

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15 (d) of the  
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **August 14, 2008**

**TAKE-TWO INTERACTIVE SOFTWARE, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or Other  
Jurisdiction of  
Incorporation)

**0-29230**  
(Commission  
File Number)

**51-0350842**  
(IRS Employer  
Identification No.)

**622 Broadway, New York, NY**  
(Address of Principal Executive Offices)

**10012**  
(Zip Code)

Registrant's telephone number, including area code **(646) 536-2842**

**Not Applicable**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

(e) On August 14, 2008, Take-Two Interactive Software, Inc. (the "Company"), announced that Gary Dale, 47, was appointed as its Chief Operating Officer, effective as of July 1, 2008. The press release announcing Mr. Dale's appointment is attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 5.02. Mr. Dale previously served as Executive Vice President of the Company.

The principal terms of Mr. Dale's employment as Chief Operating Officer are set forth in a new employment agreement entered into on August 14, 2008, between the Company and Mr. Dale (the "Employment Agreement"). The Employment Agreement is effective as of July 1, 2008 and supersedes the Employment Term Sheet between the Company and Mr. Dale, dated November 15, 2007, as amended by the letter agreement between the Company and Mr. Dale, dated March 15, 2008, pursuant to which Mr. Dale served as Executive Vice President of the Company.

Pursuant to the terms of the Employment Agreement, Mr. Dale will serve as Chief Operating Officer of the Company for the period commencing as of July 1, 2008 and ending on October 31, 2011 (the "Expiration Date"). Mr. Dale's principal place of employment will initially be the Company's executive offices in England, but he is required to relocate to the Company's executive offices in New York City by no later than July 1, 2009.

Mr. Dale will receive an annual base salary of \$612,000, which base salary will be payable in British Pounds at the annual rate of £313,000 prior to his relocation. During each fiscal year of his employment, Mr. Dale will be eligible to receive an annual bonus of up to 75% of his base salary, based on the achievement of actual global corporate EBITDA by the Company, as compared to a budgeted amount. For fiscal year 2008, such annual bonus will not be less than \$275,000 (the "2008 Minimum Bonus"). In addition, Mr. Dale will receive a one time grant of 75,000 restricted shares of the Company's common stock (the "Shares") pursuant to the Company's Incentive Stock Plan, as amended (the "Sign-on Grant"). One-third of the Shares will vest on each of the first, second and third anniversaries of the grant date.

The Employment Agreement provides that upon termination without Cause or resignation for Good Reason, subject to his signing and not revoking a general release of claims, the Company will provide Mr. Dale with COBRA coverage at its expense for up to 12 months following his termination and will pay him a cash lump sum in the amount of (i) Mr. Dale's annual salary, (ii) a termination bonus equal to the 2008 Minimum Bonus if such termination occurs during fiscal year 2008 or 50% of his annual salary if such termination occurs after fiscal year 2008 ((i) and (ii) the "Severance Payment"), plus (iii) any

earned but unpaid bonuses for the last full fiscal year of Mr. Dale's employment. However, Mr. Dale may elect to forfeit his right to receive the Severance Payment in which event he will not be subject to any restrictions against competing with the Company following such termination or resignation. In addition, upon a termination without Cause or resignation for Good Reason all outstanding options and shares of restricted stock granted to Mr. Dale that have not vested as of the date of such termination will immediately vest and, as applicable, become immediately exercisable.

If Mr. Dale's employment is terminated by the Company for Cause or upon expiration of the term of the Employment Agreement, then the Company may elect to subject him to restrictions against competing with the Company for a period of six months following such termination. In the event that the Company makes such election, then subject to his signing and not revoking a general release of claims, Mr. Dale will receive continued payment of his base salary for a period of six months following his termination.

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If Mr. Dale resigns without Good Reason, then he will be subject to restrictions against competing with the Company for a period of the lesser of six months following such resignation or from the date of such resignation until the Expiration Date, except that if Mr. Dale resigns within 6 months prior to Expiration Date the Company may elect to extend such non-compete period beyond the Expiration Date (but in no event beyond 6 months from the date of resignation) and, subject to his signing and not revoking a general release of claims, pay Mr. Dale his base salary during any period that such non-competition restriction extends beyond the Expiration Date.

Subject to the foregoing, Mr. Dale otherwise agreed not to compete with the Company while employed or for a period of either six months or one year following termination determined based on the reason for such termination. In addition, Mr. Dale has agreed that he will not solicit any of the Company's customers or personnel while employed by the Company and for a period of one year thereafter, on the terms set forth in the Employment Agreement.

For the purposes of the Employment Agreement, "Cause" generally means Mr. Dale's:

- continued failure to substantially perform his duties;
- criminal conviction for having engaged in criminal misconduct that is demonstrably injurious to the Company;
- conviction for a felony;
- gross negligence which adversely affects the Company; or
- material failure to adhere to the Company's material written policies or to cooperate in any bonafide investigation or inquiry involving the Company.

For the purposes of the Employment Agreement, "Good Reason" generally means the occurrence of any of the following events without Mr. Dale's consent:

- a material breach of the Employment Agreement by the Company or a material diminution in Mr. Dale's title, position, authority, duties or responsibilities;
- Mr. Dale being assigned duties or responsibilities substantially inconsistent with his position or duties;
- a change in Mr. Dale's reporting such that he does not report solely and directly to the Company's Chief Executive Officer; or
- the Company requiring that the principal place of employment for his duties be located outside of a 10 mile radius of London, England, or Windsor, England prior to July 1, 2009, or New York City, New York, on or after July 1, 2009.

If Mr. Dale dies or his employment is terminated by the Company due to his suffering a Disability, he (or his estate as applicable) will receive a pro rata target bonus for the year of termination and all outstanding options and shares of restricted stock granted to Mr. Dale that have not vested as of the date of such termination will immediately vest and, as applicable, become immediately exercisable.

The Employment Agreement further provides that upon a Change in Control:

- all outstanding options and shares of restricted stock granted to Mr. Dale prior to calendar year 2008 which have not vested as of the date of such Change in Control will immediately vest and, as applicable, become immediately exercisable;
- if such Change in Control occurs on or prior to March 31, 2009, then 37,500 of the Shares granted to Mr. Dale pursuant to the Sign-on Grant will immediately vest; and
- if such Change in Control occurs following March 31, 2009, then all of the outstanding Shares granted to Mr. Dale pursuant to the Sign-on Grant which have not vested as of the date of such Change in Control will immediately vest.

For purposes of the Employment Agreement, a "Change in Control" will generally be deemed to occur upon:

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- an acquisition of 50% or more of either the outstanding shares of the Company's common stock or the combined voting power of the Company's then outstanding voting securities;
- a merger or consolidation of the Company or any of its subsidiaries that results in the Company's stockholders prior thereto continuing to represent less than 50% of the combined voting power of the Company's or the surviving entities voting securities after the merger or consolidation; or
- the sale of all, or substantially all, of the Company's assets.

#### **Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TAKE-TWO INTERACTIVE SOFTWARE, INC.  
(Registrant)

By: /s/ Daniel P. Emerson  
Name: Daniel P. Emerson  
Title: Vice President and Associate  
General Counsel

Date: August 14, 2008

**EXHIBIT INDEX**

**Exhibits**

99.1 Press Release dated August 14, 2008.

**CONTACT**

Meg Maise (Corporate Press/Investor Relations)  
**Take-Two Interactive Software, Inc.**  
 (646) 536-2932  
 meg.maise@take2games.com

**Take-Two Interactive Software, Inc. Names Gary Dale Chief Operating Officer**

**New York, NY- August 14, 2008** — Take-Two Interactive Software, Inc. (NASDAQ:TTWO) today announced that Gary Dale, previously Executive Vice President of Take-Two, has been named Chief Operating Officer of the Company. In his new role, Mr. Dale will be responsible for Take-Two's publishing labels, as well as continuing to oversee the Company's sales activities, international expansion and business development initiatives. He will continue to report to Ben Feder, Chief Executive Officer of Take-Two.

Mr. Dale had been Executive Vice President of Take-Two since December 2007, and previously served as COO of Rockstar Games from January 2007 through December 2007. Prior to joining Rockstar Games, Mr. Dale was the European Managing Director of Capcom Entertainment, Inc. beginning in 2003. Mr. Dale has a long history of association with Take-Two. From 1994 to 1998, he was President of the Interactive Software and Video Division of BMG Entertainment until Take-Two acquired BMG Interactive in March 1998.

"Gary Dale has been a valuable member of the Company's management team, serving in a number of increasingly important roles," said Ben Feder. "He also is highly experienced in many of the disciplines that will be essential to Take-Two's future growth, including the operations of our publishing labels, global market expansion, sales and distribution, and business development. We look forward to further contributions from Gary in his new position as our COO."

**About Take-Two Interactive Software**

Headquartered in New York City, Take-Two Interactive Software, Inc. is a global developer, marketer, distributor and publisher of interactive entertainment software games for the PC, PLAYSTATION®3 and PlayStation®2 computer entertainment systems, PSP® (PlayStation®Portable) system, Xbox 360® and Xbox® video game and entertainment systems from Microsoft, Wii™, Nintendo GameCube™, Nintendo DS™ and Game Boy® Advance. The Company publishes and develops products through its wholly owned labels Rockstar Games, 2K Games, 2K Sports and 2K Play, and distributes software, hardware and accessories in North America through its Jack of All Games subsidiary. Take-Two's common stock is publicly traded on NASDAQ under the symbol TTWO. For more corporate and product information please visit our website at [www.take2games.com](http://www.take2games.com).

All trademarks and copyrights contained herein are the property of their respective holders.

**Important Legal Information**

In connection with the tender offer commenced by Electronic Arts Inc., the Company has filed with the Securities Exchange Commission a Solicitation/Recommendation Statement on Schedule 14D-9. The Company's stockholders should read carefully the Solicitation/Recommendation Statement on Schedule 14D-9 (including any amendments or supplements thereto) prior to making any decisions with respect to Electronic Arts' tender offer because it contains important information. Free copies of the Solicitation/Recommendation Statement on Schedule 14D-9 and the related amendments or supplements

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thereto that the Company has filed with the SEC are available at the SEC's website at [www.sec.gov](http://www.sec.gov). This communication does not constitute an offer to sell or invitation to purchase any securities or the solicitation of an offer to buy any securities, pursuant to Electronic Arts' tender offer or otherwise.

This press release may contain forward-looking statements made in reliance upon the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The statements contained herein which are not historical facts are considered forward-looking statements under federal securities laws. Such forward-looking statements are based on the beliefs of our management as well as assumptions made by and information currently available to them. The Company has no obligation to update such forward-looking statements. Actual results may vary significantly from these forward-looking statements based on a variety of factors. These risks and uncertainties include the matters relating to the Special Committee's investigation of the Company's stock option grants and the restatement of our consolidated financial statements. The investigation and conclusions of the Special Committee may result in claims and proceedings relating to such matters, including previously disclosed shareholder and derivative litigation and actions by the Securities and Exchange Commission and/or other governmental agencies and negative tax or other implications for the Company resulting from any accounting adjustments or other factors. Further risks and uncertainties associated with Electronic Arts' tender offer to acquire the Company's outstanding shares are as follows: the risk that key employees may pursue other employment opportunities due to concerns as to their employment security with the Company; the risk that the acquisition proposal will make it more difficult for the Company to execute its strategic plan and pursue other strategic opportunities; the risk that the future trading price of our common stock is likely to be volatile and could be subject to wide price fluctuations; and the risk that stockholder litigation in connection with Electronic Arts' tender offer, or otherwise, may result in significant costs of defense, indemnification and liability. Other important factors are described in the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 2007, in the section entitled "Risk Factors," as updated in the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2008, in the section entitled "Risk Factors." All forward-looking statements are qualified by these cautionary statements and are made only as of the date they are made.

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