires participant loans to be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. The guidance is effective for fiscal years ending after December 15, 2010, with early adoption permitted. The guidance should be applied retrospectively to all periods presented. The Plan adopted this guidance as of December 31, 2010. Participant loans previously reported as a component of investments have been reclassified to a component of receivables in order to conform to the current year presentation.

NOTE C - CERTIFIED INVESTMENT INFORMATION

The Plan administrator has obtained certification from Fidelity Management Trust Company that the following unaudited information included in the Plan's financial statements and supplemental schedule is complete and accurate:

- Investment assets and notes receivable from participants, as shown in the statements of net assets available for benefits as of December 31, 2010 and 2009.
- Net investment income and interest income on notes receivable from participants, as shown in the statements of changes in net assets available for benefits for the years ended December 31, 2010 and 2009.
- Information included on the supplemental schedule of assets (held at end of year) as of December 31, 2010.

The Plan administrator elected the method of compliance permitted by Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Under the provisions of ERISA, information certified by a trust company or an insurance company need not be subjected to independent audit.

NOTE D - PLAN TERMINATION

In the event of Plan termination, each Participant affected by such termination shall have a vested interest of 100%. The Plan administrator will facilitate the distribution of account balances in single lump sum payments in accordance with Plan provisions until all assets have been distributed by the Trustee.

NOTE E - PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by an entity affiliated with Fidelity Management Trust Company, the custodian of the Plan. These transactions qualify as party-in-interest transactions.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE F - INVESTMENTS IN EXCESS OF 5% OF NET ASSETS

The following table presents the fair value of individual investments that represent 5% or more of the Plan's net assets at December 31:

	2010	2009
Fidelity Treasury Fund*	\$ 1,987,165	\$ 1,249,231
American Century Heritage Fund	704,291	411,090
BlackRock International Opportunities Fund	635,076	388,080
Fidelity Advisors Equity Income Fund*	509,007	332,760
Oppenheimer International Growth Fund	496,157	351,377
Fidelity Advisors Selector All Cap Fund Class A*	454,298	-
Fidelity Advisors Small Cap Fund*	444,680	275,525
**Fidelity Advisors Dynamic Capital Appreciation Fund*	-	294,497

* Represents party-in-interest transactions.

**Null value represents funds that did not represent 5% or more of net assets.

NOTE G - FAIR VALUE MEASUREMENT

Fair value accounting guidance provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under the accounting guidance described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
Level 2	<p>Inputs to the valuation methodology include</p> <ul style="list-style-type: none"> • quoted prices for similar assets or liabilities in active markets; • quoted prices for identical or similar assets or liabilities in inactive markets; • inputs other than quoted prices that are observable for the asset or liability; • inputs that are derived principally from or corroborated by observable market data by correlation or other means. <p>If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.</p>
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE G - FAIR VALUE MEASUREMENT - Continued

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Investments classified within level 3 whose fair value measurements consider several inputs may include level 1 or level 2 inputs as components of the overall fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the net asset value (NAV) of shares held by the plan at year end.

Money Market funds: Valued at cost, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010:

Assets at Fair Value as of December 31, 2010

Asset	Level 1	Level 2	Level 3	Total
Domestic bond funds	\$ 517,734	\$ -	\$ -	\$ 517,734
Domestic equity funds	2,912,879	-	-	2,912,879
International equity funds	1,319,183	-	-	1,319,183
Domestic & international stock and bond funds	1,259,663	-	-	1,259,663
Commodity Trust	263,901	-	-	263,901
Total Mutual Funds	6,273,360	-	-	6,273,360
Money Market Funds	1,987,165	-	-	1,987,165
Total	\$ 8,260,525	\$ -	\$ -	\$ 8,260,525

Bungie 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

NOTE G - FAIR VALUE MEASUREMENT - Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009:

Assets at Fair Value as of December 31, 2009

Asset	Level 1	Level 2	Level 3	Total
Domestic bond funds	\$ 364,480	\$ -	\$ -	\$ 364,480
Domestic equity funds	1,717,046	-	-	1,717,046
International equity funds	839,614	-	-	839,614
Domestic & international stock and bond funds	830,682	-	-	830,682
Commodity Trust	100,537	-	-	100,537
Total Mutual Funds	3,852,359	-	-	3,852,359
Money Market Funds	1,249,231	-	-	1,249,231
Total	\$ 5,101,590	\$ -	\$ -	\$ 5,101,590

NOTE H - SUBSEQUENT EVENTS

The Plan evaluated its December 31, 2010 financial statements for subsequent events through September 19, 2011, the date the financial statements were available to be issued. The Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements, except as described in Note A.

Supplemental Schedule

Bungie 401(k) Plan

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

For the year ended December 31, 2010

Identity of Issuer	Investment option	2010
Cash and Cash Equivalents		
* Fidelity	FIDELITY TREASURY FUND	\$ 1,987,165
		<u>1,987,165</u>
Domestic Bond Funds		
* Fidelity	FA STRAT INCOME A	289,928
Loomis	LOOMIS BOND ADMIN	<u>227,806</u>
		517,734
Domestic Equity Funds		
American Century	AM CENT HERITAGE A	704,291
* Fidelity	FA EQUITY INCOME A	509,007
* Fidelity	FA STK SEL ALL CAP A	454,298
* Fidelity	FA SMALL CAP A	444,680
* Fidelity	FA GROWTH & INCOME A	348,887
* Calvert	CALVERT SIF: EQUITY A	163,329
JP Morgan	JPM EQUITY IDX A	138,757
* Fidelity	FA LEV CO STOCK A	84,883
American Century	AM CENT SM CAP GR A	37,423
American Century	AM CENT REAL EST A	<u>27,324</u>
		2,912,879
International Equity Funds		
BlackRock	BLKRK INTL OPP A	635,076
Oppenheimer	OPPHMR INTL GROWTH A	496,157
* Fidelity	FA EMERG MARKETS A	133,874
JP Morgan	JPM INTL EQ INDEX A	<u>54,076</u>
		1,319,183
Commodity Trust		
Oppenheimer	OPPHMR GOLD SPLMIN A	189,919
BlackRock	BLKRK NAT RESOURCES A	<u>73,982</u>
		263,901
Domestic & International Stock & Bond Funds		
* Fidelity	FA FREEDOM 2010 A	10,357
* Fidelity	FA FREEDOM 2020 A	79,456
* Fidelity	FA FREEDOM 2030 A	156,175
* Fidelity	FA FREEDOM 2040 A	250,482
* Fidelity	FA FREEDOM 2005 A	7,239
* Fidelity	FA FREEDOM 2015 A	20,845
* Fidelity	FA FREEDOM 2025 A	123,887
* Fidelity	FA FREEDOM 2035 A	230,748
* Fidelity	FA FREEDOM 2045 A	95,181
* Fidelity	FA FREEDOM 2050 A	255,961
* Fidelity	FA FREEDOM INC A	<u>29,332</u>
		1,259,663
Mutual Funds		6,273,360
* Notes receivable from participants**		<u>67,392</u>
Net Assets Available for Benefits		<u>\$ 8,327,917</u>

Cost information is omitted due to all accounts being participant directed

*Represents party-in-interest transactions.

** Interest rates on notes receivable from participants during 2010 were 7.75% per annum.