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LIQUID AUDIO INC  
Form DFAN14A  
September 26, 2002

SCHEDULE 14A  
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the registrant [ ]

Filed by a party other than the registrant [X]

Check the appropriate box:

- [ ] Preliminary Proxy Statement.
- [ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2)).
- [ ] Definitive Proxy Statement
- [ ] Definitive Additional Materials
- [X] Soliciting Material Under Rule 14a-12.

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LIQUID AUDIO, INC.  
(Name of Registrant as Specified in Its Charter)  
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MM COMPANIES, INC.,  
JEWELCOR MANAGEMENT, INC., BARINGTON COMPANIES EQUITY PARTNERS, L.P., RAMIUS  
SECURITIES, LLC, DOMROSE SONS PARTNERSHIP,  
JAMES A. MITAROTONDA and SEYMOUR HOLTZMAN  
(Name of Person(s) Filing Proxy Statement if Other Than the Registrant)  
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Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
- [ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:
- [ ] Fee paid previously with preliminary materials.
- [ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

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- (1) Amount Previously Paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

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### Questions to ask Liquid Audio Inc. Board of Directors

1. Why did you add two Directors just six weeks before the Annual Meeting, considering that if we merge with Alliance, only three Directors from LQID will go to the new entity?
2. Why have you never entertained the offers to purchase LQID by Steel Partners and MM Companies?
3. How many employees are left and what do you expect revenues to be for the 3rd and 4th Quarter? Cash Burn Rate?
4. Why hasn't the Board decided to liquidate the Company? All large shareholders except Management have supported liquidation.
5. What was the purpose of the frivolous lawsuit against the Company's two largest shareholders? What was the cost for this litigation?
6. Why did the Board reduce the poison pill to 10% from 15%?
7. Why did Ann Winblad vote against the merger with Alliance?
8. How much money has the Company spent on the proposed merger with Alliance? Legal, Investment Bankers, Accountants, etc...
9. Does LQID have any off balance sheet liabilities?
10. What are LQID's outstanding real estate obligations? Any space currently sublet or in the process of subletting?