
MACROVISION CORPORATION

COMPENSATION COMMITTEE CHARTER

This charter of the Compensation Committee (the “Committee”) was adopted by the Board of Directors (the “Board”) of Macrovision Corporation (the “Company”) on February 26, 2004.

I. PURPOSE

The purpose of the Committee is to seek to ensure that compensation programs will encourage high performance, promote accountability and align employee interests with the interests of the Company’s stockholders. Further the Committee will seek to ensure that executives are developed and a succession plan is in place and supported by the Company’s executive officers.

The Committee will oversee, evaluate and approve the Company’s succession, compensation, executive development and employee benefit plans, policies and programs, including its executive compensation plans and its incentive-compensation and equity-based plans.

The Committee will have the authority to undertake the specific duties and responsibilities described below. The Committee may supplement these duties and responsibilities as appropriate and may establish policies and procedures from time to time that it deems necessary or advisable in fulfilling its responsibilities. The Committee will have the authority to undertake any other duties assigned by law or delegated to the Committee by the Board.

II. COMMITTEE MEMBERSHIP

The Committee will consist of at least three directors, with the exact number to be determined by the Board. All members of the Committee must qualify as independent directors (“Independent Directors”) as defined under the rules of the Nasdaq Stock Market (or its successor). Members of the Committee must also qualify as “non-employee directors” within the meaning of Rule 16b-3(b)(3) promulgated under the Securities Exchange Act of 1934, as amended, and “outside directors” within the meaning of Regulation §1.162-27(e)(3) promulgated under the Internal Revenue Code of 1986, as amended, and will satisfy any other necessary standards of independence under the federal securities and tax laws.

All members of the Committee will be appointed by, and will serve at the discretion of, the Board. Each member will be elected annually to one-year terms by majority vote of the Board at the first meeting of the Board to be held following the annual meeting of stockholders. Vacancies on the Committee will be filled by majority vote of the Board at the next meeting of the Board following the occurrence of the vacancy. No member of the Committee will be

removed except by majority vote of the Independent Directors then in office. The Board may elect a member of the Committee to serve as the chair of the Committee. If the Board does not elect a chair, the members of the Committee may designate a chair by majority vote of the Committee membership. The Board may designate one or more Independent Directors as alternate members of the Committee who may replace any absent or disqualified member at any Committee meeting.

III. MEETINGS AND MINUTES

The Committee will meet at least two times per calendar year. Additional meetings of the Committee will be held from time to time as determined by the needs of the Board or the Committee. The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), actions without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. Following each of its meetings, the Committee will inform the Board about all actions taken by the Committee at the meeting. The Committee will maintain written minutes of its meetings and written actions without meetings, which minutes and actions will be filed with the minutes of the meetings of the Board.

The Committee will meet with the Chief Executive Officer at the beginning of each fiscal year to discuss the incentive compensation programs to be in effect for such fiscal year and the corporate goals and objectives relevant to those programs.

IV. COMMITTEE AUTHORITY AND RESPONSIBILITIES

The authority and responsibilities of the Committee will be to:

- (a) Review and approve at least annually the competitiveness of the Company's cash and non-cash executive compensation programs to ensure (a) the attraction and retention of corporate officers, (b) the motivation of corporate officers to achieve the Company's business objectives, and (c) the alignment of the interests of key leadership with the long-term interests of the Company's stockholders.
- (b) Review and approve all compensation (including the adjustment of base salary each year) and all bonus and other incentive compensation programs for the Company's executive officers, and authorize all awards to such individuals under those programs. The Committee will review and approve any employment, severance or termination arrangements to be made with any executive officer of the Company.
- (c) Develop and approve annually a CEO succession plan, including (a) a gradual development process that protects the company's culture, mission, and long-term strategy, (b) a backup emergency plan presented to and approved by the Board, designating this leadership role by title, (c) regular sessions with the CEO and executive committee on succession planning and executive development.

- (d) Review and approve at least annually the corporate goals and objectives relevant to the compensation of the Chief Executive Officer.
- (e) Evaluate the performance of the Chief Executive Officer in light of these goals and objectives and set the Chief Executive Officer's compensation level based on such evaluation. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee will consider all relevant factors, including the Company's performance and relative stockholder return and the value of similar awards to chief executive officers of comparable companies.
- (f) Review trends in management compensation, oversee the development of new compensation plans and, when necessary, approve the revision of existing plans.
- (g) Review and make recommendations to the Board regarding the general compensation guidelines for the Company's employees.
- (h) Supervise the Company's administration of, and make recommendations to the Board regarding any interpretation, modification or amendment of, its equity incentive plans, whether adopted prior to or after the date of adoption of this charter (the "Stock Plans"). Pursuant to the authority delegated to the Committee by the Board, the Committee may grant stock options or any other award permitted under the Stock Plans to individuals eligible for such grants (including grants to individuals subject to Section 16 of the Securities Exchange Act of 1934, as amended).
- (i) The Committee shall not cause the Company to make or arrange, directly or indirectly any extension, renewal or maintenance of credit, in the form of a personal loan to or for any director or executive officer (or equivalent thereof) of the Company.
- (j) Annually prepare a report on executive compensation for inclusion in the Company's proxy materials in accordance with all applicable rules and regulations.
- (k) Form subcommittees for any purpose that the Committee deems appropriate and delegate to such subcommittees such power and authority as the Committee deems appropriate; *provided, however*, that no subcommittee will consist of fewer than two members; and *provided further* that the Committee will not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.
- (l) Perform any other activities required by applicable law, rules or regulations, including the rules of the Securities and Exchange Commission and any exchange or market on which the Company's capital stock is traded. The Committee will also perform such duties and responsibilities as may be assigned to the Committee under the terms of any executive compensation plan, any incentive-compensation or equity-based plan, any general compensation plan, any retirement or severance

pay plan or any other employee benefit plan of the Company. The Committee will perform other activities that are consistent with this charter, the Company's bylaws and governing laws, as the Committee or the Board deems necessary or appropriate.

V. COMMITTEE EVALUATION

At least annually, the Committee will evaluate its performance under this charter. In conducting this review, the Committee will evaluate whether this charter appropriately addresses the matters that are or should be within its scope. The Committee will address all matters that the Committee considers relevant to its performance, including, among other matters, the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee will report the results of its evaluation to the Board, including any recommended amendments to this charter and any recommended changes to the Company's or the Board's policies or procedures. This charter will be filed with the Securities and Exchange Commission as part of the Company's proxy statement and will also be available on the Company's website.

VI. OTHER

The Committee will have the right, as and when it will determine to be necessary or appropriate to the functions of the Committee, to conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities. The Committee may retain, at the Company's expense, such legal counsel or other consultants and advisers as it deems necessary, who will report directly to the Committee. The Committee will have the sole authority to retain or terminate a compensation consultant to assist the Committee in carrying out its responsibilities, including sole authority to approve the consultant's fees and other retention terms, such fees to be borne by the Company.