

<b>Form 5500</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Annual Return/Report of Employee Benefit Plan</b>  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), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).  <p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p>	OMB Nos. 1210-0110 1210-0089  <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2012</div>  <b>This Form is Open to Public Inspection</b>
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<b>Part I</b>	<b>Annual Report Identification Information</b>
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>	
<b>A</b> 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>B</b> This return/report is:	<input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).
<b>C</b> If the plan is a collectively-bargained plan, check here. . . . .	<input type="checkbox"/>
<b>D</b> 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)

<b>Part II</b>	<b>Basic Plan Information</b> —enter all requested information		
<b>1a</b> Name of plan <u>AUDIENCESCIENCE INC. 401K PLAN</u>	<b>1b</b> Three-digit plan number (PN) ▶	<u>001</u>	
	<b>1c</b> Effective date of plan	<u>01/01/2001</u>	
<b>2a</b> Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)  <u>AUDIENCESCIENCE</u>  <u>1120 112TH AVENUE NE, STE 400</u> <u>BELLEVUE, WA 98004</u>	<b>2b</b> Employer Identification Number (EIN) <u>91-2029906</u>	<b>2c</b> Sponsor's telephone number <u>425-201-3900</u>	<b>2d</b> Business code (see instructions) <u>518210</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.

<b>SIGN HERE</b>	Filed with authorized/valid electronic signature.	10/15/2013	DEB NIELSEN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>	Filed with authorized/valid electronic signature.	10/15/2013	DEB NIELSEN
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

<b>3a</b> Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address  AUDIENCESCIENCE 1120 112TH AVENUE NE, STE 400 BELLEVUE, WA 98004		<b>3b</b> Administrator's EIN 91-2029906
		<b>3c</b> Administrator's telephone number 425-201-3900
<b>4</b> 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: <b>a</b> Sponsor's name		<b>4b</b> EIN  <b>4c</b> PN
<b>5</b> Total number of participants at the beginning of the plan year		<b>5</b> 180
<b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).		
<b>a</b> Active participants.....	<b>6a</b>	103
<b>b</b> Retired or separated participants receiving benefits.....	<b>6b</b>	0
<b>c</b> Other retired or separated participants entitled to future benefits.....	<b>6c</b>	91
<b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....	<b>6d</b>	194
<b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	<b>6e</b>	0
<b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....	<b>6f</b>	194
<b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	<b>6g</b>	163
<b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6h</b>	35
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....		<b>7</b>
<b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2F 2G 2J 2K 2T 3D		
<b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
<b>9a</b> Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor		<b>9b</b> Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
<b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
<b>a Pension Schedules</b> (1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information) (2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		<b>b General Schedules</b> (1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information) (2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan) (3) <input type="checkbox"/> <b>A</b> (Insurance Information) (4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information) (5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information) (6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)

<b>SCHEDULE C</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Service Provider Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).  <b>► File as an attachment to Form 5500.</b>	OMB No. 1210-0110
		<b>2012</b>
		<b>This Form is Open to Public Inspection.</b>

For calendar plan year 2012 or fiscal plan year beginning **01/01/2012** and ending **12/31/2012**

<b>A</b> Name of plan <b>AUDIENCESCIENCE INC. 401K PLAN</b>	<b>B</b> Three-digit plan number (PN) <b>►</b>	<b>001</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>AUDIENCESCIENCE</b>	<b>D</b> Employer Identification Number (EIN) <b>91-2029906</b>	

**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

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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)

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(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	RECORDKEEPER	225	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"/>

**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)

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> 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>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> 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>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> 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.

<b>(a)</b> Enter service provider name as it appears on line 2	<b>(b)</b> Service Codes (see instructions)	<b>(c)</b> Enter amount of indirect compensation
<b>(d)</b> Enter name and EIN (address) of source of indirect compensation	<b>(e)</b> Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
<b>(a)</b> Enter service provider name as it appears on line 2	<b>(b)</b> Service Codes (see instructions)	<b>(c)</b> Enter amount of indirect compensation
<b>(d)</b> Enter name and EIN (address) of source of indirect compensation	<b>(e)</b> Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
<b>(a)</b> Enter service provider name as it appears on line 2	<b>(b)</b> Service Codes (see instructions)	<b>(c)</b> Enter amount of indirect compensation
<b>(d)</b> Enter name and EIN (address) of source of indirect compensation	<b>(e)</b> 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
(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
(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
(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
(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
(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)

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  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).  <b>► File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2012</b>  <b>This Form is Open to Public Inspection</b>
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>		
<b>A</b> Name of plan <u>AUDIENCESCIENCE INC. 401K PLAN</u>		<b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span> <u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>AUDIENCESCIENCE</u>		<b>D</b> Employer Identification Number (EIN)  <u>91-2029906</u>

	Part I Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
<b>1</b>	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. <b>Round off amounts to the nearest dollar.</b> 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.			
	<b>Assets</b>			
<b>a</b>	Total noninterest-bearing cash .....	<b>1a</b>		
<b>b</b>	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions .....	<b>1b(1)</b>		
	(2) Participant contributions .....	<b>1b(2)</b>	12781	23625
	(3) Other.....	<b>1b(3)</b>		
<b>c</b>	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>	833794	879175
	(2) U.S. Government securities.....	<b>1c(2)</b>		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred .....	<b>1c(3)(A)</b>		
	(B) All other.....	<b>1c(3)(B)</b>		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred .....	<b>1c(4)(A)</b>		
	(B) Common .....	<b>1c(4)(B)</b>		
	(5) Partnership/joint venture interests .....	<b>1c(5)</b>		
	(6) Real estate (other than employer real property) .....	<b>1c(6)</b>		
	(7) Loans (other than to participants) .....	<b>1c(7)</b>		
	(8) Participant loans .....	<b>1c(8)</b>	15867	56941
	(9) Value of interest in common/collective trusts.....	<b>1c(9)</b>		
	(10) Value of interest in pooled separate accounts.....	<b>1c(10)</b>		
	(11) Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
	(12) Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	<b>1c(13)</b>	2930199	4313856
	(14) Value of funds held in insurance company general account (unallocated contracts).....	<b>1c(14)</b>		
	(15) Other .....	<b>1c(15)</b>		

**1d** Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities .....	<b>1d(1)</b>		
(2) Employer real property .....	<b>1d(2)</b>		
<b>e</b> Buildings and other property used in plan operation .....	<b>1e</b>		
<b>f</b> Total assets (add all amounts in lines 1a through 1e) .....	<b>1f</b>	3792641	5273597

**Liabilities**

<b>g</b> Benefit claims payable .....	<b>1g</b>		
<b>h</b> Operating payables .....	<b>1h</b>		
<b>i</b> Acquisition indebtedness .....	<b>1i</b>		
<b>j</b> Other liabilities .....	<b>1j</b>		
<b>k</b> Total liabilities (add all amounts in lines 1g through 1j) .....	<b>1k</b>	0	0

**Net Assets**

<b>l</b> Net assets (subtract line 1k from line 1f) .....	<b>1l</b>	3792641	5273597
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**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: <b>(A)</b> Employers .....	<b>2a(1)(A)</b>	229586	
<b>(B)</b> Participants .....	<b>2a(1)(B)</b>	840747	
<b>(C)</b> Others (including rollovers) .....	<b>2a(1)(C)</b>	256884	
(2) Noncash contributions .....	<b>2a(2)</b>		
(3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> .....	<b>2a(3)</b>		1327217

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

<b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....	<b>2b(1)(A)</b>	86	
<b>(B)</b> U.S. Government securities .....	<b>2b(1)(B)</b>		
<b>(C)</b> Corporate debt instruments .....	<b>2b(1)(C)</b>		
<b>(D)</b> Loans (other than to participants) .....	<b>2b(1)(D)</b>		
<b>(E)</b> Participant loans .....	<b>2b(1)(E)</b>	928	
<b>(F)</b> Other .....	<b>2b(1)(F)</b>		
<b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....	<b>2b(1)(G)</b>		1014

(2) Dividends: <b>(A)</b> Preferred stock .....	<b>2b(2)(A)</b>		
<b>(B)</b> Common stock .....	<b>2b(2)(B)</b>		
<b>(C)</b> Registered investment company shares (e.g. mutual funds) .....	<b>2b(2)(C)</b>	92055	
<b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....	<b>2b(2)(D)</b>		92055

(3) Rents .....	<b>2b(3)</b>		
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(4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....	<b>2b(4)(A)</b>		
<b>(B)</b> Aggregate carrying amount (see instructions) .....	<b>2b(4)(B)</b>		
<b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....	<b>2b(4)(C)</b>		

(5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....	<b>2b(5)(A)</b>		
<b>(B)</b> Other .....	<b>2b(5)(B)</b>		
<b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....	<b>2b(5)(C)</b>		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>		
(7) Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>		
(9) Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	<b>2b(10)</b>		415067
<b>c</b> Other income.....	<b>2c</b>		
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....	<b>2d</b>		1835353

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers .....	<b>2e(1)</b>	351460	
(2) To insurance carriers for the provision of benefits .....	<b>2e(2)</b>		
(3) Other .....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		351460
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>		2712
<b>g</b> Certain deemed distributions of participant loans (see instructions).....	<b>2g</b>		
<b>h</b> Interest expense.....	<b>2h</b>		
<b>i</b> Administrative expenses: (1) Professional fees .....	<b>2i(1)</b>		
(2) Contract administrator fees .....	<b>2i(2)</b>		
(3) Investment advisory and management fees .....	<b>2i(3)</b>		
(4) Other .....	<b>2i(4)</b>	225	
(5) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(4)</b> .....	<b>2i(5)</b>		225
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total.....	<b>2j</b>		354397

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		1480956
<b>l</b> Transfers of assets:			
(1) To this plan.....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		

**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: **BADER MARTIN**

(2) EIN: **91-1501421**

**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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

**a** 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.).....

**b** 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.).....

	Yes	No	Amount
<b>4a</b>	X		240521
<b>4b</b>		X	

	Yes	No	Amount
<b>c</b> 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	
<b>d</b> 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	
<b>e</b> Was this plan covered by a fidelity bond?.....	X		400000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....		X	
<b>g</b> 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	
<b>h</b> 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	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
<b>j</b> 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	
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan? .....		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
<b>n</b> 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)

## Part V Trust Information (optional)

**6a** Name of trust

**6b** Trust's EIN

<b>SCHEDULE R</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Retirement Plan Information</b>  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).  ▶ <b>File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <b>2012</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

<b>A</b> Name of plan <u>AUDIENCESCIENCE INC. 401K PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶ <u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>AUDIENCESCIENCE</u>	<b>D</b> Employer Identification Number (EIN) <u>91-2029906</u>

<b>Part I</b>	<b>Distributions</b>
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All references to distributions relate only to payments of benefits during the plan year.

<b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	<b>1</b>	<u>0</u>
<b>2</b> 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.		
<b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	<b>3</b>	

<b>Part II</b>	<b>Funding Information</b> (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)
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<b>4</b> 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.			
<b>5</b> 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.			
<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	<b>6a</b>		
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>		
<b>c</b> 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).....	<b>6c</b>		
If you completed line 6c, skip lines 8 and 9.			
<b>7</b> 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
<b>8</b> If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority 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

<b>Part III</b>	<b>Amendments</b>
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<b>9</b> 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. 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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<b>Part IV</b>	<b>ESOPs</b> (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.
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<b>10</b> 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
<b>11 a</b> Does the ESOP hold any preferred stock? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</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
<b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No

**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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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:

<b>a</b> The current year .....	<b>14a</b>	
<b>b</b> The plan year immediately preceding the current plan year .....	<b>14b</b>	
<b>c</b> The second preceding plan year .....	<b>14c</b>	

- 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:

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	

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

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

- 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 lines (a) through (c)

**a** Enter the percentage of plan assets held as:  
 Stock: \_\_\_\_\_% Investment-Grade Debt: \_\_\_\_\_% High-Yield Debt: \_\_\_\_\_% Real Estate: \_\_\_\_\_% Other: \_\_\_\_\_%

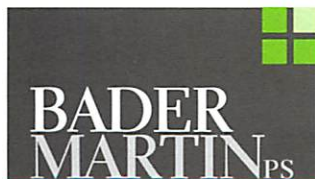
**b** Provide the average duration of the combined investment-grade and high-yield debt:  
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?  
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): \_\_\_\_\_



**AUDIENCESCIENCE INC. 401(k) PLAN**

2012  
FINANCIAL STATEMENTS



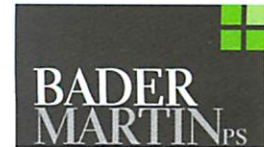
EIN: 91-2029906  
Plan number 001

# AUDIENCESCIENCE INC. 401(k) PLAN

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## Independent Auditors' Report

Trustees  
AudienceScience, Inc. 401(k) Plan  
Bellevue, Washington

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of AudienceScience, Inc. 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis for Disclaimer of Opinion**

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 5, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. 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, 2012 and 2011, that the information provided to the plan administrator by the trustee is complete and accurate.

**Bader Martin, P. S.** Certified Public Accountants + Business Advisors

1000 Second Avenue, 34th Floor, Seattle, Washington 98104-1022 | 206.621.1900 | FAX 206.682.1874 | [www.badermartin.com](http://www.badermartin.com)



Trustees  
AudienceScience, Inc. 401(k) Plan  
Bellevue, Washington

### **Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

### **Other Matter**

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of assets held at year end as of December 31, 2012 and delinquent participant contributions as of December 31, 2012, which are the responsibility of plan management, are presented for the purpose of additional analysis and are not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedules referred to above.

### **Report on Form and Content in Compliance With DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedules, 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.

*Bader Martin, P.C.*

September 25, 2013

# AUDIENCESCIENCE, INC. 401(k) PLAN

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

---

	December 31,	
	2012	2011
Assets:		
Investments, at fair value:		
Mutual funds	\$ 4,313,856	\$ 2,930,199
Money market fund	<u>879,175</u>	<u>833,794</u>
	5,193,031	3,763,993
Participant contributions receivable	23,625	12,781
Notes receivable from participants	<u>56,941</u>	<u>15,867</u>
Net assets available for benefits	<u><u>\$ 5,273,597</u></u>	<u><u>\$ 3,792,641</u></u>

*See notes to financial statements.*

## AUDIENCESCIENCE, INC. 401(k) PLAN

### STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED DECEMBER 31, 2012

---

Investment and other income:	
Net appreciation in fair value of mutual funds	\$ 415,068
Dividends	92,055
Interest:	
Money market fund	86
Notes receivable	928
	<u>508,137</u>
Contributions:	
Participant	840,746
Employer	229,586
Rollover	256,884
	<u>1,327,216</u>
Payments:	
Benefit payments	354,172
Expenses	225
	<u>354,397</u>
Net increase	1,480,956
Net assets available for benefits, beginning of year	<u>3,792,641</u>
Net assets available for benefits, end of year	<u><u>\$ 5,273,597</u></u>

*See notes to financial statements.*

# AUDIENCESCIENCE, INC. 401(k) PLAN

## NOTES TO FINANCIAL STATEMENTS

---

### 1. Description of the Plan:

The following description of AudienceScience, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the plan documents for a more complete description of the Plan's provisions.

#### General:

The Plan is a defined contribution plan for employees of AudienceScience, Inc. (the Company). The Plan was established effective January 1, 2001 and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

#### Eligibility:

Employees who are at least 21 years of age are eligible to participate in the Plan. Employees are admitted to the Plan beginning the first day of the month following attainment of eligibility requirements. Temporary employees and interns are excluded from participating in the Plan.

#### Plan administration:

The Plan is administered by the Company. The trustee of the Plan's investments is Fidelity Management Trust Company.

#### Contributions:

A participant may elect to have up to 60% of compensation contributed to the Plan and allocated to his or her account, up to the maximum dollar amount permitted by applicable law. The Plan allows for "catch-up" contributions for participants who are age 50 or older. Participants may also make rollover contributions from other qualified plans.

Effective January 1, 2012, the Plan was amended to allow the Company to make discretionary matching contributions on behalf of each eligible participant. The Company will match 50% of a participant's eligible contribution, excluding "catch-up" contributions, up to a maximum of 5% of the participant's compensation.

# AUDIENCESCIENCE, INC. 401(K) PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

---

### 1. Description of the Plan (continued):

#### Vesting:

Participants' contributions are 100% vested at all times. Participants become vested in their employer matching contributions based on their years of service, as follows:

<u>Completed Years of Service</u>	<u>Percentage Vested</u>
1	20%
2	40%
3	60%
4	80%
5	100%

#### Forfeitures:

Forfeitures are used first to pay the Plan's administrative expenses, with any excess applied to reduce future employer discretionary matching contributions. There were no unused portions of the forfeited nonvested accounts as of December 31, 2012. No forfeitures were used to pay administrative expenses in 2012.

#### Participant accounts:

Individual accounts are maintained for each of the Plan's participants to reflect the participant's contributions and employer contributions, plus the participant's share of the Plan's income and loss on those amounts. Participant accounts are valued daily based on quoted market prices.

Participants direct their account balances among the investment options provided under the Plan. Participants may change their investment elections and make transfers between investment options on a daily basis.



## AUDIENCESCIENCE, INC. 401(K) PLAN

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

---

#### 1. Description of the Plan (continued):

##### Benefits:

On termination of service, participants or their beneficiaries may elect to receive either a lump-sum distribution equal to the value of the participant's vested account or installments over a period not to exceed the life expectancy of the participant or his or her beneficiary. Account balances of \$1,000 or less must be distributed in a lump-sum amount.

In the event of death or long-term disability of a participant before his or her retirement benefit commences, the participant becomes 100% vested in any unvested balances.

##### Hardship withdrawals:

While still employed by the Company, participants are permitted to withdraw a single lump-sum amount from the balance they have contributed under certain conditions. A participant's right to make deferrals to the Plan will be suspended for six months after the receipt of a hardship withdrawal.

##### Notes receivable from participants:

Participants generally may borrow up to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the borrower's vested plan benefits, bear interest at a commercially reasonable rate, and may have terms ranging from one to five years. Principal and interest are paid through payroll deductions. Notes receivable from participants are measured at the outstanding principal amount plus accrued, but unpaid interest.

##### Retirement:

Normal retirement age is 60 years old.

## AUDIENCESCIENCE, INC. 401(K) PLAN

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

---

#### 1. Description of the Plan (continued):

##### Plan termination:

The Company reserves the right to amend or terminate the Plan at any time subject to the provisions of ERISA. However, no such amendment or termination shall deprive any participant of any vested interest in the Plan.

#### 2. Summary of significant accounting policies:

##### Basis of accounting:

The financial statements are prepared on the accrual basis of accounting. Benefits paid to participants are recorded when paid.

##### Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and related disclosures. Actual results could differ from those estimates.

##### Investment valuation and income recognition:

Investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is accrued when earned. Dividends are recorded on the ex-dividend date. Gains and losses (realized and unrealized) are reported in net appreciation (depreciation) in fair value of mutual funds.

##### Subsequent events:

The Plan has evaluated subsequent events through September 25, 2013, the date the financial statements were available to be issued.

# AUDIENCESCIENCE, INC. 401(K) PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### 3. Investments and fair value measurements:

The fair values of the mutual funds and the money market fund are based on quoted net asset values from active markets (level 1 measurements in the fair value hierarchy).

There have been no changes in the methods used to value investments as of December 31, 2012 and 2011. The fair values of the Plan's investments were as follows:

	December 31,	
	2012	2011
Mutual funds:		
Large cap funds	\$ 1,650,249	\$ 1,210,527
Target date funds	862,234	428,472
Mid cap funds	672,847	525,065
International funds	513,344	387,465
Fixed income funds	292,561	187,099
Real estate fund	180,717	93,719
Small cap funds	141,904	97,852
Money market fund	879,175	833,794
	<u>\$ 5,193,031</u>	<u>\$ 3,763,993</u>

The Plan's investments are exposed to various risks such as interest rate, market, credit and concentration risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of the Plan's investments will occur in the near term and that such changes could materially affect participant account balances and the amounts reported in the financial statements.

## AUDIENCESCIENCE, INC. 401(K) PLAN

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

---

#### 3. Investments and fair value measurements (continued):

The following investments comprise five percent or more of the Plan's net assets available for benefits as of December 31:

	2012	2011
Fidelity Retire Money Market	\$ 879,175	\$ 833,794
Fidelity Diversified International	351,759	271,738
Spartan Total Market Index	349,777	266,979
Fidelity Growth Company	347,758	
Fidelity OTC Portfolio	286,738	245,927

#### 4. Tax status:

The Plan obtained its latest determination letter on October 9, 2003, in which the Internal Revenue Service (IRS) stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (the Code). The Plan has been amended since receiving the determination letter. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code.

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 tax position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that at December 31, 2012, there are no uncertain tax 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 departments of the federal government; however, there are currently no audits for any tax periods in progress. The Plan is no longer subject to tax examinations by tax authorities for years before 2009.

During 2011, the Company remitted certain participant contributions totaling \$13,643 after the time period prescribed by the Department of Labor. A delinquent remittance of participant contributions is considered to be a prohibited transaction.

## **AUDIENCESCIENCE, INC. 401(K) PLAN**

### **NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

---

**5. Information certified by trustee:**

The following information included in the financial statements and supplemental schedules was provided and certified by the trustee as complete and accurate:

- Investments, at fair value
- Notes receivable from participants
- Investment and other income
- Schedule of assets held at end of year

**6. Party-in-interest transactions:**

The Plan invests in shares of mutual funds managed by Fidelity Investments, an affiliate of the trustee. Transactions in such investments qualify as party-in-interest transactions under ERISA.

**7. Administrative expenses:**

The Company pays administrative expenses that are not paid by the Plan.

## **SUPPLEMENTAL SCHEDULES**

# AUDIENCESCIENCE, INC. 401(k) PLAN

## SUPPLEMENTAL SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2012

FORM 5500, SCHEDULE H, LINE 4(i), SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value	
* Fidelity Retire Money Market	Money Market Fund	**	\$ 879,175	
* Fidelity Diversified International	Mutual fund	**	351,759	
* Spartan Total Market Index	Mutual fund	**	349,777	
* Fidelity Growth Company	Mutual fund	**	347,758	
* Fidelity OTC Portfolio	Mutual fund	**	286,738	
* Fidelity Freedom 2045	Mutual fund	**	214,212	
* Fidelity Low Priced Stock	Mutual fund	**	211,881	
* Fidelity Contrafund	Mutual fund	**	195,217	
* Fidelity Intermediate Bond	Mutual fund	**	182,051	
* Fidelity Real Estate Invs	Mutual fund	**	180,717	
* Fidelity Mid-Cap Stock	Mutual fund	**	180,193	
* Fidelity Freedom 2030	Mutual fund	**	169,382	
* Fidelity Overseas	Mutual fund	**	161,585	
* Fidelity Freedom 2040	Mutual fund	**	160,818	
* Fidelity Blue Chip	Mutual fund	**	154,933	
* Fidelity Value	Mutual fund	**	154,229	
* Fidelity Freedom 2035	Mutual fund	**	111,251	
* Fidelity Freedom 2025	Mutual fund	**	96,923	
* Fidelity Dividend Growth	Mutual fund	**	95,742	
* Fidelity Small Cap Discovery	Mutual fund	**	88,551	
* Fidelity Lg-Cap Stock	Mutual fund	**	69,575	
* Fidelity Investment Grade Bond	Mutual fund	**	62,782	
* Spartan Extended Market Index	Mutual fund	**	56,110	
* Fidelity Small Cap Value	Mutual fund	**	53,353	
* Fidelity Freedom 2050	Mutual fund	**	50,396	
* Fidelity Short Term Bond	Mutual fund	**	47,728	
* Fidelity Growth Strategies	Mutual fund	**	47,442	
* Fidelity Equity Income	Mutual fund	**	33,284	
* Fidelity Puritan	Mutual fund	**	31,825	
* Fidelity Equity Income II	Mutual fund	**	30,286	
* Fidelity Value Strategies	Mutual fund	**	22,992	
* Fidelity Freedom 2010	Mutual fund	**	22,769	
* Fidelity Export & Multinational	Mutual fund	**	21,226	
* Fidelity Freedom 2020	Mutual fund	**	17,044	
* Fidelity Fifty	Mutual fund	**	16,129	
* Fidelity Freedom 2055	Mutual fund	**	10,044	
* Fidelity Freedom Income	Mutual fund	**	9,244	
* Fidelity Fund	Mutual fund	**	8,515	
* Fidelity Freedom 2000	Mutual fund	**	7,074	
* Fidelity Freedom 2005	Mutual fund	**	2,321	
* Notes receivable from participants	Interest at 7%	\$ 0	56,941	
			<u>\$ 5,249,972</u>	

\* A party-in-interest, as defined by ERISA

\*\* Cost information is not required, as investments are participant-directed

**AUDIENCESCIENCE, INC. 401(k) PLAN****SUPPLEMENTAL SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS****YEAR ENDED DECEMBER 31, 2012**

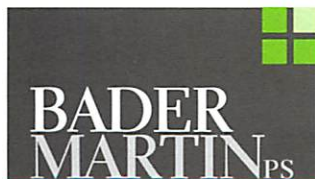
FORM 5500, SCHEDULE H, Line 4(a), SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

		Total that constitute nonexempt prohibited transactions			Total fully corrected under VFCP and PTE 2002-51
		Contributions not corrected	Contributions corrected outside VFCP	Contributions pending correction in VFCP	
Participant contributions transferred late to the Plan					
Year ended December 31, 2011	\$ 13,643		\$ 13,643		
Year ended December 31, 2010	\$ 73,092	\$ 73,092			
Year ended December 31, 2009	\$ 132,761	\$ 132,761			
Year ended December 31, 2008	\$ 21,025	\$ 21,025			



**AUDIENCESCIENCE INC. 401(k) PLAN**

2012  
FINANCIAL STATEMENTS



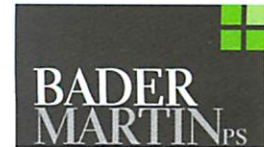
EIN: 91-2029906  
Plan number 001

# **AUDIENCESCIENCE INC. 401(k) PLAN**

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## Independent Auditors' Report

Trustees  
AudienceScience, Inc. 401(k) Plan  
Bellevue, Washington

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of AudienceScience, Inc. 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis for Disclaimer of Opinion**

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 5, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. 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, 2012 and 2011, that the information provided to the plan administrator by the trustee is complete and accurate.

**Bader Martin, P. S.** Certified Public Accountants + Business Advisors

1000 Second Avenue, 34th Floor, Seattle, Washington 98104-1022 | 206.621.1900 | FAX 206.682.1874 | [www.badermartin.com](http://www.badermartin.com)



Trustees  
AudienceScience, Inc. 401(k) Plan  
Bellevue, Washington

### **Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

### **Other Matter**

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of assets held at year end as of December 31, 2012 and delinquent participant contributions as of December 31, 2012, which are the responsibility of plan management, are presented for the purpose of additional analysis and are not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedules referred to above.

### **Report on Form and Content in Compliance With DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedules, 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.

*Bader Martin, P.C.*

September 25, 2013

# AUDIENCESCIENCE, INC. 401(k) PLAN

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

---

	December 31,	
	2012	2011
Assets:		
Investments, at fair value:		
Mutual funds	\$ 4,313,856	\$ 2,930,199
Money market fund	<u>879,175</u>	<u>833,794</u>
	5,193,031	3,763,993
Participant contributions receivable	23,625	12,781
Notes receivable from participants	<u>56,941</u>	<u>15,867</u>
Net assets available for benefits	<u><u>\$ 5,273,597</u></u>	<u><u>\$ 3,792,641</u></u>

*See notes to financial statements.*

# AUDIENCESCIENCE, INC. 401(k) PLAN

## STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED DECEMBER 31, 2012

<b>Investment and other income:</b>	
Net appreciation in fair value of mutual funds	\$ 415,068
Dividends	92,055
<b>Interest:</b>	
Money market fund	86
Notes receivable	928
	<u>508,137</u>
<b>Contributions:</b>	
Participant	840,746
Employer	229,586
Rollover	256,884
	<u>1,327,216</u>
<b>Payments:</b>	
Benefit payments	354,172
Expenses	225
	<u>354,397</u>
Net increase	1,480,956
Net assets available for benefits, beginning of year	<u>3,792,641</u>
Net assets available for benefits, end of year	<u><u>\$ 5,273,597</u></u>

*See notes to financial statements.*

# AUDIENCESCIENCE, INC. 401(k) PLAN

## NOTES TO FINANCIAL STATEMENTS

---

### 1. Description of the Plan:

The following description of AudienceScience, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the plan documents for a more complete description of the Plan's provisions.

#### General:

The Plan is a defined contribution plan for employees of AudienceScience, Inc. (the Company). The Plan was established effective January 1, 2001 and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

#### Eligibility:

Employees who are at least 21 years of age are eligible to participate in the Plan. Employees are admitted to the Plan beginning the first day of the month following attainment of eligibility requirements. Temporary employees and interns are excluded from participating in the Plan.

#### Plan administration:

The Plan is administered by the Company. The trustee of the Plan's investments is Fidelity Management Trust Company.

#### Contributions:

A participant may elect to have up to 60% of compensation contributed to the Plan and allocated to his or her account, up to the maximum dollar amount permitted by applicable law. The Plan allows for "catch-up" contributions for participants who are age 50 or older. Participants may also make rollover contributions from other qualified plans.

Effective January 1, 2012, the Plan was amended to allow the Company to make discretionary matching contributions on behalf of each eligible participant. The Company will match 50% of a participant's eligible contribution, excluding "catch-up" contributions, up to a maximum of 5% of the participant's compensation.

# AUDIENCESCIENCE, INC. 401(K) PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

---

### 1. Description of the Plan (continued):

#### Vesting:

Participants' contributions are 100% vested at all times. Participants become vested in their employer matching contributions based on their years of service, as follows:

<u>Completed Years of Service</u>	<u>Percentage Vested</u>
1	20%
2	40%
3	60%
4	80%
5	100%

#### Forfeitures:

Forfeitures are used first to pay the Plan's administrative expenses, with any excess applied to reduce future employer discretionary matching contributions. There were no unused portions of the forfeited nonvested accounts as of December 31, 2012. No forfeitures were used to pay administrative expenses in 2012.

#### Participant accounts:

Individual accounts are maintained for each of the Plan's participants to reflect the participant's contributions and employer contributions, plus the participant's share of the Plan's income and loss on those amounts. Participant accounts are valued daily based on quoted market prices.

Participants direct their account balances among the investment options provided under the Plan. Participants may change their investment elections and make transfers between investment options on a daily basis.



## AUDIENCESCIENCE, INC. 401(K) PLAN

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

---

#### 1. Description of the Plan (continued):

##### Benefits:

On termination of service, participants or their beneficiaries may elect to receive either a lump-sum distribution equal to the value of the participant's vested account or installments over a period not to exceed the life expectancy of the participant or his or her beneficiary. Account balances of \$1,000 or less must be distributed in a lump-sum amount.

In the event of death or long-term disability of a participant before his or her retirement benefit commences, the participant becomes 100% vested in any unvested balances.

##### Hardship withdrawals:

While still employed by the Company, participants are permitted to withdraw a single lump-sum amount from the balance they have contributed under certain conditions. A participant's right to make deferrals to the Plan will be suspended for six months after the receipt of a hardship withdrawal.

##### Notes receivable from participants:

Participants generally may borrow up to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the borrower's vested plan benefits, bear interest at a commercially reasonable rate, and may have terms ranging from one to five years. Principal and interest are paid through payroll deductions. Notes receivable from participants are measured at the outstanding principal amount plus accrued, but unpaid interest.

##### Retirement:

Normal retirement age is 60 years old.

## AUDIENCESCIENCE, INC. 401(K) PLAN

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

---

#### 1. Description of the Plan (continued):

##### Plan termination:

The Company reserves the right to amend or terminate the Plan at any time subject to the provisions of ERISA. However, no such amendment or termination shall deprive any participant of any vested interest in the Plan.

#### 2. Summary of significant accounting policies:

##### Basis of accounting:

The financial statements are prepared on the accrual basis of accounting. Benefits paid to participants are recorded when paid.

##### Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and related disclosures. Actual results could differ from those estimates.

##### Investment valuation and income recognition:

Investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is accrued when earned. Dividends are recorded on the ex-dividend date. Gains and losses (realized and unrealized) are reported in net appreciation (depreciation) in fair value of mutual funds.

##### Subsequent events:

The Plan has evaluated subsequent events through September 25, 2013, the date the financial statements were available to be issued.

# AUDIENCESCIENCE, INC. 401(K) PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### 3. Investments and fair value measurements:

The fair values of the mutual funds and the money market fund are based on quoted net asset values from active markets (level 1 measurements in the fair value hierarchy).

There have been no changes in the methods used to value investments as of December 31, 2012 and 2011. The fair values of the Plan's investments were as follows:

	December 31,	
	2012	2011
Mutual funds:		
Large cap funds	\$ 1,650,249	\$ 1,210,527
Target date funds	862,234	428,472
Mid cap funds	672,847	525,065
International funds	513,344	387,465
Fixed income funds	292,561	187,099
Real estate fund	180,717	93,719
Small cap funds	141,904	97,852
Money market fund	879,175	833,794
	<u>\$ 5,193,031</u>	<u>\$ 3,763,993</u>

The Plan's investments are exposed to various risks such as interest rate, market, credit and concentration risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of the Plan's investments will occur in the near term and that such changes could materially affect participant account balances and the amounts reported in the financial statements.

## AUDIENCESCIENCE, INC. 401(K) PLAN

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

---

#### 3. Investments and fair value measurements (continued):

The following investments comprise five percent or more of the Plan's net assets available for benefits as of December 31:

	2012	2011
Fidelity Retire Money Market	\$ 879,175	\$ 833,794
Fidelity Diversified International	351,759	271,738
Spartan Total Market Index	349,777	266,979
Fidelity Growth Company	347,758	
Fidelity OTC Portfolio	286,738	245,927

#### 4. Tax status:

The Plan obtained its latest determination letter on October 9, 2003, in which the Internal Revenue Service (IRS) stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (the Code). The Plan has been amended since receiving the determination letter. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code.

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 tax position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that at December 31, 2012, there are no uncertain tax 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 departments of the federal government; however, there are currently no audits for any tax periods in progress. The Plan is no longer subject to tax examinations by tax authorities for years before 2009.

During 2011, the Company remitted certain participant contributions totaling \$13,643 after the time period prescribed by the Department of Labor. A delinquent remittance of participant contributions is considered to be a prohibited transaction.

## **AUDIENCESCIENCE, INC. 401(K) PLAN**

### **NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

---

**5. Information certified by trustee:**

The following information included in the financial statements and supplemental schedules was provided and certified by the trustee as complete and accurate:

- Investments, at fair value
- Notes receivable from participants
- Investment and other income
- Schedule of assets held at end of year

**6. Party-in-interest transactions:**

The Plan invests in shares of mutual funds managed by Fidelity Investments, an affiliate of the trustee. Transactions in such investments qualify as party-in-interest transactions under ERISA.

**7. Administrative expenses:**

The Company pays administrative expenses that are not paid by the Plan.

## **SUPPLEMENTAL SCHEDULES**

# AUDIENCESCIENCE, INC. 401(k) PLAN

## SUPPLEMENTAL SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2012

FORM 5500, SCHEDULE H, LINE 4(i), SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value	
* Fidelity Retire Money Market	Money Market Fund	**	\$ 879,175	
* Fidelity Diversified International	Mutual fund	**	351,759	
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* Fidelity Overseas	Mutual fund	**	161,585	
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* Fidelity Freedom 2005	Mutual fund	**	2,321	
* Notes receivable from participants	Interest at 7%	\$ 0	56,941	
			<u>\$ 5,249,972</u>	

\* A party-in-interest, as defined by ERISA

\*\* Cost information is not required, as investments are participant-directed

**AUDIENCESCIENCE, INC. 401(k) PLAN****SUPPLEMENTAL SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS****YEAR ENDED DECEMBER 31, 2012**

FORM 5500, SCHEDULE H, Line 4(a), SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

		Total that constitute nonexempt prohibited transactions			Total fully corrected under VFCP and PTE 2002-51
		Contributions not corrected	Contributions corrected outside VFCP	Contributions pending correction in VFCP	
Participant contributions transferred late to the Plan					
Year ended December 31, 2011	\$ 13,643		\$ 13,643		
Year ended December 31, 2010	\$ 73,092	\$ 73,092			
Year ended December 31, 2009	\$ 132,761	\$ 132,761			
Year ended December 31, 2008	\$ 21,025	\$ 21,025			