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As filed with the Securities and Exchange Commission on March 31, 2011

File No.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10

GENERAL FORM FOR REGISTRATION OF SECURITIES PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

WisdomTree Investments, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**13-3487784**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
380 Madison Avenue, 21st Floor New York, New York	**10017**
(Address of Principal Executive Office)	**(Zip Code)**

Registrant's telephone number, including area code:
(212) 801-2080

Securities to be registered pursuant to Section 12(b) of the Act:

Title of each class to be registered	**Name of each exchange on which each class is to be registered**
Common Stock, $0.01 par value per share	

Securities to be registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this registration statement, including documents incorporated by reference herein, constitute "forward-looking statements." Forward-looking statements generally can be identified by the use of forward- looking terminology such as "outlook," "objective," "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "plans," or "continue," or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect our current expectations regarding future events and operating performance and speak only as of the date of this registration statement. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to the assumption that the projects will operate and perform in accordance with our expectations. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not or the times at or by which such performance or results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under "Risk Factors." Our business is both competitive and subject to various risks.

These risks include, without limitation:

- We have only a limited operating history and we have not yet reported net income.
- Difficult market conditions and declining prices of securities can adversely affect our business by reducing the market value of the assets we manage or causing customers to sell their fund shares and triggering redemptions.
- Volatility and disruption of the capital and credit markets, and adverse changes in the global economy, may significantly affect our results of operations and may put pressure on our financial results.
- The amount and mix of our assets under management, which impact revenue, are subject to significant fluctuations.
- Most of our assets under management are held in ETFs that invest in foreign securities and we have substantial exposure to foreign market conditions and we are subject to currency exchange rate risks.
- We derive a substantial portion of our revenues from products invested in emerging markets.
- We derive a substantial portion of our revenues from a limited number of products.

Other factors, such as general economic conditions, including currency exchange rate fluctuations, also may have an effect on the results of our operations. Many of these risks and uncertainties can affect our actual results and could cause our actual results to differ materially from those expressed or implied in any forward-looking statement made by us or on our behalf. For a description of risks that could cause our actual results to materially differ from our current expectations, please see Item 1A. "Risk Factors" in this registration statement.

These forward-looking statements are made as of the date of this registration statement and, except as expressly required by applicable law, we assume no obligation to update or revise them to reflect new events or circumstances.

ITEM 1. BUSINESS

Unless otherwise stated, or the context otherwise requires, references in this registration statement to "we," "us," "our" and "WisdomTree" refer to WisdomTree Investments, Inc. and those entities owned or controlled by WisdomTree Investments, Inc. WisdomTree® is our U.S. registered service mark. Diversified Trends Indicator™ and DTI® are trademarks of Alpha Financial Technologies, LLC.

Summary

We are the eighth largest sponsor of exchange traded funds, or ETFs, in the United States based on assets under management, or AUM, as of March 29, 2011, with an AUM of more than $11 billion. An ETF is an investment fund that holds assets such as equities, bonds, currencies or commodities and trades at approximately the same price as the net asset value of its underlying assets. ETFs offer exposure to a wide variety of investment themes, including the broad U.S. and global markets, as well as specific sectors, regions, countries and asset classes, such as commodities, real estate or currencies. We currently offer a comprehensive family of 46 ETFs, which includes 34 international and domestic equity ETFs, 9 currency ETFs, two recently launched international fixed income ETFs and one recently launched managed futures strategy ETF.

The ETF industry is among the fastest growing sectors of the broader asset management industry. We believe ETFs have been one of the most innovative, revolutionary and disruptive technologies to emerge in the last two decades in the asset management industry. Compared to mutual funds, ETFs provide investors with better transparency, greater liquidity, improved tax efficiency and lower costs. We believe these characteristics make ETFs an effective investment tool for many investors, from both active and passive institutional managers to retail investors, and have contributed to the rapid growth of the ETF industry, which has experienced a compound annual growth rate of 31.2% over the past ten years. Despite this rapid growth, we believe there is considerable potential for further growth in the ETF industry as investors become more familiar with the benefits of ETFs compared to mutual funds and other investment products. Over the last several years, as a percent of total ETF and long-term mutual fund inflows and AUM, ETFs' share has been growing. In fact, in 2008, the mutual fund industry experienced net outflows while the ETF industry experienced net inflows. And as of the end of 2010, mutual fund assets under management remains down 12% from the peak it reached in 2007, while the AUM of ETFs have increased 72% during that same period. We believe the trend towards ETFs will continue and accelerate as the ETF industry benefits from investor education initiatives, the shift by financial advisors to fee-based models, the launch of innovative new products, the introduction of new distribution channels and changing investor demographics.

We are not a traditional asset manager. We are an ETF sponsor focused on creating the most innovative and thoughtful ETFs for the marketplace. We believe there is a considerable growth opportunity for ETFs and are positioning WisdomTree to capitalize on this growth. Our goal is to become one of the top five ETF sponsors in the United States by focusing on our core competitive strengths:

- the strong performance of our ETFs;
- a track record of innovative product development;
- our strong, seasoned and innovative management team;
- our marketing, research and sales expertise;
- strong brand recognition;
- our ability to develop our own proprietary indexes; and
- our highly scalable business model.

We intend to use these core competitive strengths to:

- leverage our asset levels, trading volumes and performance track record
- continue to launch innovative new products that diversify our product offerings and revenue stream; and
- selectively pursuing acquisitions and partnerships.

We provide investment advisory and other management services to the WisdomTree Trust and WisdomTree ETFs. In exchange for providing these services, we receive advisory fee revenues based on a percentage of the ETFs average daily net assets. Our expenses are predominantly related to selling, operating and marketing our ETFs. Our revenues have

increased substantially since we launched in June 2006. Our revenues increased to $41.6 million in 2010 compared to $22.1 million in 2009 and $23.6 million in 2008. We have improved our net loss to $7.5 million in 2010, from a loss of $21.2 million in 2009 and a loss of $27.0 million in 2008.

Our principal executive office is located at 380 Madison Avenue, 21st Floor, New York, New York, 10017, and our telephone number is (212) 801-2080. Our website is www.WisdomTree.com. Information contained on, or that can be accessed through, our website is not part of this registration statement.

We have applied to have our common stock listed on the under the symbol " ."

Our Industry

ETFs have been in existence for nearly two decades. The first ETF, the Standard & Poor's Depositary Receipts commonly known as the SPDR, or the "Spider," was launched in the United States in 1993 and tracked the Standard & Poor's 500 index. The success of this first ETF led to the creation of additional ETFs. In 1996, Barclays Global Investors launched "iShares" ETFs (then known as World Equity Benchmark Shares, or WEBS) based on MSCI country indexes. The "Diamond" ETF, which is based on the Dow Jones Industrial Average Index, was introduced in 1998 and the "QQQ", which tracks the Nasdaq 100 index, was launched in 1999. Due to the success of these and other early ETFs, the scale and scope of ETFs has grown rapidly. As of February 28, 2011, there were approximately 1,000 ETFs in the United States with an aggregate AUM reaching over $1 trillion.

ETFs were initially marketed mostly to institutional investors for use primarily in sophisticated trading strategies like hedging, but today, industry experts believe that institutional investors account for only about half of the assets held in ETFs. ETFs have gained in popularity among a broad range of investors and have impacted the way they invest and where they invest. ETFs have provided investors with access to various investment themes and asset classes such as international and emerging market equities, commodities, real estate, currencies and sophisticated trading strategies, which were once reserved for the exclusive use of hedge funds and other institutional investors, and all at significantly lower fees.

Exchange Traded Funds

An ETF is an investment fund that holds assets such as equities, bonds, currencies or commodities and trades at approximately the same price as the net asset value of its underlying assets over the course of the trading day. ETFs offer exposure to a wide variety of asset classes and investment themes, including the broad U.S. and global markets and specific sectors, regions and countries, as well as the standard asset classes and investment styles. There are also ETFs that track certain specific investments, such as commodities, real estate or currencies. Like mutual funds, equity ETFs are baskets of investments that represent a diversified group of companies. However, ETFs have the following characteristics that distinguish them from mutual funds:

- ***Transparency***. ETFs disclose the composition of their underlying portfolios on a daily basis, unlike mutual funds which typically disclose their holdings every 90 days. As a result, investors "know what they own" and can make more informed investment decisions and respond to market activity.
- ***Intraday Trading***. Like stocks, ETFs can be bought and sold on exchanges throughout the trading day at market prices. ETFs update the indicative values of their underlying portfolios every 15 seconds. In contrast, mutual funds cannot be bought or sold using intraday prices but rather are bought or sold using end-of-day net asset values. As publicly-traded securities, ETF shares can be purchased on margin and sold short, enabling the use of hedging strategies, and traded using stop orders and limit orders, which allow investors to specify the price points at which they are willing to trade.
- ***Tax Efficiency***. In the United States, whenever a mutual fund or ETF realizes a capital gain that is not balanced by a realized loss, it must distribute the capital gain to its shareholders. These gains are taxable to all shareholders, even those who reinvest the gain distributions in additional shares of the fund. However, most ETFs have an additional mechanism not utilized by mutual funds that helps them reduce or eliminate taxable gains. ETFs typically redeem their shares through "in-kind" redemptions in which low-cost securities are transferred out of the ETF in exchange for fund shares. As a practical matter, mutual funds can not use this process. These in-kind redemption transactions are not taxable events for the ETF. By using this process, ETFs avoid the transaction fees and tax impact incurred by mutual funds that sell securities to generate cash to pay out redemptions. It is not uncommon for equity ETFs to distribute no capital gains to shareholders at the end of the year. In fact, all of our 34 WisdomTree equity ETFs had zero capital gain

distributions in 2010. Tax-efficiency is also improved by the relatively low turnover in the indexes the ETFs are designed to track, which contrasts with active mutual fund managers who typically trade their holdings much more frequently.

- ***Lower Fees***. ETFs typically offer lower expense ratios because the vast majority of ETFs are not actively managed. While there are typically brokerage commissions charged for the purchase and sale of an ETF similar to what you would pay when you purchase or sell individual securities, the administrative fees that ETFs charge tend to be significantly lower as compared to their mutual fund counterparts. Also, ETFs are generally shielded from the costs associated with buying and selling shares to accommodate purchases and redemptions. On average, the fee for U.S. equity funds charged by ETFs is 0.53% while mutual funds are 1.42%.

Since ETFs trade like an equity security, they also offer significant accessibility and flexibility for investors. ETFs do not carry a minimum holding period or trade size. They can be easily accessed through online brokers or through a financial advisor. No paperwork is required between the fund sponsor and the end customer. Although investors typically pay brokerage commissions to buy or sell an ETF, ETFs do not carry "sales loads" or pay trailer fees to brokers like mutual funds. We believe these features make ETFs an attractive alternative to mutual funds or high-fee financial products or structures such as hedge funds.

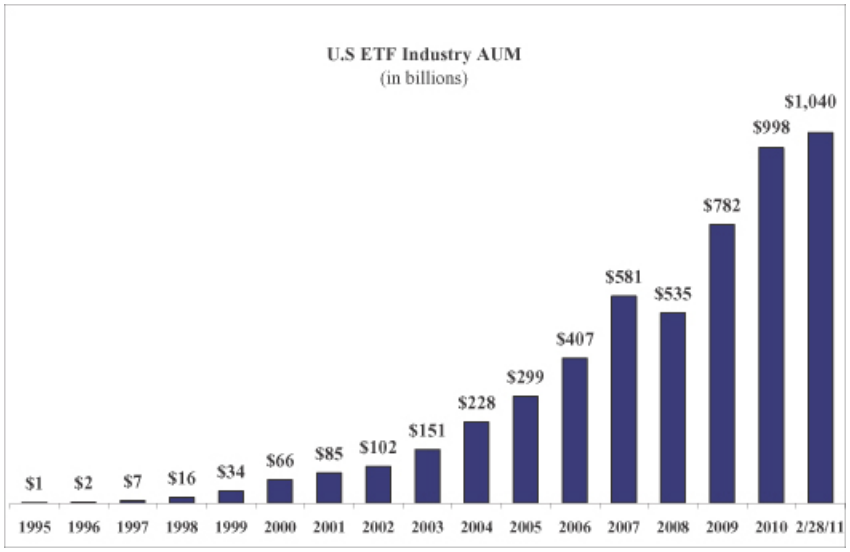
Reasons for Using ETFs

ETFs are used in various ways by a range of investors, from conservative to speculative. ETF strategies include:

- ***Low Cost Index Investing***. Because of their low cost, ETFs are used by investors seeking to track a variety of indexes encompassing equities, commodities or fixed income over the short and long term.
- ***Improved Access to Specific Asset Classes***. Investors often use ETFs to gain access to specific market sectors or regions around the world using an ETF that holds a portfolio of securities in that region or segment instead of buying individual securities.
- ***Protective Hedging***. Investors seeking to protect their portfolios may use ETFs as a hedge against unexpected declines in prices.
- ***Income Generation***. Investors seeking to obtain income from their portfolios may buy dividend-paying ETFs, which encompass a basket of dividend-paying stocks rather than buying individual stocks or a fixed income ETF that typically distributes monthly income.
- ***Speculative Investing***. Investors with a specific directional opinion about a market sector may choose to buy or sell (long or short) an ETF covering or leveraging that market sector.
- ***Arbitrage***. Sophisticated investors may use ETFs in order to exploit perceived value differences between the ETF and the value of the ETF's underlying portfolio of securities.
- ***Asset Allocation***. Investors seeking to invest in various asset classes to develop an asset allocation model in a cost-effective manner can do so easily with ETFs, which offer broad exposure to various asset classes in a single security.
- ***Diversification***. By definition, ETFs represent a basket of securities and each fund may contain hundreds or even thousands of different individual securities. The "instant diversification" of ETFs provides investors with broad exposure to an asset class, market sector or geography.
- ***Unconflicted Advice***. Currently, ETFs are not sold with a sales loads or 12b-1 fees, which are fees paid for marketing and selling mutual fund shares, such as compensating brokers and others who sell fund shares. Therefore, we believe a financial advisor recommending an ETF for their client is generally giving objective advice when recommending an ETF over a mutual fund. We do not pay commissions nor do we offer 12b-1 fees to financial advisors to use or recommend our ETFs.

The ETF Industry

Over the last decade, ETFs have experienced a compound annual growth of 31.2% from $66 billion in AUM in 2000 to nearly $1 trillion in AUM at the end of 2010, yet, at the end of 2010, there were only 967 ETFs compared to more than 6,000 mutual funds. The chart below reflects the AUM of the ETF industry in the United States since 1995:



Source: Investment Company Institute, National Stock Exchange, Bloomberg, WisdomTree

As of February 28, 2011, we were the eighth largest ETF sponsor in the United States by AUM:

	ETF Sponsor	AUM (in millions)
1	iShares	$ 460,209
2	StateStreet	256,728
3	Vanguard	158,566
4	PowerShares	45,994
5	ProShares	24,268
6	Van Eck	21,308
7	Deutsche Bank	13,448
8	**WisdomTree**	**10,279**
9	Rydex	7,624
10	First Trust	6,658
11	Direxion	5,794
12	Merrill (HOLDRs)	5,601
13	U.S. Commodity Funds	5,061
14	ETF Securities	3,860
15	Claymore	3,569
16	Schwab	3,530
17	PIMCO	2,431
18	GlobalX	1,496
19	ALPS	1,100
20	GreenHaven	700
21	RevenueShares	606
22	Emerging Global Shares	472
23	IndexIQ	463
24	AdvisorShares	199
25	Fidelity	186
26	X-Shares	139
27	Teucrium	82
28	Credit Suisse	55
29	FactorShares	25
30	Grail	18
31	Javelin	15
32	OneFund	15
33	FaithShares	11
34	ESG Shares	3
	Total	$1,040,513

Source: Bloomberg, WisdomTree

ETF Industry Growth Opportunity

We believe there is considerable growth potential in the ETF industry and that we are well-positioned to capitalize on this growth. We believe our growth, and the growth of the ETF industry in general, will be accelerated by the following factors:

- ***Education and Greater Investor Awareness***. Over the last several years, ETFs have been taking a greater share of inflows and AUM from mutual funds. For example:
  - As a percent of total ETF and long-term mutual fund inflows, ETF inflows have increased from 23% in 2005 to 32% in 2010, according to the Investment Company Institute, and we expect this trend to continue or accelerate.
  - The same data reflects that during the recent market downturn in 2008, while traditional long-term mutual funds were experiencing outflows of $224 billion, ETFs were experiencing inflows of $178 billion.
  - As of the end of 2010, mutual funds had total AUM of approximately $11.8 trillion. This reflects a decline in AUM of 12% from its peak in 2007. During that same period, ETF total AUM increased 72%.
  - As a percent of total ETF and long-term mutual fund AUM, ETF AUM has increased from 4.2 % in 2005 to 10% in 2010.

  We believe as a result of the recent market downturn, investors have become more aware of some of the deficiencies of their mutual fund and other financial products. In particular, we believe investors are beginning to focus on important characteristics of their traditional investments – namely transparency, liquidity and fees. Their attention and education focused on these important investment characteristics may be one of the drivers of the shift in inflows from traditional mutual funds to ETFs. We believe as investors become more aware and educated about ETFs and their benefits, ETFs will continue to take market share from traditional mutual funds and other financial products or structures such as hedge funds, separate accounts and single stocks.
- ***Move to Fee-Based Models***. Over the last several years, many financial advisors have changed the fees they charge clients from one that is “transaction-based”, that is based on commission for trades or receiving sales loads, to a “fee-based” approach, where an overall fee is charged based on the value of AUM. This fee-based approach lends itself to the advisor selecting no-load, lower-fee financial products, and in our opinion, better aligns the advisor with the interests of their client. Since ETFs generally charge lower fees than mutual funds, we believe this model shift will benefit the ETF industry. As major brokerage firms and asset managers encourage their advisors to move towards fee-based models, we believe overall usage of ETFs will likely increase.

- ***Innovative Product Offerings***. Historically, ETFs tracked traditional equity indexes, but the volume of ETF growth has lead to significant innovation and product development. As demand increased, ETF sponsors continued to innovate and today, ETFs are in virtually every asset class including commodities, fixed income, alternative strategies, leveraged/inverse, real estate and currencies. We believe there are substantial areas for ETFs to continue to innovate, including alternative-based strategies, hard and soft commodities, and actively-managed strategies. Expansion into these new asset classes should fuel further growth and investments from investors who typically access these products through hedge funds, separate accounts, stock investments or the futures and commodity markets.
- ***New Distribution Channels***. Discount brokers, including TD Ameritrade, E*Trade and Fidelity, now offer free trading and promotion of select ETFs. We believe the promotion of ETF trading by discount brokers and their marketing of ETFs to a wider retail channel will contribute to the future growth of ETFs.
- ***Changing Demographics***. As the "baby boomer" generation continues to mature and begins to retire, we expect that there will be a greater demand for a broad range of investment solutions, with a particular emphasis on income generation and principal protection, and that more of these retiring investors will seek advice from professional financial advisors. We believe these financial advisors will migrate more of their clients' portfolios to ETFs due to their lower fees, better fit within fee-based models, and their ability to (i) provide access to more diverse market sectors, (ii) improve multi-asset class allocation and (iii) be used for different investment strategies, including income generation. Overall, we believe ETFs best meet the needs of this large and important group of investors.
- ***Expansion Into 401(k) Retirement Plans***. Historically, 401(k) plans were almost exclusively comprised of mutual funds. However, we believe ETFs are particularly well-suited to 401(k) retirement plans and that these plans present a large and growing opportunity for our industry. ETFs are easy-to-implement, fully transparent investment vehicles covering the full range of asset allocation categories, and are available at significantly lower costs than most traditional mutual funds. In addition, regulatory reform laws are anticipated to go into effect in the second half of 2011 that will require 401(k) retirement plan sponsors to disclose all fees associated with their plans. We believe that as investors become aware of fees associated with using mutual funds in traditional 401(k) retirement plans, they will replace their mutual funds with ETFs because of their lower fees.

Regulatory Framework of the ETF Industry

Not all exchange traded products, or ETPs, are ETFs. ETFs are a distinct type of security that have benefits very different than other ETPs. ETFs are open-end investment companies or unit investment trusts regulated by the Investment Company Act of 1940, as amended. This regulatory structure provides for the highest level of investor protection within a pooled investment product. For example, each ETF is required to have an independent board of Trustees not affiliated with the fund's investment manager. In addition, ETFs operate under regulations that prohibit affiliated transactions, have standard pricing and valuation rules and mandated compliance programs. ETPs that are not ETFs are not registered under the Investment Company Act and are not required to operate under these higher standards. ETPs can take a number of forms, including exchange traded notes, grantor trusts or limited partnerships. Each of these structures has implications for taxes, liquidity, tracking error and credit risk. Though creating an ETF may require additional regulatory and operational hurdles, we believe that ETFs are the best investment structure for investors and we expect to continue creating products using the ETF structure.

Because ETFs do not fit into the regulatory provisions governing mutual funds, ETF sponsors need to apply to the Securities and Exchange Commission, or SEC, for "exemptive relief" from certain provisions of the Investment Company Act in order to operate ETFs. This exemptive relief allows the ETF sponsor to bring products to market for the specific products or structures they have applied for. Applying for exemptive relief can be costly and take several months to several years depending on the type of exemptive relief sought.

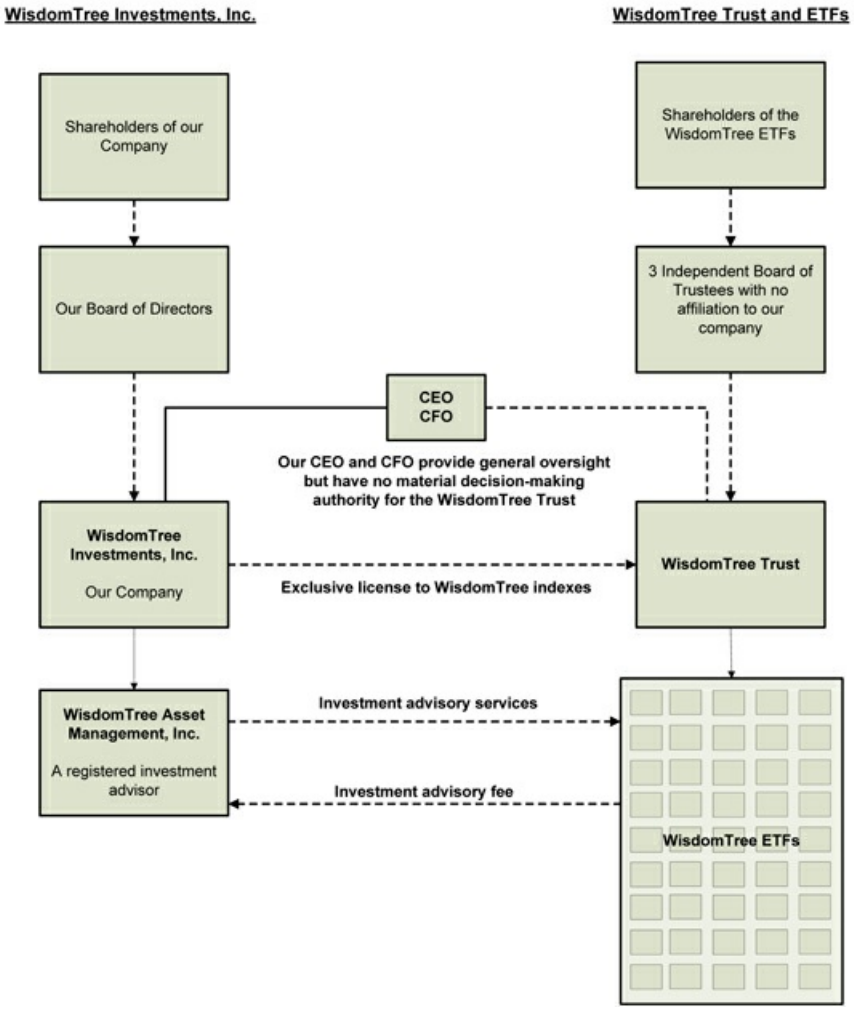
Corporate Structure

The WisdomTree ETFs are issued by the WisdomTree Trust. The WisdomTree Trust is a Delaware statutory trust registered with the SEC as an open-end management investment company. The Board of the WisdomTree Trust, or the Trustees, is separate from the Board of Directors of our company, WisdomTree Investments, Inc. The Trustees are primarily responsible for overseeing the management and affairs of the WisdomTree ETFs and the Trust for the benefit of the WisdomTree ETF stockholders. We have licensed the use of our own fundamentally-weighted indexes for ETFs on an exclusive basis to the WisdomTree Trust for the WisdomTree ETFs.

Like most ETFs, the day-to-day business of the Trust is generally performed by third-party service providers, such as the adviser, sub-adviser, distributor and administrator, although the Trustees are responsible for overseeing the Trust's service providers. The Trustees have approved us to serve as the investment adviser to the WisdomTree Trust as well as provide general management and administration of WisdomTree Trust and each of its ETFs. In turn, we have contracted with other third party service providers for some of these services. In addition, Jonathan Steinberg, our Chief Executive Officer, serves as a Trustee and President of the WisdomTree Trust and Amit Muni, our Chief Financial Officer, serves as Treasurer of the Trust.

Our investment management agreement with the WisdomTree Trust and WisdomTree ETFs must be renewed and specifically approved at least annually by a vote of the Trustees.

The following diagram depicts the corporate structure:



Corporate History

WisdomTree Investments, Inc. was incorporated by our Chief Executive Officer and founder, Jonathan Steinberg, in Delaware as Financial Data Systems, Inc., on September 19, 1985, but was inactive until October 1988 when it acquired the assets relating to what would become *Individual Investor* magazine, a monthly personal finance magazine. In December 1991, it completed an initial public offering and commenced trading on the Nasdaq Stock Market. In 1993, the company's name was changed to Individual Investor Group, Inc. and throughout the 1990's it was a financial media company that published several magazines, including *Individual Investor* and *Ticker*, newsletters, as well as maintained several online financial related websites. In addition, the company also began developing stock indexes. Due to the economic downturn in the financial media industry in 2000 and 2001, the company sold its media properties in order to preserve its capital while it pursued a new business plan focusing on developing and licensing its stock indexes. The company's common stock was de-listed from Nasdaq and began quotation on the over-the-counter market known as the Pink Sheets. In 2002, the company's name was changed to Index Development Partners, Inc., and Jonathan Steinberg, along with Luciano Siracusano, our Chief Investment Strategist, continued development of the concepts for our fundamentally weighted index methodology. While this concept was being developed, the company sought to obtain financing to recapitalize and become an ETF sponsor. Between 2004 and 2005, the company obtained financing from a core group of investors including former hedge fund manager Michael Steinhardt, Professor Jeremy Siegel of The Wharton School of the University of Pennsylvania and the venture capital firm of RRE Ventures, LLC. Michael Steinhardt became our Chairman and Professor Jeremy Siegel became the senior investment strategy advisor for our company and Board. James Robinson, IV of RRE Ventures also joined our Board. In 2005, the company's name was changed to WisdomTree Investments, Inc. WisdomTree Investments, Inc. launched its first 20 ETFs in June 2006. Our common stock continues to be quoted on the Pink Sheets, now known as OTC Markets, and we intend to seek listing of our common stock on in connection with the filing of this Form 10 with the U.S. Securities and Exchange Commission.

Our Business

Overview

We are the eighth largest sponsor of ETFs in the United States based on AUM. In June 2006, we launched 20 ETFs and, as of February 28, 2011, we had 45 ETFs with AUM of approximately $10.3 billion.

Through our operating subsidiary, we provide investment advisory and other management services to the WisdomTree Trust and WisdomTree ETFs. In exchange for providing these services, we receive advisory fee revenues based on a percentage of the ETFs average daily net assets. Our expenses are predominantly related to selling, operating and marketing our ETFs.

We have contracted with third parties to provide some of the investment advisory and other management services to the WisdomTree ETFs. We have contracted with Mellon Capital Management Corporation to act as sub-advisor and provide portfolio management services for the WisdomTree ETFs. We have also contracted with Bank of New York to provide fund administration, custody, accounting and other related services for the WisdomTree ETFs. Both of these parties are part of The Bank of New York Mellon Corporation, collectively BNY Mellon.

Our primary business is an ETF sponsor. However, in conjunction with the development of our indexes for our ETFs, we also license our indexes to third parties for use in financial products or for separate accounts. This is not currently a material part of our business and we do not believe this will become a material part of our business in the future.

We also have a small team dedicated to promoting the use of WisdomTree ETFs in 401(k) retirement plans through our wholly-owned subsidiary, WisdomTree Retirement Services, Inc. We believe the benefits of ETFs, along with pending regulatory disclosure of fees paid by 401(k) plan participants and sponsors, will foster more use of low cost ETFs in 401(k) plans. This initiative is still in its early stages and is expected to be a long-term investment.

Our revenues have increased substantially since we launched in June 2006. Our revenues increased to $41.6 million in 2010 compared to $22.1 million in 2009 and $23.6 million in 2008. With only approximately five years of operations, we have improved our net loss to $7.5 million in 2010, from a loss of $21.2 million in 2009 and a loss of $27.0 million in 2008.

Our Products

Today, we offer a comprehensive family of 46 ETFs, which includes 34 international and domestic equity ETFs, 9 currency income ETFs, two recently launched international fixed income ETFs and one recently launched managed futures strategy ETF.

Equity ETFs

We offer equity ETFs covering the U.S. and international developed and emerging markets. These ETFs offer access to the securities of large, mid and small-cap companies, companies located in the United States, developed markets and emerging markets, as well as companies in particular market sectors, including basic materials, energy, utilities and real estate. As described in more detail below, our equity ETFs track our proprietary fundamentally weighted indexes, as opposed to market capitalization weighted indexes, which assign more weight to stocks with the highest market capitalizations. These fundamentally weighted indexes focus on securities of companies that pay regular cash dividends or on securities of companies that have generated positive cumulative earnings over a certain period. We believe these factors, rather than market capitalization alone, provide investors with better risk adjusted returns.

Currency ETFs

We offer currency ETFs that provide investors with exposure to developed and emerging market currencies, including the Chinese Yuan, the Brazilian Real, the Euro and the Japanese Yen. Currency ETFs invest in U.S. money market securities, forward currency contracts and swaps and seek to achieve the total returns reflective of both money market rates in selected countries available to foreign investors and changes to the value of these currencies relative to the U.S. dollar. We launched the industry's first currency ETFs in May 2008 using an actively managed strategy.

International Fixed Income ETF

In August 2010, we launched an ETF that predominantly invests in a broad range of local debt denominated in the currencies of emerging market countries and on March 17, 2011, we launched an ETF that invests in local debt denominated in the currencies of Asia Pacific ex-Japan countries. We intend to launch additional fixed income bond funds and broaden our product offerings in this category.

Alternative Strategy ETF

In January 2011, we launched the industry's first managed futures strategy ETF. This fund seeks to achieve positive returns in rising or falling markets that are not directly correlated to broad market equity or fixed income returns. This fund is managed using a quantitative, rules-based strategy designed to provide returns that correspond to the Diversified Trends Indicator™, or DTI®. The DTI is a long/short rules-based managed futures indicator developed by Victor Sperandeo of Alpha Financial Technologies, LLC and is a widely used indicator designed to capture the economic benefit derived from rising or declining price trends in the markets for commodity, currency and U.S. Treasury futures. We have an exclusive license to manage an ETF against this indicator. We also intend to explore additional alternative strategy products in the future.

The type and AUM for each of our ETFs are listed below as of February 28, 2011:

	Number of Funds	Type	AUM (in millions)
Equity ETFs:			
U.S. Equity ETFs	12	Index based	$ 2,220
Emerging Markets Equity ETFs	4	Index based	$ 3,496
International Developed Equity ETFs	14	Index based	$ 2,276
International Sector Equity ETFs	4	Index based	$ 248
Currency ETFs	9	Actively Managed	$ 1,378
International Fixed Income ETF	1	Actively Managed	$ 620
Alternative Strategy ETF	1	Actively Managed	$ 41
Total	45		$ 10,279

Index Based ETFs

Our equity ETFs seek to track our own fundamentally weighted indexes. Most of today's ETFs track market capitalization weighted indexes. Market capitalization weighted ETFs assign more weight to stocks with the highest market capitalizations, which is a function of stock price. This means that if a stock is overvalued, market capitalization weighted funds will give the overvalued stock greater weight as its price and market capitalization increases and the opposite is true if a stock is undervalued, where market capitalization weighted funds will give it less weight. Without a way to rebalance away from these stocks, market capitalization weighted funds essentially hold more of a company's stock as its price is going up and less

as the price of the company's stock is going down. In other words, these funds buy high and sell low. Market history contains many examples of overvalued stocks, for example, the technology and dot-com bubble of the late 1990s. We believe this structural flaw can expose investors to potentially higher risks and lower returns. To address the structural flaw of market cap-weighting, we use a rules-based methodology to weight companies in our ETFs by a measure of fundamental value instead of market capitalization. After researching fundamental indicators of value, we believe the most effective metrics are cash dividends or earnings. Our research indicated that weighting by cash dividends or earnings provided investors with better risk adjusted returns than market capitalization weighted indexes. Our funds are rebalanced annually and designed to reset back to an indicator of fundamental value – either cash dividends paid or earnings generated. All of our index based equity ETFs are based on this approach. We believe this fundamentally weighted approach offers better returns than comparable ETFs or mutual funds tracking market capitalization weighted indexes over the long-term.

Actively Managed ETFs

In 2008, we obtained regulatory approval to launch actively managed ETFs, which are ETFs that are not based on an index but rather are actively managed with complete transparency of the ETF's portfolio on a daily basis. We are one of only a limited number of ETF sponsors who have obtained permission from the SEC to launch actively managed ETFs. This has enabled us to develop products not yet offered by other ETF sponsors. Our actively managed ETFs include our currency ETFs, international fixed income ETFs and managed futures strategy ETF.

Historical Net ETF Inflows and AUM

The following charts reflect our historical net ETF inflows, market share of industry inflows and ETF AUM since we launched our funds in June 2006:

We have experienced positive net inflows each year since we launched our first ETFs in June 2006. While we have experienced significant fluctuations in our net inflows quarter to quarter, we have only experienced one quarter of net outflows – approximately $15.5 million of net outflows in the third quarter of 2008 – when the overall market sentiment was extremely negative. Our ETF AUM declined from $4.6 billion in 2007 to $3.2 billion at the end of 2008 as a result of $2.3 billion decline in the market value of the securities our ETFs hold resulting from the global economic crisis despite $907 million of net inflows. Our market share also declined during that period as investors began to sell off equity investments and invest in government fixed income and commodity ETFs. At that time, we did not have fixed income or commodity presence. Part of our growth strategy is to diversify our product offering.

Over the last several quarters, our market share of net ETF inflows has also been increasing. We believe this trend is a result of our strong product offering in emerging market equities, new products we launched such as currency and international fixed income, as well as a longer track record for our equity funds launched in 2006 and 2007. Our growth strategy seeks to increase our market share of ETF industry inflows.

Distribution and Sales

We distribute our funds primarily through financial advisors in the major channels in the asset management industry using our own sales professionals. These channels include brokerage firms, registered investment advisors, institutional investors, private wealth managers and discount brokers. We typically do not target our ETFs directly to the retail segment but rather to financial advisors who act as the intermediary between the end client and us. We do not pay commissions nor do we offer 12b-1 fees to financial advisors to use or recommend the use of our ETFs.

We have developed an extensive network and relationships with financial advisors and we believe our ETFs and related research are structured to meet their needs and those of their clients. Our sales professionals act in a consultative role to provide the financial advisor with value-added services. We consistently grow our network of financial advisors and we opportunistically seek to introduce new products that best deliver our investment strategies to investors through these distribution channels.

We have a team of 25 sales professionals located in the United States as of February 28, 2011. In 2010, we entered into two distribution agreements with two external distribution firms to serve as the external marketing agents for the WisdomTree ETFs in the U.S. independent broker-dealer channel and in Latin America. These arrangements expand our distribution capabilities to channels that we believe we would have difficulty accessing in a cost-effective manner.

Marketing and Advertising

Our marketing effort is focused on three objectives: (1) generating new clients and inflows to our ETFs; (2) retaining existing clients, with a focus on cross-selling additional WisdomTree ETFs; and (3) building brand awareness. We pursue these objectives through a multi-faceted marketing strategy targeted at financial professionals within the asset management industry. We utilize the following strategies:

- ***Targeted Advertising.*** In an effort to maximize the goal of reaching financial advisors, we create highly targeted multi-media advertising campaigns limited to established core financial media. For example, our television advertising runs exclusively on the cable networks, CNBC, and Bloomberg Television; online advertising runs on ETF-specific web sites, such as www.seekingalpha.com and www.etfdatabase.com; and print advertising runs in core financial publications, including Barron's and Institutional Investor.
- ***Media Relations.*** We have a full time public relations manager who has established relationships with the major financial media outlets including: the Wall Street Journal, Barron's, the Financial Times, Bloomberg, Reuters and USA Today. We utilize these relationships to help create awareness of the WisdomTree ETFs and the ETF industry in general. Key members of management including our Chief Investment Strategist, Luciano Siracusano, our President & Chief Operating Officer, Bruce Lavine, and our Director of Research, Jeremy Schwartz, are frequent market commentators and conference panelists regarding the ETF industry.
- ***Direct Marketing***. We have a database of approximately 100,000 financial advisors to which we regularly market through targeted and segmented communications such as on-demand research presentations, ETF-specific or educational events and presentations, quarterly newsletters and market commentary from our senior investment strategy advisor, Professor Jeremy Siegel.
- ***Sales Support***. We create comprehensive marketing materials to support our sales process including whitepapers, research reports, investment ideas and performance data for all WisdomTree ETFs.

We will continue to evolve our marketing and communication efforts in response to changes in the ETF industry, market conditions and marketing trends.

Research

Our research team has three core functions: index development and oversight, investment research and sales support. In its index development role, the research group is responsible for creating the investment methodologies and overseeing the maintenance of our indexes that WisdomTree's equity ETFs are designed to track. The team also provides a variety of investment research around these indexes and market segments. Our research is typically academic-type research to support our products, including white papers on the strategies underlying our indexes and ETFs, investment insight on current market trends, and types of investment strategies that drive long-term performance. We distribute our research through our sales professionals, online through our website, targeted emails to financial advisors, or through financial media outlets, including interviews on CNBC. On some occasions our research has been included in "op-ed" letters appearing in the Wall Street Journal. Finally, the research team supports our sales professionals in meetings as market experts and through custom reports. In addition, we often consult with our senior investment strategy advisor, Professor Jeremy Siegel, on product development ideas.

Business Transactions

Joint Venture with Mellon Capital Management Corporation and The Dreyfus Corporation

In 2008, we entered into a mutual participation agreement with Mellon Capital Management Corporation and The Dreyfus Corporation in which we agreed to collaborate in developing currency and fixed income ETFs under the WisdomTree Trust. Under the agreement, we contribute our expertise in operating the ETFs, sales, marketing and research, and Mellon Capital and Dreyfus contributed sub-advisory, fund administration and accounting services for these collaborated ETFs. All third-party costs and profits and losses are shared equally. This agreement expires in March 2013. As of February 28, 2011, approximately $2.0 billion of our AUM is related to this agreement. If this agreement were to expire, we would be required to contract separately with Mellon Capital and Dreyfus, or pay another third party to provide for these services. Although we would then have to pay for these services, we would not have to share any profits or losses related to these ETFs. At this time, we are not aware if this agreement will expire or be renewed.

Treasury Equity, LLC

In 2007, we acquired the rights to an application pending with the SEC for exemptive relief to operate currency funds from Treasury Equity, LLC, a private company. Following this purchase we continued to pursue the application for the exemptive relief and ultimately it formed the basis for our regulatory ability to operate currency ETFs. In exchange, we issued approximately 1.2 million shares of common stock valued at approximately $2.3 million during 2008 and 2009. In

addition, until March 2017, we will pay Treasury Equity, LLC a quarterly fee based on the assets under management of our currency ETFs.

Our Competitive Strengths

Our business strategy is designed to support our efforts to be among the top 5 ETF sponsors in the United States. Key to executing this strategy is a focus on our core competitive strengths:

- ***Strong ETF Performance.*** We use a rules-based methodology to weight companies in our equity ETFs by a measure of fundamental value instead of market capitalization. We believe this approach will yield better risk adjusted returns over the long-term than our competitors' market capitalization weighted products. Approximately 77% of the approximately $8.2 billion invested in our 34 equity ETFs on February 28, 2011 were in funds that, since their respective inceptions, outperformed their competitive benchmarks through that date. 20 of our 34 equity ETFs outperformed their competitive benchmarks since their respective inception through February 28, 2011. Our strategy is to maintain our performance by consistently applying our investment philosophy and process.
- ***Track Record of Innovative Product Development.*** We believe we have created a track record of innovation that places us at the forefront of ETF providers. This innovation began with our equity ETFs which follow our own fundamentally weighted methodology. Our recent innovations include:
  - We launched the industry's first emerging markets small cap equity ETF.
  - We launched the industry's first actively managed currency ETFs.
  - We launched the industry's first equity ETF that invests in local shares in India using an innovative ETF structure that complies with regulations related to foreign ownership limits of Indian companies.
  - We launched the industry's first ETF designed to offer investors broad exposure to the international developed equity markets while at the same time hedging the currency fluctuations between foreign currencies.
  - We launched the industry's first managed futures strategy ETF. This ETF allows investors access to a sophisticated strategy at a much lower cost point than most competing products. We launched this fund under our actively managed ETF approval and used derivatives to maximize the ETFs performance in a cost-effective and risk-appropriate manner.

  We believe our expertise in using the breadth and depth of our regulatory exemptive relief, which allows us to launch index-based and actively managed ETFs, including ETFs that use alternative strategies and derivatives, creates a strategic advantage by enabling us to launch innovative ETFs that others may not be able to launch in the short-term.
- ***Strong, Seasoned and Innovative Management Team.*** We have built a strong and dedicated senior leadership team. Most of our leadership team have significant ETF or financial services industry experience in fund operations, regulatory and compliance oversight, product development and management or marketing and communications. We believe our team, by developing an ETF sponsor from the ground up despite significant competitive, regulatory and operational barriers, has demonstrated an ability to innovate as well as recognize and respond to market opportunities.
- ***Marketing, Research and Sales Expertise.*** The majority of our personnel are professionals dedicated to marketing, research and sales. While our sales professionals are the primary point of contact with financial advisors who use our ETFs, their efforts are enhanced through value-added services provided by our research and marketing efforts. We believe the recent growth we have experienced by strategically aligning marketing campaigns with targeted research and sales initiatives differentiates us from our competitors.
- ***Strong Brand Recognition.*** With our launch in 2006, we made a tactical decision to establish the WisdomTree brand through targeted television, print and online advertising, as well as public relations efforts using our investors, Michael Steinhardt and Professor Jeremy Siegel. We believe we have been successful in these efforts and WisdomTree has created a strong and recognized brand associated with product innovation, customer service and integrity.

- ***Development of Indexes.*** Our equity ETFs use our own indexes, which we believe gives us several advantages. Most importantly, we are able to considerably increase our speed to market. Our product development and index teams work closely to identify potential new ETFs for the marketplace. Because we can create indexes ourselves, we have the ability to create innovative indexes and related ETFs much more rapidly than our competitors who have to work with third party index providers. Also, we are able to maintain a consistent investment philosophy for our products which creates a unified investing experience for investors. The second advantage of being able to create our own proprietary indexes is cost. Our competitors license indexes from third parties and in exchange, they pay licensing fees, which in some cases may be significant. Since we create our own indexes, we do not incur any of these licensing costs and can therefore be more competitive on the fees we charge for our ETFs.
- ***Highly Scalable Business Model.*** We have built a lean and efficient organization focused on our core competencies of product development, marketing, research and sales of ETFs. We have chosen to outsource to third parties those services which do not fit our core competency or are either cost, risk or people intensive. For example, we have outsourced the portfolio management responsibilities and fund accounting operations of our ETFs to BNY Mellon; therefore, we do not bear the risks or costs associated with trading securities nor need to maintain complex fund accounting systems or staff required to perform those functions. We believe outsourcing these commoditized functions is more cost efficient than building these capabilities internally. In turn, we believe we have built a very highly scalable business model.

Our Growth Strategy

Our goal is to be among the top five ETF sponsors in the United States. To achieve this goal, our strategy is to position us to capitalize on the growth of the ETF industry as well as increase our market share of industry inflows at a higher rate than we have historically experienced. Our average market share of industry inflows since inception was 1.7% as of the end of 2010. Our market share in recent quarters has been increasing and is higher than our average since inception. We believe this is a result of a variety of factors including increased investor demand for equities; greater acceptance of WisdomTree ETFs, and in particular, our strong product offering in emerging market equities; introduction of new WisdomTree ETFs; and a longer track record for our existing ETFs. We will seek to increase our market share by continuing to implement the following growth strategies:

- ***Leverage our Asset Levels, Trading Volumes and Performance Track Record*** We have built a professional sales force, established a strong brand, introduced innovative ETFs and established a performance track record. As we grow our assets under management, we believe several factors will continue to foster additional growth:
  - First, we believe higher asset levels in some of our ETFs make those ETFs more attractive to investors and financial advisors. For example, at December 31, 2009, our top 5 largest ETFs had assets under management of approximately $2.4 billion, yet one year later, they collectively had approximately $4.4 billion under management.
  - Second, higher trading volumes for ETFs make those ETFs more attractive for financial advisors and traders. As our assets under management have grown, so have our trading volumes. The average daily trading volume for our ETFs in 2009 was 1.8 million shares a day. In 2010, the average daily trading volume increased to approximately 3.6 million shares a day.
  - Third, a longer performance track record makes ETFs more attractive to all investors and in particular large institutional investors such as endowments or pension plans. Of particular significance are 3 year, 5 year and 10 year track records. At June 30, 2011, 31 of our ETFs will have at least 3 year track records, 19 of which will also have 5 year records. The existence of these track records now makes our ETFs eligible for evaluations by large investment research firms like Morningstar.
- ***Continue to Launch Innovative New Products that Diversify our Product Offerings and Revenue Stream.*** Another key to increasing our AUM will be our ability to introduce new ETFs to the market place that meet investor needs. We believe our track record has shown we have the ability to create and sell innovative ETFs that meet market demand. It will also be important to diversify our product offering into different asset classes. As of February 28, 2011, 34 of our 45 ETFs are in equities. In 2008, we expanded into currency ETFs. In 2010, we launched our first international fixed income ETF and in early 2011, we launched our first alternative strategy ETF and another international fixed income ETF. Beginning in late 2008 and continuing into 2009 and early 2010, many investors sold their equity positions and invested in fixed income and

commodity ETFs. At that time, we did not have fixed income or commodity presence and, although we did not experience net outflows, our AUM and revenues declined as we experienced negative market movement. We believe continued diversification will strengthen our business by allowing us to obtain inflows, maintain AUM and generate revenues during different market cycles.

- ***Selectively Pursue Acquisitions or Partnerships.*** We may pursue acquisitions or enter into partnership or other commercial arrangements that will enable us to strengthen our current business, expand and diversify our product offering, increase our assets under management or enter into new markets. We believe entering into partnerships or acquisitions is a cost-effective means of growing our business and AUM. In 2007, we purchased certain assets and intellectual property from Treasury Equity, LLC which formed the basis for our currency ETFs. In 2008, we entered into a joint venture with Mellon Capital Management Corporation and The Dreyfus Corporation with respect to our currency and fixed income ETFs. We believe our management team is well equipped to identify and execute strategic opportunities for us.

Competition

The asset management industry is highly competitive and we face substantial competition in virtually all aspects of our business. Factors affecting our business include fees for our products, investment performance, brand recognition, business reputation, quality of service, and the continuity of our financial advisor relationships. We compete primarily with other ETF sponsors and mutual fund companies and secondarily against other investment management firms, insurance companies, banks, brokerage firms and other financial institutions that offer products that have similar features and investment objectives to those offered by us. The vast majority of the firms we compete with are subsidiaries of large diversified financial companies and many others are much larger in terms of AUM, years in operations, and revenues and, accordingly, have much larger sales organizations and budgets. In addition, these larger competitors may attract business through means that are not available to us, including retail bank offices, investment banking and underwriting contacts, insurance agencies and broker-dealers.

Recently, our competitors, Vanguard, Charles Schwab, iShares and FocusShares (through Scottrade Inc.), became engaged in significant price competition by lowering fees charged for ETFs offering similar investment strategies and waiving trading commission. These ETFs are broad based market capitalization weighted equity ETFs or with respect to iShares, related to gold. We do compete against these firms for similar related equity strategies; however, as described above, our indexes are fundamentally weighted, not market capitalization weighted. However, an index developer has created a series of fundamentally weighted indexes similar to ours which may be licensed by a competitor of ours. Some of our competitors have launched or will be launching fundamentally weighted ETFs of their own. Both the indexer and our competitors are using indexes with different fundamental weighting than our approach. If price competition intensifies or we begin to compete with other ETF sponsors using a fundamentally weighted approach at a lower price than ours, we may be required to reduce the advisory fees we charge in order to compete.

In 2008, the SEC announced a proposal to allow ETFs to form and operate without the need to obtain exemptive relief. This proposed rule has not yet been adopted and we do not know if or when it may be adopted. Removing the time barrier and expense needed to obtain exemptive relief may bring additional competitors into the marketplace.

We believe our ability to successfully compete will be based on our competitive fee structure and our ability to achieve consistently strong investment performance, develop distribution relationships, create new investment products, offer a diverse platform of investment choices and attract and retain talented sales professionals and other employees.

Regulation

The investment management industry is subject to extensive regulation and virtually all aspects of our business are subject to various federal and state laws and regulations. These laws and regulations are primarily intended to protect investment advisory clients and stockholders of registered investment companies. These laws and regulations generally grant supervisory agencies broad administrative powers, including the power to limit or restrict the conduct of our business and to impose sanctions for failure to comply with these laws and regulations. Further, such laws and regulations may provide the basis for litigation that may also result in significant costs to us. The costs of complying with such laws and regulations have increased and will continue to contribute to the costs of doing business:

- ***The Investment Advisers Act of 1940*** – The SEC is the federal agency generally responsible for administering the U.S. federal securities laws. Our subsidiary, WisdomTree Asset Management, Inc., or WTAM, is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Investment Advisers Act") and, as such, is regulated by the SEC. The Investment Advisers Act requires

registered investment advisers to comply with numerous and pervasive obligations, including, among others, recordkeeping requirements, operational procedures, registration and reporting and disclosure obligations.

- ***The Investment Company Act of 1940*** – The WisdomTree ETFs are registered with the SEC pursuant to the Investment Company Act of 1940, as amended (the "1940 Act"). WTAM, as an adviser to a registered investment company, must comply with the requirements of the 1940 Act and related regulations including, among others, requirements relating to operations, fees charged, sales, accounting, recordkeeping, disclosure and governance. In addition, the WisdomTree Trust generally has obligations with respect to the qualification of the registered investment company under the Internal Revenue Code.
- ***Broker-Dealer Regulations*** – Although we are not registered with the SEC as a broker-dealer under the Securities Exchange Act of 1934, as amended, nor are we a member firm of the Financial Industry Regulatory Authority, or FINRA, many of our employees, including all of our salespersons, are licensed with FINRA and are registered as associated persons of the distributor of the WisdomTree ETFs and, as such, are subject to the regulations of FINRA that relate to licensing, continuing education requirements and sales practices. FINRA also regulates the content of our marketing and sales material.

In addition, in connection with this Form 10 filing, we intend to list our common stock on and will therefore be also subject to their rules including corporate governance listing standards.

Intellectual Property

We regard our name, WisdomTree, as material to our business and have registered WisdomTree® as a service mark with the U.S. Patent and Trademark Office and in various foreign jurisdictions.

Our index-based equity ETFs are based on our own indexes and we do not license them from, nor do we pay licensing fees to, third parties for these indexes.

We have three patent applications pending with the U.S. Patent and Trademark office that relate to the operation of our ETFs and our index methodology. There is no assurance that patents will be issued from these applications and we do not rely upon future patents for a competitive advantage.

Employees

As of February 28, 2011, we had 61 full-time employees. Of these employees, 25 are engaged in our sales function with the remainder in providing managerial, finance, marketing, legal, regulatory compliance, operations and research functions. None of our employees are covered by a collective bargaining agreement and we consider our relations with employees to be good.

ITEM 1A. RISK FACTORS

Any investment in our common stock involves a high degree of risk. You should consider carefully the specific risk factors described below in addition to the other information contained in this prospectus before making a decision to invest in our common stock. If any of these risks actually occur, our business, operating results, financial condition and prospects could be harmed. This could cause the trading price of our common stock to decline and a loss of all or part of your investment.

Risks Relating to our Industry and Business

We have only a limited operating history and we have not yet reported net income.

We launched our first 20 ETFs in June 2006 and have only a limited operating history in the asset management business upon which an evaluation of our performance can be made. Since we launched our first ETFs, we have incurred significant losses and we have not yet reported net income. We only began to generate positive cash flow on a full quarterly basis in the second fiscal quarter of the year ended December 31, 2010. We have a history of net losses and may not achieve or sustain profitability in the future. Even if we achieve profitability in the future, we may not be able to maintain or increase our level of profitability. We incurred net losses of $27.0 million, $21.2 million and $7.5 million in the years ended December 31, 2008, 2009 and 2010, respectively. We will continue to incur net losses until our average AUM reaches a level that will generate sufficient revenue to cover our expenses. Although our current revenue level is close to matching our expense level, we cannot be assured that we will record net income. Even if we achieve profitability in one quarter, because of the various risks outlined in this registration statement, we cannot be assured that we will continue to be profitable. As a result, recent historical growth may not provide an accurate representation of the growth we may experience in the future, which will make it difficult to evaluate our future prospects.

Difficult market conditions and declining prices of securities can adversely affect our business by reducing the market value of the assets we manage or causing customers to sell their fund shares and triggering redemptions.

We are subject to risks arising from adverse changes in market conditions and the declining price of securities, which may result in a decrease in demand for investment products, a higher redemption rate or a decline in AUM. Our revenue is directly impacted by the value of the securities held by our funds. As a result, our business can be expected to generate lower revenue in declining markets or general economic downturns. Substantially all of our revenue is determined by the amount of our AUM and much our AUM is represented by equity securities. Under our advisory fee arrangements, the advisory fees we receive are based on the market value of our AUM. A decline in the prices of securities held by the WisdomTree ETFs may cause our revenue to decline by either causing the value of our AUM to decrease, which would result in lower advisory fees, or causing investors in the WisdomTree ETFs to sell their shares in favor of investments they perceive to offer greater opportunity or lower risk, thus triggering redemptions that would also result in decreased AUM and lower fees. The securities markets are highly volatile, and securities prices may increase or decrease for many reasons, including general economic conditions, political events, acts of terrorism and other matters beyond our control.

Volatility and disruption of the capital and credit markets, and adverse changes in the global economy, may significantly affect our results of operations and may put pressure on our financial results.

Since our family of ETFs invests in both U.S. and international markets, its investment performance is subject to changing conditions in the global financial markets, and may also be affected by political, social and economic conditions in general. Beginning in the second half of 2007, and particularly during the second half of 2008 through early 2009, the financial markets were characterized by unprecedented levels of volatility and limited liquidity. This materially and adversely affected the capital and credit markets and led to a widespread loss of investor confidence. Although we did not experience significant net outflows of AUM, the effects of the financial crisis on the economy caused a significant decline in the value of equity securities, the market value of our AUM declined substantially and we faced a severe reduction of revenue. A similar disruption in the future, even if of a lesser magnitude, could cause us to experience net outflows of AUM or a decline in the value of equity and debt securities, thus reducing our AUM and revenue.

Fluctuations in the amount and mix of our assets under management may negatively impact revenue and operating margin.

The level of our revenue depends on the level and mix of assets under management. Our revenue is derived primarily from advisory fees based on a percentage of the value of our AUM and varies with the nature of the ETF, which

have different fee levels. Any decrease in the value or amount of our assets under management because of market volatility or other factors negatively impacts our revenue. A decline in the prices of the securities held by our ETFs or in the sales of our investment products would reduce our revenue. Fluctuations in the amount and mix of our assets under management may be attributable in part to market conditions outside of our control that have had, and in the future could have, a negative impact on our revenue and operating margin.

We are subject to an increased risk of asset volatility from changes in the foreign markets as discussed below. Individual markets may be adversely affected by economic, political, financial, or other instabilities that are particular to the country or regions in which a market is located, including without limitation local acts of terrorism, economic crises or other business, social or political crises. Declines in these markets and currency fluctuations have caused in the past, and may cause in the future, a decline in our revenue. Changing market conditions and currency fluctuations may cause a shift in our asset mix between foreign and U.S. assets, potentially resulting in a decline in our revenue since we generally derive higher fee revenue from our ETFs investing in foreign markets, particularly in emerging markets.

Most of our assets under management are held in ETFs that invest in foreign securities and we have substantial exposure to foreign market conditions and we are subject to currency exchange rate risks.

Many of our ETFs invest in securities of companies, governments and other organizations located outside the United States and at February 28, 2011, approximately 65% of our AUM was held by these ETFs. Therefore the success of our business is closely tied to market conditions in foreign markets. Investments in non-U.S. issuers are effected by political, social and economic uncertainty effecting a country or region in which we are invested. In addition, fluctuations in foreign currency exchange rates could reduce the revenue we earn from these foreign invested ETFs. This occurs because an increase in the value of the U.S. dollar relative to non-U.S. currencies may result in a decrease in the dollar value of the AUM in these ETFs, which, in turn, would result in lower revenue. In addition, investors are likely to believe these ETFs, as well as our suite of currency ETFs, are a less attractive investment opportunity when the value of the U.S. dollar rises relative to non-U.S. currencies, which could have the effect of reducing investments in these ETFs, thus reducing revenue.

We derive a substantial portion of our revenue from products invested in emerging markets.

At February 28, 2011, approximately 40% of our ETF AUM were concentrated in four of our WisdomTree ETFs that invest in equity or fixed income securities issued by companies in emerging markets. In the year ended December 31, 2010, 42% of our revenue was derived from these four ETFs. As a result, our operating results are particularly exposed to the performance of those funds, economic and market conditions in this region, general investor sentiment regarding future growth in this region, and our ability to maintain the assets under management of those funds. In addition, because these funds have a higher expense ratio than our fund family in general, they generate a disproportionate percentage of our total revenue. If the AUM in these funds were to decline, either because of declining market values or because of net outflows from these funds, our revenue would be adversely affected.

We derive a substantial portion of our revenue from a limited number of products.

At February 28, 2011, approximately 52% of our ETF assets under management were concentrated in six of our 45 WisdomTree ETFs. As a result, our operating results are particularly exposed to the performance of those funds, investor sentiment toward investing in the strategies pursued by those funds and our ability to maintain the assets under management of those funds.

The WisdomTree ETFs have a limited track record and poor investment performance could cause our revenue to decline.

The WisdomTree ETFs have a limited track record upon which an evaluation of their investment performance can be made. The investment performance of our funds is important to our success. While strong investment performance could stimulate sales of our ETFs, poor investment performance, on an absolute basis or as compared to third-party benchmarks or competitive products, could lead to a decrease in sales or stimulate redemptions, thereby lowering the assets under management and reducing our revenue. Our fundamentally-weighted equity ETFs are designed to provide the potential for better risk-adjusted investment returns over full market cycles and are best suited for investors with a longer-term investment horizon. The investment approach of our equity ETFs may not perform well during certain shorter periods of time during different points in the economic cycle. While 77% of our AUM at December 31, 2010 was in WisdomTree ETFs that since their respective inceptions outperformed their respective benchmarks through December 31, 2010, the investment performance of our funds over shorter periods with different market conditions has not been as strong. Only seven of our 34

funds that have a comparative benchmark outperformed their respective benchmarks during the year ended December 31, 2010. Past or present performance is not indicative of future performance.

We depend on BNY Mellon to provide us with critical services to operate our business and the WisdomTree ETFs and the failure of BNY Mellon to adequately provide such services could materially affect our operating business and harm our customers.

We depend upon BNY Mellon to provide the WisdomTree Trust with portfolio management services. BNY Mellon also provides us with custody services, fund accounting, administration, transfer agency and securities lending services. The failure of BNY Mellon to provide to us and the WisdomTree ETFs with these services could lead to operational issues and could result in financial loss to us and our customers. In addition, because our relationship with BNY Mellon involves a multitude of important services to us and portfolio management for the WisdomTree ETFs covers several different asset classes, changing this vendor relationship would require us to devote a significant portion of management's time to negotiate a similar relationship with a new vendor or to have these services divided and provided by more than one vendor and subsequently to coordinate the transfer of these functions to this new vendor or vendors.

We depend on other third parties to provide many critical services to operate our business and the WisdomTree ETFs and the failure of key vendors to adequately provide such services could materially affect our operating business and harm our customers.

In addition to BNY Mellon, we depend on other third-party vendors to provide us with many services that are critical to operating our business, including a third-party provider of index calculation services for our indexes, a distributor of the WisdomTree ETFs and a third-party provider of indicative values of the portfolios of the WisdomTree ETFs. The failure of these key vendors to provide to us and the WisdomTree ETFs with these services could lead to operational issues and could result in financial loss to us and our customers.

The asset management business is intensely competitive.

Our business operates in intensely competitive industry segments. Our competitors include other ETF sponsors as well as mutual fund companies, commercial banks and thrift institutions, insurance companies, hedge funds, asset managers, brokerage and investment banking firms and other financial institutions, including multinational firms and subsidiaries of diversified conglomerates. We compete based on a number of factors, including name recognition, service, investment performance, product features and breadth of product choices, and fees. Many of our competitors have greater market share, offer a broader range of products and have greater financial resources than we do. Some financial institutions operate in a more favorable regulatory environment and have proprietary products and distribution channels which may provide certain competitive advantages to them and their investment products. In addition, over time certain sectors of the financial services industry have become considerably more concentrated, as financial institutions involved in a broad range of financial services have been acquired by or merged into other firms. This convergence could result in our competitors gaining greater resources and we may experience pressures on our pricing and market share as a result of these factors and as some of our competitors seek to increase market share by reducing prices. We believe that competition within the ETF industry will continue to increase as more traditional asset management companies become ETF sponsors.

Competitive fee pressures could reduce revenue and profit margins.

The investment management business is highly competitive and has relatively low barriers to entry. Although the ETF industry currently has a higher barrier to entry as a result of the need for ETF sponsors to obtain exemptive relief from the SEC in order to operate ETFs, we expect that additional companies, both new companies and traditional asset managers, many whom are much larger than us, will enter the ETF space. In addition, in 2008, the SEC proposed a rule that, if adopted, would eliminate the need to obtain this exemptive relief. To the extent that we are forced to compete on the basis of price, we may not be able to maintain our current fee structure. Fee reductions on existing or future new products could cause our revenue and profit margins to decline.

Our revenue could be adversely affected if the WisdomTree Trust determines that the advisory fees we received from the WisdomTree ETFs should be reduced.

Our advisory agreements with the WisdomTree Trust and the fees we collect from the WisdomTree ETFs are subject to review and approval by the independent trustees of the WisdomTree Trust. The advisory agreements are subject to initial review and approval. After the initial two-year term of the agreement for each ETF, the continuation of such

agreement must be reviewed and approved by a majority of the independent trustees at least annually. In determining whether to approve the agreements, the independent trustees consider factors such as (i) the nature and quality of the services provided by us, (ii) the fees charged by us and the costs and profits realized by us in connection with such services, as well as any ancillary or "fall-out" benefits from such services, (iii) the extent to which economies of scale are shared with the WisdomTree ETFs, and (iv) the level of fees paid by other similar funds. If the independent trustees determine that the advisory fees we charge to any particular fund are too high, we will need to reduce our fees, which could adversely affect our revenue.

Our risk management policies and procedures, and those of our third-party vendors upon which we rely, may not be fully effective in identifying or mitigating risk exposure, including employee misconduct.

We have developed risk management policies and procedures and we continue to refine them as we conduct our business. Many of our procedures involve oversight of third-party vendors that provide us with critical services such as portfolio management, custody and fund accounting and administration, and index calculation services. Nonetheless, our policies and procedures to identify, monitor and manage risks may not be fully effective in mitigating our risk exposure. Moreover, we are subject to the risks of errors and misconduct by our employees, including fraud and non-compliance with policies. These risks are difficult to detect in advance and deter, and could harm our business, results of operations or financial condition. Although we maintain insurance and use other traditional risk-shifting tools, such as third-party indemnification, in order to manage certain exposures, they are subject to terms such as deductibles, coinsurance, limits and policy exclusions, as well as risk of counterparty denial of coverage, default or insolvency. If our policies and procedures do not adequately protect us from exposure and our exposure is not adequately covered by insurance or other risk-shifting tools, we may incur losses that would adversely affect our financial condition and could cause a reduction in our revenue as our customers shift their investments to the products of our competitors

Compliance with extensive, complex and changing regulation imposes significant financial and strategic costs on our business, and non-compliance could result in fines and penalties.

We are subject to extensive regulation of our business and operations. As a registered investment adviser, the SEC oversees our activities pursuant to its regulatory authority under the Investment Advisers Act. We also must comply with certain requirements under the Investment Company Act with respect to the WisdomTree ETFs for which we act as investment adviser. In addition, the content and use of our marketing and sales materials and our sales force is subject to the regulatory authority of FINRA. To a lesser extent, we are also subject to foreign laws and regulatory authority with respect to operational aspects of our funds that invest in securities of issuers in foreign countries and in the sales of our funds in foreign jurisdictions. Each of the regulatory bodies with jurisdiction over us has regulatory powers dealing with many aspects of our business, including the authority to grant, and, in specific circumstances to cancel, permissions to carry on particular businesses. Our failure to comply with applicable laws or regulations could result in fines, censure, suspensions of personnel or other sanctions, including revocation of our registration as an investment adviser. Even if a sanction imposed against us or our personnel is small in monetary amount, the adverse publicity arising from the imposition of sanctions against us by regulators could harm our reputation and thus result in redemptions from our ETFs and impede our ability to retain customers and develop new customers, all of which may reduce our revenue.

We face the risk of significant intervention by regulatory authorities, including extended investigation activity, adoption of costly or restrictive new regulations and judicial or administrative proceedings that may result in substantial penalties. Among other things, we could be fined or be prohibited from engaging in some of our business activities. The requirements imposed by our regulators are designed to ensure the integrity of the financial markets and to protect customers and other third parties who deal with us, and are not designed to protect our stockholders. Consequently, these regulations often serve to limit our activities, including through customer protection and market conduct requirements.

In addition, the regulatory environment in which we operate is subject to modifications and further regulation. New laws or regulations, or changes in the enforcement of existing laws or regulations, applicable to us and our clients also may adversely affect our business, and our ability to function in this environment will depend on our ability to constantly monitor and react to these changes. For example, in January 2011 the Commodity Futures Trading Commission proposed regulations that, if adopted, would impose upon us additional registration and licensing requirements and subject us to an additional and extensive regulatory structure. If adopted, these regulations would likely cause us to incur additional costs to achieve and maintain compliance.

Specific regulatory changes also may have a direct impact on our revenue. In addition to regulatory scrutiny and potential fines and sanctions, regulators continue to examine different aspects of the asset management industry. New

regulation regarding the annual approval process for investment advisory agreements may result in the reduction of fees under these agreements. These regulatory changes and other proposed or potential changes may result in a reduction of revenue.

We may in the future be involved in legal proceedings that could require significant management time and attention and result in significant expense and may result in an unfavorable outcome which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

From time to time, we may be subject to litigation. In connection with any litigation in which we are involved, we may be forced to incur costs and expenses in connection with defending ourselves and the payment of any settlement or judgment in connection therewith if there is an unfavorable outcome. The expense of defending litigation may be significant. The amount of time to resolve lawsuits is unpredictable and defending ourselves may divert management's attention from the day-to-day operations of our business, which could adversely affect our business, results of operations and cash flows. In addition, an unfavorable outcome in any such litigation could have a material adverse effect on our business, results of operations and cash flows.

Damage to our reputation could adversely affect our business.

We believe we have developed a strong brand and a reputation for innovative, thoughtful products, favorable long-term risk-adjusted investment performance and excellent client services. The WisdomTree name and brand are valuable assets and any damage to either could hamper our ability to maintain and grow our assets under management and attract and retain employees, thereby having a material adverse affect on our revenue. Risks to our reputation may range from regulatory issues to unsubstantiated accusations and managing such matters may be expensive, time-consuming and difficult.

Market disruptions that halt or disrupt trading or create extreme volatility could undermine investor confidence in the ETF investment structure and limit investor acceptance of ETFs.

The shares of the WisdomTree ETFs, like the shares of all ETFs, trade on exchanges in market transactions that generally approximate the value of the underlying portfolio of securities held by the particular ETF. Market trading involves risks such as the potential lack of an active market for fund shares and losses from trading. This can be exacerbated when markets conditions are extremely volatile or when trading is disrupted. For example, during the so-called "flash crash" that occurred in May 2010 the shares of some ETFs traded with extreme volatility that was not correspondent with the underlying value of their portfolio investments. Repeated circumstances of this type of market condition could undermine investor confidence in the ETF structure as an investment vehicle and limit further investor acceptance of ETFs. This could result in limited growth or a reduction in the overall ETF market and result in our revenue not growing as rapidly as it has in the recent past or even in a reduction of revenue.

We have experienced a period of significant growth in recent years, and if we were unable to manage this growth it could have a material adverse effect on our business.

We have experienced a period of significant growth in recent years, which has placed increased demands on our management and other resources and will continue to do so in the future. We may not be able to maintain or accelerate our current growth rate, manage our expanding operations effectively or achieve planned growth on a timely or profitable basis. Managing our growth effectively will involve, among other things:

- continuing to retain, motivate and manage our existing employees and attract and integrate new employees;
- developing, implementing and improving our operational, financial, accounting, reporting and other internal systems and controls on a timely basis; and
- maintaining and developing our various support functions including human resources, information technology, legal and corporate communications.

If we are unable to manage our growth effectively, there could be a material adverse effect on our ability to maintain or increase revenue and profitability.

Continued growth will require continued investment in personnel, information technology infrastructure, and marketing activities, as well as further development and implementation of financial, operational and compliance systems and controls. We may not be successful in implementing all of the processes that are necessary to support our growth. Unless

our growth results in an increase in our revenue that is at least proportionate to the increase in our costs associated with this growth, our gross margins and our future profitability will be adversely affected.

Our growth strategy also involves, among other things, diversifying our product line to include more ETFs in non-equity asset classes, including fixed income and alternative investment strategies. This will require us to develop products in areas in which we do not have significant prior experience. We may not be successful in developing new products and if developed and launched, we may not be successful in marketing these new products.

Our ability to operate our company effectively could be impaired if we fail to retain or recruit key personnel.

The success of our business and the implementation of our growth strategy are highly dependent on our ability to attract, retain and motivate highly skilled, and sometimes highly specialized, employees, including in particular, operations, product development, research and sales personnel. The market for these individuals is extremely competitive and is likely to become more so as additional investment management firms enter the ETF industry. We cannot be assured that our compensation methods will enable us to recruit and retain required personnel. In particular, our use of equity grants as a component of total employee compensation may be ineffective if the market price of our common stock declines. Also, we may also need to increase compensation, which would decrease our net income or increase our losses. If we are unable to retain and attract key personnel, it could have an adverse effect on our results of operations and financial condition.

Changes in U.S. federal income tax law could make some of our products less attractive to customers.

Many of the WisdomTree ETFs seek to obtain the investment return achieved by our proprietary indexes that weight index components based upon dividends. Corporate dividends currently enjoy favorable tax treatment under current U.S. federal income tax law. If the tax rates imposed on dividends were to be increased, it may make these WisdomTree ETFs less attractive to our customers.

Our expenses are subject to fluctuations that could materially affect out operating results.

Our results of operations are also dependent on the level of expenses, which can vary significantly from quarter to quarter. Our expenses may fluctuate primarily as a result of discretionary spending, including marketing, advertising and sales expenses we incur to support our growth initiatives. Accordingly, our results of operation may vary significantly from quarter to quarter.

Any significant limitation or failure of our technology systems that are critical to our operations could constrain our operations.

We are dependent upon the effectiveness of our information security policies, procedures and capabilities to protect the technology systems that we use to operate our business and to protect the data that reside on or are transmitted through them. Although we take protective measures to secure information, our technology systems may still be vulnerable to unauthorized access, computer viruses or other events that could result in inaccuracies in our information or system disruptions or failures, which could materially interrupt or damage our operations. Any inaccuracies, delays or system failures could subject us to client dissatisfaction and losses or result in material financial loss, regulatory violations, reputational harm or legal liability, which, in turn, could cause a decline in the company's earnings or stock price.

Catastrophic and unpredictable events could have a material adverse effect on our business.

A terrorist attack, war, power failure, cyber-attack, natural disaster or other catastrophic or unpredictable event could adversely affect our future revenue, expenses and operating results by: interrupting our normal business operations; sustaining employee casualties, including loss of our key employees; requiring substantial expenditures and expenses to repair, replace and restore normal business operations; and reducing investor confidence. We have a disaster recovery plan to address certain contingencies, but we cannot be assured that this plan will be sufficient in responding or ameliorating the effects of all disaster scenarios. Similarly, these types of events could also affect the ability of the third-party vendors that we rely upon to conduct our business – e.g., BNY Mellon, which provides us with sub-advisory portfolio management services as well as custodial, fund accounting and administration services, or Standard & Poor's, which provide us with index calculation services — to continue to provide these necessary services to us, even though they also have disaster recovery plans to address these contingencies. If we or our third-party vendors are unable to respond adequately or in a timely manner, this failure may result in a loss of revenue and/or increased expenses, either of which would have a material adverse effect on our operating results.

A change of control of our company would automatically terminate our investment management agreements relating to the WisdomTree ETFs unless the Board of Trustees of the WisdomTree Trust and stockholders of the WisdomTree ETFs voted to continue the agreements.

Under the Investment Company Act, an investment management agreement with a fund must provide for its automatic termination in the event of its assignment. The fund's board and stockholders must vote to continue the agreement following its assignment, the cost of which can be significant and which ordinarily would be borne by us in order to avoid dissatisfaction by the stockholders of the WisdomTree ETFs.

Under the Investment Advisers Act, a client's investment management agreement may not be "assigned" by the investment advisor without the client's consent. An investment management agreement is considered under both acts to be assigned to another party when a controlling block of the advisor's securities is transferred. In our case, an assignment of our investment management agreements may occur if we sell or issue a certain number of additional shares of common stock in the future or if a third party were to acquire a controlling interest in our company. We cannot be certain that the Trustees and the stockholders of the WisdomTree ETFs would consent to assignments of our investment management agreements or approve new agreements with us if a change of control occurs. This restriction may discourage potential purchasers from acquiring a controlling interest in our company.

We may be subject to claims of infringement of third-party intellectual property rights, which could harm our business.

Third parties may assert against us alleged patent, copyright, trademark, or other intellectual property rights to intellectual property that is important to our business. Any claims that our products or processes infringe the intellectual property rights of others, regardless of the merit or resolution of such claims, could cause us to incur significant costs in responding to, defending, and resolving such claims, and may divert the efforts and attention of our management from our business. As a result of such intellectual property infringement claims, we could be required or otherwise decide that it is appropriate to:

- pay third-party infringement claims;
- discontinue selling the particular funds subject to infringement claims;
- discontinue using the processes subject to infringement claims;
- develop other intellectual property or products not subject to infringement claims, which could be time-consuming and costly or may not be possible; or
- license the intellectual property from the third party claiming infringement, which license may not be available on commercially reasonable terms.

The occurrence of any of the foregoing could result in unexpected expenses, reduce our revenue and adversely affect our business and financial results.

We have applied for patents, but there is no assurance that they will be issued and we may not be able to enforce or protect our patents and other intellectual property rights, which may harm our ability to compete and harm our business.

Although we have applied for patents relating to our index methodology and relating to the operation of our equity ETFs, there is no assurance that patents will be issued. In addition, even if issued, our ability to enforce our patents and other intellectual property rights is subject to general litigation risks. While we have been competing without the benefit of these patents being issued, if they are not issued or we cannot successfully enforce them, we may lose the benefit of a future competitive advantage that they would otherwise provide to us. If we seek to enforce our rights, we could be subject to claims that the intellectual property right is invalid or is otherwise not enforceable. Furthermore, our assertion of intellectual property rights could result in the other party seeking to assert alleged intellectual property rights of its own or assert other claims against us, which could harm our business. If we are not ultimately successful in defending ourselves against these claims in litigation, we may be subject to the risks described in the immediately preceding risk factor entitled "We may be subject to claims of infringement of third-party intellectual property rights, which could harm our business."

Fulfilling our public company financial reporting and other regulatory obligations will be expensive and time consuming.

Following the effectiveness of this registration statement on Form 10 and listing of our common stock on a national securities exchange, we will be required to implement specific corporate governance practices and adhere to a variety of

reporting requirements and complex accounting rules under the Sarbanes-Oxley Act of 2002 ("SOX") and the related rules and regulations of the SEC, as well as the rules of the securities exchange. We anticipate that compliance with these requirements will cause us to continue to incur significant legal and accounting compliance costs, and place significant demands on our accounting and legal staff, and on our accounting and information systems. We expect to hire additional staff with appropriate public company experience and technical knowledge, which is planned to increase our compensation expense.

Beginning with the fiscal year ended December 31, 2012, our management will be required to conduct an annual assessment of the effectiveness of our internal controls over financial reporting and include a report on our internal controls in our annual reports on Form 10-K pursuant to Section 404 of SOX. In addition, we are required to have our independent registered public accounting firm attest to and report on the effectiveness of our internal controls over financial reporting. We will incur significant costs in order to implement and maintain our internal control over financial reporting and comply with Section 404 of SOX, including necessary auditing and legal fees, and costs associated with accounting, internal audit, information technology, compliance and administrative staff.

We may face risks arising from future acquisitions.

We may acquire other companies in the future. Any such acquisition may be effected quickly, may occur at any time and may be significant in size relative to our existing operations. These acquisitions may involve numerous risks, including, among others:

- failure to achieve financial or operating objectives;
- failure to integrate successfully and in a timely manner any operations, products, services or technology;
- diversion of the attention of management and other personnel;
- failure to obtain necessary regulatory or other approvals;
- failure to retain personnel;
- failure to obtain any necessary financing on acceptable terms;
- unforeseen liabilities of the acquired entity;
- failure of counterparties to indemnify us against liabilities arising from the acquired entities; and
- unfavorable market conditions that could negatively impact our growth expectations of the acquired.

These risks and the overall failure to manage successfully any potential acquisition could adversely affect out future profitability and may prevent us from realizing expected benefits from the acquisitions and could result in the impairment of goodwill and/or intangible assets recognized at the time of acquisition.

Risks Relating to our Common Stock

The market price of our shares may fluctuate.

The market price of our common stock may fluctuate widely, depending upon many factors, some of which may be beyond our control, including:

- decreases in our assets under management;
- variations in our quarterly operating results;
- differences between our actual financial operating results and those expected by investors and analysts;
- publication of research reports about us or the investment management industry;
- changes in expectations concerning our future financial performance and the future performance of the ETF industry and the asset management industry in general, including financial estimates and recommendations by securities analysts;
- our strategic moves and those of our competitors, such as acquisitions;

- changes in the regulatory framework of the ETF industry and the asset management industry in general and regulatory action, including action by the SEC to lesson the regulatory requirements or shortening the process to obtain regulatory relief under the Investment Company Act of 1940 that is necessary to become an ETF sponsor; and
- changes in general economic or market conditions.

Stock markets in general have experienced volatility that has often been unrelated to the operating performance of a particular company. These broad market fluctuations may adversely affect the trading price of our common stock.

Future sales of our common stock in the public market by management or our large stockholders could lower our stock price.

Our two largest stockholders (each of whom has a representative on our Board of Directors), together with the other members of our Board of Directors and our executive officers, beneficially own approximately 60.4% of our outstanding common stock. Sales of a substantial portion of this common stock in the open market, or the perception that such sales could occur, could have an adverse affect on the market price of our common stock and cause it to decline.

Furthermore, these stockholders and management are parties to a registration rights agreement with us. Under that agreement, the holders of a majority of the shares subject to the agreement have the right to cause us to file one or more registration statements for the resale of their respective shares of common stock and cooperate in certain underwritten offerings. These registrations will require the company to incur costs and the subsequent sales could have an adverse affect on the market price of our common stock.

Future issuance of our common stock could lower our stock price and dilute the interests of existing stockholders.

As part of our growth strategy, we will explore various acquisition opportunities that may be presented to us. In connection with any such acquisition, we may issue our common stock as all or part of the consideration or we may sell our common stock in a public offering or private placement to obtain cash proceeds to finance the acquisition. The issuance of a substantial amount of common stock could have the effect of substantially diluting the interests of our current stockholders. In addition, the sale of a substantial amount of common stock in the public market, either in the initial issuance or in a subsequent resale by the target company or investors in a private placement could have an adverse affect on the market price of our common stock.

The members of our Board of Directors and our executive officers, as stockholders, control our company.

As of March 21, 2011, the members of our Board of Directors and our executive officers, as stockholders, collectively beneficially own 60.4% of our outstanding common stock. As a result of this ownership, they are able to control all matters requiring approval by stockholders of our company, including the election of directors. Furthermore, Michael Steinhardt, chairman of our Board of Directors, beneficially owns 32.8% of our outstanding common stock and James D. Robinson, IV, a director of our company, serves as a general partner of the general partner of three venture capital funds that together beneficially own 17.5% of our outstanding common stock. As a result, Messrs. Steinhardt and Robinson beneficially own an aggregate of 50.3% of our outstanding stock and have the ability to control all matters requiring approval by stockholders of our company.

Although our directors and officers have a duty of loyalty to us under Delaware law and our amended and restated certificate of incorporation, transactions that we enter into in which a director or officer has a conflict of interest are generally permissible so long as (1) the material facts relating to the director's or officer's relationship or interest as to the transaction are disclosed to our Board of Directors and a majority of our disinterested directors, or a committee consisting solely of disinterested directors, approves the transaction, (2) the material facts relating to the director's or officer's relationship or interest as to the transaction are disclosed to our stockholders and a majority of our disinterested stockholders approves the transaction or (3) the transaction is otherwise fair to us. Under our certificate of incorporation, representatives of our stockholders are not required to offer to us any transaction opportunity of which they become aware and could take any such opportunity for themselves or offer it to other companies in which they have an investment, unless such opportunity is expressly offered to them solely in their capacity as a director of ours.

A provision in our certificate of incorporation and by-laws may prevent or delay an acquisition of our company, which could decrease the market value of our common stock.

Provisions of Delaware law and our amended and restated certificate of incorporation and amended and restated by-laws may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable. These provisions may also prevent or delay attempts by stockholders to replace or remove our current management or members of our Board of Directors. These provisions include:

- a classified board of directors;
- limitations on the removal of directors;
- advance notice requirements for stockholder proposals and nominations;
- the inability of stockholders to act by written consent or to call special meetings;
- the ability of our Board of Directors to make, alter or repeal our amended and restated by-laws; and
- the authority of our Board of Directors to issue preferred stock with such terms as our Board of Directors may determine.

In addition, upon the listing on our common stock on a national securities exchange, we will be subject to the provisions of Section 203 of the Delaware General Corporation Law, which limits business combination transactions with stockholders of 15% or more of our outstanding voting stock that our Board of Directors has not approved. These provisions and other similar provisions make it more difficult for stockholders or potential acquirers to acquire us without negotiation. These provisions may apply even if some stockholders may consider the transaction beneficial to them.

As a result, these provisions could limit the price that investors are willing to pay in the future for shares of our common stock. These provisions might also discourage a potential acquisition proposal or tender offer, even if the acquisition proposal or tender offer is at a premium over the then current market price for our common stock.

We do not intend to pay dividends in the foreseeable future.

We have never paid dividends on our common stock and, as discussed elsewhere in this registration statement, we intend to invest our available cash flow into our growth strategy for the foreseeable future. Thus, the shares of common stock may not realize a return in the form of dividends in the foreseeable future. Investors who anticipate the need for immediate dividends from shares of common stock should refrain from purchasing our common stock. In addition, our Board of Directors is authorized, without stockholder approval, to issue preferred stock with such terms as our Board of Directors may, in its discretion, determine. Our Board of Directors could, therefore, issue preferred stock with dividend rights superior to that of the common stock, which could also limit the payment of dividends on the common stock.

ITEM 2. FINANCIAL INFORMATION

Selected Financial Data

You should read the following selected consolidated financial data in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes included elsewhere in this registration statement. The financial information as of and for the years ended December 31, 2008, 2009 and 2010 set forth below was derived from our audited consolidated financial statements and related notes included elsewhere in this registration statement. The financial information as of and for the years ended December 31, 2006 and 2007 set forth below was derived from our audited financial statements and notes that are not included in this registration statement. The consolidated financial statements as of and for the years ended December 31, 2008, 2009 and 2010 have been audited by Ernst & Young LLP, an independent registered public accounting firm. The historical financial information may not be indicative of our future performance.

	Year Ended December 31,				
	2006(1)	2007	2008	2009	2010
	(in thousands, except per share amounts)				
Statement of Operations Data:					
Revenues					
ETF advisory fees	$ 1,740	$ 18,158	$ 21,643	$ 20,812	$ 40,567
Other income	435	2,761	1,968	1,283	1,045
Total revenues	2,175	20,919	23,611	22,095	41,612
Expenses					
Compensation and benefits	11,971	21,465	20,338	18,943	19,193
Fund management and administration	3,178	11,082	14,772	13,387	14,286
Marketing and advertising	2,788	6,434	5,875	2,762	3,721
Sales and business development	717	1,611	3,642	2,495	2,730
Professional and consulting fees	1,822	3,249	1,871	1,780	3,779
Occupancy, communication and equipment	525	1,010	1,564	1,087	1,118
Depreciation and amortization	36	78	337	360	314
Third party sharing arrangements	—	—	(320)	89	2,296
Other	481	1,120	2,577	2,420	1,724
Total expenses	21,518	46,049	50,656	43,323	49,161
Loss before provision for income taxes	(19,343)	(25,130)	(27,045)	(21,228)	(7,549)
Provision for income taxes	—	—	—	—	—
Net loss	($19,343)	($25,130)	($27,045)	($21,228)	($7,549)
Net loss per share – basic and diluted	($0.25)	($0.26)	($0.27)	($0.21)	($0.07)
Weighted-average common shares – basic and diluted	78,482	98,518	100,236	103,397	111,981
Statement of Financial Condition Data:					
Cash and cash equivalents	$ 57,734	$ 15,138	$ 13,275	$ 11,476	$ 14,233
Total assets	$ 59,032	$ 52,303	$ 34,856	$ 25,703	$ 29,142
Total liabilities	$ 5,626	$ 12,998	$ 12,800	$ 9,675	$ 11,907
Stockholders' equity	$ 53,406	$ 39,304	$ 22,056	$ 16,028	$ 17,235
Statistical Data (in millions):					
Beginning of period AUM	$ 0	$ 1,523	$ 4,559	$ 3,180	$ 5,979
Net inflows	1,408	2,962	907	1,773	3,134
Market appreciation/(depreciation)	115	74	(2,286)	1,026	778
End of period AUM	$ 1,523	$ 4,559	$ 3,180	$ 5,979	$ 9,891

(1) In June 2006, we received exemptive relief from the SEC and launched our first 20 ETFs.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the "Selected Financial Data" above and our consolidated financial statements and related notes that appear elsewhere in this registration statement. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this prospectus, particularly in Item 1A. "Risk Factors." We assume no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Executive Summary

We are the eighth largest sponsor of ETFs in the United States based on AUM. In June 2006, we launched 20 ETFs and, as of March 29, 2011, we had 46 funds with AUM of approximately $11.1 billion.

Through our operating subsidiary, we provide investment advisory and other management services to the WisdomTree ETFs. In exchange for providing these services, we receive advisory fee revenues based on a percentage of the ETFs average daily net assets under management.

Our expenses are predominantly related to selling, operating and marketing our ETFs. We have contracted with third parties to provide certain operational services for the ETFs. We have contracted with BNY Mellon to act as sub-advisor and provide portfolio management services, fund administration, custody, accounting and other related services for the WisdomTree ETFs.

We distribute our ETFs through financial advisors in the major channels in the asset management industry. These channels include brokerage firms, registered investment advisors, institutional investors, private wealth managers and discount brokers. We do not target our ETFs for sale directly to the retail segment but rather to the financial advisor who acts as the intermediary between the end client and us.

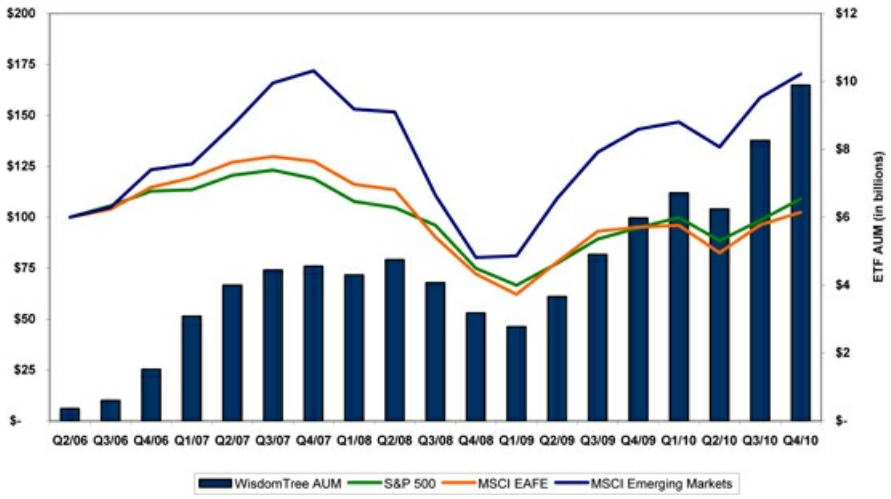
Our revenues have increased since we launched in June 2006 and reached a record of $41.6 million for 2010 compared to $22.1 million in 2009 and $23.6 million in 2008. Our expenses have increased to $49.2 million in 2010, from $43.3 million in 2009, which is down from $50.7 million in 2008. Our net loss has improved each year to a loss of $7.5 million in 2010, from a loss of $21.2 million in 2009 and a loss of $27.0 million in 2008.

Our revenues are highly correlated to the level and relative mix of our assets under management, as well as fees associated with our ETFs. In addition, a significant portion of our assets under management are invested in securities issued outside of the U.S. Therefore, our AUM and our revenues are affected by movements in global capital market levels and the strengthening or weakening of the U.S. dollar against other currencies. These market movements and currency exchange levels, as well as inflows or outflows and changes in the mix of investment products between asset classes can materially affect our operating results from period to period. It is our belief that our ability to gather inflows into our ETFs, coupled with general stock market trends, will have the greatest impact on our business.

The Market Environment in which we Operate

We operate in an extremely challenging and competitive business environment. We currently compete against several large ETF sponsors, many smaller sponsors, as well as new entrants to the marketplace, and will compete against large asset management companies who have recently launched or announced intentions to launch ETF products.

Since we launched our ETFs, the global equity markets have experienced significant volatility. The following chart reflects our ETF assets under management and major market equity indices since we launched our ETFs in June 2006:



The U.S. equity markets started to significantly decline in the second half of 2008 for many reasons including concerns over home values, the soundness of mortgage related financial products, safety of major financial institutions and the resulting freeze in the credit markets. The decline then spread worldwide. Investors sold their investments in equities and corporate debt and invested in U.S. government securities and commodities, particularly gold. The response from governments and central banks around the world to the financial crisis in 2008 was an unprecedented amount of monetary and fiscal stimulus. Central banks lowered interest rates to near zero, issued a number of debt guarantees for banks and other non-bank financial institutions, and began to increase the supply of money through open market asset purchases. Additionally, governments around the globe passed legislation that poured billions of dollars into the global economy.

After reaching a market bottom in March 2009, global financial markets staged a dramatic recovery with major global market indices rebounding in record fashion off of record declines. These actions alleviated the risk aversion that dominated the latter half of 2008 into the first quarter of 2009 and as a result financial markets rallied, investor sentiment improved and share prices rose.

Consequences of the Market Environment

The severe downturn in global financial markets, especially during the second half of 2008 and early 2009, caused significant changes in our assets under management, our financial results and operating cash flows. This was not as a result of net outflows from our ETFs. In fact, during the economic downturn, we experienced only one quarter of net outflows – the third quarter of 2008 when we had net outflows of approximately $15.5 million. The substantial decline in our AUM was primarily a result of a reduction in the market value of the securities our ETFs hold. Also affecting our AUM was our product offering. During the downturn, investors sold equities and invested in U.S. government securities and commodity ETFs, products we did not offer at that time.

Beginning in the second half of 2008, we took steps to lower our cost structure to respond to the deteriorating market conditions. We began a series of cost reduction initiatives including decreasing marketing, advertising and business development related spending, renegotiating fees or changing third party service providers, initiating headcount reductions and deferring non-business critical initiatives and hiring, and lastly, closing 10 of our ETFs in March 2010. In addition, in October 2009, we raised $5 million from predominantly our existing investors through the issuance of common stock in order to increase our liquidity.

As important as reducing our cost structure, we also took initiatives to address the decline in our revenues as a result of the deteriorating markets. We took actions to diversify our product offering, which were predominantly equity based, and revenue stream. In 2008 and 2009, we launched the industry's first currency ETFs and as of February 28, 2011, we have nine currency ETFs. In August 2010, we launched our first fixed income ETF and in January 2011, we launched the industry's

first managed futures strategy ETF. We believe expanding our product offering into different asset classes will better serve to diversify our revenue stream.

Current State

As the markets have recovered, our assets under management have reached record levels which have had a corresponding positive affect on our revenues. Also, the cost reduction actions we initiated have contributed to an improvement in our net loss. We have also improved our financial condition and cash flows.

We believe challenging and volatile market conditions will continue in the foreseeable future. We will also continue to aggressively compete against the other ETF sponsors and new entrants to the marketplace. As we confront these challenges, we expect to continue to focus on executing our growth strategy and leveraging our core strengths as we discussed in the "Business" section of this Registration Statement. We are focused on controlling our cost base, while at the same time investing in our growth.

Historical Net ETF Inflows and AUM

The following charts reflect our historical net ETF inflows, market share of industry inflows and ETF AUM since we launched our funds in June 2006:

We have experienced positive net inflows each year since we launched our first ETFs in June 2006. While we have experienced significant fluctuations in our net inflows quarter to quarter, we have only experienced one quarter of net outflows – approximately $15.5 million of net outflows in the third quarter of 2008 – when the overall market sentiment was extremely negative. Our ETF AUM declined from $4.6 billion in 2007 to $3.2 billion at the end of 2008, primarily as a result of $2.3 billion of declines in the market value of the securities our ETFs hold resulting from the global economic crisis, despite $907 million of inflows. Our market share also declined during that period as investors began to sell off equity investments and invest in U.S. government fixed income and commodity ETFs. At that time, we did not have fixed income or commodity presence. Part of our growth strategy is to diversify our product offering.

Over the last several quarters, our market share of net ETF inflows has also been increasing. We believe this trend is a result of our strong product offering in emerging market equities, new product launches to diversify our product offering, as well as a longer track record for the funds we launched in 2006 and 2007. Our growth strategy seeks to increase our market share of ETF industry inflows.

Components of Revenue

ETF advisory fees

Approximately 98% of our revenues are comprised of advisory fees we earn from the WisdomTree ETFs. We earn this revenue based on a percentage of the average daily market value of assets under management. These percentages range from 0.28% to 0.95% based on the ETF. A summary of the average advisory fee we earn and assets under management as of February 28, 2011 by asset class is as follows:

	Advisory Fee	AUM (in millions)
Emerging Markets Equity ETFs	0.73%	$ 3,496
International Developed Equity ETFs	0.54%	$ 2,276
U.S. Equity ETFs	0.34%	$ 2,220
Currency ETFs	0.49%	$ 1,378
International Sector Equity ETFs	0.58%	$ 248
International Fixed Income ETFs	0.55%	$ 620
Alternative Strategy ETFs	0.95%	$ 41
Total Average ETF Advisory Fee/Total AUM	0.56%	$ 10,279

Most of all of our ETFs have a fixed advisory fee. In order to increase the advisory fee, we would need to obtain the approval from a majority of the ETF stockholders which may be difficult or not possible to obtain. There may also be a significant cost in obtaining this stockholder approval. We do not need stockholder approval to lower our advisory fee.

Our ETF advisory fee revenue may fluctuate based on general stock market trends which include market value appreciation or depreciation, currency fluctuations against the U.S. dollar and level of inflows or outflows from our ETFs. In

addition, these revenues may fluctuate due to increased competition or a determination by the independent trustees of the WisdomTree ETFs to terminate or significantly alter the funds' investment management agreements with us.

Other income

Other income includes fees from licensing our indexes to third parties, separate accounts for pension plans, fees from our 401(k) initiative and interest income from investing our corporate cash. The pension plan, for which we serve as investment advisor, withdrew its funds in the first quarter of 2011. These revenues are immaterial to our financial results and we do not expect them to be material in the near term.

Components of Expenses

We have been investing in our business to build a multi-asset class ETF platform and we intend to continue to invest toward that goal. Our operating expenses consist primarily of costs related to selling, operating and marketing our ETFs as well as the infrastructure needed to run our company.

Compensation and benefits

Employee compensation and benefits expense is expensed when incurred and includes salaries, incentive compensation, and related benefit costs. Virtually all our employees receive incentive compensation which is based on our operating results as well as their individual performance. Therefore, a portion of this expense will fluctuate with our business results. In order to attract and retain qualified personnel, we must maintain competitive employee compensation and benefit plans. In normal circumstances, as we grow, we expect to experience a general rise in employee compensation and benefit expenses over the long term; however the rate of increase should be less than the rate of increase in our revenues.

Also included in compensation and benefits are costs related to equity awards granted to our employees. We generally grant restricted stock and/or options when employees are hired and in intervals thereafter. In addition, we grant restricted stock and options to our employees as part of year end incentive compensation. Our executive management and Board of Directors believes very strongly that equity awards are an important part of our employees overall compensation package and that incentivizing our employees with equity in the company aligns the interest of our employees with that of our stockholders. We use the fair value method in recording compensation expense for restricted stock and options grants. Under the fair value method, compensation expense is measured at the grant date based on the estimated fair value of the award and is recognized as an expense over the vesting period. Fair value is determined on the date granted using the Black-Scholes option pricing model for the stock options and is determined by the market value of our common stock for restricted stock awards.

We expect our stock-based compensation in future periods to decline from previous expense levels. We granted a significant number of equity awards to attract and retain employees during our development stage in 2004 through 2006. These initial awards also carried higher fair values based on our prevailing stock price at that time. As these awards vest, they are being replaced by a lower number of awards.

Fund management and administration

Fund management and administration expenses are expensed when incurred and are comprised of costs we pay third-party service providers to operate our ETFs. Under our advisory agreement with the WisdomTree Trust, the Trustees have approved us and other third parties to provide essential management and administrative services to the Trust and each ETF in exchange for an advisory fee. The costs include:

- portfolio management of our ETFs (sub-advisory);
- fund accounting and administration;
- custodial services;
- accounting and tax services;
- printing and mailing of stockholder materials;
- index calculation;
- distribution fees;

- legal and compliance services;
- exchange listing fees;
- trustee fees and expenses;
- preparation of regulatory reports and filings;
- insurance; and
- other administrative services.

Of significance, we have contracted with BNY Mellon to act as sub-advisor and provide portfolio management, provide fund administration, custody and accounting related services for the WisdomTree ETFs. The fees we pay BNY Mellon have minimums per fund with additional fees based on a percentage of the ETFs average daily net assets under management of the funds above certain AUM levels. The fees we pay for accounting, tax, index calculation and exchange listing are based on the number ETFs we have. The remaining fees are based on a combination of both assets under management and number of funds, or as incurred.

Marketing and advertising

Marketing and advertising expenses are recorded when incurred and include the following costs:

- advertising, public relations and product promotion campaigns that are initiated to promote our existing and new ETFs as well as brand awareness;
- development and maintenance of our website; and
- creation and preparation of marketing materials.

Our discretionary advertising comprises the largest portion of this expense and we expect these costs to increase in the future as we continue to execute our growth strategy and compete against other ETF sponsors. In the past, we have advertised primarily in the first and fourth quarters of the year but we may change that strategy going forward based on our financial results, competitive pressures and market conditions. Therefore, we may incur expenditures in certain periods to attract inflows, the benefit of which may or may not be recognized from increases to our assets under management in future periods. However, due to the discretionary nature of some of these costs, they can generally be reduced if there were a decline in the markets.

Sales and business development

Sales and business development expenses are recorded when incurred and includes the following costs:

- travel and entertainment or conference related expenses for our sales force;
- market data services for our research team;
- sales related software tools; and
- legal and other advisory fees associated with the development of new funds.

Professional and consulting fees

Professional fees are expensed when incurred and consist of fees we pay to corporate advisors including accountants, tax advisors, legal counsel, investment bankers or other consultants. These expenses fluctuate based on our needs or requirements at the time. Certain of these costs are at our discretion and can fluctuate year to year.

Also included in professional fees is stock based compensation related to restricted stock or option awards we granted to senior advisers to our Board of Directors. Under generally accepted accounting principles, these awards are considered variable expenses and are re-measured each reporting period with a corresponding impact to stockholders' equity. As such, this expense may fluctuate based upon the market price of our common stock.

Occupancy, communications and equipment

Occupancy, communications and equipment expense includes costs for our corporate headquarters in New York City. Our office space lease expires in January 2014. We have sub-leased a portion of our office space to an unrelated third party until January 2012.

Depreciation and amortization

Depreciation and amortization expense results primarily from amortization of leasehold improvements to our office space as well as depreciation on fixed assets we purchase which is depreciated over three or seven years.

Third-party sharing arrangements

We entered into a mutual participation agreement with Mellon Capital Management Corporation and The Dreyfus Corporation in which we agreed to collaborate in developing currency and fixed income ETFs under the WisdomTree Trust and share equally all third party costs, profits and losses. This line item includes our counterparties' share of revenues less third party costs. In addition, we have entered into marketing agreements with two unrelated third parties – the first for marketing in the independent broker-dealer channel in the United States and the second for marketing in Latin America. Under both agreements, we will share a percentage of revenue based on incremental growth in assets under management.

Other

Other expenses consists primarily of insurance premiums, general office related expenses, securities license fees for our sales force, public company related expenses, corporate related travel and entertainment and board of director fees, including stock-based compensation related to equity awards we granted to our directors. In 2008 and 2009, other expenses also included stock-based compensation related to common stock we issued to Treasury Equity, LLC – see "Our Business" in this Form 10.

2011 Expense Outlook

We believe the ETF industry is still in its infancy and we have significant growth opportunities; therefore, it is important for us to strategically invest in our business when the right growth opportunities present themselves. Our investment in strategic growth initiatives includes anticipated higher spending on marketing, advertising and sales efforts, as well as increases in our headcount, particularly our sales force. We also intend to launch additional ETFs in 2011. Lastly, we may establish an international fund company to capitalize on growth opportunities outside of the U.S. We are still in the early stages of developing our plan but this would be the first step for possible international expansion. The investment in strategic growth initiatives is an estimate of planned expenses and some of these costs may or may not be realized depending on the nature of the growth initiatives or market conditions.

Seasonality

We believe seasonal fluctuations in the asset management industry are common with increased activity in the first and fourth quarters of the year primarily due to the seasonal trends of overall trading activity in the markets, timing of rebalancing of portfolios and retirement account funding activities. However, since we began our operations, we believe these seasonal trends may have been masked by the unprecedented volatility and negative market conditions in the global equity markets. Therefore, period to period comparisons of ours or the industry's net inflows may not be meaningful and not indicative of results in future periods.

Key Statistical Information

The following table presents key statistical information as well as other select data to better understand the revenue and expense drivers for our business:

	Year Ended December 31,		
	2010	2009	2008
Total ETF Assets Under Management (in millions):			
Beginning of period assets	$5,979	$3,180	$ 4,559
Inflows/(outflows)	3,134	1,773	907
Market appreciation/(depreciation)	778	1,026	(2,286)
End of period assets	$9,891	$5,979	$ 3,180
Average assets during the period	$7,308	$3,964	$ 4,327
International Developed Equity ETFs (in millions):			
Beginning of period assets	$1,953	$1,339	$ 2,813
Inflows/(outflows)	29	281	(235)
Market appreciation/(depreciation)	81	333	(1,239)
End of period assets	$2,063	$1,953	$ 1,339
Average assets during the period	$1,902	$1,471	$ 2,113
Emerging Markets Equity ETFs (in millions):			
Beginning of period assets	$1,431	$ 384	$ 172
Inflows/(outflows)	1,911	650	520
Market appreciation/(depreciation)	438	397	(308)
End of period assets	$3,780	$1,431	$ 384
Average assets during the period	$2,202	$ 793	$ 439
International Sector Equity ETFs (in millions):			
Beginning of period assets	$ 358	$ 247	$ 547
Inflows/(outflows)	(117)	58	(47)
Market appreciation/(depreciation)	8	53	(253)
End of period assets	$ 249	$ 358	$ 247
Average assets during the period	$ 259	$ 257	$ 453
U.S. Equity ETFs (in millions):			
Beginning of period assets	$1,330	$ 987	$ 1,027
Inflows/(outflows)	486	137	409
Market appreciation/(depreciation)	241	206	(449)
End of period assets	$2,057	$1,330	$ 987
Average assets during the period	$1,592	$1,084	$ 984
Currency ETFs (in millions):			
Beginning of period assets	$ 906	$ 224	—
Inflows/(outflows)	253	646	$ 260
Market appreciation/(depreciation)	20	36	(36)
End of period assets	$1,179	$ 906	$ 224
Average assets during the period	$1,217	$ 359	$ 337

International Fixed Income ETF (in millions):			
Beginning of period assets	—	—	—
Inflows/(outflows)	$ 571	—	—
Market appreciation/(depreciation)	(7)	—	—
End of period assets	$ 564	—	—
Average assets during the period	$ 136	—	—
Average ETF Asset Mix (during the period):			
International Developed Equity ETFs	26%	37%	49%
Emerging Markets Equity ETFs	30%	20%	10%
International Sector Equity ETFs	4%	7%	10%
U.S. Equity ETFs	22%	27%	23%
Currency ETFs	16%	9%	8%
International Fixed Income ETF	2%	—	—
Total	100%	100%	100%
Average ETF Advisory Fee (during the period)	0.56%	0.52%	0.52%
Number of ETFs (end of the period):			
International Developed Equity ETFs	14	15	14
Emerging Markets Equity ETFs	4	4	4
International Sector Equity ETFs	4	11	11
U.S. Equity ETFs	12	13	13
Currency ETFs	9	9	8
International Fixed Income ETF	1	—	—
Total	44	52	50
Headcount	60	54	57

Results of Operations

Year Ended December 31, 2010 compared to December 31, 2009

Overview

	Year Ended December 31, 2010	2009	Change	Percent Change
Assets Under Management (in millions)				
Beginning of period assets	$ 5,979	$ 3,180		
Net inflows	3,134	1,773	$ 1,361	76.8%
Market appreciation/(depreciation)	778	1,026		
End of period assets	$ 9,891	$ 5,979	$ 3,912	65.4%
Financial Results (in thousands)				
Total revenues	$ 41,612	$ 22,095	$19,517	88.3%
Total expenses	49,161	43,323	5,838	13.5%
Net loss	($7,549)	($21,228)	$13,679	(64.4%)

Our assets under management increased 65.4% from $6.0 billion in 2009 to $9.9 billion in 2010 primarily from $3.1 billion of net inflows. Our net loss improved to a loss of $7.5 million for the year ended 2010 as compared to a loss of $21.2 million in 2009 primarily due to higher average asset levels, cost reduction initiatives we initiated in 2008 and 2009 and higher average ETF advisory fee revenue.

Revenues

	Year Ended December 31,			
	2010	2009	Change	Percent Change
Average assets under management (in millions)	$ 7,308	$ 3,964	$ 3,344	84.4%
Average ETF advisory fee	0.56%	0.52%	0.04%	7.7%
ETF advisory fees (in thousands)	$40,567	$20,812	$19,755	94.9%
Other income (in thousands)	1,045	1,283	(238)	(18.6%)
Total revenues (in thousands)	$41,612	$22,095	$19,517	88.3%

ETF advisory fees

ETF advisory fee revenues increased 94.9% from $20.8 million in 2009 to a record $40.6 million in 2010. This increase was primarily due to higher average asset balances, which increased 84.4% due to strong net inflows, market appreciation and higher average ETF advisory fees, which increased from 0.52% to 0.56%. Approximately 61.0% of our ETF inflows were in our higher-priced emerging market equity ETFs, which contributed to the higher average ETF advisory fee we earned.

Other income

Other income decreased 18.6% from $1.3 million in 2009 to $1.0 million in 2010 primarily due to $0.4 million of lower interest and investment income as a result of low market interest rates and lower average cash balances, partly offset by $0.1 million of higher income from index licensing revenues.

Expenses

(in thousands)	Year Ended December 31, 2010	2009	Change	Percent Change
Compensation and benefits	$19,193	$18,943	$ 250	1.3%
Fund management and administration	14,286	13,387	899	6.7%
Marketing and advertising	3,721	2,762	959	34.7%
Sales and business development	2,730	2,495	235	9.4%
Professional and consulting fees	3,779	1,780	1,999	112.3%
Occupancy, communications and equipment	1,118	1,087	31	2.9%
Depreciation and amortization	314	360	(46)	(12.8%)
Third-party sharing arrangements	2,296	89	2,207	2479.8%
Other	1,724	2,420	(696)	(28.8%)
Total expenses	$49,161	$43,323	$5,838	13.5%

As a Percent of Revenues:	Year Ended December 31, 2010	2009
Compensation and benefits	46.1%	85.7%
Fund management and administration	34.3%	60.6%
Marketing and advertising	8.9%	12.5%
Sales and business development	6.6%	11.3%
Professional and consulting fees	9.1%	8.1%
Occupancy, communications and equipment	2.7%	4.9%
Depreciation and amortization	0.8%	1.6%
Third-party sharing arrangements	5.5%	0.4%
Other	4.1%	11.0%
Total expenses	118.1%	196.1%

Compensation and benefits

Compensation and benefits expense increased 1.3% from $18.9 million in 2009 to $19.2 million in 2010. This increase was primarily due to an increase of $1.2 million related to higher incentive compensation due to our strong net inflows and overall business results, as well as costs related to increased headcount. Our headcount increased from 54 at the end of 2009 to 60 at the end of 2010, primarily in our sales related functions. Partly offsetting this increase was a decrease of $1.4 million in stock-based compensation as equity awards granted to employees in prior years become fully vested and replaced with a lower number of awards.

Fund management and administration

Fund management and administration expense increased 6.7% from $13.4 million in 2009 to $14.3 million in 2010. Higher average assets under management as well as fund processing expenses led to an increase of $0.6 million in portfolio management and fund accounting, administration and custody related fees. We also incurred $0.5 million in higher printing and legal related fees due to higher activity as well as $0.2 million in higher exchange listing fees for our ETFs due to a fee increase at the exchange. Partly offsetting these increases was a decrease of $0.8 million in fund related fees due to the closure of 10 of our ETFs in March 2010 along with lower costs from renegotiating vendor agreements. In addition, 2009 included a reduction of $0.3 million related to resolution of a portfolio management fee disagreement with BNY Mellon. We ended 2010 with 44 ETFs, down from 52 at the end of 2009. We closed 10 funds in March 2010 and launched 2 new funds during the year.

Marketing and advertising

Marketing and advertising expense increased 34.7% from $2.8 million in 2009 to $3.7 million in 2010 primarily due to higher discretionary advertising related expenses to promote our ETFs on television and online.

Sales and business development

Sales and business development expense increased 9.4% from $2.5 million in 2009 to $2.7 million in 2010 primarily due to higher sales related spending to support our growth.

Professional and consulting fees

Professional fees increased $2.0 million from $1.8 million in 2009 to $3.8 million in 2010. This increase was primarily due to $0.9 million of higher stock-based compensation related to equity awards granted to special advisors to our Board which fluctuates based upon the value of our common stock. Our stock price increased from $1.85 to $4.15 at the end of 2010. We also incurred $1.1 million in higher corporate advisory fees related to business strategy and related legal fees.

Occupancy, communications and equipment

Occupancy, communications and equipment expense remained relatively unchanged between 2009 and 2010.

Depreciation and amortization

Depreciation and amortization expense remained relatively unchanged between 2009 and 2010.

Third-party sharing arrangements

Third-party sharing arrangements increased $2.2 from $0.1 million in 2009 to $2.3 million in 2010. This increase was primarily due to higher net profits in our currency and fixed income ETFs which are subject to profit sharing agreement. with Mellon Capital and Dreyfus. Under the agreement, we share revenues and third party costs equally. This expense increased due to the higher average asset balances in these ETFs partly offset by higher marketing related costs. Average assets under management for our currency funds increased from $359 million in 2009 to $1.2 billion in 2010.

Other

Other expense decreased 28.8% from $2.4 million in 2009 to $1.7 million in 2010. 2009 included a charge of $1.0 million as a result of our final issuance of common stock to Treasury Equity, LLC for satisfaction of certain conditions related to our currency ETFs.

Year Ended December 31, 2009 compared to December 31, 2008

Overview

	Year Ended December 31,			
	2009	2008	Change	Percent Change
Assets Under Management (in millions)				
Beginning of period assets	$ 3,180	$ 4,559		
Net inflows	1,773	907	$ 866	95.5%
Market appreciation/(depreciation)	1,026	(2,286)		
End of period ETF assets	$ 5,979	$ 3,180	$ 2,799	88.0%
Financial Results (in thousands)				
Total revenues	$ 22,095	$ 23,611	($ 1,516)	(6.4%)
Total expenses	43,323	50,656	(7,333)	(14.5%)
Net loss	($21,228)	($27,045)	$ 5,817	21.5%

Assets under management increased 88.0% from $3.2 billion in 2008 to $6.0 billion in 2009 primarily from $1.8 billion of net inflows and $1.0 billion of market appreciation. Total revenues decreased 6.4% primarily due to a significant decline in the equity markets in the first quarter of 2009. However, our expenses decreased at a higher rate of 14.5% primarily due to cost reduction initiatives we initiated in 2008 and 2009. Our net loss improved to $21.2 million for the year ended 2009 as compared to $27.0 million in 2008 primarily due to these cost reduction initiatives.

Revenues

	Year Ended December 31,			
	2009	2008	Change	Percent Change
Average assets under management (in millions)	$ 3,964	$ 4,327	($363)	(8.4%)
Average ETF advisory fee	0.52%	0.52%	—	—
ETF advisory fees (in thousands)	$20,812	$21,643	($831)	(3.8%)
Other income (in thousands)	1,283	1,968	(685)	(34.8%)
Total revenues (in thousands)	$22,095	$23,611	($1,516)	(6.4%)

ETF advisory fees

ETF advisory fee revenues decreased 3.8% from $21.6 million in 2008 to $20.8 million in 2009. This decrease was primarily a result of significant declines in our assets under management in the first quarter of 2009 due to overall equity market declines in the first quarter of 2009. Our assets under management decreased to a low of $2.4 billion on March 9, 2009. Even though our assets under management increased from that low point, it did not cause a corresponding increase in our average assets under management at the same rate because of the severe decline during the first quarter of 2009.

Other income

Other income decreased 34.8% from $2.0 million in 2008 to $1.3 million in 2009 primarily due to lower interest and investment income of $0.9 million as a result of low market interest rates and lower average cash balances. Partly offsetting this decrease was an increase of $0.2 million from licensing and separate account revenues.

Expenses

(in thousands)	Year Ended December 31, 2009	2008	Change	Percent Change
Compensation and benefits	$18,943	$20,338	($1,395)	(6.9%)
Fund management and administration	13,387	14,772	(1,385)	(9.4%)
Marketing and advertising	2,762	5,875	(3,113)	(53.0%)
Sales and business development	2,495	3,642	(1,147)	(31.5%)
Professional and consulting fees	1,780	1,871	(91)	(4.9%)
Occupancy, communications and equipment	1,087	1,564	(477)	(30.5%)
Depreciation and amortization	360	337	23	6.8%
Third-party sharing arrangements	89	(320)	409	127.8%
Other	2,420	2,577	(157)	(6.1%)
Total expenses	$43,323	$50,656	($7,333)	(14.5%)

Percent of Revenues	Year Ended December 31, 2009	2008
Compensation and benefits	85.7%	86.1%
Fund management and administration	60.6%	62.6%
Marketing and advertising	12.5%	24.9%
Sales and business development	11.3%	15.4%
Professional and consulting fees	8.1%	7.9%
Occupancy, communications and equipment	4.9%	6.6%
Depreciation and amortization	1.6%	1.4%
Third-party sharing arrangements	0.4%	(1.4%)
Other	11.0%	10.9%
Total expenses	196.1%	214.5%

Compensation and benefits

Compensation and benefits expense decreased 6.9% from $20.3 million in 2008 to $18.9 million in 2009. This decrease was primarily due to savings of $1.1 million from headcount related reductions in 2008 as well $0.3 million in lower incentive compensation.

Fund management and administration

Fund management and administration expense decreased 9.4% from $14.8 million in 2008 to $13.4 million in 2009. Higher average assets under management as well as fund processing expenses led to an increase of $0.6 million in portfolio management and fund accounting, administration and custody related fees. Offsetting this increase was a decrease of $1.3 million in printing, legal, accounting and index calculation fees. In addition, 2008 included a charge of $0.7 million related to portfolio management fees incurred in prior years due to a fee disagreement with BNY Mellon.

Marketing and advertising

Marketing and advertising expense decreased 53.0% from $5.9 million in 2008 to $2.8 million in 2009. This decrease in discretionary spending was a result of cost reduction initiatives implemented by management in reaction to the severe declines in the equity markets.

Sales and business development

Sales and business development expenses decreased 31.5% from $3.6 million in 2008 to $2.5 million in 2009. This decrease in discretionary spending was a result of cost reduction initiatives.

Professional and consulting fees

Professional fees decreased 4.9% from $1.9 million in 2008 to $1.8 million in 2009. This decline was primarily due to a decrease of $0.8 million in lower corporate related legal and other consulting expenses, partly offset by $0.7 million in higher stock-based compensation related to equity awards granted to the senior advisors to our Board which fluctuates based upon the value of our common stock.

Occupancy, communications and equipment

Occupancy, communications and equipment expense decreased 30.5% from $1.6 million in 2008 to $1.1 million in 2009 primarily due to sub-leasing excess office space in our corporate offices.

Depreciation and amortization

Depreciation and amortization expense remained relatively unchanged between 2008 and 2009.

Third-party sharing arrangements

Third-party sharing arrangements increased from a reimbursement of $0.3 million to us in 2008 to a payment of $0.1 million from us in 2009. This change was primarily due to higher net profits in our currency ETFs which are subject to a profit sharing agreement with Mellon Capital and Dreyfus. Under the agreement, we share revenues and third party costs equally. This expense increased due to the higher average asset balances in these ETFs and lower third party costs. Average assets under management for our currency funds increased 6.4% from 2008 to 2009.

Other

Other expense decreased 6.1% from $2.6 million in 2008 to $2.4 million in 2009. In 2008, we recorded a $0.2 million charge related to a loss on our sub-leased space.

Quarterly Results

The following tables set forth our unaudited consolidated quarterly statement of operations data, both in dollar amounts and as a percentage of total revenues, and our unaudited consolidated quarterly operating data for the eight quarters ended December 31, 2010. In our opinion, this unaudited information has been prepared on substantially the same basis as the consolidated financial statements appearing elsewhere in this Form 10 and includes all adjustments (consisting of normal recurring adjustments) necessary for a fair statement of the unaudited consolidated quarterly data. The unaudited consolidated quarterly data should be read together with the consolidated financial statements and related notes included elsewhere in this Form 10. The results for any quarter are not necessarily indicative of results for any future period, and you should not rely on them as such.

(in thousands)	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10	Q2/10	Q3/10	Q4/10
Revenues								
ETF advisory fees	$ 3,558	$ 4,290	$ 5,536	$ 7,428	$ 8,467	$ 9,129	$ 9,860	$13,111
Other income	359	336	285	303	247	226	270	302
Total revenues	3,917	4,626	5,821	7,731	8,714	9,355	10,130	13,413
Expenses								
Compensation and benefits	4,751	4,264	5,153	4,775	5,255	4,600	4,405	4,933
Fund management and administration	3,191	3,205	3,317	3,674	3,397	3,306	3,569	4,014
Marketing and advertising	468	554	452	1,288	1,160	426	745	1,390
Sales and business development	442	579	661	813	460	746	766	758
Professional and consulting fees	303	414	432	631	1,024	707	795	1,253
Occupancy, communication and equipment	274	281	283	249	267	289	273	289
Depreciation and amortization	90	94	88	88	77	78	80	79
Third party sharing arrangements	23	40	62	(36)	240	636	609	811
Other	386	392	361	1,281	426	427	405	466
Total expenses	9,928	9,823	10,809	12,763	12,306	11,215	11,647	13,993
Net loss	($6,011)	($5,197)	($4,988)	($5,032)	($3,592)	($1,860)	($1,517)	($580)

	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10	Q2/10	Q3/10	Q4/10
Revenues								
ETF advisory fees	90.8%	92.7%	95.1%	96.1%	97.2%	97.6%	97.3%	97.7%
Other income	9.2%	7.3%	4.9%	3.9%	2.8%	2.4%	2.7%	2.3%
Total revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Expenses								
Compensation and benefits	121.3%	92.2%	88.5%	61.8%	60.3%	49.2%	43.5%	36.8%
Fund management and administration	81.5%	69.3%	57.0%	47.5%	39.0%	35.3%	35.2%	29.9%
Marketing and advertising	11.9%	12.0%	7.8%	16.7%	13.3%	4.6%	7.4%	10.4%
Sales and business development	11.3%	12.5%	11.4%	10.5%	5.3%	8.0%	7.6%	5.7%
Professional and consulting fees	7.7%	8.9%	7.4%	8.2%	11.8%	7.6%	7.8%	9.3%
Occupancy, communication and equipment	7.0%	6.1%	4.9%	3.2%	3.1%	3.1%	2.7%	2.2%
Depreciation and amortization	2.3%	2.0%	1.5%	1.1%	0.9%	0.8%	0.8%	0.6%
Third party sharing arrangements	0.6%	0.9%	1.1%	(0.5%)	2.8%	6.8%	6.0%	6.0%
Other	9.9%	8.5%	6.2%	16.6%	4.9%	4.6%	4.0%	3.5%
Total expenses	253.5%	212.3%	185.7%	165.1%	141.2%	119.9%	115.0%	104.3%
Net loss	(153.5%)	(112.3%)	(85.7%)	(65.1%)	(41.2%)	(19.9%)	(15.0%)	(4.3%)

	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10	Q2/10	Q3/10	Q4/10
Total ETF AUM (in thousands)								
Beginning of period assets	$ 3,180	$ 2,776	$3,663	$4,902	$5,979	$6,713	$6,240	$8,260
Inflows/(Outflows)	23	281	559	911	582	121	1,161	1,271
Market appreciation/(depreciation)	(427)	606	680	166	152	(594)	859	360
End of period assets	$ 2,776	$ 3,663	$4,902	$5,979	$6,713	$6,240	$8,260	$9,891
Average assets during the period	$ 2,885	$ 3,350	$4,182	$5,439	$6,311	$6,760	$7,055	$9,104
International Developed Markets Equity ETFs (in thousands)								
Beginning of period assets	$ 1,339	$ 1,120	$1,324	$1,794	$1,953	$1,994	$1,674	$1,900
Inflows/(Outflows)	(31)	(27)	204	136	26	(38)	(20)	61
Market appreciation/(depreciation)	(188)	231	266	23	15	(282)	246	101
End of period assets	$ 1,120	$ 1,324	$1,794	$1,953	$1,994	$1,674	$1,900	$2,062
Average assets during the period	$ 1,182	$ 1,296	$1,510	$1,896	$2,169	$1,907	$1,794	$1,981
Emerging Markets Equity ETFs (in thousands)								
Beginning of period assets	$ 384	$ 406	$ 759	$1,119	$1,431	$1,738	$1,728	$2,796
Inflows/(Outflows)	28	193	197	232	230	106	707	869
Market appreciation/(depreciation)	(6)	160	163	80	77	(116)	361	115
End of period assets	$ 406	$ 759	$1,119	$1,431	$1,738	$1,728	$2,796	$3,780
Average assets during the period	$ 391	$ 597	$ 887	$1,297	$1,308	$1,763	$2,153	$3,342
International Sector Equity ETFs (in thousands)								
Beginning of period assets	$ 247	$ 190	$ 222	$ 322	$ 358	$ 228	$ 190	$ 247
Inflows/(Outflows)	(20)	(8)	52	34	(124)	(1)	20	(11)
Market appreciation/(depreciation)	(37)	40	48	2	(6)	(37)	37	13
End of period assets	$ 190	$ 222	$ 322	$ 358	$ 228	$ 190	$ 247	$ 249
Average assets during the period	$ 212	$ 211	$ 269	$ 338	$ 345	$ 214	$ 218	$ 258
U.S. Equity ETFs (in thousands)								
Beginning of period assets	$ 986	$ 866	$1,039	$1,271	$1,330	$1,468	$1,406	$1,779
Inflows/(Outflows)	81	15	43	(2)	72	85	211	118
Market appreciation/(depreciation)	(201)	158	189	61	66	(147)	162	160
End of period assets	$ 866	$ 1,039	$1,271	$1,330	$1,468	$1,406	$1,779	$2,057
Average assets during the period	$ 896	$ 1,001	$1,164	$1,273	$1,406	$1,506	$1,540	$1,917
Currency ETFs (in thousands)								
Beginning of period assets	$ 224	$ 194	$ 319	$ 396	$ 906	$1,284	$1,242	$1,266
Inflows/(Outflows)	(36)	109	62	511	379	(31)	(19)	(75)
Market appreciation/(depreciation)	6	16	15	(1)	(1)	(11)	43	(12)
End of period assets	$ 194	$ 319	$ 396	$ 906	$1,284	$1,242	$1,266	$1,179
Average assets during the period	$ 205	$ 245	$ 352	$ 634	$1,084	$1,370	$1,224	$1,189
International Fixed Income ETFs (in thousands)								
Beginning of period assets	—	—	—	—	—	—	$ 0	$ 272
Inflows/(Outflows)	—	—	—	—	—	—	262	309
Market appreciation/(depreciation)	—	—	—	—	—	—	10	(17)
End of period assets	—	—	—	—	—	—	$ 272	$ 564
Average assets during the period	—	—	—	—	—	—	$ 126	$ 417

Average ETF Asset Mix (during the period)								
International Developed Markets Equity ETFs	41%	39%	37%	35%	34%	29%	25%	22%
Emerging Markets Equity ETFs	14%	18%	21%	24%	21%	26%	31%	37%
International Sector Equity ETFs	7%	6%	6%	6%	5%	3%	3%	3%
U.S. Equity ETFs	31%	30%	28%	23%	22%	22%	22%	21%
Currency ETFs	7%	7%	8%	12%	18%	20%	17%	13%
International Fixed Income ETFs	—	—	—	—	—	—	2%	4%
Total	100%	100%	100%	100%	100%	100%	100%	100%
Average ETF Advisory Fee (during the period)	**0.50%**	**0.51%**	**0.53%**	**0.54%**	**0.54%**	**0.54%**	**0.56%**	**0.57%**
Number of ETFs (end of the period)								
International Developed Markets Equity ETFs	14	14	14	15	14	14	14	14
Emerging Markets Equity ETFs	4	4	4	4	4	4	4	4
International Sector Equity ETFs	11	11	11	11	4	4	4	4
U.S. Equity ETFs	13	13	13	13	12	12	12	12
Currency ETFs	8	9	9	9	8	8	9	9
International Fixed Income ETFs	—	—	—	—	—	—	1	1
Total	50	51	51	52	42	42	44	44
Headcount	53	56	55	54	55	54	56	60

Liquidity and Capital Resources

The following table summarizes key data regarding our liquidity, capital resources and use of capital to fund our operations:

	Year Ended December 31,	
	2010	2009
Balance Sheet Data (in thousands):		
Cash and cash equivalents	$ 14,233	$ 11,476
Investments	8,595	9,320
Accounts receivable	4,825	2,884
	27,653	23,680
Total liabilities	(11,907)	(9,675)
	$ 15,746	$ 14,005

	Year Ended December 31,		
	2010	2009	2008
Cash Flow Data (in thousands):			
Operating cash flows	$2,128	($ 15,027)	($ 15,615)
Investing cash flows	628	8,240	13,748
Financing cash flows	1	4,988	4
Increase/(decrease) in cash and cash equivalents	$2,757	($1,799)	($1,863)

Liquidity

Liquid assets consist of cash and cash equivalents, current receivables, and investments. Cash and cash equivalents include cash on hand and non-interest-bearing and interest-bearing deposits with financial institutions. Accounts receivable primarily represents advisory fees we earn from the WisdomTree ETFs which is collected by the fifth business day of the month following the month earned. Investments represent debt instruments of U.S. government and agency securities. Our liabilities consist primarily of payments owed to vendors and third parties in the normal course of business as well as accrued year end incentive compensation for employees.

Cash and cash equivalents increased $2.8 million in 2010 primarily due to $2.1 million of cash flows generated by our operating activities due to higher revenues from higher assets under management as well as proceeds from net redemptions of our investments.

Cash and cash equivalents decreased $1.8 million in 2009 primarily due to $15.0 million of cash used to fund our operations as a result of losses we incurred during the year. We received $5.0 million in financing during 2009 from

investors in a private placement of our common stock in order to increase our liquidity. We also received proceeds from net redemptions of our investments.

Cash and cash equivalents decreased $1.9 million in 2008 primarily due to $15.6 million of cash used to fund our operations as a result of losses we incurred during the year. We also received net proceeds of from net redemptions of our investments.

Capital Resources

Our principal source of financing has been through the private placement of our common stock. We believe that current cash flows generated by our operating activities should be sufficient for us to fund our operations for at least the next 12 months. The table below reflects the capital contributions we have received from our private placements:

November 2004	$ 9.0 million
July 2005	7.5 million
December 2006	56.5 million
October 2009	5.0 million
Total	$78.0 million

Use of Capital

Our business does not require us to maintain a significant cash position. We expect that our main uses of cash will be to fund the ongoing operations of our business, invest in strategic growth initiatives, re-acquire shares of our common stock issued to our employees as incentive compensation as discussed below or expand our business through strategic acquisitions.

During the first three months of 2011, we repurchased approximately 310,000 shares from our employees at a cost of $1.6 million in connection with vesting of restricted stock. The amount repurchased represented the estimated tax liability the employees owed to the various taxing authorities related to the income they earned from vested shares. We expect to continue purchasing shares for similar reasons for the remainder of 2011.

Contractual Obligations

The following table summarizes our future cash payments associated with contractual obligations as of December 31, 2010. The primary obligation is for our operating lease for office space:

		Payments Due by Period (in thousands)			
	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Capital lease	$3,928	$ 1,360	$ 2,492	$ 76	—

Off-Balance Sheet Arrangements

Other than operating leases, which are included in the table above, we do not have any off-balance sheet financing or other arrangements. We have neither created nor are party to any special-purpose or off-balance sheet entities for the purpose of raising capital, incurring debt or operating our business.

Critical Accounting Policies

Stock-Based Compensation

Stock-based compensation expense reflects the fair value of stock-based awards measured at grant date and is recognized over the relevant service period. The fair value of each option award is estimated on the date of grant using the Black-Scholes option valuation model. The Black-Scholes option valuation model we use includes the input of certain variables that are dependent on future expectations, including the expected lives of our options from grant date to exercise date, the volatility of our underlying common shares in the market over that time period, the rate of dividends that we may pay during that time and an appropriate risk-free interest rate. Many of these assumptions require management's judgment. If actual experience differs significantly from these estimates, stock-based compensation expense and our results of operations could be materially affected.

Income and Deferred Taxes

We recognize an asset or liability for the deferred tax consequences of temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements. These temporary differences will result in taxable or deductible amounts in future years when the reported amounts of assets are recovered or liabilities are settled. A valuation allowance is recorded to reduce the carrying values of deferred tax assets and liabilities to the amount that is more likely than not to be realized. As of December 31, 2010, we have net operating loss carry forwards and we have recognized a deferred tax asset for such carry forwards. Given the significant losses we have incurred since we began our operations, a valuation allowance has been recorded for the full amount of the deferred tax asset.

Recently Issued Accounting Pronouncements

In January 2010, ASU No. 2010-6, *Improving Disclosures About Fair Value Measurement,* adds required disclosures about items transferring into and out of Levels 1 and 2 in the fair value hierarchy; adding separate disclosures about purchase, sales, issuances, and settlements relative to Level 3 measurements; and clarifying, among other things, the existing fair value disclosures about the level of disaggregation. ASU No. 2010-6 is effective for interim and annual reporting periods beginning after December 15, 2009, except for the requirement to provide Level 3 purchases, sales, issuances, and settlements on a gross basis, which is effective for fiscal years beginning after December 15, 2010. This standard impacts disclosure requirements only and did not have a material impact on our consolidated financial statements.

Quantitative and Qualitative Disclosure about Market Risk

In the normal course of business, our financial results are subject to market risk. Market risk to us generally represents the risk of changes in the value of financial instruments held in the portfolios of the WisdomTree ETFs that generally results from fluctuations in equity prices, foreign currency exchange rates against the U.S. dollar, and interest rates. A significant majority of our revenue—approximately 92%, 94% and 97% for the years ended December 31, 2008, 2009 and 2010, respectively—is derived from advisory agreements for the WisdomTree ETFs. Under these agreements, the advisory fee we receive is based on the market value of the assets in the WisdomTree ETF portfolios we manage.

Fluctuations in the value of these securities are common and are generated by numerous factors such as market volatility, the overall economy, inflation, changes in investor strategies, availability of alternative investment vehicles, government regulations and others. Accordingly changes in any one or a combination of these factors may reduce the value of investment securities and, in turn, the underlying assets under management on which our revenues are earned. These declines may cause investors to withdraw funds from our ETFs in favor of investments that they perceive as offering greater opportunity or lower risk, thereby compounding the impact on our revenues. Beginning in the second half of 2008 and into 2009, global equity markets experienced unprecedented volatility which caused significant declines in our assets under

management and revenues during the quarters in that time period. Challenging and volatile market conditions might continue to be present in the foreseeable future.

In order to maximize yields, we invest our corporate cash in short-term interest earning assets, primarily money market instruments at a commercial bank and U.S. government and agency debt instruments which totaled $9.3 million and $8.6 million as of December 31, 2009 and 2010, respectively. We do not anticipate that changes in interest rates will have a material impact on our financial condition, operating results or cash flows.

ITEM 3. PROPERTIES

Our principal executive office is located at 380 Madison Ave, New York, New York 10017. We occupy approximately 20,000 square feet of office space under a lease that expires in January 2014. We have subleased approximately 6,500 square feet of our office space to a subtenant pursuant to a sublease that expires in January 2012. We believe that the space we lease is sufficient to meet our current and near term needs.

ITEM 4. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the beneficial ownership of shares of our common stock as of March 21, 2011 by:

- each person (including any "group" of persons as that term is used in Section 13d-3 of the Exchange Act) we know to be the beneficial owner of more than 5% of the outstanding shares of our common stock;
- each of our named executive officers;
- each of our directors; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934. Except as otherwise indicated in the footnotes to the following table, we believe, based on the information provided to us, that the persons named in the following table have sole vesting and investment power with respect to the shares they beneficially own, subject to applicable community property laws. Unless otherwise noted, the business address of each of the persons and entities that beneficially own 5% or more of the outstanding shares of common stock is c/o WisdomTree Investments, Inc., 380 Madison Avenue, 21st Floor, New York, N.Y. 10017.

Percentage of beneficial ownership in the table below is based on 115,470,300 shares of our common stock deemed to be outstanding as of March 15, 2011, including shares of restricted stock issued to our employees but not yet vested.

Name of Beneficial Owner	Number of Common Shares Beneficially Owned	Percentage of Common Shares Beneficially Owned (%)
Named Executive Officers		
Jonathan L. Steinberg(1)	10,721,559	8.8
Bruce I. Lavine(2)	1,958,014	1.7
Amit Muni(3)	507,866	0.4
Luciano Siracusano, III(4)	1,086,695	0.9
Peter M. Ziemba(5)	1,147,808	1.0
Directors		
Michael Steinhardt(6)	37,822,029	32.8
Steven L. Begleiter(7)	—	—
Anthony Bossone	400,000	0.4
R. Jarrett Lilien(8)	608,771	0.5
James D. Robinson, IV(9)	20,212,823	17.5
Frank Salerno(10)	968,093	0.8
Other 5% or Greater Stockholders		
Entities Affiliated with RRE Ventures, LLC(11)	20,212,823	17.5
Flexpoint Fund, L.P.(12)	10,000,000	8.7
***All directors and executive officers as a group (11 persons)*(13)**	75,433,658	60.4

(1) Includes (i) 798 shares of common stock owned by Mr. Steinberg's spouse with whom he may be deemed to share voting power; (ii) 16,889 shares of common stock held in a joint account with Mr. Steinberg's spouse with whom he shares voting power; (iii) 18,191 shares of restricted stock that do not vest within 60 days of March 15, 2011 and are not transferable by Mr. Steinberg until they vest, but over which he exercises voting control; and (iv) 6,814,292 shares of common stock issuable upon the exercise of options that are currently exercisable or will become exercisable within 60 days from March 15, 2011. Excludes an aggregate of 2,375,000 shares of common stock issuable upon exercise of options that are not exercisable within 60 days of March 15, 2011.

(2) Includes 460,395 shares of restricted stock that do not vest within 60 days of March 15, 2011 and are not transferable by Mr. Lavine until they vest, but over which he exercises voting power; and 150,000 shares of common stock issuable upon the exercise of options that are currently exercisable or will become exercisable within 60 days from March 15, 2011. Excludes an aggregate of 525,000 shares of common stock issuable upon exercise of options that are not exercisable within 60 days of March 15, 2011.

(3) Includes (i) 105,197 shares of restricted stock that do not vest within 60 days of March 15, 2011 and are not transferable by Mr. Muni until they vest, but over which he exercises voting power; and (ii) 150,000 shares of common stock issuable upon the exercise of options that are currently exercisable or will become exercisable within 60 days from March 15, 2011. Excludes an aggregate of 400,000 shares of common stock issuable upon exercise of options that are not exercisable within 60 days of March 15, 2011.

(4) Includes (i) 18,191 shares of restricted stock that do not vest within 60 days of March 15, 2011 and are not transferable by Mr. Siracusano until they vest, but over which he exercises voting control; and (ii) 970,259 shares of common stock issuable upon the exercise of options that are currently exercisable or will become exercisable within 60 days from March 15, 2011. Excludes an aggregate of 475,000 shares of common stock issuable upon exercise of options that are not exercisable within 60 days of March 15, 2011.

(5) Includes (i) 8,100 shares of common stock which are held by a custodial account for the benefit of Mr. Ziemba's minor son over which Mr. Ziemba has sole voting and dispositive power; (ii) 50,000 shares of restricted stock that will vest within 60 days from March 15, 2011 and which are not transferable until they vest but over which Mr. Ziemba exercises voting control; (iii) 105,197 shares of restricted stock that do not vest within 60 days of March 15, 2011 and are not transferable by Mr. Ziemba until they vests, but over which he exercises voting control; and (iv) 600,000 shares of common stock issuable upon the exercise of options that are currently exercisable or will become exercisable within 60 days from March 15, 2011. Excludes an aggregate of 300,000 shares of common stock issuable upon exercise of options that are not exercisable within 60 days of March 15, 2011.

(6) Includes 835,000 shares of common stock issuable upon the exercise of options that are currently exercisable or will become exercisable within 60 days from March 15, 2011. Does not include 2,666,667 shares of common stock owned by S Family Partners, L.P., a limited partnership for which Mr. Steinhardt's spouse is the sole general partner and the limited partners are Mr. Steinhardt's adult children. Mr. Steinhardt disclaims any beneficial ownership of the shares of common stock held by S Family Partners, L.P.

(7) Mr. Begleiter serves as a Managing Principal of Flexpoint Ford, LLC, an affiliate of Flexpoint Fund, L.P. However, Mr. Begleiter does not have voting or dispositive power over the 10,000,000 shares of common stock held by Flexpoint Fund, L.P., a private investment fund (See note 13 below).

(8) Includes (i) 26,316 shares of restricted stock that do not vest within 60 days of March 15, 2011 and are not transferable by Mr. Lilien until they vest, but over which he exercises voting power; and (ii) 263,157 shares of common stock issuable upon the exercise of options that are currently exercisable or will become exercisable within 60 days from March 15, 2011. Excludes an aggregate of 131,579 shares of common stock issuable upon exercise of options that are not exercisable within 60 days of March 15, 2011.

(9) Includes 17,894,007 shares of common stock held by RRE Ventures III-A, L.P., 1,495,345 shares of common stock held by RRE Ventures Fund III, L.P., and 823,471 shares of common stock held by RRE Ventures III, L.P. (collectively the "RRE Entities"). The general partner of each of the RRE Entities is RRE Ventures GP III, LLC. The general partners of RRE Ventures GP III, LLC are James D. Robinson III, James D. Robinson IV, Stuart J. Ellman and Andrew L. Zalasin and they share voting and dispositive power over these shares. The business address of the Mr. Robinson is 130 East 59th Street, New York, NY 10022. Mr. Robinson disclaims beneficial ownership of the shares held by the RRE Entities except to the extent of his pecuniary interest in the shares.

(10) Includes (i) 100,180 shares of common stock held in a joint account with Mr. Salerno's spouse with whom he shares voting and dispositive power, (ii) 283,334 shares of common stock held by Hillcrest Financial, LLC, a limited liability company of which Mr. Salerno and his spouse are the managing members and with whom Mr. Salerno shares voting and dispositive power, (iii) 11,628 shares of restricted stock that do not vest within 60 days of March 15, 2011 and are not transferable by Mr. Salerno until they vest, but over which he exercises voting power; and (iv) 572,951 shares of common stock issuable upon the exercise of options that are currently exercisable or will become exercisable within 60 days from March 15, 2011. Excludes an aggregate of 61,475 shares of common stock issuable upon exercise of options that are not exercisable within 60 days of March 15, 2011.

(11) Includes 17,894,007 shares of common stock held by RRE Ventures III-A, L.P., 1,495,345 shares of common stock held by RRE Ventures Fund III, L.P., and 823,471 shares of common stock held by RRE Ventures III, L.P. (collectively the "RRE Entities"). The general partner of each of the RRE Entities is RRE Ventures GP III, LLC. The general partners of RRE Ventures GP III, LLC are James D. Robinson III, James D. Robinson IV, Stuart J. Ellman and Andrew L. Zalasin and they share voting and dispositive power over these shares. The business address of the RRE Entities is 130 East 59th Street, New York, NY 10022.

(12) The business address of Flexpoint Fund, L.P. is 676 N. Michigan Avenue, Suite 3300, Chicago, Il 60611.

(13) Includes an aggregate of 9,521,494 shares of common stock issuable upon the exercise of options that are currently exercisable or will become exercisable within 60 days of March 15, 2011 held by the named executive officers and directors included in this group.

ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

Directors and Executive Officers

The names, ages and positions of each of our directors and executive officers as of March 15, 2011 are as follows:

Name	Age	Position
Jonathan L. Steinberg	46	Chief Executive Officer and Director
Bruce I. Lavine	44	President, Chief Operating Officer and Director
Amit Muni	42	Executive Vice President—Finance and Chief Financial Officer
Luciano Siracusano, III	45	Executive Vice President—Director of Sales and Chief Investment Strategist
Peter M. Ziemba	53	Executive Vice President—Business and Legal Affairs and Chief Legal Officer
Michael Steinhardt (2)(3)	70	Non-Executive Chairman of the Board
Steven L. Begleiter	49	Director
Anthony Bossone (1)	40	Director
R. Jarrett Lilien (1)(2)(3)	49	Director
James D. Robinson, IV (3)	48	Director
Frank Salerno (1)(2)(4)	51	Director

(1) Member of the Audit Committee
(2) Member of the Compensation Committee
(3) Member of the Nominating Committee
(4) Lead Independent Director

The following paragraphs provide information as of the date of this registration statement about our directors and executive officers. The information presented includes information about each of our director's specific experience, qualifications, attributes and skills that led to the conclusion that he should serve as a director.

Jonathan L. Steinberg founded our company and has served as our Chief Executive Officer since October 1988. He has been a member of our Board of Directors since October 1988, having served as Chairman of the Board of Directors from October 1988 to November 2004. He also served as Editor-in-Chief of Individual Investor and Ticker magazines, two magazines formerly published by our company. Mr. Steinberg, together with Mr. Siracusano, was responsible for the creation and development of our proprietary index methodology. Prior to founding WisdomTree, Mr. Steinberg was employed as an analyst in the Mergers and Acquisitions Department of Bear, Stearns & Co. Inc., an investment banking firm, from 1986 to 1988. Mr. Steinberg is the author of Midas Investing, published by Times Books, a division of Random House, Inc. He attended The Wharton School of Business at the University of Pennsylvania.

Bruce I. Lavine has served as our President and Chief Operating Officer since May 2006 and has been a member of our Board of Directors since January 2007. From 1998 to 2005, he was employed by Barclays Global Investors, an asset management firm, in the following positions: from 1998 to 1999, he served as Director, Financial Planning, Global Finance; from 1999 to 2003, he served as Chief Financial Officer, Director of New Product Development, U.S. iShares and Individual Investor Business; and from 2003 to May 2006 he served as Head of iShares Exchange Traded Funds, Europe. From 1995 to 1998, Mr. Lavine served as the Manager of Business Planning at Sequel, Inc., a computer hardware services company. From 1991 to 1994, Mr. Lavine was employed by Bristol-Myers Squibb Company, a pharmaceutical company, as a financial associate and then as a senior treasury analyst. Mr. Lavine received a B.S. with distinction in Commerce and an M.B.A. in Finance from the University of Virginia. Mr. Lavine is a Chartered Financial Analyst.

Amit Muni has served as our Executive Vice President—Finance and Chief Financial Officer since March 2008. Prior to joining our company, Mr. Muni served as Controller and Chief Accounting Officer of International Securities Exchange Holdings, Inc., an electronic options exchange, from 2003 until March 2008. Mr. Muni was Vice President, Finance, of Instinet Group Incorporated, an electronic agency broker-dealer, from 2000 to 2003. From 1996 until 2000, Mr. Muni was employed as a Manager of the Financial Services Industry Practice of PricewaterhouseCoopers LLP, an accounting firm. From 1991 until 1996, Mr. Muni was an accountant and a senior auditor for National Securities Clearing Corporation, a firm that provides centralized clearing, information, and settlement services to the financial industry. Mr. Muni received a B.B.A. in Accounting from Pace University and is a Certified Public Accountant.

Luciano Siracusano, III has served as our Executive Vice President—Director of Sales and Chief Investment Strategist since March 2011. From October 2008 to March 2011, Mr. Siracusano served as our Director of Sales and Chief Investment Strategist. Prior to serving in those positions, Mr. Siracusano served as our Director of Research from 2001 until October 2008 and as a research analyst and editor of our various media publications from 1999 until 2001. Mr. Siracusano, together with Mr. Steinberg, was responsible for the creation and development of our fundamentally weighted index methodology. Prior to joining our company in 1999, Mr. Siracusano was an Equity Analyst at Value Line, Inc., an investment research firm, from 1998 to 1999. Preceding his career in finance, Mr. Siracusano served as Special Assistant to HUD Secretary Henry Cisneros and as a Special Assistant to New York Governor Mario Cuomo. Mr. Siracusano received his B.A. in Political Science from Columbia University.

Peter M. Ziemba has served as our Executive Vice President—Business and Legal Affairs and Chief Legal Officer since March 2011. From April 2007 to March 2011, Mr. Ziemba served as our Executive Vice President—Business and Legal Affairs and General Counsel. Prior to joining our company, Mr. Ziemba was a partner in the Corporate and Securities department of Graubard Miller, which served as our primary corporate counsel, from 1991 to 2007, and was employed as an associate at that firm beginning in 1982. Mr. Ziemba received his B.A. in History with university honors from Binghamton University and his J.D. *cum laude* from Benjamin N. Cardozo School of Law. Mr. Ziemba served as a director of our company from 1996 to 2003.

Michael Steinhardt has served as our non-executive Chairman of the Board since November 2004. From 1967 through 1995, Mr. Steinhardt served as Senior Managing Partner of Steinhardt Partners, L.P., a private investment company, and related investment entities. In 1995, Mr. Steinhardt closed Steinhardt Partners and eliminated his involvement in managing client assets. He founded and now serves as President of Steinhardt Management Co., Inc., which currently manages a single private investment fund investing in other funds managed by independent investment managers. Mr. Steinhardt currently devotes most of his time and financial resources to Jewish philanthropic causes, directed through The Steinhardt Foundation for Jewish Life for which he serves as Chairman. Mr. Steinhardt is the co-founder of Birthright Israel and he serves on its Board of Trustees and is a major supporter. He also serves as Co-Chair of the Areivim Philanthropic Group. He also serves on the Board of Trustees of New York University, Brandeis University and the Steinhardt Family Foundation and on the Board of Directors of the Taub Center for Social Policy Studies in Israel. Mr. Steinhardt received his B.S. in Economics from The Wharton School of Business of the University of Pennsylvania.

Steven L. Begleiter has served as a member of our Board of Directors since February 2011. Mr. Begleiter has served as Senior Principal at Flexpoint Ford, LLC, a private equity group focused on investments in financial services and healthcare, since October 2008. Prior to joining Flexpoint Ford, Mr. Begleiter spent 24 years at Bear Stearns & Co., serving first as an investment banker in the Financial Institutions Group and then as Senior Managing Director and member of its Management and Compensation Committee from 2002 to September 2008. Mr. Begleiter also served as head of Bear Stearns' Corporate Strategy Group. Mr. Begleiter received his B.A. in Economics with honors from Haverford College.

Anthony Bossone has served as a member of our Board of Directors since January 2009. Since 2003 Mr. Bossone has been the Chief Financial Officer of Atlantic-Pacific Capital, Inc., a broker-dealer and global placement agent dedicated to raising capital for alternative investment funds. From 2001 to 2003, Mr. Bossone was the Assistant Controller at SAC Capital Advisors, LLC, a hedge fund advisory firm, and from 1999 until 2001, Mr. Bossone served as an equity trader at Schonfeld Securities, LLC, a securities trading firm. Mr. Bossone began his career at PricewaterhouseCoopers LLP in 1993 where he was an audit manager until 1999. Mr. Bossone received his B.S. in Business and Economics with highest honors from Lehigh University and is a Certified Public Accountant.

R. Jarrett Lilien has served as a member of our Board of Directors since November 2008. Since January 2009, Mr. Lilien has served as Managing Partner of Bendigo Partners, a private equity and consulting firm focused on technology-enabled financial service companies, which he co-founded. Between 1999 and May 2008, Mr. Lilien was employed by E*Trade Financial Corporation, a brokerage and financial services firm, holding various positions including President and Chief Operating Officer from 2003 to May 2008 and Acting Chief Executive Officer from November 2007 until March 2008. Prior to his service at E*Trade, Mr. Lilien was Chief Executive Officer of TIR Securities, a global institutional brokerage firm that he co-founded in 1989 and which was later sold to E*Trade. Prior to TIR Securities, Mr. Lilien held various positions at Paine Webber and Autranet, Inc., a division of Donaldson, Lufkin & Jenrette, Inc., both brokerage and financial service firms. Mr. Lilien currently serves as President of the Jazz Foundation of America and is on the Board of Directors of Baryshnikov Arts Center and on the Advisory Board of WFUV FM Radio. Mr. Lilien received his B.A. in Economics from the University of Vermont.

James D. Robinson, IV has served as a member of our Board of Directors since November 2004. Mr. Robinson is a Managing Partner of RRE Ventures, LLC, a venture capital firm primarily focused on technology companies, which he co-founded in 1994. From 1992 to 1994 Mr. Robinson was employed by Hambrecht & Quist Venture Capital, a venture capital firm, where served as a General Partner for several investment funds for the firm. From 1986 to 1992, he was employed by JP Morgan & Company, where he worked on technology-related assignments, first within the Global Exposure Management group building risk management systems, and later as an investment banker in the Corporate Finance group focused on technology and communications companies. Mr. Robinson serves on the Board of Directors of numerous companies held in the investment portfolios of the RRE Ventures-affiliated funds. Mr. Robinson received a B.A. with a double degree in Computer Science and Business Administration from Antioch College and an M.B.A. from Harvard University.

Frank Salerno has served as a member of our Board of Directors since July 2005. From July 1999 until his retirement in February 2004, Mr. Salerno was Managing Director and Chief Operating Officer of Merrill Lynch Investment Advisors – Americas Institutional Division, an investment advisory company. Before joining Merrill Lynch, Mr. Salerno spent 18 years with Bankers Trust Company in various positions. In 1990, he assumed responsibility for Bankers Trust's domestic index management business and in 1995 he became Chief Investment Officer for its Structured Investment Management Group. Mr. Salerno received a B.S. in Economics from Syracuse University and an M.B.A. in Finance from New York University. Mr. Salerno serves as a director and member of the audit committee and conflicts committee of K-Sea Transportation Partners, L.P., a NYSE-listed company.

Board Composition

Our Board of Directors currently consists of eight members. Pursuant to the Securities Purchase Agreement, dated October 15, 2009, among the company and the investor parties participating in the October 2009 private placement of common stock, each of Michael Steinhardt, individually, and RRE Ventures III-A, L.P., RRE Ventures Fund III, L.P., and RRE Ventures III, L.P. (collectively the "RRE Entities"), collectively, have the right to require the company to either (i) appoint a designee, reasonably acceptable to the Board of Directors, as a member of the Board of Directors, or (ii) provide a designee with notice of all board meetings and copies of all materials delivered to members of the Board of Directors and permit such designee to attend and observe each meeting of the Board of Directors. In addition, pursuant to the Securities Purchase Agreement, dated December 21, 2006, among the company and the investor parties participating in the December 2006 private placement of common stock, James D. Manley, a principal investor in that financing, has a similar right. Mr. Steinhardt serves as a director of our company as his own designee, Mr. Robinson serves as a director of our company as the designee of the RRE Entities, and Mr. Bossone serves as a director as the designee of Mr. Manley. These provisions are described in this registration statement under Item 7. "Certain Relationships and Related Party Transactions, and Director Independence."

Our Board of Directors is divided into three staggered classes of directors of the same or nearly the same number. At each annual meeting of the stockholders, a class of directors will be elected for a three year term to succeed the directors of the same class whose terms are then expiring. The terms of the directors will expire upon the election and qualification of successor directors at the annual meeting of stockholders to be held in 2012 for Class I directors, 2013 for Class II directors and 2014 for Class III directors.

- Our Class I directors will be Michael Steinhardt, Anthony Bossone and Bruce Lavine.
- Our Class II directors will be James D. Robinson, IV and Steven Begleiter.
- Our Class III directors will be Frank Salerno, R. Jarrett Lilien and Jonathan Steinberg.

Our amended and restated certificate of incorporation and amended and restated by-laws provide that the number of our directors shall be fixed from time to time by a resolution of the majority of our Board of Directors. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class shall consist of one third of the Board of Directors. The division of our Board of Directors into three classes with staggered three-year terms may delay or prevent stockholder efforts to effect a change of our management or a change in control.

Board Independence

We have not yet applied to have our shares listed on a stock exchange, but intend to do so promptly following the initial filing of this registration statement. Accordingly, our Board of Directors has not yet made a determination regarding the independence of our directors generally. Upon becoming a reporting company, we expect that the composition and functioning of our Board of Directors and each of our committees will comply with all applicable requirements of the stock exchange upon which our shares of common stock are listed and the rules and regulations of the Securities and Exchange Commission.

Lead Independent Director

In 2008, our Board of Directors determined that it would be good corporate practice to designate one of our independent directors as Lead Independent Director. Mr. Salerno has held this designation since the position was established. The duties of our lead independent director are as follows:

- serve as the intra-meeting liaison between (i) our Board of Directors and management and (ii) amongst the independent directors;
- serve as an ex-officio, non-voting member of each standing committee (of which he is not a member) of our Board or Directors;
- ensure that appropriate reports and information is circulated to the independent directors on a timely basis by management and others.
- lead our Board of Directors in the process of periodic reviews of the performance of the Chief Executive Officer, as well as in discussions regarding the Chief Executive Officer's reports on senior management performance and management succession issues and plans;
- chair meetings of the independent directors if the chairman is not present; and
- perform such other appropriate duties as the independent directors shall assign to him or her from time to time.

Senior Advisor to the Board of Directors

Since 2004, Professor Jeremy J. Siegel has served as senior investment strategy advisor to our company and our Board of Directors. In this position, Professor Siegel provides us with various services, including advice on market trends and financial products; participating in webinars, conference calls, seminars, speaking engagements and one-on-one meetings with persons interested in WisdomTree products; written market commentary for our newsletters and website; and general advice to senior management and our Board of Directors on our business.

Jeremy Siegel is the Russell E. Palmer Professor of Finance at The Wharton School at the University of Pennsylvania. He graduated from Columbia University and received his Ph.D. in Economics from the Massachusetts Institute of Technology, and spent one year as a National Science Foundation Post-Doctoral Fellow at Harvard University. Prof. Siegel taught for four years at the Graduate School of Business of the University of Chicago before joining the Wharton faculty in 1976. Professor Siegel has written and lectured extensively about the economy and financial markets and has appeared frequently on CNN, CNBC, NPR and other networks. He is a regular columnist for Kiplinger's and Yahoo! Finance and contributor to national and international news media, including The Wall Street Journal, Barron's and The Financial Times. He has also authored numerous professional articles and three books. His bestselling, "Stocks for the Long Run", first published in 1994 and now in its third edition, was named as one of the ten-best investment books of all time by both the Washington Post and Business Week. His most recent book, "The Future for Investors: Why the Tried and the True Triumph over the Bold and New" was named one of the best business books published in 2005 by Business Week, The Financial Times and Barron's.

ITEM 6. EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview

This Compensation Discussion and Analysis provides comprehensive information regarding our compensation programs and policies for fiscal 2010 for our named executive officers, or "executive officers", who consist of:

- Jonathan Steinberg, our Chief Executive Officer ("CEO");
- Bruce Lavine, our President and Chief Operating Officer ("COO");
- Amit Muni, our Chief Financial Officer ("CFO");
- Luciano Siracusano, our Chief Investment Strategist ("CIS"); and
- Peter Ziemba, our Chief Legal Officer ("CLO").

We provide what we believe is a competitive total compensation opportunity for our executive management team through a combination of base salary, cash incentive bonuses, equity compensation and broad-based benefits programs. This Compensation Discussion and Analysis explains the following as they relate to the 2010 performance year:

- our compensation philosophy and objectives;
- our executive compensation process, including the role of our Compensation Committee and management; and
- our policies, practices, and actions with respect to each compensation element.

Included in each description above will be the rationale for compensation decisions made for the 2010 performance year with respect to our executive officers.

Our Compensation Philosophy and Objectives

Our compensation philosophy and objectives are primarily shaped by strategies to achieve our long-term goals within the business environment in which we operate. We operate in an intensively competitive and challenging business environment and we expect competition to continue and intensify. We currently directly compete with numerous other ETF sponsors and indirectly compete with other larger and multi-national traditional asset management companies. We compete

on a number of factors including the breadth and depth of our product offering as well as investment performance and fees of our ETFs. We believe our long-term success depends on our ability to:

- continue to innovate and introduce new ETFs to the marketplace;
- grow our market share of industry inflows to become one of the top 5 ETF sponsors in the US; and
- continue to leverage our existing product offering.

A key component of our long-term success is our ability to employ the industry's most talented, professional and dedicated people at all levels within the company.

The primary objectives of our compensation program are as follows:

- attract, retain, and motivate our professional, dedicated, and expert employees in the highly competitive asset management industry;
- reward and retain employees whose knowledge, skills and performance are critical to our continued success;
- align the interest of all our employees with those of our stockholders by motivating them to increase stockholder value; and
- motivate our executives to manage our business to meet short-term and long-term objectives and reward them appropriately for meeting or exceeding them.

The following principles guide our compensation programs:

- ***Pay for performance***—Our compensation programs are designed to reward our employees for their individual performance as well as our company's performance. If our employee is a top-tier performer, he or she should receive higher rewards. Likewise, where individual performance falls short of expectations and/or our company's financial performance declines, the programs should deliver lower levels of compensation. In addition, the objectives of pay-for performance and retention must be balanced. Even in periods of temporary downturns in our company's performance, our programs should continue to ensure that our successful, high-achieving employees will remain motivated and committed to us.
- ***Every employee should be a stake-holder aligned with our stockholders***—We believe a key factor in our success has been and continues to be fostering an entrepreneurial culture where our employees act and think like our owners. As such, our compensation programs should encourage stock ownership deep within the organization to align our employees' interests with our stockholders. Our stock awards should be long-term in nature.
- ***Higher levels of responsibility are reflected in compensation***—Our compensation should be based on our employees' level of job responsibility. As employees progress to higher levels in our organization, an increasing proportion of their pay should be related to our company's performance and should be tied to long-term performance because they are more able to affect our results.
- ***Competitive compensation levels***—Our compensation programs should be reflective of the value of the position in the marketplace. To attract and retain a highly skilled work force, we must remain competitive with the pay of other premier employers who compete with us for talent.
- ***Team approach***—We believe our success has been based on the coordinated efforts of all our employees working towards our common goals, not on the efforts of any one individual. As such, our compensation programs should be applied across the organization, taking into account differences in job responsibilities and marketplace considerations. Perquisites should be rare and limited to those that are important to our employees' ability to safely and effectively carry out their responsibilities.

To achieve these objectives, we seek to provide competitive compensation packages recognizing and rewarding individual contributions to ensure that executive compensation is aligned with corporate strategies and business objectives.

Factors Considered in Evaluating Total Compensation for our Executive Officers

The Compensation Committee considers the following un-weighted factors to ensure that compensation is fair, reasonable, competitive and consistent with our compensation philosophies and objectives referred to above:

- Our financial results including actual results, budgets and projections and our overall financial health.
- Operational performance metrics including net inflows into our ETFs compared to the ETF industry, market share of industry inflows and total growth in assets under management as compared to the industry.
- The broader economic conditions within the industry. The Compensation Committee recognizes that our assets under management and ability to gather ETF inflows are subject to market and other external conditions outside of our control.
- The performance of our common stock.
- The experience, tenure and performance of our executive officers and the extent to which the Compensation Committee is generally satisfied with our executive officer's past performance and expected future contributions.
- Each executive officer's duties, responsibilities and ability to influence corporate performance.
- Industry survey data to confirm the reasonableness of compensation levels.
- Historical executive compensation levels along with company-wide compensation levels.

The Compensation Committee considers the factors above together with their collective experiences and business judgment to evaluate our compensation practices. The Compensation Committee believes this general approach helps us to compete in hiring and retaining the best possible talent while at the same time maintaining a reasonable and responsible cost structure.

Background to Understanding Compensation Levels for our Executive Officers

Compensation for all our employees, including our executive officers, is based on the philosophies described above. However, in conjunction with these philosophies, the levels of compensation are also significantly influenced by what the company can afford to pay as a result of our financial performance and relatively short operating history. In the future, as we gain experience, we expect that the specific direction, emphasis and components of our executive compensation program will evolve.

In addition, our CEO and CIS, as co-creators of our fundamentally weighted methodology, were granted significant equity awards during the company's transition phase from a media company to an asset manager (see the section entitled "Business—Corporate History" elsewhere in this registration statement). As such, their compensation packages are structured differently than the remaining three executive officers' compensation packages. Of significance, our CEO and CIS do not maintain employment agreements with us due to their significant equity ownership of the company. The initial compensation packages for our COO, CFO and CLO, who were hired shortly before or after we launched our ETFs, were based on individual negotiations as these executive officers were leaving the perceived safety and relatively stable compensation opportunities at their prior employers, who were significantly larger and financially stronger than WisdomTree at the time, to come work for us. As such, we have entered into employment agreements with them which establish certain minimum amounts of cash compensation per year along with other benefits. A summary of the material terms and conditions of the employment agreements with our executive officers are discussed further.

Role of the Compensation Committee

The Compensation Committee is responsible for the general oversight of our compensation policies and practices. The Compensation Committee also reviews the overall compensation structure and evaluates the overall performance of our executive officers as a team in order to determine that compensation is fair, reasonable, competitive and consistent with the our compensation philosophies and objectives. The Compensation Committee does not engage any compensation consultants with respect to executive compensation. Rather, in reviewing compensation levels for our executive officers, the Compensation Committee considers their collective experiences and business judgment, knowledge of compensation trends in the industry we compete, the economic environment, our financial status and contributions our executive officers had made to our business - individually and as a team.

The Compensation Committee also specifically evaluates the performance of our CEO. The Compensation Committee also discusses the overall performance and compensation for our CEO with members of our Board of Directors. The Compensation Committee presents to our Board of Directors information regarding executive compensation matters for all our executive officers for informational purposes.

The Compensation Committee administers and exercises any authority granted to it under our equity-based plans, reviews and makes recommendations to our Board of Directors with respect to directors' compensation, and reviews and approves employment, severance, and change in control agreements as well as any other supplemental benefits provided to our executive officers. The Compensation Committee also works with our CLO to annually review and reassesses the adequacy of its charter, proposing changes as necessary to our Board of Directors for approval.

Role of Management

Our executive officers play a critical and important role in setting or recommending compensation levels throughout our organization. Our CEO makes incentive compensation recommendations for the executive officers to the Compensation Committee. In considering the CEO's recommendations, the Compensation Committee considers the factors discussed above to ensure that compensation is fair, reasonable, competitive and consistent with our compensation philosophies and objectives.

Our CFO and CLO work with our CEO and Chairman of our Compensation Committee to design and develop compensation programs applicable to all our employees including recommending changes to existing compensation programs and operational performance targets, preparing analyses of company financial, operational data or other Compensation Committee briefing materials, analyzing industry data, and ultimately, implementing the decisions of the Compensation Committee.

Compensation Benchmarking

The Compensation Committee monitors relevant market and industry statistics on executive compensation to balance our need to compete for talent with our need to maintain a reasonable and responsible cost structure, as well as with the goal of aligning the interests of our executive officers with those of our stockholders. In making compensation decisions, the Compensation Committee reviewed industry surveys by McLagan Partners, Inc., a compensation consulting firm for the financial services industry, which prepares annual comprehensive compensation surveys for the asset manager industry.

In the future as we gain experience, our Compensation Committee may choose to retain the services of a compensation specialist from time to time in connection with the establishment of cash and equity compensation and related policies. While market data and reports from third-party consultants provide useful starting points for compensation decisions, our Compensation Committee will continue to ensure our compensation philosophies are maintained or evolved in light of current market trends or practices.

Components of Compensation

We have established the following components of compensation to satisfy our compensation objectives. We believe these components provide competitive compensation packages recognizing and rewarding individual contributions; ensures that executive compensation is aligned with corporate strategies and business objectives; and promotes the achievement of key strategic and operating performance measures:

- base salary;
- annual incentive compensation;
- long-term equity compensation;
- benefit programs;
- change in control benefits; and
- severance benefits.

Each of the elements of our executive compensation is discussed in detail below, including a description of the particular element and how it fits into our overall executive compensation. In addition, discussion of the amounts of

compensation paid to our executive officers for the 2010 performance year under each of these elements is presented in the manner that the Compensation Committee used to evaluate compensation. We believe it is useful to present this information so as to share this perspective with our stockholders in order to better understand how our Compensation Committee numerically evaluates total compensation. These tables supplement the "Summary Compensation Table" presented below, which is in a format required by the SEC.

Base Salary

We use base salary as a means of providing steady pay or a fixed source of compensation for our executive officers allowing them a degree of certainty in order to attract and retain them. Base salaries were originally established at the time the executives were hired taking into consideration the position's duties and level of responsibility, the executives' prior experience and skills, expected contribution to our performance, our understanding of what executives at other similar companies were being paid at such time, our financial condition, and the judgment of our Compensation Committee based on their industry experience. We have entered into employment agreements that establish certain base salaries for our COO, CFO and CLO as part of their employment with us. We have not entered into such an arrangement with our CEO or CIS. Our CEO's salary was subjectively determined by our Compensation Committee and our CIS salary was subjectively determined by our CEO.

The table below reflects the changes in base salaries of our executive officers from 2009 to 2010 and actions the Compensation Committee approved in the 2010 performance year:

Executive Officer	2009 Base Salary	Voluntary Reduction	Raise	2010 Base Salary	Raise	2011 Base Salary
Jonathan Steinberg	$350,000	($17,500)	$100,000	$450,000	—	$450,000
Bruce Lavine	$300,000	($15,000)	—	$300,000	—	$300,000
Amit Muni	$275,000	($13,750)	$ 25,000	$300,000	—	$300,000
Luciano Siracusano	$200,000	—	$ 50,000	$250,000	$50,000	$300,000
Peter Ziemba	$300,000	($15,000)	—	$300,000	—	$300,000

Due to the deteriorating market conditions in 2008, we initiated a series of cost reduction actions, including headcount reductions. In order to limit company headcount reductions, our CEO, COO, CFO and CLO voluntarily reduced their base salaries by 5% for 2009. At the end of 2009, our CEO recommended, and our Compensation Committee approved, a salary increase for our CIS which was subjectively determined by our CEO, to recognize his increased responsibilities in 2009 as head of our sales force. Our CEO and CFO's raises were previously negotiated and approved by our Compensation Committee prior to 2009. Due to our CIS's strong performance in 2010, our CEO recommended, and our Compensation Committee approved, a salary increase for our CIS to bring his salary in parity with the other executive officers.

Annual Incentive Compensation

We have established an annual bonus program to reward our executive officers, as well as all our employees, for their individual performance as well as company performance. Incentive compensation is intended to motivate executives to achieve companywide operating and strategic objectives. We have entered into employment agreements with our COO, CFO and CLO that establish minimum annual cash incentive compensation of $200,000. We believe this amount together with their base salary was necessary to obtain their employment and is adequate to retain and incentivize our executive officers to work at the highest level of their individual abilities and as a team to earn additional incentive compensation to meet our strategic and operating objectives.

Beginning with the 2008 performance year, we began awarding annual incentive compensation as 75% cash and 25% restricted stock which vests in one year. Any discretionary bonuses awarded to our COO, CFO and CLO above their established minimum amounts are also subject to this split. This was an informal guideline that the Compensation Committee approved. We may change this split in the future as we grow and gain more experience with our compensation practices.

For the 2010 performance year, our CEO recommended, and the Compensation Committee agreed and approved after deliberation, discretionary incentive compensation for our executive officers. In evaluating the recommended amounts, the Compensation Committee considered the following goals established at the beginning of the year and managements' progress in achieving those goals. The Compensation Committee noted that management had either achieved or made significant progress in achieving the stated goals in the year ended December 31, 2010.

Those goals and actual results are as follows:

GOAL	ACTUAL RESULTS
• Improvement in net ETF inflows from the prior year	• Net inflows improved 77% from $1.8 billion in 2009 to $3.1 billion in 2010.
• Increased market share of industry inflows from the prior year	• Market share increased from 1.53% in 2009 to 2.65% in 2010.
• Improvement in assets under management growth as compared to the ETF industry	• Our assets under management increased 65% in 2010 while the industry increased on average 28%.
• Continued diversification of product offering	• We launched our first fixed income ETF and filed for additional fixed income ETFs scheduled to be launched in 2011. We also filed and were close to launching our first alternative strategy ETF.
• Achievement of pro forma operating income	• Achieved in the second quarter of 2010.
• Improvement in the price of the company's common stock in order to support an exchange listing	• Our common stock increased over 100% in 2010 and reached a level which supports an exchange listing.

The approved incentive compensation amounts were not formula-based but rather based on the subjective determination of our CEO, taking into account the total compensation of each executive officer, each executive's level of responsibility in achieving our goals, the competitive market for the executive's position, as well as creating a reasonable, but not absolute, level of total compensation equality among the executive officers to recognize that the goals were achieved as a team with each executive officer contributing from their individual area of expertise and skill.

The incentive compensation granted to our executive officers for the 2010 performance year is below:

Executive Officer	Total Incentive Compensation	Awarded As Cash	Awarded As Restricted Stock
Jonathan Steinberg	$ 350,000	$262,500	$87,500
Bruce Lavine	$ 400,000	$350,000	$50,000
Amit Muni	$ 300,000	$275,000	$25,000
Luciano Siracusano	$ 350,000	$262,500	$87,500
Peter Ziemba	$ 300,000	$275,000	$25,000

Long-Term Equity Compensation

Because short-term performance does not by itself accurately reflect our overall performance nor the return realized by our stockholders, our employees are eligible to receive equity awards. We believe that providing equity ownership:

- serves to align the interests of our employees with our stockholders by creating a ownership culture and a direct link between compensation and stockholder return;
- creates a significant, long-term interest for our employees to contribute to our success;
- aids in the retention of employees in a highly competitive market for talent; and
- allows the executives to participate in our longer-term success through stock price appreciation.

Currently, our equity award program is the primary vehicle for offering long-term incentives to our executives. Our equity awards take the form of stock options and restricted stock awards. Stock options typically require significant growth in stockholder value to generate long-term value to our executives which is in line with our performance-oriented culture. Restricted stock awards have intrinsic value which is important in retaining our executive talent. In addition, the vesting feature of our equity awards is intended to encourage the executive to remain with us for several years. We have not adopted any formal guidelines for allocating long-term compensation between stock options and restricted stock; however, the Compensation Committee subjectively ensures that the mix conforms to our overall philosophy and objectives.

Long-term equity awards were individually negotiated with our COO, CFO and CLO at the time they were hired. In determining the size and mix of equity grants to our executives, our Compensation Committee used their collective experiences and business judgment and considered the executives level of responsibility, the executive's ability to significantly influence our growth and profitability, the executives previous experience, and the amount of equity awarded to

our other executives. Typically, larger awards have been made to the executive officers who have areas of responsibility and functions that are more likely to build long-term stockholder value as determined by how directly linked their areas of responsibility are to our growth or those with longer experience in the respective areas of expertise.

Long-term equity awards typically vest over four years. We set the exercise price of all stock option grants prior to 2010 based on the closing price of our common stock on the grant date. In 2010, we changed our practice and set the exercise price of all stock option grants to equal the greater of (a) the thirty day volume weighted average price of our common stock or (b) the grant date volume weighted average price. Vesting and exercise rights cease shortly after termination of employment except in certain cases discussed further. Unvested restricted stock awards carry voting rights and the right to receive dividends.

For the 2010 performance year, our CEO recommended, and our Compensation Committee agreed after deliberation, to grant long-term incentive awards to our CFO and CLO based on their outstanding performance during the year and contributions to achieving our goals. The amounts were subjectively determined; however, the Compensation Committee took into account the long-term awards granted to our CFO and CLO when they began employment with us. The amounts granted were as follows:

Executive Officer	Total Value of Long-Term Award	Awarded As Restricted Stock	Awarded As Options
Amit Muni	$958,500	$510,000	$448,500
Peter Ziemba	$510,000	$510,000	—

The dollar values above reflects the accounting date fair value in accordance with U.S. generally accepted accounting principles. The assumptions used by us in valuing equity awards are set forth in note 6 of the notes to our consolidated financial statements included elsewhere in this registration statement.

Total Compensation

The table below reflects the total compensation granted to our executive officers for the 2010 performance year presented in a manner that the Compensation Committee used to evaluate total compensation:

Executive Officer	2010 Base Salary	+	Annual Bonus	=	Annual Total Compensation	&	Long Term Equity Award
Jonathan Steinberg	$450,000		$350,000		$ 800,000		—
Bruce Lavine	$300,000		$400,000		$ 700,000		—
Amit Muni	$300,000		$300,000		$ 600,000		$958,500
Luciano Siracusano	$250,000		$350,000		$ 600,000		—
Peter Ziemba	$300,000		$300,000		$ 600,000		$510,000

The Compensation Committee agrees that the total compensation packages for our executive officers are fair, reasonable, competitive and applied in a manner that is consistent with our overall compensation philosophy and objectives discussed above.

Benefits and Perquisites

As stated in our compensation philosophy, our executive officers and Compensation Committee agree that perquisites should be rare and limited to those that are important to our employees' ability to safely and effectively carry out their responsibilities. Our executive officers are entitled to participate in the various benefits made available to our employees, such as our 401(k) plan, group health plans, paid vacation and sick leave, basic life insurance and short-term and long-term disability benefits, and directors and officer's liability insurance.

Our employee savings plan is intended to qualify under Section 401 of the Code. Our 401(k) plan permits employees to make contributions up to the statutory limit. We have the discretion to match employee contributions from our profits. We have not made any matches to employee contributions since we incurred net losses since we began our operations. We may make matching contributions in the future.

Severance and Change-in-Control Benefits

Pursuant to employment agreements we have entered into with our COO, CFO and CLO, each of them are entitled to specified benefits in the event of the involuntary termination of their employment without cause or the voluntary termination of their employment for good reason. These benefits include acceleration of unvested restricted stock and option awards and guaranteed minimum severance payments and benefits. In addition, upon a change in control, involuntary termination without cause or voluntary termination for good reason, certain of the equity awards that have been granted to our named executive officers will accelerate and any stock options will become fully or partially vested and the conditions and restrictions on any restricted stock awards will be removed. We have provided more detailed information about these benefits, along with estimates of value under various circumstances, in the table below under "—Potential Payments Upon Termination or Change in Control." Our goal in providing severance and change in control benefits is to offer certainty regarding the potential severance protection such that our executive officers' attention and decision-making will focus on the requirements of the business and cooperate in negotiating any change in control in which they believe they may lose their jobs. We believe these benefits assist in maintaining a competitive position in terms of attracting and retaining key executives which is in the best interests of our stockholders.

Tax and Accounting Considerations

Currently, the accounting and tax treatment of particular forms of compensation do not materially affect our compensation decisions. However, in the future as we continue to gain experience with our compensation policies and grow our business, we will evaluate the effect of such accounting and tax treatment on an ongoing basis and will make appropriate modifications to compensation policies where appropriate. For example, Section 162(m) of the Internal Revenue Code of 1986, or IRC, generally disallows a tax deduction to a publicly-traded company for certain compensation in excess of $1,000,000 paid in any taxable year to the chief executive officer and the four other most highly compensated executive officers. Qualifying performance-based compensation is not subject to the deduction limitation if specified requirements are met. We believe we will structure the performance-based portion of our executive compensation, where feasible, to comply with exemptions in Section 162(m) so that the compensation remains tax-deductible to us. The Compensation Committee in its judgment may, however, authorize compensation payments that do not comply with the exemptions in Section 162(m) when it believes that such payments are appropriate to attract and retain executive talent.

Option Restructuring

In January 2009, our Compensation Committee and Board of Directors approved a proposal to provide eligible employees an opportunity to exercise their underwater stock options in the future at an alternative lower strike price. To obtain the full benefit of the alternative strike price, employees are required to remain with the Company for an additional 4 years. Under the program, eligible employees could exercise one quarter of their stock options each year at an alternative strike price of $1.07. The alternative strike price represented a 50% premium to our thirty day volume weighted-average price on the day the program was approved. Options prices on the programs approval date ranged from $1.75 to $9.45 with a weighted-average exercise price of $4.34. The purpose of this proposal was to incentivize our employees and retain them as their existing option awards, in most cases, were out of or significantly out of the money. Our Compensation Committee and our Board of Directors deliberated and agreed that employees perceiving little value in their equity awards due to high strike prices as compared to the price of our common stock did not meet our compensation objectives or philosophy. Our Compensation Committee and our Board of Directors agreed that this proposal also benefited stockholders as no new additional awards were granted and this proposal replaced the need to grant additional long-term awards in the near future. Our Board of Directors did not participate in the program.

Risk Analysis of Compensation Policies and Programs

The Compensation Committee has reviewed our overall compensation policies and believes that these policies do not encourage excessive and unnecessary risk-taking and that the level of risk that they do encourage is not reasonably likely to have a material adverse effect on our company. The design of the compensation policies and programs encourages employees to remain focused on both our short- and long-term goals. For example, while the cash bonus plan measures performance on an annual basis, the equity awards typically vest over a number of years, which we believe encourages employees to focus on sustained stock price appreciation, thus limiting the potential for excessive risk-taking.

Conclusion

After careful review and analysis, we believe that each element of compensation and the total compensation provided to each of our executive officers is reasonable and appropriate. Through the compensation arrangements described above, a significant portion of each executive's compensation is contingent on our company-wide and their individual performance. Therefore, the realization of benefits by the executive is closely linked to our achievements and increases in stockholder value. We remain committed to our compensation philosophies and the Compensation Committee gives careful consideration to our executive compensation program, including each element of compensation for each executive. The Compensation Committee believes that our compensation program gives each executive appropriate incentive to contribute to our long-term performance and believes that our compensation structure and practices encourage management to work as a team in an entrepreneurial culture for outstanding stockholder returns, without taking unnecessary or excessive risks. The total compensation opportunities of our compensation packages will allow us to attract and retain talented executives who have helped and who will continue to help us grow as we look to the years ahead.

Summary Compensation Table

The following table sets forth certain information with respect to compensation earned during the year ended December 31, 2010 by each named executive officer.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary	Bonus(1)	Stock Awards(2)	Option Awards(2)	Total
Jonathan Steinberg *Chief Executive Officer*	2010	$450,000	$350,000(3)	$250,000	—	$1,050,000
Bruce Lavine *President and Chief Operating Officer*	2010	$300,000	$400,000(4)	$ 50,000	$100,500	$ 850,500
Amit Muni *Chief Financial Officer*	2010	$294,792(5)	$300,000(6)	$ 50,000	$134,000	$ 778,792
Luciano Siracusano *Chief Investment Strategist*	2010	$245,833(7)	$350,000(3)	$ 62,501	—	$ 658,334
Peter Ziemba *Chief Legal Officer*	2010	$300,000	$300,000(6)	$ 50,000	$134,000	$ 784,000

(1) Amounts reflect bonuses earned in 2010 and paid in 2011.
(2) Amounts reflect the aggregate accounting grant date fair value of awards to our named executive officers computed in accordance with Financial Accounting Standards Board, or FASB, Accounting Standard Codification Topic 718. The assumptions used by us in the valuation of the equity awards are set forth in note 6 of the notes to our annual consolidated financial statements included elsewhere in this registration statement.
(3) Comprised of cash payment of $262,500 and $87,500 value of restricted stock to be granted in 2011.
(4) Comprised of cash payment of $350,000 and $50,000 value of restricted stock to be granted in 2011.
(5) Pursuant to the terms of Mr. Muni's employment agreement, his base salary increased from $275,000 to $300,000 effective on March 16, 2010. The amount shown above reflects the pro rata application of that increase for the year ended December 31, 2010.
(6) Comprised of cash payment of $275,000 and $25,000 value of restricted stock to be granted in 2011.
(7) The Compensation Committee increased Mr. Siracusano's base salary from $200,000 to $250,000 effective on February 1, 2010. The amount shown above reflects the pro rata application of that increase for the year ended December 31, 2010.

Grants of Plan-Based Awards

The following table sets forth certain information with respect to stock awards granted to our named executive officers under our equity plans during the year ended December 31, 2010.

GRANTS OF PLAN-BASED AWARDS TABLE FOR THE 2010 FISCAL YEAR

Name	Grant Date	Approval Date	All Other Stock Awards: Number of Shares of Stock or Units	Grant Date Fair Value of Stock and Option Awards(1)
Jonathan Steinberg	1/28/10	1/28/10	111,111	$250,000
Bruce Lavine	1/28/10	1/28/10	22,222	$ 50,000
Amit Muni	1/28/10	1/28/10	22,222	$ 50,000
Luciano Siracusano	1/28/10	1/28/10	27,778	$ 62,501
Peter Ziemba	1/28/10	1/28/10	22,222	$ 50,000

(1) Amounts reflect the aggregate accounting grant date fair value of awards to our named executive officers computed in accordance with Financial Accounting Standards Board, or FASB, Accounting Standard Codification Topic 718. The assumptions used by us in the valuation of the equity awards are set forth in note 6 of the notes to our annual consolidated financial statements included elsewhere in this registration statement.

Outstanding Equity Awards at Fiscal Year End Awards

The following table sets forth certain information with respect to outstanding options and stock awards held by our named executive officers at December 31, 2010:

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2010 TABLE

	Option Awards						Stock Awards		
	Number of Securities Underlying Unexercised Options		Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options	Option Exercise Price	Grant Date	Option Expiration Date(1)	Grant Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested(2)
	Exercisable	Unexercisable							
Jonathan Steinberg	3,604,292	—	—	$ 0.05	4/3/02	4/2/12(3)			
	1,500,000	—	—	$ 0.03	3/17/04	3/16/14(4)			
	—	1,500,000	1,500,000	$ 0.03	3/17/04	3/16/14(5)			
	835,000	—	—	$ 0.16	11/10/04	11/9/14(6)			
	437,500	1,312,500	—	$ 0.70	1/26/09	1/25/19(4)			
							1/28/10	111,111	$ 461,111(12)
Bruce Lavine	—	600,000	—	$ 0.70	1/26/09	1/25/19(9)			
	—	75,000	—	$ 2.25	1/28/10	1/27/20(8)			
							1/26/09	600,000	$ 2,490,000(14)
							1/28/10	22,000	$ 91,300(12)
Amit Muni	75,000(7)	225,000	—	$ 1.07	1/16/08	1/15/18(7)			
	—	100,000	—	$ 2.25	1/28/10	1/27/20(8)			
							3/17/08	100,000	$ 415,000(13)
							1/28/10	22,000	$ 91,300(12)
Luciano Siracusano	2,143	—	—	$ 0.07	11/6/02	11/5/12(11)			
	156,163	—	—	$ 0.10	7/30/03	7/29/13(4)			
	375,000	—	—	$ 0.03	3/17/04	3/16/14(4)			
	—	375,000	375,000	$ 0.03	3/17/04	3/16/14(5)			
	336,953	—	—	$ 0.16	11/10/04	11/9/14(4)			
	50,000	150,000	—	$ 0.70	1/26/09	1/25/19(4)			
							1/28/10	27,778	$ 115,279(12)
Peter Ziemba	200,000(10)	600,000	—	$ 1.07	4/23/07	4/22/17(10)			
	—	100,000	—	$ 2.25	1/28/10	1/27/20(8)			
							4/23/07	50,000	$ 207,500(15)
							1/28/10	22,000	$ 91,300(12)

(1) The expiration date for all options is the date that is ten years after the grant date. See "—Potential Payments Upon Termination or Change of Control" for a description of the acceleration provisions upon termination or change of control.

(2) The market value of such holdings is based on the closing price of $4.15 per share of our common stock as reported on December 31, 2010.

(3) These options vest semi-monthly for 8.5 months from the date of grant, subject to continued employment.

(4) These options vest at a rate of 25% of the shares of common stock underlying the option each year starting one year from the date of grant, subject to continued employment.

(5) The vesting of these options is conditioned upon and subject to the company achieving net income of at least $1.00 (determined in accordance with GAAP) in two consecutive fiscal quarters, subject to continued employment.

(6) These options vest 50% on the grant date and 50% one year from the date of grant, subject to continued employment.
(7) These options vest at a rate of 25% of the shares of common stock underlying the option each year starting one year from date of grant. The exercise price of these options was initially $2.72. On January 26, 2009, our Board of Directors modified these options. As modified, the exercise price of these options is now $1.07 and the new vesting schedule begins as of the date of modification. As a result, in addition to the 75,000 options shown in the table above that are currently exercisable at $1.07 under the modified vesting schedule, Mr. Muni has the right to exercise options to purchase an additional 75,000 shares of common stock at $2.72 under the initial vesting schedule. For more information see "Compensation Discussion and Analysis—Option Restructuring" above.
(8) These options vest 100% on February 15, 2012, subject to continued employment.
(9) These options vest at a rate of 25% of the shares of common stock underlying the option each year starting two years from the date of grant, subject to continued employment.
(10) These options vest at a rate of 25% of the shares of common stock underlying the option each year starting one year from date of grant. The exercise price of these options was initially $6.35. On January 26, 2009, our Board of Directors modified these options. As modified, the exercise price of these options is now $1.07 and the new vesting schedule begins as of the date of modification. As a result, in addition to the options to purchase 200,000 shares of common stock shown in the table above that are currently exercisable at $1.07 under the modified vesting schedule, Mr. Ziemba has the right to exercise options to purchase an additional 400,000 shares of common stock at $6.35 under the initial vesting schedule. For more information see "Compensation Discussion and Analysis—Option Restructuring" above.
(11) These options vested at a rate of 33.3% of the shares of common stock underlying the option each year from the date of grant, subject to continued employment.
(12) These shares of restricted stock vest 100% after one year, subject to continued employment.
(13) These shares of restricted stock vest 50% after 18 months and 50% after 36 months, subject to continued employment.
(14) These shares of restricted stock vest at a rate of 25% each year starting two years from the date of grant, subject to continued employment.
(15) These shares of restricted stock vest at a rate of 25% each year starting one year from the date of grant, subject to continued employment.

Option Exercises and Stock Vested

The following table sets forth, for each named executive officer, the value of all share-based incentive plan awards vested during the year ended December 31, 2010:

OPTION EXERCISES AND STOCK VESTED TABLE FOR THE 2010 FISCAL YEAR

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting(1)
Jonathan Steinberg	—	—	357,143	$ 798,571
Bruce Lavine	—	—	500,000	$1,239,278
Amit Muni	—	—	—	—
Luciano Siracusano	139,649	$456,105	79,286	$ 182,213
Peter Ziemba	—	—	201,429	$ 500,886

(1) Based on the closing price per share of our common stock on the date on which restricted stock awards vested and were settled.

Equity Plans

Each of the equity plans described below are administered by our Compensation Committee pursuant to the powers delegated to it by our Board of Directors. To the extent permitted under the provisions of the plan, the Compensation Committee has authority to determine the selection of participants, allotment of shares, price, and other conditions of purchase of awards and administration of the plan in order to attract and retain persons instrumental to our success. The

plans permit us to make grants to key employees, officers, directors and consultants; however, incentive stock options could only be granted to current employees of the company or a subsidiary. Stock options granted under the each of the plans have a maximum term of ten years from the date of grant, and incentive stock options have an exercise price of no less than fair market value of the common stock on the date of the grant. In total, there are 8,557,847 shares outstanding under the plans and 6,414,198 available to issue under the equity plans. Information regarding our equity plans is as follows:

- *1993 Stock Option Plan*—Our 1993 Performance Equity Plan (the "1993 Plan") was adopted by our Board of Directors in February 1993 and approved by our stockholders in May 1993. We reserved 500,000 shares of our common stock for issuance of awards under the 1993 Plan. As of December 31, 2010, there were 82,673 options outstanding under the 1993 Plan. We do not intend to make any further grants under this plan.
- *1996 Performance Equity Plan*—Our 1996 Performance Equity Plan (the "1996 Plan") was adopted by our Board of Directors in March 1996 and approved by our stockholders in June 1996. We reserved 1,000,000 shares of our common stock for issuance of awards under the 1996 Plan. As of December 31, 2010, there were 389,839 options outstanding under the 1996 Plan. We do not intend to make any further grants under this plan.
- *2000 Performance Equity Plan*—In February 2000, our Board of Directors adopted the 2000 Performance Equity Plan (the "2000 Plan"), which is similar to our 1993 and 1996 plans, and in June 2000 it was approved by our stockholders The 2000 Plan is administered by our Compensation Committee pursuant to the powers delegated to it by our Board of Directors. We reserved 1,000,000 shares of our common stock for issuance of awards under the 2000 Plan. As of December 31, 2010, there were 694,292 options outstanding under the 2000 Plan. We do not intend to make any further grants under this plan.
- *2001 Performance Equity Plan*—Our 2001 Performance Equity Plan (the "2001 Plan") was adopted by our Board of Directors in April 2001. The 2001 Plan covers 1,000,000 shares of our common stock, and is similar to our 1993, 1996 and 2000 Plans, except that incentive options may not be granted since stockholder approval for the 2001 Plan was not obtained within one year of its adoption. As of March 15, 2011, there were 631,865 shares available for issuance under this plan.
- *2005 Performance Equity Plan*—Our 2005 Performance Equity Plan (the "2005 Plan") was adopted by our Board of Directors in May 2005 and approved by our stockholders in July 2005, and amended on each of August 15, 2007 and February 5, 2010. We reserved 21,000,000 shares of our common stock for issuance of awards under the 2005 Plan. As of December 31, 2010, there were 7,361,043 options outstanding under the 2005 Plan and 5,782,333 shares of our common stock were available for issuance.

Employment Agreements

Bruce Lavine

We have entered into an employment agreement with our President and Chief Operating Officer, Bruce Lavine. The agreement is for an indefinite term, and Mr. Lavine's employment is on an "at will" basis. Mr. Lavine's agreement provides for a base salary of $300,000. The agreement entitles Mr. Lavine to an annual guaranteed bonus of $200,000. The agreement also entitles Mr. Lavine to participate in any annual incentive plans established by our Board of Directors or our Compensation Committee. Our Board of Directors also granted Mr. Lavine 600,000 shares of restricted stock and the option to purchase 600,000 shares of our common stock. In 2010, Mr. Lavine was paid a base salary of $300,000 and a performance bonus of $400,000 as a result of his and the company's performance.

Mr. Lavine's agreement entitles him to participate in standard company benefit plans. The agreement also contains employee confidentiality and assignment of inventions provisions. Mr. Lavine is entitled to certain benefits in the event of the involuntary termination of his employment without cause or the voluntary termination of his employment for good reason. Under these circumstances, we will pay Mr. Lavine, in addition to all accrued but unpaid base salary and any discretionary bonus that has been awarded but not

yet paid, an amount equal to the sum of one-year's base salary and guaranteed bonus as severance. Mr. Lavine may also elect to have us pay for COBRA insurance coverage for a one-year period following his termination.

Amit Muni

We have entered into an employment agreement with our Chief Financial Officer, Amit Muni. The agreement is for an indefinite term, and Mr. Muni's employment is on an "at will" basis. Mr. Muni's agreement called for a base salary of $300,000 on March 17, 2010, which increased from $275,000 on March 17, 2009. The agreement entitles Mr. Muni to an annual minimum bonus of $200,000. The agreement also entitles Mr. Muni to participate in any annual incentive plans established by our Board of Directors or our Compensation Committee. Our Board of Directors also granted Mr. Muni 200,000 shares of restricted stock and the option to purchase 300,000 shares of our common stock. In 2010, Mr. Muni was paid a base salary of $294,863 and a performance bonus of $300,000 as a result of his and the company's performance.

Mr. Muni's agreement entitles him to participate in standard company benefit plans. The agreement also contains employee confidentiality and assignment of inventions provisions. Mr. Muni is entitled to certain benefits in the event of the involuntary termination of his employment without cause or the voluntary termination of his employment for good reason. Under these circumstances, we will pay Mr. Muni, in addition to all accrued but unpaid base salary and any discretionary bonus that has been awarded but not yet paid, an amount equal to the sum of one-year's base salary and guaranteed bonus as severance. Mr. Muni may also elect to have us pay for COBRA insurance coverage for a one-year period following his termination.

Peter Ziemba

We have entered into an employment agreement with our Chief Legal Officer, Peter Ziemba. The agreement is for an indefinite term, and Mr. Ziemba's employment is on an "at will" basis. Mr. Ziemba's agreement provides for a base salary of $300,000. The agreement entitles Mr. Ziemba to an annual minimum bonus of $200,000. The agreement also entitles Mr. Ziemba to participate in any annual incentive plans established by our Board of Directors or our Compensation Committee. Our Board of Directors also granted Mr. Ziemba 200,000 shares of restricted stock and the option to purchase 800,000 shares of our common stock. In 2010, Mr. Ziemba was paid a base salary of $300,000 and a performance bonus of $300,000 as a result of his and the company's performance.

Mr. Ziemba's agreement entitles him to participate in standard company benefit plans. The agreement also contains employee confidentiality and assignment of inventions provisions. Mr. Ziemba is entitled to certain benefits in the event of the involuntary termination of his employment without cause or the voluntary termination of his employment for good reason. Under these circumstances, we will pay Mr. Ziemba, in addition to all accrued but unpaid base salary and any discretionary bonus that has been awarded but not yet paid, an amount equal to the sum of one-year's base salary and guaranteed bonus as severance. Mr. Ziemba may also elect to have us pay for COBRA insurance coverage for a one-year period following his termination.

Potential Payments Upon Termination or Change of Control

Certain of our named executive officers are entitled to additional compensation in the event of the involuntary termination of their employment without cause, the voluntary termination of their employment for good reason or a change in control. This section is intended to discuss these post-employment payments, assuming the termination from employment or change in control, as the case may be, occurs on December 31, 2010, the last business day of the 2010 fiscal year, on the terms currently in effect between the named executive officers and us. Due to the number of factors that affect the nature and amount of any benefits provided upon the events discussed in this section, any actual amounts paid or distributed may be different. Factors that could affect these amounts include the timing during the year of any such event and our stock price. None of our named executive officers are entitled to any compensation in the event of a voluntary termination without good reason or an involuntary termination for cause.

	Involuntary Termination Without Cause	Voluntary Termination for Good Reason	Change in Control
Jonathan Steinberg			
Severance Arrangements(1)	—	—	—
Acceleration of Stock Options(2)	—	—	$10,708,125(3)
Acceleration of Restricted Stock(4)	$ 461,111	—	—
Total	$ 461,111	—	$10,708,125
Bruce Lavine			
Severance Arrangements(1)	$ 518,660	$ 518,660	—
Acceleration of Stock Options(2)	$ 517,500	$ 517,500	$ 2,212,500
Acceleration of Restricted Stock(4)	$ 714,721	$ 714,721	$ 2,490,000
Total	$1,750,881	$1,750,881	$ 4,702,500
Amit Muni			
Severance Arrangements(1)	$ 518,660	$ 518,660	—
Acceleration of Stock Options(2)	$ 338,250	$ 338,250	$ 883,000
Acceleration of Restricted Stock(4)	$ 507,221	$ 507,221	$ 415,000
Total	$1,364,131	$1,364,131	$ 1,298,000
Luciano Siracusano			
Severance Arrangements(1)	—	—	—
Acceleration of Stock Options(2)	—	—	$ 2,062,500(3)
Acceleration of Restricted Stock(4)	$ 115,279	—	—
Total	$ 115,279	—	$ 2,062,500
Peter Ziemba			
Severance Arrangements(1)	$ 518,660	$ 518,660	—
Acceleration of Stock Options(2)	$ 616,000	$ 616,000	$ 2,038,000
Acceleration of Restricted Stock(4)	$ 299,721	$ 299,721	$ 207,500
Total	$1,434,381	$1,434,381	$ 2,245,500

(1) As described below, severance payments include an amount equal to the sum of one-year's base salary and guaranteed bonus as well as the value of COBRA benefits for twelve months.

(2) Represents the dollar value of unvested options calculated using the difference between $4.15, the closing price of the company's stock as of December 31, 2010, and the option strike price.

(3) This amount includes the value of stock options that vest upon the company achieving net income of at least $1.00 (determined in accordance with generally accepted accounting principles, consistently applied) in two consecutive fiscal quarters. This performance condition had not been met as of December 31, 2010. However, for purposes of this calculation we have assumed that those performance conditions were met.

(4) Represents the dollar value of restricted stock using $4.15, the closing price of the company's stock as of December 31, 2010.

Severance Arrangements

Pursuant to the terms of their employment agreements, each of Messrs. Lavine, Muni and Ziemba is entitled to certain benefits in the event of the involuntary termination of his employment without "cause" (as defined in the applicable agreement) or the voluntary termination of his employment for "good reason" (as defined in the applicable agreement). Under these circumstances, we will pay each of Messrs. Lavine, Muni and Ziemba, in addition to all accrued but unpaid base salary and any discretionary bonus that has been awarded but not yet paid, an amount equal to the sum of one-year's base salary and guaranteed bonus as severance. Each of Messrs. Lavine, Muni and Ziemba may also elect to have us pay for COBRA insurance coverage for a one-year period following his termination. Assuming termination of employment had occurred on December 31, 2010, the last business day of the fiscal year, Messrs. Lavine, Muni and Ziemba would have each received incremental values of $518,660 as a result of the provisions of these employment agreements. Messrs. Steinberg and Siracusano are not party to employment agreements.

Acceleration of Options

Certain of the stock options we have granted to Messrs. Lavine, Muni, Siracusano, Steinberg and Ziemba provide that, upon a change of control (as defined in the applicable agreement) each such stock option will fully vest. As a result, assuming the change of control had occurred on December 31, 2010, the last business day of the fiscal year, Messrs. Lavine, Muni, Siracusano, Steinberg and Ziemba would have received incremental values of $2,212,500, $883,000, $2,062,500, $10,708,125 and $2,038,000, respectively.

In addition, certain of the stock options we have granted to each of Messrs. Lavine, Muni and Ziemba provide that in the event of the involuntary termination of his employment without "cause" (as defined in the applicable agreement) or the voluntary termination of his employment for "good reason" (as defined in the applicable agreement), the portion of such stock option that would have otherwise vested during the one year period immediately following the date of termination will vest. As a result, assuming the date of termination was on December 31, 2010, the last business day of the fiscal year, Messrs. Lavine, Muni and Ziemba would have received incremental values of $517,500, $338,250 and $616,000, respectively.

Acceleration of Restricted Stock

Certain of the restricted stock awards we have granted to each of Messrs. Lavine, Muni and Ziemba provide that, upon a change of control (as defined in the applicable agreement), the conditions and restrictions on any restricted stock award will be removed. As a result, assuming the change of control had occurred on December 31, 2010, the last business day of the fiscal year, Messrs. Lavine, Muni and Ziemba would have received incremental values of $2,490,000, $415,000 and $207,500, respectively.

Certain of the restricted stock awards we have granted to each of Messrs. Lavine, Muni and Ziemba provide that, upon the involuntary termination of his employment without "cause" (as defined in the applicable agreement) or the voluntary termination of his employment for "good reason" (as defined in the applicable agreement), the conditions and restrictions on any restricted stock award will be removed. As a result, assuming such termination occurred on December 31, 2010, the last business day of the fiscal year, Messrs. Lavine, Muni and Ziemba would have received incremental values of $714,721, $507,221 and $299,721, respectively.

In addition, certain of the restricted stock awards we have granted to each of Messrs. Siracusano and Steinberg provide that, upon the involuntary termination of his employment without "cause" (as defined in the applicable agreement), the conditions and restrictions on any restricted stock award will be removed. As a result, assuming such termination occurred on December 31, 2010, the last business day of the fiscal year, Messrs. Siracusano and Steinberg would have received incremental values of $115,279 and $461,111, respectively.

Compensation of Directors

The Board of Directors has determined that each of our non-employee directors that does not hold his membership on the Board of Directors pursuant to a contractual right granted to investors in one or more of our private placements (see "Director and Officers – Board Composition") is entitled to receive compensation for service as a director. At February 28, 2011, three directors were qualified to receive compensation under this program: Messrs. Begleiter, Lilien and Salerno. However, in connection with his appointment to our Board of Directors in January 2001, Mr. Begleiter waived his right to receive compensation for three years. Under this compensation program these qualifying directors receive a grant of equity valued at $300,000 on the date of grant (consisting of 25% restricted stock and 75% ten-year options) that vests over three years on the first three anniversaries of the date of grant.

In addition, each of these directors receives the following annual retainers:

- $30,000 for board service;
- $10,000 additional for service on either the Audit Committee or the Compensation Committee;
- $5,000 additional for service on the Nominating Committee;
- $10,000 additional for chairmanship of either the Audit Committee or the Compensation Committee;
- $40,000 additional for Independent Lead Director.

All of our directors are reimbursed for out-of-pocket expenses for attending meetings. Our directors also participate in the insurance and indemnification arrangements described below.

The following table describes director compensation for non-management directors for the year ended December 31, 2010. Messrs Salerno and Lilien were the only directors to receive compensation in the year ended December 31, 2010. Directors who are also officers of WisdomTree are not entitled to any compensation for their services as a director.

DIRECTOR COMPENSATION TABLE FOR THE 2010 FISCAL YEAR

Name	Fees Earned or Paid in Cash	Total
Frank Salerno	$ 110,000	$110,000
R. Jarrett Lilien	$ 53,693	$ 53,693

Compensation Committee Interlocks and Insider Participation

During 2010, none of our executive officers served as: (i) a member of the Compensation Committee (or other committee of the Board of Directors performing equivalent functions or, in the absence of any such committee, the entire Board of Directors) of another entity, one of whose executive officers served on our Board of Directors; or (ii) a director of another entity, one of whose executive officers served on our Board of Directors.

ITEM 7. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Related Party Transactions

Since January 1, 2008, there has not been, nor is there currently proposed, any transaction or series of similar transactions to which we were or are to be a party in which the amount involved exceeded or will exceed $120,000 and in which any of our directors or executive officers or holders of more than 5% or more of any class of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or material interest other than the transactions described below.

October 2009 Private Placement

On October 15, 2009, we closed a private placement of our common stock in which we sole 6,666,672 shares for aggregate consideration of $5,000,000. Pursuant to the terms of the Securities Purchase Agreement and a Third Amended and Restated Registration Rights Agreement, we agreed to provide the investors in this private placement with certain rights that continued after the closing as follows:

- Until our common stock is listed on either the New York Stock Exchange or the Nasdaq Global Market, we agreed that these investors, together with the investors in our prior private placements of common stock that were completed in November 2004, July 2005 and December 2006, would have the pre-emptive right to purchase a proportionate share of all future issuances of equity securities (including rights to acquire equity securities, such as options and warrants, and debt securities convertible into equity securities) by our company subject to certain exceptions, such as (i) firm commitment public offerings, (ii) in connection with the acquisition of other companies, (iii) pursuant to employee and director equity compensation programs and(iv) to vendors and consultants to the company if they are issued in consideration for goods or services provided to the company. Under this pre-emptive right, we agreed to give the investors prior notice of the intended issuance and the investors then have a right to subscribe for a portion of the issuance in proportion to their ownership of the company's outstanding common stock determined on a fully diluted basis. The investors also have a further right to subscribe for additional shares of our common stock if other investors do not subscribe for their full proportionate share.
- We also agreed that as long as Michael Steinhardt individually, and RRE Ventures III-A, L.P., RRE Ventures Fund III, L.P., and RRE Ventures III, L.P. (collectively the "RRE Entities"), collectively, beneficially own at least 10,000,000 shares of common stock, they each shall have the independent right to require the company to either (i) appoint a designee, reasonably acceptable to our Board of Directors, as a member of our Board of Directors, or (ii) provide a designee with notice of all board meetings and copies of all materials delivered to members of our Board of Directors and permit such designee to attend and observe each meeting of our Board of Directors. We further agreed that Mr. Steinhardt and James D. Robinson, IV, as a designee of the RRE Entities, both of whom currently serve as directors of our company, were acceptable as designees of Mr. Steinhardt and the RRE Entities, respectively. As similar right was granted to James E. Manley, a principal investor in the company's December 2006 private placement, except that Mr. Manley's continued minimum requisite beneficial ownership is 2,050,000 shares. Anthony Bossone serves as a director of our company as the designee of Mr. Manley.
- We also granted registration rights to the investors that provide them with the right to have their shares of our common stock registered under the Securities Act of 1933, as amended, for resale to the public unless their shares are otherwise freely transferable in the public market without being subject to the volume limitations under Rule 144 or the shares have already been registered. These registrations are at the expense of the company and the investors were provided with demand registration rights (on three occasions but only triggered by investors beneficially owning at least 50% of the securities subject to the registration right), demand registration rights with respect to registration rights on Form S-3 (on three occasions but only triggered by investors beneficially owning at least 50% of the securities subject to the registration right) and "piggy-back" registration rights (without numerical limitation).

The executive officers, directors and 5% or greater stockholders set forth in the table below participated in the October 2009 private placement and the number of shares and consideration paid is set forth next to their names. The participation by these related parties was approved by those members of the Audit Committee and our Board of Directors that were not participating in the private placement, after disclosure was made of the participation by the other directors. We believe that the sale of our common stock in the October 2009 private placement was made on terms no less favorable to us

than could have been obtained from unaffiliated third parties. In reaching this conclusion, the directors that were not participating in the placement were aware of the company's previous unsuccessful efforts to obtain financing from unrelated parties and the fact that most of the investors in the company that had invested in prior private placements and held a pre-emptive right to participate in the October 2009 placement had declined to participate.

Investor	Relationship to Company	Shares Purchased	Consideration Paid
Anthony Bossone	A director	400,000	$ 300,000
Hillcrest Financial, LLC	An affiliate of Frank Salerno, a director	200,000	$ 150,000
R. Jarrett Lilien	A director	266,667	$ 200,000
Bruce Lavine and his spouse	A director and executive officer	266,667	$ 200,000
Amit Muni	An executive officer	66,667	$ 50,000
RRE Entities	5%-or-greated stockholder and affiliate of James D. Robinson, IV, a director	666,667	$ 500,000
S Family Partners, L.P.	The general partner of which is the spouse of Michael Steinhardt, Chairman of the Board and 5% or greater stockholder	2,666,667	$ 2,000,000
Peter M. Ziemba	An executive officer	200,000	$ 150,000

Stockholders Agreement

We are a party to an Amended and Restated Stockholder's Agreement, dated December 21, 2006, among Michael Steinhardt, the RRE Entities, James E. Manley and Jonathan Steinberg. Under this agreement, Messrs. Steinhardt and Steinberg and the RRE Entities agreed to vote their shares for a director nominee of Mr. Manley as long as Mr. Manley holds no fewer than 2,050,000 shares of our common stock. In addition, Mr. Steinhardt and the RRE Entities agreed to give each other and Mr. Manley the opportunity to sell a proportionate share of his common stock if either of them were to sell more than 1 million of their shares in a private transaction. This obligation, known as a "tag-along" right, terminates one year after our common stock is listed on either the New York Stock Exchange or the Nasdaq Global Market. Furthermore, Mr. Steinberg agreed to give Mr. Steinhardt and the RRE Entities a right-of-first refusal to purchase any shares he intends to sell if he were to sell any of his shares in a private transaction. Lastly, until shares of our common stock is listed on either the New York Stock Exchange or the Nasdaq Global Market, certain corporate actions (for example, repurchases of our common stock, mergers, the incurrence of debt, or the amendment of our by-laws or charter) require either the unanimous consent of our directors if approval is obtained by unanimous written consent or by the approval of at least 60% of the directors of our company present at a meeting.

Family Relationship

Jeremy Rayne Steinberg, the stepbrother of Jonathan Steinberg, our CEO, is employed by our company as eCommerce Manager. In 2008, 2009 and 2010 he was paid $143,750, $129,425 and $158,333 in cash compensation as salary and bonus related to his employment. In addition, as an employee he received restricted stock awards of 7,500, 16,393 and 6,667 shares in each of 2008, 2009 and 2010, and in January 2011 he received a restricted stock award of 3,378 shares. The grant awarded in 2008 vested in 28 months and the other awards had one year vesting schedules and represented 25% of the value of the discretionary bonus awarded to him for the prior year.

Procedures for Approval of Related Person Transactions

In accordance with its written charter, the Audit Committee conducts an appropriate review of all related party transactions for potential conflict of interest situations on an ongoing basis, and the approval of the Audit Committee is required for all related party transactions. The term "related person transaction" refers to any transaction required to be disclosed by us pursuant to Item 404 of Regulation S-K (or any successor provision) promulgated by the SEC, except that "related party transactions" do not include compensation or employment arrangements that we disclose in our proxy statement (or, if the related person is an executive officer, that we would disclose if such person was a named executive officer).

Director Independence

See the section entitled “Board Independence” in Item 5. “Directors and Officers” of this registration statement.

ITEM 8. LEGAL PROCEEDINGS

As an investment advisor, we may be subject to routine reviews and inspections by the SEC as well as legal proceedings arising in the ordinary course of business. We are not currently party to any litigation or other legal proceedings that are expected to have a material impact on our business, financial position or results of operations.

ITEM 9. MARKET PRICE OF AND DIVIDENDS ON THE REGISTRANT’S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Our common stock is quoted on the over the counter Pink OTC Markets under the symbol “WSDT.” The following table sets forth, for the periods presented, the high and low sale prices for our common stock as reported by the Pink OTC Markets.

Period	High	Low
Fiscal 2010		
Quarter ended December 31, 2010	$4.15	$2.30
Quarter ended September 30, 2010	$2.55	$1.75
Quarter ended June 30, 2010	$3.00	$2.01
Quarter ended March 31, 2010	$3.04	$1.85
Fiscal 2009		
Quarter ended December 31, 2009	$2.35	$1.50
Quarter ended September 30, 2009	$1.55	$1.02
Quarter ended June 30, 2009	$1.63	$0.60
Quarter ended March 31, 2009	$0.85	$0.52

On March 30, 2011, the high and low trading prices for shares of our common stock were $5.77 and $5.65 per share, respectively. As of December 31, 2010, there were approximately 154 registered holders of record of shares of our common stock.

Securities Authorized for Issuance under Equity Compensation Plans

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (1)	8,527,847	$ 1.16	5,834,970
Equity compensation plans not approved by security holders (2)	12,915,770	$ 0.23	631,865
Total	21,443,617	$ 0.60	6,466,835

(1) Includes securities issuable upon exercise of outstanding options, warrants and rights that were issued pursuant to the Company’s 1993 Stock Option Plan, 1996 Performance Equity Plan, 2000 Performance Equity Plan and 2005 Performance Equity Plan.

(2) Our non-plan options are similar to options granted under our equity compensation plans and generally were granted outside of these plans when insufficient shares were available for grant under our plans. These options provide the holder with the right to purchase a certain number of shares of our common stock at a predetermined fixed price for a period of not more than ten years. All of the non-plan options were granted to directors, employees or advisors to our Board of Directors and the exercise price was determined to be not less than the fair market value of our common stock on the date of grant.

ITEM 10. RECENT SALES OF UNREGISTERED SECURITIES

Set forth below is information regarding shares of capital stock issued and options granted by us since January 1, 2008. Also included is the consideration, if any, received by us for such shares and options and information relating to the section of the Securities Act, or rules of the SEC under which exemption from registration was claimed. As identified below, certain of the transactions described below involved directors, executive officers and greater than five percent stockholders. No underwriters were involved in any of the following sales of securities.

The securities described below were issued to U.S. investors in reliance upon exemptions from the registration provisions of the Securities Act set forth in Section 4(2) thereof relative to sales by an issuer not involving any public offering, to the extent an exemption from such registration was required. All purchasers of shares of our preferred stock described below represented to us in connection with their purchase that they were accredited investors and were acquiring the shares for investment and not distribution, that they could bear the risks of the investment and that they understood that the securities must be held indefinitely unless a subsequent disposition was registered under the Securities Act or exempt from registration. The purchasers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration or an available exemption from registration. The issuance of stock options and the common stock issuable upon the exercise of stock options as described below were issued pursuant to written compensatory benefit plans or arrangements with our employees, directors and consultants, in reliance on the exemption provided by Rule 701 promulgated under the Securities Act or Section 4(2) of the Securities Act.

October 2009 Private Placement

On October 15, 2009, we closed a private placement of our common stock in which we sold 6,666,672 shares for aggregate consideration of $5,000,000 pursuant to a Securities Purchase Agreement. This transaction is described above in Item 7. “Certain Relationships and Related Party Transactions, and Director Independence.” The shares were issued to U.S. investors in reliance upon the exemption from the registration provisions of the Securities Act set forth in Section 4(2) thereof and Rule 506 of Regulation D promulgated thereunder relative to sales by an issuer not involving any public offering. All purchasers of the shares represented to us in connection with their purchase that they were accredited investors and were acquiring the shares for investment and not distribution, that they could bear the risks of the investment and that they understood that the securities must be held indefinitely unless a subsequent disposition was registered under the Securities Act or exempt from registration. The purchasers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration or an available exemption from registration. All stock certificates carried an appropriate restrictive legend.

Issuances to Treasury Equity, LLC

On March 12, 2007, we entered into a purchase agreement with Treasury Equity, LLC pursuant to which we acquired, among other things, the rights to an application pending with the SEC for exemptive relief to operate currency funds. In consideration of the purchase price, we issued to the seller on the dates indicated below shares of our common stock upon the satisfaction of certain conditions under the purchase agreement:

- February 27, 2008: We issued 82,636 share valued at $250,000
- May 14, 2008: We issued 197,837 shares valued at $500,000
- November 10, 2008: We issued 371,563 shares valued at $500,000
- December 4, 2009: We issued 504,881 shares valued at $1,000,000

The shares were issued to U.S. investors in reliance upon the exemption from the registration provisions of the Securities Act set forth in Section 4(2) thereof relative to sales by an issuer not involving any public offering. The seller represented to us in the purchase agreement that it was an accredited investor and was acquiring the shares for investment and not distribution, that it could bear the risks of the investment and that it understood that the securities must be held indefinitely unless a subsequent disposition was registered under the Securities Act or exempt from registration. The sellers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration or an available exemption from registration. All stock certificates carried an appropriate restrictive legend.

Issuances to Europa Partners, Limited, Angela Burns and Aktiva Ltd.

Effective September 24, 2007, we entered into an amendment to an agreement, dated January 16, 2007, with Europa Partners, Limited, a firm located in London, England, which served as a solicitation agent for our investment advisor subsidiary to identify and assist us in soliciting institutional clients for which we could manage assets on a separate account basis. In consideration for its services, we agreed to issue shares of our common stock on a semi-annual basis to it and to its principal in charge of our account, Angela Burns. Effective November 8, 2009, this engagement was terminated and we entered into a similar engagement with Aktiva Ltd., another firm located in London, England, for which Angela Burns was the sole principal, pursuant to which we were to issue shares directly to Ms. Burns. Under these arrangements on the dates indicated below we issued shares of common stock as follows:

- March 1, 2008: We issued 2,000 shares to Europa and 8,000 shares to Angela Burns
- September 1, 2008: We issued 2,000 shares to Europa and 8,000 shares to Angela Burns
- March 1, 2009: We issued 10,000 shares to Angela Burns
- September 1, 2009: We issued 10,000 shares to Angela Burns
- March 1, 2010: We issued 10,000 shares to Angela Burns
- September 1, 2010: We issued 10,000 shares to Angela Burns
- March 1, 2011: We issued 10,000 shares to Angela Burns

These shares of common stock were issued in an offshore transaction not subject to registration under the Securities Act pursuant to Regulation S promulgated thereunder. In connection with these issuances, the recipients of the shares represented to us that it or she (i) was outside the United States when receiving and executing the applicable agreement and was not a "U.S. Person" as defined in Rule 902 of Regulation S, (ii) was not acquiring the shares as a result of, and will not itself engage in, any "directed selling efforts" (as defined in Regulation S) in the United States in respect of our common stock, which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of the shares, (iii) understood and agreed that any offer and resale of the shares prior to the expiration of the one-year period after the issuance of the shares could only be made in compliance with the safe harbor provisions set forth in Regulation S or pursuant to an exemption from the registration requirements of the Securities Act, and that all offers and sales after the one-year period could be made only pursuant to an exemption from the registration requirements of the Securities Act. The recipients further agreed not to engage in any hedging transactions involving our common stock prior to the expiration of the one-year period unless such transactions are in compliance with the Securities Act. All stock certificates carried an appropriate restrictive legend.

Issuances to Employees, Consultants and Non-Employee Directors

We believe employee ownership of common stock is in the best interest of our company and the issuance of stock options and restricted stock as a regular component of overall compensation for our employee and non-employee directors, The issuance of stock options and the common stock issuable upon the exercise of stock options as described below were issued pursuant to written compensatory benefit plans or arrangements with our employees, directors and senior board advisors in reliance on the exemption provided by Rule 701 promulgated under the Securities Act or Section 4(2) of the Securities Act. All stock certificates carried an appropriate restrictive legend.

Since January 1, 2008, at various times, we have issued an aggregate of 6,147,912 options to purchase shares of our common stock to our employees and non-employee independent directors at exercise prices ranging from $0.70 to $5.26. These options were issued without cash consideration and become exercisable over time (between one and four years) based upon continued employment.

Since January 1, 2008 and at various time we issued an aggregate of 4,139,523 shares of restricted stock to our employees, senior advisors to our Board of Directors and non-employee independent directors. These shares of restricted stock were issued without cash consideration and they vest over time (between one and four year) based upon continued employment or service to the company. At March 31, 2011, 2,961,911 of these shares had vested and became unrestricted as of March 31, 2011.

Since January 1, 2008 and at various times, we have issued 582,414 shares of our common stock pursuant to the exercise of stock options or warrants for an aggregate consideration of $687,632.

ITEM 11. DESCRIPTION OF OUR CAPITAL STOCK

The following summary description sets forth some of the general terms and provisions of our capital stock. Because this is a summary description, it does not contain all of the information that may be important to you. For a more detailed description of our capital stock, you should refer to the provisions of our Amended and Restated Certificate of Incorporation.

Common Stock

There are 115,460,300 shares of our common stock issued and outstanding as of March 21, 2011, including restricted stock that has not yet vested. Each share of our common stock has one vote. Because holders of our common stock do not have cumulative voting rights or preemptive or other subscription rights, the holders of a majority of our common stock can elect all of the members of our Board of Directors. We cannot redeem our common stock. Holders of our common stock are entitled to any dividends as may be declared by our Board of Directors out of legally available funds. If we are liquidated, dissolved or wound up, the holders of our common stock are entitled to receive a pro rata portion of all of our assets available for distribution to our stockholders. All outstanding shares of our common stock are fully paid and non-assessable. The rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future. Except as described under "—Antitakeover Effects of Delaware Law and Provisions of Our Amended and Restated Certificate of Incorporation and Amended and Restated By-laws" below, a majority vote of the holders of common stock is generally required to take action under our amended and restated certificate of incorporation and amended and restated by-laws.

Preferred Stock

Subject to the provisions of our certificate of incorporation and to the limitations prescribed by law, our Board of Directors has the authority, without further action by our stockholders, to issue up to 2,000,000 shares of our authorized but unissued preferred stock in one or more series. Our Board of Directors has the power and authority to fix the rights, designations, preferences, privileges, qualifications and restrictions of our preferred stock, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences and sinking fund terms, any or all of which may be greater than the rights of our common stock. No preferred stock is outstanding and we have no present plans to issue any shares of preferred stock.

Having undesignated preferred stock enables us to render more difficult or to discourage a third party's attempt to obtain control of us by means of a tender offer, proxy contest, merger, or otherwise, which thereby protects the continuity of our management. The issuance of shares of our preferred stock also may discourage a party from making a bid for our common stock because such issuance may adversely affect the rights of the holders of our common stock. For example, preferred stock that we issue may rank prior to our common stock as to dividend rights, liquidation preference, or both, may have full or limited voting rights and may be convertible into shares of common stock. Accordingly, the issuance by us of shares of preferred stock may discourage or delay bids for our common stock or may otherwise adversely affect the market price of our common stock.

Registration Rights

We have granted registration rights to the investors that provide them with the right to have their shares of common stock in the company registered under the Securities Act of 1933 for resale to the public unless their shares are otherwise freely transferable in the public market without being subject to the volume limitations under Rule 144 or the shares have already been registered. These registrations are at the expense of the company and the investors were provided with demand registration rights (on three occasions but only triggered by investors beneficially owning at least 50% of the securities subject to the registration right), demand registration rights with respect to registration rights on Form S-3 (on three occasions but only triggered by investors beneficially owning at least 50% of the securities subject to the registration right) and "piggy-back" registration rights (without numerical limitation).

Antitakeover Effects of Delaware Law and Provisions of Our Amended and Restated Certificate of Incorporation and Amended and Restated By-laws

Certain provisions of the Delaware General Corporation Law and of our amended and restated certificate of incorporation and amended and restated by-laws could have the effect of delaying, deferring or discouraging another party from acquiring control of us. These provisions, which are summarized below, are expected to discourage certain types of coercive takeover practices and inadequate takeover bids and, as a consequence, they might also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions are also designed in part to encourage anyone seeking to acquire control of us to first negotiate with our Board of Directors. These provisions might also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders might otherwise deem to be in their best interests. However, we believe that the advantages gained by protecting our ability to negotiate with any unsolicited and potentially unfriendly acquirer outweigh the disadvantages of discouraging such proposals, including those priced above the then-current market value of our common stock, because, among other reasons, the negotiation of such proposals could improve their terms.

Delaware Takeover Statute

We will be subject to the provisions of Section 203 of the Delaware General Corporation Law when our common stock is listed on a national securities exchange. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a three-year period following the time that this stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner. A "business combination" includes, among other things, a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. An "interested stockholder" is a person who, together with affiliates and associates, owns, or did own within three years prior to the time of determination of interested stockholder status, 15% or more of the corporation's outstanding voting stock. Under Section 203, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions:

- before the time the stockholder became interested, the board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding, for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some instances; or
- at or after the time the stockholder became interested, the business combination was approved by the board of directors of the corporation and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

Provisions of Our Amended and Restated Certificate of Incorporation and Amended and Restated By-laws

Our amended and restated certificate of incorporation and amended and restated by-laws include a number of provisions that may have the effect of delaying, deferring or discouraging another party from acquiring control of us and encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with our Board of Directors rather than pursue non-negotiated takeover attempts. These provisions include the items described below.

Board Composition and Filling Vacancies. In accordance with our amended and restated certificate of incorporation, our Board of Directors is divided into three classes serving staggered three-year terms, with one class being elected each year. Our amended and restated certificate of incorporation also provides that directors may be removed only for cause and then only by the affirmative vote of the holders of 75% or more of the shares then entitled to vote at an election of directors. Furthermore, any vacancy on our Board of Directors, however occurring, including a vacancy resulting from an increase in the size of our Board of Directors, may only be filled by the affirmative vote of a majority of our directors then in office even if less than a quorum.

No Written Consent of Stockholders. Our amended and restated certificate of incorporation provides that all stockholder actions are required to be taken by a vote of the stockholders at an annual or special meeting, and that stockholders may not take any action by written consent in lieu of a meeting. This limit may lengthen the amount of time required to take stockholder actions and would prevent the amendment of our by-laws or removal of directors by our stockholder without holding a meeting of stockholders.

Meetings of Stockholders. Our amended and restated by-laws provide that only a majority of the members of our Board of Directors then in office may call special meetings of stockholders and only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders. Our by-laws limit the business that may be conducted at an annual meeting of stockholders to those matters properly brought before the meeting.

Advance Notice Requirements. Our amended and restated by-laws establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of our stockholders. These procedures provide that notice of stockholder proposals must be timely given in writing to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at our principal executive offices not less than 90 days or more than 120 days prior to the first anniversary date of the annual meeting for the preceding year. The notice must contain certain information specified in our amended and restated by-laws.

Amendment to Certificate of Incorporation and By-laws. As required by the Delaware General Corporation Law, any amendment of our amended and restated certificate of incorporation must first be approved by a majority of our Board of Directors, and if required by law or our amended and restated certificate of incorporation, must thereafter be approved by a majority of the outstanding shares entitled to vote on the amendment, and a majority of the outstanding shares of each class entitled to vote thereon as a class, except that the amendment of the provisions relating to stockholder action, directors, limitation of liability and the amendment of our amended and restated certificate of incorporation must be approved by not less than 75% of the outstanding shares entitled to vote on the amendment, and not less than 75% of the outstanding shares of each class entitled to vote thereon as a class. Our amended and restated by-laws may be amended by the affirmative vote of a majority vote of the directors then in office, subject to any limitations set forth in the by-laws; and may also be amended by the affirmative vote of at least 75% of the outstanding shares entitled to vote on the amendment, or, if our Board of Directors recommends that the stockholders approve the amendment, by the affirmative vote of the majority of the outstanding shares entitled to vote on the amendment, in each case voting together as a single class.

Undesignated Preferred Stock. Our amended and restated certificate of incorporation authorizes shares of preferred stock. The existence of authorized but unissued shares of preferred stock may enable our Board of Directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise. For example, if in the due exercise of its fiduciary obligations, our Board of Directors were to determine that a takeover proposal is not in the best interests of us or our stockholders, our Board of Directors could cause shares of preferred stock to be issued without stockholder approval in one or more private offerings or other transactions that might dilute the voting or other rights of the proposed acquirer or insurgent stockholder or stockholder group. In this regard, our amended and restated certificate of incorporation grants our Board of Directors broad power to establish the rights and preferences of authorized and unissued shares of preferred stock. The issuance of shares of preferred stock could decrease the amount of earnings and assets available for distribution to holders of shares of common stock. The issuance may also adversely affect the rights and powers, including voting rights, of these holders and may have the effect of delaying, deterring or preventing a change in control of us.

Transfer Agent and Registrar

Continental Stock Transfer & Trust Company serves as our transfer agent and registrar for our common stock.

Listing

Our common stock is quoted on the over the counter Pink OTC Markets under the symbol "WSDT." In connection with the filing of this Form 10 with the U.S. Securities and Exchange Commission, we intend to seek listing of our common stock on ..

ITEM 12. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 145 of the General Corporation Law of the State of Delaware empowers a Delaware corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership,

joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit, or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe that such person's conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon plea of *nolo contendere* or its equivalent, does not, of itself, create a presumption that such person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

In the case of an action by or in the right of the corporation, Section 145 empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action in any of the capacities set forth above against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in and not opposed to the best interests of the corporation, except that indemnification is not permitted in respect of any claim, issue, or matter as to which such person is adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court deems proper. Section 145 further provides: that a Delaware corporation is required to indemnify a director, officer, employee, or agent against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with any action, suit, or proceeding or in defense of any claim, issue, or matter therein as to which such person has been successful on the merits or otherwise; that indemnification provided for by Section 145 shall not be deemed exclusive of any other rights to which the indemnified party may be entitled; that indemnification provided for by Section 145 shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of such person's heirs, executors, and administrators; and empowers the corporation to purchase and maintain insurance on behalf of a director or officer against any such liability asserted against such person in any such capacity or arising out of such person's status as such whether or not the corporation would have the power to indemnify him against liability under Section 145. A Delaware corporation may provide indemnification only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct. Such determination is to be made (i) by the Board of Directors by a majority vote of a quorum consisting of directors who were not party to such action, suit, or proceeding, or (ii) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (iii) by the stockholders.

Our amended and restated certificate of incorporation (the "Charter") provides that no director of our company shall be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duty as a director, except for liability (1) for any breach of the director's duty of loyalty to our company or our stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) in respect of unlawful dividend payments or stock redemptions or repurchases, or (4) for any transaction from which the director derived an improper personal benefit. In addition, our Charter provides that if the Delaware General Corporation Law is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of our company shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended. The Charter further provides that any amendment, repeal or modification of these provisions by our stockholders or an amendment to the Delaware General Corporation Law will not adversely affect any right or protection existing at the time of such amendment, repeal or modification with respect to any acts or omissions occurring before such amendment, repeal or modification of a director serving at the time of such amendment, repeal or modification.

Our amended and restated by-laws (the "By-Laws") provide that we will indemnify each of our directors and officers and, in the discretion of our Board of Directors, certain employees, to the fullest extent permitted by the Delaware General Corporation Law as the same may be amended (except that in the case of an amendment, only to the extent that the amendment permits us to provide broader indemnification rights than the Delaware General Corporation Law permitted us to provide prior to such the amendment) against any and all expenses, judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement that are incurred or paid by the director, officer or such employee or on the director's, officer's or employee's behalf in connection with any threatened, pending or completed proceeding or any claim, issue or matter therein, to which he or she is or is threatened to be made, a party to or participant in because he or she is or was serving as a director, officer or employee of our company, or at our request as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan, foundation, association, organization or other legal entity, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of our company and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful, provided however, with respect to actions, suits and proceedings other than by or in the right of our company, that no indemnification shall be made under in respect of any claim, issue or matter as to which he or she has been finally adjudged by a court of competent jurisdiction to be liable to our company, unless, and only to the extent that, the Delaware Court of Chancery or another court in which such proceeding was brought has determined upon application that, despite adjudication of liability, but in view of all the circumstances of the case, he or she is fairly and reasonably entitled to indemnification for such expenses that such court deems proper. The By-Laws further provide for the advancement of expenses to each of our directors and, in the discretion of the Board of Directors, to certain officers and employees. In addition, the By-Laws provide that the right of each of our directors and officers to indemnification and advancement of expenses shall be a contract right and shall not be exclusive of any other right now possessed or hereafter acquired under any statute, provision of the Charter or By-Laws, agreement, vote of stockholders or otherwise. Furthermore, the By-Laws authorize us to provide insurance for our directors, officers and employees against any liability, whether or not we would have the power to indemnify such person against such liability under the Delaware General Corporation Law or the By-Laws.

Additionally, we have entered into indemnification agreements with certain of our directors and officers whereby we have agreed to indemnify, and advance expenses to, each indemnitee to the fullest extent permitted by applicable law. These indemnification agreements will continue until and terminate upon the later of (i) ten years after the date that the indemnitee has ceased to serve as a director or officer or any entity which the indemnitee served at our request, or (ii) the final termination of all pending proceedings in respect of which the indemnitee is granted rights of indemnification or advancement of expenses or any proceeding commenced by the indemnitee.

We maintain a directors' and officers' liability insurance policy. The policy insures directors and officers against unindemnified losses arising from certain wrongful acts in their capacities as directors and officers and reimburses us for those losses for which we have lawfully indemnified the directors and officers. The policy contains various exclusions.

ITEM 13. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Our consolidated financial statements are appended to the end of this registration statement, beginning on page F-1.

ITEM 14. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

During the last two fiscal years and through the date of this filing, we have not had a change in our independent registered public accounting firm and have not had any disagreements with our public accounting firm on any matters of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

ITEM 15. FINANCIAL STATEMENTS AND EXHIBITS

(a) *Financial Statements*. Our consolidated financial statements are appended to the end of this registration statement, beginning on page F-1.

(b) *Exhibits.* The following documents are filed as exhibits hereto:

Exhibit Number	Description
3.1	Form of Amended and Restated Certificate of Incorporation
3.2	Amended and Restated Bylaws
4.1	Specimen Common Stock Certificate
4.2	Amended and Restated Stockholders Agreement among Registrant and certain investors dated December 21, 2006
4.3	Securities Purchase Agreement among Registrant and certain investors dated December 21, 2006
4.4	Securities Purchase Agreement among Registrant and certain investors dated October 15, 2009
4.5	Third Amended and Restated Registration Rights Agreement dated October 15, 2009
10.1	Representative Form of Advisory Agreement between WisdomTree Asset Management, Inc. and WisdomTree Trust
10.2	Form of License Agreement between WisdomTree Investments, Inc. and WisdomTree Trust dated March 21, 2006
10.3	Mutual Participation Agreement by and among WisdomTree Investments, Inc., WisdomTree Asset Management, Inc. Mellon Capital Management Corporation and The Dreyfus Corporation dated January 24, 2008
10.4	WisdomTree Investments, Inc. 1993 Stock Option Plan
10.5	WisdomTree Investments, Inc. 1996 Performance Equity Plan
10.6	WisdomTree Investments, Inc. 1996 Management Incentive Plan
10.7	WisdomTree Investments, Inc. 2000 Performance Equity Plan
10.8	WisdomTree Investments, Inc. 2001 Performance Equity Plan
10.9	WisdomTree Investments, Inc. 2005 Performance Equity Plan
10.10	Amendment to WisdomTree Investments, Inc. 2005 Performance Equity Plan approved by stockholder on August 20, 2007
10.11	Amendment to WisdomTree Investments, Inc. 2005 Performance Equity Plan approved by stockholder on August 23, 2010
10.12	Form of Restricted Stock Agreement (Multiple Year Vesting) for Executive Officers
10.13	Form of Restricted Stock Agreement (Single Year Vesting) for Executive Officers
10.14	Form of Stock Option Agreement for Executive Officers
10.15	Form of Restricted Stock Agreement for Independent Directors
10.16	Form of Stock Option Agreement for Independent Directors
10.17	Form of Amendment dated January 26, 2009 to Existing Option Agreements between Registrant and Employees
10.18	Stock Option Agreement between Registrant and Jonathan Steinberg dated April 3, 2002
10.19	Stock Option Agreement between Registrant and Jonathan Steinberg dated March 17, 2004
10.20	Amendment dated November 10, 2004 to Stock Option Agreements between Registrant and Jonathan Steinberg dated January 3, 2001, April 3, 2002 and March 17, 2004
10.21	Stock Option Agreement between Registrant and Jonathan Steinberg dated November 10, 2004
10.22	Stock Option Agreement between Registrant and Luciano Siracusano dated November 6, 2002
10.23	Stock Option Agreement between Registrant and Luciano Siracusano dated July 30, 2003
10.24	Stock Option Agreement between Registrant and Luciano Siracusano dated March 17, 2004
10.25	Amendment dated October 7, 2004 to Stock Option Agreement between Registrant and Luciano Siracusano dated April 3, 2002.
10.26	Stock Option Agreement between Registrant and Luciano Siracusano dated November 10, 2004
10.27	Stock Option Agreement between Registrant and Luciano Siracusano dated January 26, 2009
10.28	Amendment dated March 30, 2011 to Stock Option Agreements between Registrant and Luciano Siracusano dated January 26, 2009
10.29	Stock Option Agreement between Registrant and Michael Steinhardt dated November 10, 2004
10.30	Stock Option Agreement between Registrant and Frank Salerno dated July 22, 2005
10.31*	Amended and Restated Employment Agreement between WisdomTree Asset Management, Inc. and Bruce Lavine dated as of April , 2011
10.32*	Amended and Restated Employment Agreement between WisdomTree Asset Management, Inc. and Peter M. Ziemba dated as of April , 2011
10.33*	Amended and Restated Employment Agreement between WisdomTree Asset Management, Inc. and Amit Muni dated as of April , 2011
10.34	Form of Proprietary Rights and Confidentiality Agreement
10.35*	Form of Indemnification Agreement for Officers and Directors
21.1	Subsidiaries of WisdomTree Investments, Inc.

* To be filed by amendment.

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 31, 2011

WisdomTree Investments, Inc.

By: /s/ Jonathan L. Steinberg
Name: Jonathan L. Steinberg
Title: Chief Executive Officer

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WisdomTree Investments, Inc.
Index to Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of
WisdomTree Investments, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of WisdomTree Investments, Inc. and Subsidiaries (the "Company") as of December 31, 2010 and 2009, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of WisdomTree Investments, Inc. and Subsidiaries at December 31, 2010 and 2009, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2010, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP
New York, NY
March 31, 2011

WisdomTree Investments, Inc. and Subsidiaries

Consolidated Balance Sheets
(In Thousands, Except Per Share Amounts)

	December 31, 2010	December 31, 2009
Assets		
Current assets:		
Cash and cash equivalents	$ 14,233	$ 11,476
Investments	1,295	2,627
Accounts receivable	4,825	2,884
Other current assets	642	961
Total current assets	20,995	17,948
Fixed assets, net	756	977
Investments	7,300	6,693
Other noncurrent assets	91	85
Total assets	$ 29,142	$ 25,703
Liabilities and stockholders' equity		
Liabilities:		
Current liabilities:		
Fund management and administration payable	$ 5,714	$ 5,055
Compensation and benefits payable	3,638	2,587
Accounts payable and other liabilities	2,263	1,603
Total current liabilities	11,615	9,245
Other noncurrent liabilities	292	430
Total liabilities	11,907	9,675
Stockholders' equity:		
Preferred stock, par value $0.01; 2,000 shares authorized:	—	—
Common stock, par value $0.01; 250,000 shares authorized; issued: 115,291 and 114,535; outstanding: 113,132 and 110,106	1,152	1,145
Additional paid-in capital	158,236	149,487
Accumulated deficit	(142,153)	(134,604)
Total stockholders' equity	17,235	16,028
Total liabilities and stockholders' equity	$ 29,142	$ 25,703

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

WisdomTree Investments, Inc. and Subsidiaries

Consolidated Statements of Operations
(In Thousands, Except Per Share Amounts)

	Year Ended December 31,		
	2010	2009	2008
Revenues:			
ETF advisory fees	$ 40,567	$ 20,812	$ 21,643
Other income	1,045	1,283	1,968
Total revenues	41,612	22,095	23,611
Expenses:			
Compensation and benefits	19,193	18,943	20,338
Fund management and administration	14,286	13,387	14,772
Marketing and advertising	3,721	2,762	5,875
Sales and business development	2,730	2,495	3,642
Professional and consulting fees	3,779	1,780	1,871
Occupancy, communication, and equipment	1,118	1,087	1,564
Depreciation and amortization	314	360	337
Third party sharing arrangements	2,296	89	(320)
Other	1,724	2,420	2,577
Total expenses	49,161	43,323	50,656
Loss before provision for income taxes	(7,549)	(21,228)	(27,045)
Provision for income taxes	—	—	—
Net loss	$ (7,549)	$ (21,228)	$ (27,045)
Net loss per share – basic and diluted	$ (0.07)	$ (0.21)	$ (0.27)
Weighted-average common shares – basic and diluted	111,981	103,397	100,236

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

WisdomTree Investments, Inc. and Subsidiaries

Consolidated Statements of Stockholders' Equity
(In Thousands)

	Common Stock		Additional	Accumulated Other		
	Shares Issued	Par Value	Paid-In Capital	Comprehensive Gain/(Loss)	Accumulated Deficit	Total
Balance – January 1, 2008	103,369	$1,033	$124,602	$ —	$ (86,331)	$ 39,304
Restricted stock issued, net	1,107	11	(11)	—	—	—
Exercise of stock options	96	1	3	—	—	4
Stock issued for services	672	7	1,279	—	—	1,286
Net unrealized loss on investments	—	—	—	(3)	—	(3)
Stock-based compensation	—	—	8,510	—	—	8,510
Net loss	—	—	—	—	(27,045)	(27,045)
Balance – December 31, 2008	105,244	1,052	134,383	(3)	(113,376)	22,056
Net proceeds from sale of common stock	6,667	67	4,921	—	—	4,988
Restricted stock issued, net	1,906	19	(19)	—	—	—
Exercise of warrants	194	2	(2)	—	—	—
Stock issued for services	524	5	1,013	—	—	1,018
Net unrealized gain on investments	—	—	—	3	—	3
Stock-based compensation	—	—	9,191	—	—	9,191
Net loss	—	—	—	—	(21,228)	(21,228)
Balance – December 31, 2009	114,535	1,145	149,487	—	(134,604)	16,028
Restricted stock issued, net	501	5	(5)	—	—	—
Exercise of stock options, net	235	2	(1)	—	—	1
Stock issued for services	20	—	29	—	—	29
Stock-based compensation	—	—	8,726	—	—	8,726
Net loss	—	—	—	—	(7,549)	(7,549)
Balance – December 31, 2010	115,291	$1,152	$158,236	$ —	$ (142,153)	$ 17,235

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

WisdomTree Investments, Inc. and Subsidiaries

Consolidated Statements of Cash Flows
(In Thousands)

	Year Ended December 31,		
	2010	2009	2008
Cash flows from operating activities:			
Net loss	$ (7,549)	$(21,228)	$(27,045)
Adjustments to reconcile net loss to net cash provided by/(used in) operating activities:			
Depreciation and amortization and other	314	583	675
Stock-based compensation	8,755	10,209	9,546
Loss on subleased office space	—	—	139
Deferred rent	(105)	(185)	(36)
Accretion to interest income	4	(68)	111
(Increase)/decrease in operating assets and liabilities:			
Accounts receivable	(1,941)	(1,354)	468
Other assets	313	(45)	579
Fund management and administration payable	659	(3,911)	2,600
Compensation and benefits payable	1,051	575	(1,531)
Accounts payable and other liabilities	627	397	(1,121)
Net cash provided by/(used in) operating activities	2,128	(15,027)	(15,615)
Cash flows from investing activities:			
Purchase of fixed assets	(93)	(295)	(703)
Purchase of investments	(6,935)	(7,290)	(16,809)
Proceeds from the redemption of investments	7,656	15,825	31,260
Net cash provided by investing activities	628	8,240	13,748
Cash flows from financing activities:			
Net proceeds from sale of common stock	—	4,988	—
Proceeds from exercise of stock options and warrants	1	—	4
Net cash provided by financing activities	1	4,988	4
Net increase/(decrease) in cash and cash equivalents	2,757	(1,799)	(1,863)
Cash and cash equivalents – beginning of year	11,476	13,275	15,138
Cash and cash equivalents – end of year	$14,233	$ 11,476	$ 13,275
Supplemental disclosure of cash flow information:			
Cash paid for income taxes	$ 11	$ 3	$ 5
Noncash investing and financing activities:			
Cash less exercise of stock options and warrants	$ 517	$ 81	$ 1

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

WisdomTree Investments, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
(In Thousands, Except Share and Per Share Amounts)

1. Organization and Description of Business

WisdomTree Investments, Inc. (WisdomTree or the Company) is a New York-based exchange-traded fund sponsor and asset manager. The Company is the eighth largest sponsor of ETFs in the United States based on assets under management ("AUM"). In June 2006, the Company launched 20 ETFs and, as of February 28, 2011, has 45 ETFs with AUM of approximately $10.3 billion. Through its operating subsidiary, the Company provides investment advisory and other management services to the WisdomTree Trust ("WTT") and WisdomTree ETFs. The Company also licenses its indexes to third parties and promotes the use of WisdomTree ETFs in 401(k) plans. The Company has the following subsidiaries:

- WisdomTree Asset Management, Inc. (WTAM) – a wholly owned subsidiary formed in February 2005, is an investment advisor registered with the Securities and Exchange Commission (SEC). WTAM provides investment advisory and other management services to WTT and the WisdomTree ETFs. In exchange for providing these services, the Company receives advisory fee revenues based on a percentage of the ETFs average daily net assets under management.
- WisdomTree Retirement Services, Inc. (WTRS) – a wholly owned subsidiary formed in August 2007, markets with selected third parties the use of WisdomTree ETFs in 401(k) plans as well as offering a platform that offers ETFs to the 401(k) marketplace.

WTT, a non-consolidated third-party, is a Delaware statutory trust registered with the SEC as an open-end management investment company. The WisdomTree ETFs are issued by the WisdomTree Trust. The WisdomTree Trust offers ETFs across equities, currency, fixed income and alternatives asset classes. The Company has licensed the use of its own fundamentally-weighted indexes on a non-exclusive basis to the WisdomTree Trust for the WisdomTree ETFs. The Board of the WisdomTree Trust, or the Trustees, is separate from the Board of the Company. The Trustees are primarily responsible for overseeing the management and affairs of the WisdomTree ETFs and the Trust for the benefit of the WisdomTree ETF shareholders and has contracted with the Company to provide for general management and administration services of WisdomTree Trust and the WisdomTree ETFs. The Company, in turn, has contracted with third parties to provide the majority of these administration services. In addition, certain officers of the Company provide general management services for the WTT.

2. Significant Accounting Policies

Basis of Presentation

These consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles, or GAAP, and in the opinion of management reflect all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of financial condition, results of operations, and cash flows for the periods presented. The consolidated financial statements include the accounts of the Company's wholly owned subsidiaries WTAM and WTRS. All intercompany accounts and transactions have been eliminated in consolidation. Certain accounts in the prior years' consolidated financial statements have been reclassified to conform to the current year's consolidated financial statements presentation. These reclassifications had no effect on the previously reported net losses.

Use of Estimates

The preparation of the Company's consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the balance sheet dates and the reported amounts of revenues and expenses for the periods presented. Actual results could differ from those estimates.

Revenue Recognition

The Company earns investment advisory fees for ETFs and separately managed accounts as well as licensing fees from third parties. ETF advisory fees are based on a percentage of the ETFs average daily net assets and recognized over the period the related service is provided. Fees for separately managed accounts and licensing are based on a percentage of the average monthly net assets and recognized over the period the related service is provided.

Depreciation and Amortization

Depreciation is provided for using the straight-line method over the estimated useful lives of the related assets as follows:

Equipment	3 years
Furniture and fixtures	7 years

Leasehold improvements are amortized over the term of their respective leases or service lives of the improvements, whichever is shorter. Fixed assets are stated at cost less accumulated depreciation and amortization.

Marketing and Advertising

Advertising costs, including media advertising and production costs, are expensed when incurred.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of 90 days or less at the time of purchase to be classified as cash equivalents. Cash and cash equivalents are held with one large financial institution.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are customers' obligations due under normal trade terms. An allowance for doubtful accounts is not provided since, in the opinion of management, all accounts receivable recorded are deemed collectible.

Impairment of Long-Lived Assets

On a periodic basis, the Company performs a review for the impairment of long-lived assets when events or changes in circumstances indicate that the estimated undiscounted future cash flows expected to be generated by the assets are less than their carrying amounts or when other events occur which may indicate that the carrying amount of an asset may not be recoverable.

Loss per Share

Basic loss per share is computed by dividing loss available to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted loss per share includes the potential dilution that could occur if options or other contracts to issue common stock were exercised or converted into common stock. Options, restricted shares, and warrants to purchase shares of common stock were not included in the computation of diluted loss per share for the years ended December 31, 2010, 2009 and 2008 as the Company incurred a loss during the period.

Investments

The Company accounts for most of its investments as held-to-maturity, which are recorded at amortized cost, which approximates fair value. For held-to-maturity investments, the Company has the intent and ability to hold investments to maturity and it is not more likely than not that the Company will be required to sell the investments before recovery of their amortized cost bases, which may be maturity.

In 2009, the Company accounted for an investment as available-for-sale which is reported at fair value with unrealized gains or losses included in other comprehensive income. There were no material realized gains or losses recorded through earnings during the year.

On a periodic basis, the Company reviews its portfolio of investments for impairment. If a decline in fair value is deemed to be other-than-temporary, the security is written down to its fair value through earnings.

Subsequent Events

The Company has evaluated subsequent events after the date of the consolidated financial statements to consider whether or not the impact of such events needed to be reflected or disclosed in the consolidated financial statements. Such evaluation was performed through the report date of the consolidated financial statements.

Stock-Based Awards

Accounting for share-based compensation requires the measurement and recognition of compensation expense for all equity awards based on estimated fair values. The Company accounts for stock-based compensation for its employees based on the cost of employee services received in exchange for a stock-based award. Stock-based compensation is measured based on the grant-date fair value of the award and are amortized over the relevant service period.

Stock-based awards granted to non-employees for goods or services are valued at the fair value of the equity instruments issued or the fair value of consideration received, whichever is a more reliable measure of the fair value of the transaction, and recognized when performance obligations are complete.

Income Taxes

The Company accounts for income taxes using the liability method, which requires the determination of deferred tax assets and liabilities based on the differences between the financial and tax basis of assets and liabilities using the enacted tax rates in effect for the year in which differences are expected to reverse. Deferred tax assets are adjusted by a valuation allowance if, based on the weight of available evidence, it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized.

In order to recognize and measure any unrecognized tax benefits, management evaluates and determines whether any of its tax positions are more-likely-than-not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Once it is determined that a position meets this recognition threshold, the position is measured to determine the amount of benefit to be recognized in the consolidated financial statements. Management does not believe that the Company has any material uncertain tax positions. The Company records interest and penalties, if any, related to income taxes within the provision for income taxes in the consolidated statements of operations.

The Company currently has tax years December 31, 1996 through December 31, 2010 open for examination by federal and state agencies as of December 31, 2010.

Related-Party Transactions

The Company's revenues are derived primarily from investment advisory agreements with WTT and WisdomTree ETFs. Under these agreements, the Company has granted WTT an exclusive license to its own indexes for operation of the WisdomTree ETFs. The Trustees are primarily responsible for overseeing the management and affairs of the WisdomTree ETFs and the Trust for the benefit of the WisdomTree ETF shareholders and has contracted with the Company to provide for general management and administration of WisdomTree Trust and the WisdomTree ETFs. The Company is also responsible for expenses of WTT, including the cost of transfer agency, custody, fund administration and accounting, legal, audit, and other non-distribution services. In exchange, the Company receives fees based on a percentage of the ETF average daily net assets. The advisory agreements may be terminated by WTT upon notice. Certain officers of the Company also provide general management oversight of WTT; however, these officers have no material decision making responsibilities and primarily implement the decisions of the Trustees. At December 31, 2010, and 2009, the balance of accounts receivable from

WTT was approximately $4,612 and $2,657, respectively. Revenue from advisory services provided to WTT for the years ended December 31, 2010, 2009 and 2008 was approximately $40,567, $20,812 and $21,643, respectively.

Third Party Sharing Arrangements

Included in third party sharing arrangements expense are payments/(reimbursements) from/(to) the Company with respect to joint venture or distribution agreements with third parties. In 2008, the Company entered into a mutual participation agreement with Mellon Capital Management Corporation and Dreyfus Corporation in which the parties agreed to collaborate in developing currency and fixed income ETFs under the WisdomTree Trust. Under the agreement, the Company contributed its expertise in operating the ETFs, sales, marketing and research. Mellon Capital and Dreyfus contributed sub-advisory, fund administration and accounting services for these collaborated ETFs. All third party costs and profits and losses are shared equally. This agreement expires in March 2013. Included in third party sharing arrangements is each party's share of revenues less third party costs. Revenues and expenses under this arrangement are as follows:

	Year Ended December 31,		
	2010	2009	2008
Revenues	$ 6,578	$ 1,623	$ 973
Less third-party expenses	(2,066)	(1,445)	(1,613)
Profit	4,512	178	(640)
Third party sharing/(reimbursement) – 50%	2,256	$ 89	($320)
Other third party distribution arrangements	40	—	—
Total	$ 2,296	$ 89	($320)

Segment, Geographic and Customer Information

The Company operates as one business segment, as an ETF sponsor and asset manager providing investment advisory services. Revenues are derived in the U.S. and all of the Company's assets are located in the U.S.

Recently Issued Accounting Pronouncements

In January 2010, ASU No. 2010-6, *Improving Disclosures About Fair Value Measurement,* adds required disclosures about items transferring into and out of Levels 1 and 2 in the fair value hierarchy; adding separate disclosures about purchase, sales, issuances, and settlements relative to Level 3 measurements; and clarifying, among other things, the existing fair value disclosures about the level of disaggregation. ASU No. 2010-6 is effective for interim and annual reporting periods beginning after December 15, 2009, except for the requirement to provide Level 3 purchases, sales, issuances, and settlements on a gross basis, which is effective for fiscal years beginning after December 15, 2010. This standard impacts disclosure requirements only and did not have a material impact on our consolidated financial statements.

3. Investments and Fair Value Measurements

The following table is a summary of the Company's investments:

	December 31,		
	2010	2009	2009
	Held-to-Maturity	Available-for-Sale	Held-to-Maturity
Federal agency debt instruments	$ 8,595	$ —	$ 9,190
Equity ETF	—	130	—
Total	$ 8,595	$ 130	$ 9,190

The following table summarizes unrealized gains, losses, and fair value of investments:

	December 31,		
	2010	2009	2009
	Held-to-Maturity	Available-for-Sale	Held-to-Maturity
Cost/amortized cost	$ 8,595	$ 130	$ 9,190
Gross unrealized gains	47	—	64
Gross unrealized losses	(151)	—	(63)
Fair value	$ 8,491	$ 130	$ 9,191

The following table sets forth the maturity profile of investments:

	December 31,		
	2010	2009	2009
	Held-to-Maturity	Available-for-Sale	Held-to-Maturity
Due within one year	$ 1,295	$ 130	$ 2,497
Due one year through five years	249	—	1,298
Due five years through ten years	796	—	1,009
Due over ten years	6,255	—	4,386
Total	$ 8,595	$ 130	$ 9,190

Fair Value Measurement

Under the accounting for fair value measurements and disclosures, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability, or the exit price, in an orderly transaction between market participants at the measurement date. The accounting guidance establishes a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions.

These two types of inputs create the following fair value hierarchy:

Level 1 – Quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 – Instruments whose significant value drivers are unobservable.

This hierarchy requires the use of observable market data when available. The Company's available-for-sale investments and held-to-maturity securities are categorized as Level 1. The amortized cost of the held-to-maturity securities approximates fair value. The Company does not intend to sell its investments held-to maturity before the recovery of their amortized cost bases which may be at maturity.

Some of our financial instruments are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and financial liabilities include: cash and cash equivalents, accounts receivable, certain other current assets, accounts payable and other liabilities, fund management and administration payable, and compensation and benefits payable.

4. Fixed Assets

The following table summarized fixed assets:

	December 31,	
	2010	2009
Equipment	$ 586	$ 496
Furniture and fixtures	234	232
Leasehold improvements	1,038	1,037
Less accumulated depreciation and amortization	(1,102)	(788)
Total	$ 756	$ 977

5. Commitments and Contingencies

Contractual Obligations

The Company has entered into obligations under operating leases with initial non-cancelable terms in excess of one year for office space, telephone, and data services. Expenses recorded under these agreements for the years ended December 31, 2010, 2009, and 2008 were approximately $1,015, $1,034 and $1,348, respectively.

Future minimum lease payments with respect to non-cancelable operating leases at December 31, 2010 are approximately as follows:

2011	$1,360
2012	1,263
2013	1,229
2014	76
2015 and thereafter	—
Total	$3,928

Letter of Credit

The Company collateralizes its office lease space through a standby letter credit in the amount of $700 held as an investment in debt securities, which is included in investments on the consolidated balance sheets at December 31, 2010 and 2009.

Contingencies

The Company is subject to various routine regulatory reviews and inspections by the SEC as well as legal proceedings arising in the ordinary course of business. The Company is not currently party to any litigation or other legal proceedings that management believes are reasonably likely to have a material adverse effect on the Company's operating results, financial condition or cash flows.

6. Stock-Based Awards

Stock Options

The Company grants stock options to employees, certain directors and non-employee consultants and special advisors for services. The Company has six stock option plans, which are similar in nature (collectively, referred to as the Plans). Under the Plans, the Company can issue a maximum of 25,000,000 shares of Common Stock pursuant to stock options and other stock-based awards and also has issued from time to time stock-based awards outside the Plans.

Options are issued generally for terms of ten years and vest between two to four years. Options are issued with an exercise price equal to the fair value of the Company on the date of grant. Options expire on dates ranging from May 13, 2011 to December 12, 2020.

In January 2009, the Company's Compensation Committee and Board of the Directors approved a proposal to provide eligible employees an opportunity to exercise their underwater stock options in the future at an alternative lower strike price. To obtain the full benefit of the alternative strike price, employees are required to remain with the Company for an additional 4 years. Under the program, eligible employees could exercise one quarter of their stock options each year at an alternative strike price of $1.07. The alternative strike price represented a 50% premium to the Company's thirty day volume weighted-average price on the day the program was approved. Options prices on the programs approval date ranged from $1.75 to $9.45 with a weighted-average exercise price of $4.34. The Company is recording a charge of $589 over four years which represents the excess of the fair value of eligible options using the alternative strike price over the existing strike price. For the years ended December 31, 2010 and 2009, the Company recorded $140 and $145, respectively, for this program.

A summary of option activity is as follows:

	Options	Weighted-Average Exercise Price
Outstanding January 1, 2008	18,360,674	$ 1.44
Granted	1,367,912	2.06
Forfeitures or expirations	(1,421,071)	3.84
Exercised	(95,806)	0.48
Outstanding at December 31, 2008	18,211,709	1.30
Granted	3,425,000	0.70
Forfeitures or expirations	(263,750)	2.55
Exercised	—	—
Outstanding at December 31, 2009	21,372,959	0.57
Granted	860,000	2.38
Forfeitures or expirations	(336,868)	2.77
Exercised	(452,474)	1.15
Outstanding at December 31, 2010	21,443,617	$ 0.60

The following table summarizes information on stock options outstanding:

	Options Outstanding			Options Exercisable		
Range of Exercise Prices	Number Outstanding at December 31, 2010	Weighted-Average Remaining Contractual Life in Years	Weighted-Average Exercise Price	Number Exercisable at December 31, 2010	Weighted-Average Exercise Price	Aggregate Intrinsic Value at December 31, 2010
$0.03 – $0.45	11,922,574	2.8	$ 0.08	9,797,574	$ 0.09	$ 39,762
$0.70 – $0.97	3,762,240	8.1	0.73	949,411	0.77	3,210
$1.07 – $1.80	3,799,377	5.9	1.07	944,263	1.07	2,908
$2.03 – $4.03	1,959,426	6.1	2.60	1,072,951	2.78	1,475
	21,443,617	4.6	$ 0.60	12,764,199	$ 0.44	$ 47,355

Included in the above tables are 1,398,333 options as of December 31, 2010, 2009 and 2008 for option awards granted to nonemployee consultants, special advisors and vendors. These options have a weighted exercise price of $1.40 and are fully exercisable.

The Company estimated the fair value for options using the Black-Scholes Option Pricing Model. The estimated weighted-average fair value for options granted in 2010, 2009 and 2008 was $2.38, $0.44 and $1.14, respectively. The following assumptions were used in the option pricing model:

	Year Ended December 31,		
	2010	2009	2008
Expected life (years)	5.0	5.0	5.0
Risk free interest rate	1.13% to 2.54%	1.67% to 2.15%	1.50% to 3.73%
Dividends	—	—	—
Volatility	71.13% to 76.55%	76.72% to 78.47%	62.74% to 72.25%

The Company recognized stock-based compensation in the amount of $3,824, $4,253 and $4,612 for options awarded to employees and directors for the years ended December 31, 2010, 2009 and 2008, respectively.

The amount of unrecognized stock-based compensation relating to stock options grants as of December 31, 2010 is $2,734 and the weighted-average remaining vesting period is approximately 1.69 years.

The Company recognized stock-based compensation expense in the amount of $0, $47 and $34, for option awards to nonemployee consultants, special advisors and vendors for the years ended 2010, 2009 and 2008, which is included in professional and consulting fees and other expenses on the consolidated statements of operations.

In 2008, the Company modified 539,843 options by extending the exercise period for certain employees who were terminated from the Company. The Company recognized additional stock-based compensation expense of $285 related to these modifications.

Restricted Shares

The Company grants restricted stock to employees, and certain directors. All restricted stock awards require future service as a condition of delivery of the underlying shares of common stock along with certain other requirements outlined in the award agreements. Restricted stock awards generally vest over one to four years.

From time-to-time, the Company also grants restricted and common stock to nonemployee consultants, special advisors and vendors for services. In general, theses awards vest over the contractual period of the consulting arrangement. The fair value of these awards is measured at the grant dated fair value and re-measured at each reporting period. Fair value is determined as the closing price of the Company's common stock on the date of grant.

The following table summarizes information about restricted shares outstanding for the years ended December 31, 2010, 2009 and 2008:

	Restricted Stock Awards
Unvested balance at January 1, 2008	3,943,538
Granted	1,212,377
Vested	(1,145,517)
Forfeited	(105,156)
Unvested balance at December 31, 2008	3,905,242
Granted	1,962,319
Vested	(1,380,935)
Forfeited	(56,503)
Unvested balance at December 31, 2009	4,430,123
Granted	554,011
Vested	(2,772,125)
Forfeited	(53,500)
Unvested balance at December 31, 2010	2,158,509

Included in the above table are 750,000, 1,325,30 and 1,687,350 shares of unvested restricted stock as of December 31, 2010, 2009 and 2008, respectively, for awards granted to nonemployee consultants, special advisors and vendors.

The Company recognized stock-based compensation in the amount of $2,921, $3,864 and $3,545 for restricted stock awards to employees and directors for the year ended 2010, 2009 and 2008, respectively. The amount of unrecognized stock-based compensation expense for employee restricted share grants as of December 31, 2010 is approximately $783, and the weighted-average remaining vesting period is approximately 1.49 years.

The Company recognized stock-based compensation expense in the amount of $2,010, $2,045 and $1,355, for restricted stock awards to nonemployee consultants, special advisors and vendors for the years ended 2010, 2009 and 2008, which is included in professional and consulting fees and other expenses on the consolidated statements of operations.

Warrants

In connection with the Company's financing in 2004, the Company issued 300,000 warrants exercisable at $0.28 per share. 96,124 warrants were forfeited and 193,876 were exercised in 2009. The Company has no further warrants outstanding.

7. Employee Benefit Plans

The Company has a 401(k) savings plan covering all eligible employees in which the Company can make discretionary contributions from its profits. The Company has not made any discretionary contributions for years ended December 31, 2010, 2009 and 2008.

8. Other Comprehensive Loss

Accumulated other comprehensive loss is summarized as follows:

	Unrealized Loss/Gain on Securities	Accumulated Other Comprehensive Loss/Gain
Balance – January 1, 2009	$ (3)	$ (3)
Period change	3	3
Balance – December 31, 2009	—	—
Period change	—	—
Balance – December 31, 2010	$ —	$ —

9. Income Taxes

At December 31, 2010 and 2009, the Company had net operating losses carry forward of $101,856 and $93,552, respectively. This carry forward includes a Section 382 (of the U.S. Internal Revenue Code) limited net operating loss of approximately $17,657 at December 31, 2010, which expires at various dates through 2024 and the utilization of which is limited in future years. In 2010, $2,381 of these losses expired. During 2010, the Company preformed a Section 382 study and approximately $7,100 of the net operating loss carry forward was deemed unusable. At this time, the Company has determined that no limitations will apply to the post ownership losses at December 31, 2010 of $84,199 which expires at various dates through 2030. The Company has generated operating losses through December 31, 2010.

The composition of the deferred tax asset is summarized as follows by applying a 45.96% and 44.38% tax rate at December 31, 2010 and 2009, respectively, to the deferred tax items. The deferred tax asset has been offset by a valuation allowance:

	December 31,	
	2010	2009
Deferred tax assets:		
Net operating losses	$ 42,803	$ 41,518
Stock-based compensation	8,943	11,086
Fixed assets	185	—
Deferred rent liability	200	—
Other	51	—
Total deferred tax assets and liabilities	52,182	52,604
Less: valuation allowance	(52,182)	(52,604)
Net deferred tax assets and liabilities	$ —	$ —

A reconciliation between the statutory federal income tax rate of 35% and the Company's effective rate is as follows:

	December 31,		
	2010	2009	2008
Federal statutory rate	(35.00%)	(35.00%)	(35.00%)
State income tax rate, net of federal benefit	(10.17%)	(9.88%)	(9.00%)
Other differences, net	(0.79%)	0.50%	—
Valuation allowance	45.96%	44.38%	44.00%
Effective rate	0.00%	0.00%	0.00%

10. Financing

In October 2009, the Company completed a financing raising $4,988 net of expenses through the issuance of 6,666,672 shares of common stock primarily from its existing investors. The proceeds from this financing has been and will be used for general business purposes.

Exhibit 3.1

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
WISDOM TREE INVESTMENTS, INC.

WisdomTree Investments, Inc. a corporation organized and existing under the laws of the state of Delaware (the "Corporation"), hereby certifies as follows:

FIRST: The current name of the Corporation is WisdomTree Investments, Inc. The date of the filing of its original Certificate of Incorporation with the Secretary of State of the State of Delaware was September 19, 1985. The name under which the Corporation was incorporated was Financial Data Systems, Inc. The corporation filed an Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware on August 20,1991 (the "Restated Certificate"). The Restated Certificate was amended on May 27, 1993 and renewed and revived on October 15, 1996 (the "First Renewed Certificate"). The First Renewed Certificate was amended on June 23, 1997 and June 23, 1999 and renewed and revived on March 13, 2000 (the "Second Renewed Certificate"). The Second Renewed Certificate was amended on June 18, 2002, October 4, 2004, June 19, 2005 and September 6, 2005 (the "Third Amended Certificate").

SECOND: This Amended and Restated Certificate of Incorporation (the "Certificate") amends and restates the provisions of the Third Amended Certificate in accordance with Section 245 of the Delaware General Corporation Law (the "DGCL"), was duly approved by the Corporation's Board of Directors in accordance with the provisions of Section 242 of the DGCL and thereafter was duly adopted by the affirmative written consent of the holders of a majority of the outstanding stock entitled to vote thereon in accordance with Section 228 of the DGCL.

THIRD: The text of the Third Amended Certificate is hereby amended and restated in its entirety to provide as herein set forth in full.

ARTICLE I

The name of Corporation is WisdomTree Investments, Inc.

ARTICLE II

The address of the Corporation's registered office in the State of Delaware is National Corporate Research, Ltd., 615 South DuPont Highway, in the City of Dover, County of Kent. The name of its registered agent at such address is National Corporate Research, Ltd.

ARTICLE III

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware (the "DGCL").

ARTICLE IV

The total number of shares of all classes of stock that the Corporation shall have authority to issue is two hundred fifty-two million (252,000,000) shares, of which two hundred fifty million (250,000,000) shares will be a class designated as common stock, with a par value of one cent ($.01) per share (the "Common Stock"), and two million (2,000,000) shares shall be a class designated as undesignated shares of preferred stock, with a par value of one cent ($.01) per share (the "Undesignated Preferred Stock").

Except as otherwise provided in any certificate of designations of any series of Undesignated Preferred Stock, the number of authorized shares of the class of Common Stock or Undesignated Preferred Stock may from time to time be increased or decreased (but not below the number of shares of such class outstanding) by the affirmative vote of the holders of a majority in voting power of the outstanding shares of capital stock of the Corporation irrespective of the provisions of Section 242(b)(2) of the DGCL.

The powers, preferences and rights of, and the qualifications, limitations and restrictions upon, each class or series of stock shall be determined in accordance with, or as set forth below in, this Article IV.

A. COMMON STOCK

Subject to all the rights, powers and preferences of the Undesignated Preferred Stock and except as provided by law or in this Certificate (or in any certificate of designations of any series of Undesignated Preferred Stock):

(a) the holders of the Common Stock shall have the exclusive right to vote for the election of directors of the Corporation (the "Directors") and on all other matters requiring stockholder action, each outstanding share entitling the holder thereof to one vote on each matter properly submitted to the stockholders of the Corporation for their vote; provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Certificate (or on any amendment to a certificate of designations of any series of Undesignated Preferred Stock) that alters or changes the powers, preferences, rights or other terms of one or more outstanding series of Undesignated Preferred Stock if the holders of such affected series of Undesignated Preferred Stock are entitled to vote, either separately or together with the holders of one or more other such series, on such amendment pursuant to this Certificate (or pursuant to a certificate of designations of any series of Undesignated Preferred Stock) or pursuant to the DGCL;

(b) dividends may be declared and paid or set apart for payment upon the Common Stock out of any assets or funds of the Corporation legally available for the payment of dividends, but only when and as declared by the Board of Directors or any authorized committee thereof; and

(c) subject to all the rights, powers and preferences of the Undesignated Preferred Stock, upon the voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the net assets of the Corporation shall be distributed pro rata to the holders of the Common Stock.

B. UNDESIGNATED PREFERRED STOCK

The Board of Directors of the Corporation hereby expressly is granted authority to authorize, in accordance with Section 151(a) of the DGCL, from time to time the issuance of one or more series of Undesignated Preferred Stock and with respect to any such series, and by filing a certificate of designations pursuant to applicable law of the State of Delaware, establish or change from time to time, by resolution or resolutions, the numbers, powers, designations, preferences, and relative, participating, optional, or other special rights of such series, and the qualifications, limitations, or restrictions thereof, including, but without limiting the generality of the foregoing, the following:

(a) entitling the holders thereof to cumulative, non-cumulative, or partially cumulative dividends, or to no dividends;

(b) entitling the holders thereof to receive dividends payable on a parity with, junior to, or in preference to, the dividends payable on any other class or series of capital stock of the Corporation;

(c) entitling the holders thereof to rights upon the liquidation of, or upon the distribution of the assets of, the Corporation, on a parity with, junior to, or in preference to, the rights of any other class or series of capital stock of the Corporation;

(d) providing for the conversion, at the option of the holder or of the Corporation or both, of the shares of Preferred Stock into shares of any other class or classes of capital stock of the Corporation or any series of the same or any other class or classes or into property of the Corporation or into the securities or properties of any other corporation or person, or providing for no conversion;

(e) providing for the redemption, as a whole or in part, of the shares of Preferred Stock at the option of the Corporation, in cash, bonds, or other property, at such price or prices, within such period or periods, and under such conditions as the Board of Directors shall so provide, including provision for the creation of a sinking fund for the redemption thereof, or providing for no redemption; and

(f) providing for the lack of voting rights or limited voting rights or enjoying general, special or multiple voting rights.

ARTICLE V

(1) The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors;

(2) Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide;

(3) The number of directors of the Corporation shall be fixed solely and exclusively by resolutions adopted from time to time by the Board of Directors. The Directors, other than those who may be elected by the holders of any series of Undesignated Preferred Stock, shall be classified, with respect to the term for which they severally hold office, into three classes, as nearly equal in number as reasonably possible. The initial Class I Directors of the Corporation shall be Anthony Bossone, Bruce Lavine and Michael Steinhardt; the initial Class II Directors of the Corporation shall be Steven Begleiter and James D. Robinson, IV; and the initial Class III Directors of the Corporation shall be R. Jarrett Lilien, Frank Salerno and Jonathan Steinberg. The initial Class I Directors shall serve for a term expiring at the annual meeting of stockholders to be held in 2012, the initial Class II Directors shall serve for a term expiring at the annual meeting of stockholders to be held in 2013, and the initial Class III Directors shall serve for a term expiring at the annual meeting of stockholders to be held in 2014. At each annual meeting of stockholders, Directors elected to succeed those Directors whose terms expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election. Notwithstanding the foregoing, the directors shall hold their office until their successors are duly elected and qualified or until their earlier resignation, death or removal.

(4) In addition to the powers and authority expressly conferred upon them herein or by statute, the directors hereby are empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the provisions of the DGCL, this Amended and Restated Certificate of Incorporation, and any Bylaws adopted by the stockholders; provided, however, that no Bylaws hereafter adopted by the stockholders shall invalidate any prior act of the directors which would have been valid if such Bylaws had not been adopted.

(5) Subject to the rights, if any, of the holders of any series of Undesignated Preferred Stock to elect Directors and to fill vacancies in the Board of Directors relating thereto, any and all vacancies in the Board of Directors, however occurring, including, without limitation, by reason of an increase in the size of the Board of Directors, or the death, resignation, disqualification or removal of a director, shall be filled solely and exclusively by the affirmative vote of a majority of the remaining directors then in office, even if less than a quorum of the Board of Directors, and not by the stockholders. Any director appointed in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been duly elected and qualified or until his or her earlier resignation, death or removal. Subject to the rights, if any, of the holders of any series of Undesignated Preferred Stock to elect Directors, when the number of Directors is increased or decreased, the Board of Directors shall, subject to Article V.3 hereof, determine the class or classes to which the increased or decreased number of Directors shall be apportioned; provided, however, that no decrease in the number of Directors shall shorten the term of any incumbent Director. In the event of a vacancy in the Board of Directors, the remaining directors, except as otherwise provided by law, shall exercise the powers of the full Board of Directors until the vacancy is filled.

(6) Subject to the rights, if any, of any series of Undesignated Preferred Stock to elect directors and to remove any director whom the holders of any such series have the right to elect, any director (including persons elected by directors to fill vacancies in the Board of Directors) may be removed from office (i) only with cause and (ii) only by the affirmative vote of the holders of 75% or more of the outstanding shares of capital stock then entitled to vote at an election of directors. At least forty-five (45) days prior to any annual or special meeting of stockholders at which it is proposed that any director be removed from office, written notice of such proposed removal and the alleged grounds thereof shall be sent to the director whose removal will be considered at the meeting.

ARTICLE VI

(1) Any action required or permitted to be taken by the stockholders of the Corporation at any annual or special meeting of stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders and may not be taken or effected by a written consent of stockholders in lieu thereof.

(2) Except as otherwise required by statute and subject to the rights, if any, of the holders of any series of Undesignated Preferred Stock, special meetings of the stockholders of the Corporation may be called only by the Board of Directors acting pursuant to a resolution approved by the affirmative vote of a majority of the Directors then in office, and special meetings of stockholders may not be called by any other person or persons. Only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders of the Corporation.

ARTICLE VII

No director shall be personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty by such director as a director, pursuant to Section 102(b)(7) of the DGCL. Notwithstanding the foregoing sentence, a director shall be liable to the extent provided by applicable law (1) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) pursuant to Section 174 of the DGCL, or (4) for any transaction from which the director derived an improper personal benefit. If the DGCL is amended after the effective date of this Certificate to authorize corporate action further eliminating or limiting the personal liability of Directors, then the liability of a Director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. No amendment, repeal or modification of this Article VII by either of (i) the stockholders of the Corporation or (ii) an amendment to the DGCL, shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment, repeal or modification.

ARTICLE VIII

Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of the Corporation may be kept (subject to any provision contained in the DGCL) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

ARTICLE IX

Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 of the DGCL or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of the DGCL, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders of this Corporation, as the case may be, and also on this Corporation.

ARTICLE X

A. AMENDMENT OF BYLAWS

(1) Except as otherwise provided by law, the Bylaws of the Corporation may be amended or repealed by the Board of Directors by the affirmative vote of a majority of the directors then in office.

(2) The Bylaws of the Corporation may be amended or repealed at any annual meeting of stockholders, or special meeting of stockholders called for such purpose, by the affirmative vote of at least 75% of the outstanding shares of capital stock entitled to vote on such amendment or repeal, voting together as a single class; provided, however, that if the Board of Directors recommends that stockholders approve such amendment or repeal at such meeting of stockholders, such amendment or repeal shall only require the affirmative vote of the majority of the outstanding shares of capital stock entitled to vote on such amendment or repeal, voting together as a single class.

B. AMENDMENT OF CERTIFICATE OF INCORPORATION

The Corporation reserves the right to amend, alter, change, or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by

statute, and all rights conferred upon stockholders herein are granted subject to this reservation. Whenever any vote of the holders of capital stock of the Corporation is required to amend or repeal any provision of this Certificate, and in addition to any other vote of holders of capital stock that is required by this Certificate or by law, such amendment or repeal shall require the affirmative vote of the majority of the outstanding shares of capital stock entitled to vote on such amendment or repeal, and the affirmative vote of the majority of the outstanding shares of each class entitled to vote thereon as a class, at a duly constituted meeting of stockholders called expressly for such purpose; provided, however, that the affirmative vote of not less than 75% of the outstanding shares of capital stock entitled to vote on such amendment or repeal, and the affirmative vote of not less than 75% of the outstanding shares of each class entitled to vote thereon as a class, shall be required to amend or repeal any provision of Article V, Article VI, Article VII or Article X of this Certificate.

THIS AMENDED AND RESTATED CERTIFICATE OF INCORPORATION is executed as of this 31st day of March, 2011.

WISDOM TREE INVESTMENTS, INC.

By: /s/ Jonathan Steinberg
Name: Jonathan Steinberg
Title: Chief Executive Officer

By: /s/ Bruce Lavine
Name: Bruce Lavine
Title: President and Chief Operating Officer

Exhibit 3.2

AMENDED AND RESTATED BY-LAWS
OF
WISDOMTREE INVESTMENTS, INC.

ARTICLE I

Offices

1. Registered Office. The registered office of the Corporation in Delaware shall be at 615 South DuPont Highway, in the City of Dover, County of Kent, State of Delaware, and the name of the resident agent in charge thereof is National Corporate Research, Ltd.

2. Other Offices. The Corporation may also have an office or offices at such other place or places, within or without the State of Delaware, as the Board of Directors may from time to time designate or the business of the Corporation may require.

ARTICLE II

Stockholders' Meetings

1. Annual Meetings. The annual meeting of the stockholders of the Corporation for the purpose of electing directors and for the transaction of such other business as may properly be brought before the meeting shall be held at such time and on such date as shall be fixed from time to time by resolution of the Board of Directors and as set forth in the notice of the meeting. Such annual meeting of stockholders shall be held at such place, within or without the State of Delaware, as may be fixed by the Board of Directors.

2. Notice of Stockholder Business and Nominations.

(a) Annual Meetings of Stockholders.

(1) Nominations of persons for election to the Board of Directors of the Corporation and the proposal of other business to be considered by the stockholders may be brought before an Annual Meeting (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the Corporation who was a stockholder of record at the time of giving of notice provided for in this By-law, who is entitled to vote at the meeting, who is present (in person or by proxy) at the meeting and who complies with the notice procedures set forth in this By-law as to such nomination or business. For the avoidance of doubt, the foregoing clause (ii) shall be the exclusive means for a stockholder to bring nominations or business properly before an Annual Meeting (other than matters properly brought under Rule 14a-8 or Rule 14a-11 (or any successor rules) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), and such stockholder must comply with the notice and other procedures set forth in Article I, Section 2(a)(2) and (3) of this By-law to bring such nominations or business properly before an Annual Meeting. In addition to the other requirements set forth in this By-law, for any proposal of business to be considered at an Annual Meeting, it

must be a proper subject for action by stockholders of the Corporation under Delaware law.

(2) For nominations or other business to be properly brought before an Annual Meeting by a stockholder pursuant to clause (ii) of Article I, Section 2(a)(1) of this By-law, the stockholder must (i) have given Timely Notice (as defined below) thereof in writing to the Secretary of the Corporation, (ii) have provided any updates or supplements to such notice at the times and in the forms required by this By-law and (iii) together with the beneficial owner(s), if any, on whose behalf the nomination or business proposal is made, have acted in accordance with the representations set forth in the Solicitation Statement (as defined below) required by this By-law. To be timely, a stockholder's written notice shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the ninetieth (90th) day nor earlier than the close of business on the one hundred twentieth (120th) day prior to the one-year anniversary of the preceding year's Annual Meeting ; provided, however, that in the event the Annual Meeting is first convened more than thirty (30) days before or more than sixty (60) days after such anniversary date, or if no Annual Meeting were held in the preceding year, notice by the stockholder to be timely must be received by the Secretary of the Corporation not later than the close of business on the later of the ninetieth (90th) day prior to the scheduled date of such Annual Meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made (such notice within such time periods shall be referred to as "Timely Notice"). Such stockholder's Timely Notice shall set forth:

(A) as to each person whom the stockholder proposes to nominate for election or reelection as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected);

(B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting, and any material interest in such business of each Proposing Person (as defined below);

(C) (i) the name and address of the stockholder giving the notice, as they appear on the Corporation's books, and the names and addresses of the other Proposing Persons (if any) and (ii) as to each Proposing Person, the following information: (a) the class or series and number of all shares of capital stock of the Corporation which are, directly or indirectly, owned beneficially or of record by such Proposing Person or any of its affiliates or associates (as such terms are defined in Rule 12b-2 promulgated under the Exchange Act), including any shares of any class

or series of capital stock of the Corporation as to which such Proposing Person or any of its affiliates or associates has a right to acquire beneficial ownership at any time in the future, (b) all Synthetic Equity Interests (as defined below) in which such Proposing Person or any of its affiliates or associates, directly or indirectly, holds an interest including a description of the material terms of each such Synthetic Equity Interest, including without limitation, identification of the counterparty to each such Synthetic Equity Interest and disclosure, for each such Synthetic Equity Interest, as to (x) whether or not such Synthetic Equity Interest conveys any voting rights, directly or indirectly, in such shares to such Proposing Person, (y) whether or not such Synthetic Equity Interest is required to be, or is capable of being, settled through delivery of such shares and (z) whether or not such Proposing Person and/or, to the extent known, the counterparty to such Synthetic Equity Interest has entered into other transactions that hedge or mitigate the economic effect of such Synthetic Equity Interest, (c) any proxy (other than a revocable proxy given in response to a public proxy solicitation made pursuant to, and in accordance with, the Exchange Act), agreement, arrangement, understanding or relationship pursuant to which such Proposing Person has or shares a right to, directly or indirectly, vote any shares of any class or series of capital stock of the Corporation, (d) any rights to dividends or other distributions on the shares of any class or series of capital stock of the Corporation, directly or indirectly, owned beneficially by such Proposing Person that are separated or separable from the underlying shares of the Corporation, and (e) any performance-related fees (other than an asset based fee) that such Proposing Person, directly or indirectly, is entitled to based on any increase or decrease in the value of shares of any class or series of capital stock of the Corporation or any Synthetic Equity Interests (the disclosures to be made pursuant to the foregoing clauses (a) through (e) are referred to, collectively, as "Material Ownership Interests") and (iii) a description of the material terms of all agreements, arrangements or understandings (whether or not in writing) entered into by any Proposing Person or any of its affiliates or associates with any other person for the purpose of acquiring, holding, disposing or voting of any shares of any class or series of capital stock of the Corporation;

(D) (i) a description of all agreements, arrangements or understandings by and among any of the Proposing Persons, or by and among any Proposing Persons and any other person (including with any proposed nominee(s)), pertaining to the nomination(s) or other business proposed to be brought before the meeting of stockholders (which description shall identify the name of each other person who is party to such an agreement, arrangement or understanding), and (ii) identification of the names and addresses of other stockholders (including beneficial owners) known by any of the Proposing Persons to support such nominations or other business proposal(s), and to the extent known the class and number of all shares of the Corporation's capital stock owned beneficially or of record by such other stockholder(s) or other beneficial

owner(s); and

(E) a statement whether or not the stockholder giving the notice and/or the other Proposing Person(s), if any, will deliver a proxy statement and form of proxy to holders of, in the case of a business proposal, at least the percentage of voting power of all of the shares of capital stock of the Corporation required under applicable law to approve the proposal or, in the case of a nomination or nominations, at least the percentage of voting power of all of the shares of capital stock of the Corporation reasonably believed by such Proposing Person to be sufficient to elect the nominee or nominees proposed to be nominated by such stockholder (such statement, the "Solicitation Statement").

For purposes of this Article I of these By-laws, the term "Proposing Person" shall mean the following persons: (i) the stockholder of record providing the notice of nominations or business proposed to be brought before a stockholders' meeting, and (ii) the beneficial owner(s), if different, on whose behalf the nominations or business proposed to be brought before a stockholders' meeting is made. For purposes of this Section 2 of Article I of these By-laws, the term "Synthetic Equity Interest" shall mean any transaction, agreement or arrangement (or series of transactions, agreements or arrangements), including, without limitation, any derivative, swap, hedge, repurchase or so-called "stock borrowing" agreement or arrangement, the purpose or effect of which is to, directly or indirectly: (a) give a person or entity economic benefit and/or risk similar to ownership of shares of any class or series of capital stock of the Corporation, in whole or in part, including due to the fact that such transaction, agreement or arrangement provides, directly or indirectly, the opportunity to profit or avoid a loss from any increase or decrease in the value of any shares of any class or series of capital stock of the Corporation, (b) mitigate loss to, reduce the economic risk of or manage the risk of share price changes for, any person or entity with respect to any shares of any class or series of capital stock of the Corporation, (c) otherwise provide in any manner the opportunity to profit or avoid a loss from any decrease in the value of any shares of any class or series of capital stock of the Corporation, or (d) increase or decrease the voting power of any person or entity with respect to any shares of any class or series of capital stock of the Corporation.

(3) A stockholder providing Timely Notice of nominations or business proposed to be brought before an Annual Meeting shall further update and supplement such notice, if necessary, so that the information (including, without limitation, the Material Ownership Interests information) provided or required to be provided in such notice pursuant to this By-law shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to such Annual Meeting, and such update and supplement shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the fifth (5th) business day after the record date for the Annual Meeting (in the case of the update and supplement required to be made as of the record date), and not later than the close of business on the eighth (8th)

business day prior to the date of the Annual Meeting (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting).

(4) Notwithstanding anything in the second sentence of Article I, Section 2(a)(2) of this By-law to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Corporation at least ten (10) days before the last day a stockholder may deliver a notice of nomination in accordance with the second sentence of Article I, Section 2(a)(2), a stockholder's notice required by this By-law shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the Secretary of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

(b) General.

(1) Only such persons who are nominated in accordance with the provisions of this By-law or in accordance with Rule 14a-11 under the Exchange Act shall be eligible for election and to serve as directors and only such business shall be conducted at an Annual Meeting as shall have been brought before the meeting in accordance with the provisions of this By-law or in accordance with Rule 14a-8 under the Exchange Act. The Board of Directors or a designated committee thereof shall have the power to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the provisions of this By-law. If neither the Board of Directors nor such designated committee makes a determination as to whether any stockholder proposal or nomination was made in accordance with the provisions of this By-law, the presiding officer of the Annual Meeting shall have the power and duty to determine whether the stockholder proposal or nomination was made in accordance with the provisions of this By-law. If the Board of Directors or a designated committee thereof or the presiding officer, as applicable, determines that any stockholder proposal or nomination was not made in accordance with the provisions of this By-law, such proposal or nomination shall be disregarded and shall not be presented for action at the Annual Meeting.

(2) Except as otherwise required by law, nothing in this Article I, Section 2 shall obligate the Corporation or the Board of Directors to include in any proxy statement or other stockholder communication distributed on behalf of the Corporation or the Board of Directors information with respect to any nominee for director or any other matter of business submitted by a stockholder.

(3) Notwithstanding the foregoing provisions of this Article I, Section 2, if the nominating or proposing stockholder (or a qualified representative of the stockholder) does not appear at the Annual Meeting to present a nomination or any business, such nomination or business shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation.

For purposes of this Article I, Section 2, to be considered a qualified representative of the proposing stockholder, a person must be authorized by a written instrument executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such written instrument or electronic transmission, or a reliable reproduction of the written instrument or electronic transmission, to the presiding officer at the meeting of stockholders.

(4) For purposes of this By-law, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(5) Notwithstanding the foregoing provisions of this By-law, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this By-law. Nothing in this By-law shall be deemed to affect any rights of (i) stockholders to have nominations or proposals included in the Corporation's proxy statement pursuant to Rule 14a-8 or Rule 14a-11 (or any successor rules), as applicable, under the Exchange Act and, to the extent required by such rule, have such nominations or proposals considered and voted on at an Annual Meeting or (ii) the holders of any series of Undesignated Preferred Stock to elect directors under specified circumstances.

2. Special Meetings. Except as otherwise required by statute and subject to the rights, if any, of the holders of any series of Undesignated Preferred Stock, special meetings of the stockholders of the Corporation may be called only by the Board of Directors acting pursuant to a resolution approved by the affirmative vote of a majority of the Directors then in office. The Board of Directors may postpone or reschedule any previously scheduled special meeting of stockholders. Only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders of the Corporation. Nominations of persons for election to the Board of Directors of the Corporation and stockholder proposals of other business shall not be brought before a special meeting of stockholders to be considered by the stockholders unless such special meeting is held in lieu of an annual meeting of stockholders in accordance with Article I, Section 1 of these By-laws, in which case such special meeting in lieu thereof shall be deemed an Annual Meeting for purposes of these By-laws and the provisions of Article I, Section 2 of these By-laws shall govern such special meeting

3. Notice of Meetings; Adjournment.

(a) The Secretary or any Assistant Secretary shall cause notice of the place, date and hour of each annual or special meeting of the stockholders, and, in the case of a special meeting, the purpose or purposes for which such meeting is called, to be given personally or by mail, at least ten but not more than sixty days prior to the meeting, to each stockholder of record entitled to vote at his post office address as the same appears on the books of the Corporation at the time of such mailing. Notice of any meeting of stockholders need not be given to any stockholder who shall sign a waiver of such notice

in writing, whether before or after the time of such meeting, or to any stockholder who shall attend such meeting in person or by proxy, unless such attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Notice of any adjourned meeting of the stockholders of the Corporation need not be given, except as otherwise required by statute. Without limiting the manner by which notice may otherwise be given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law ("DGCL").

(b) The Board of Directors may postpone and reschedule any previously scheduled Annual Meeting or special meeting of stockholders and any record date with respect thereto, regardless of whether any notice or public disclosure with respect to any such meeting has been sent or made pursuant to Section 2 of this Article I of these By-laws or otherwise. In no event shall the public announcement of an adjournment, postponement or rescheduling of any previously scheduled meeting of stockholders commence a new time period for the giving of a stockholder's notice under this Article I of these By-laws.

(c) When any meeting is convened, the presiding officer may adjourn the meeting if (i) no quorum is present for the transaction of business, (ii) the Board of Directors determines that adjournment is necessary or appropriate to enable the stockholders to consider fully information which the Board of Directors determines has not been made sufficiently or timely available to stockholders, or (iii) the Board of Directors determines that adjournment is otherwise in the best interests of the Corporation. When any Annual Meeting or special meeting of stockholders is adjourned to another hour, date or place, notice need not be given of the adjourned meeting other than an announcement at the meeting at which the adjournment is taken of the hour, date and place, if any, to which the meeting is adjourned and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting; provided, however, that if the adjournment is for more than thirty (30) days from the meeting date, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting shall be given to each stockholder of record entitled to vote thereat and each stockholder who, by law or under the Certificate of Incorporation of the Corporation (as the same may hereafter be amended and/or restated, the "Certificate") or these By-laws, is entitled to such notice.

4. Quorum. A quorum at all meetings of stockholders shall consist of the holders of record of a majority of the shares of stock of the Corporation, issued and outstanding, entitled to vote at the meeting, present in person or by proxy, except as otherwise provided by statute or the Certificate of Incorporation. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any stockholder. In the absence of a quorum at any meeting or any adjournment thereof, a majority of those present in person or by proxy and

entitled to vote may adjourn such meeting from time to time, except as provided in Article I, Section 3 of these By-laws. At any such adjourned meeting at which a quorum is present any business may be transacted which might have been transacted at the meeting as originally called.

6. Voting and Proxies. Except as otherwise provided in the By-Laws, the Certificate of Incorporation or in the laws of the State of Delaware, at every meeting of the stockholders, each stockholder of record of the Corporation shall have one vote in person or by proxy for each share of stock having voting rights held by him and registered in his name on the books of the Corporation. Any vote on shares of stock of the Corporation may be given by the stockholder entitled thereto in person or by his proxy appointed by an instrument in writing, subscribed by such stockholder, or by his attorney thereunto authorized, and delivered to the secretary of the meeting. Except as otherwise required by statute, by the Certificate of Incorporation or these By-Laws, all matters coming before any meeting of the stockholders shall be decided by a plurality vote of the stockholders of the Corporation present in person or by proxy at such meeting and entitled to vote thereat, a quorum being present. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission permitted by Section 212(c) of the DGCL may be substituted for or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission. Proxies shall be filed in accordance with the procedures established for the meeting of stockholders. Except as otherwise limited therein or as otherwise provided by law, proxies authorizing a person to vote at a specific meeting shall entitle the persons authorized thereby to vote at any adjournment of such meeting, but they shall not be valid after final adjournment of such meeting. A proxy with respect to stock held in the name of two or more persons shall be valid if executed by or on behalf of any one of them unless at or prior to the exercise of the proxy the Corporation receives a specific written notice to the contrary from any one of them

7. Action at Meeting. When a quorum is present at any meeting of stockholders, any matter before any such meeting (other than an election of a director or directors) shall be decided by a majority of the votes properly cast for and against such matter, except where a larger vote is required by law, by the Certificate or by these By-laws. Any election of directors by stockholders shall be determined by a plurality of the votes properly cast on the election of directors.

8. Stockholder Lists. The Secretary or an Assistant Secretary (or the Corporation's transfer agent or other person authorized by these By-laws or by law) shall prepare and make, at least ten (10) days before every Annual Meeting or special meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for a period of at least ten (10) days prior to the meeting in the manner provided by law. The list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law.

9. Presiding Officer. The Board of Directors shall designate a representative

to preside over all Annual Meetings or special meetings of stockholders, provide that if the Board of Directors does not so designate such a presiding officer, then the Chairman of the Board, if one is elected, shall preside over such meetings. If the Board of Directors does not so designate such a presiding officer and there is no Chairman of the Board or the Chairman of the Board is unable to so preside or is absent, then the Chief Executive Officer, if one is elected, shall preside over such meetings, provided further that if there is no Chief Executive Officer or the Chief Executive Officer is unable to so preside or is absent, then the President shall preside over such meetings. The presiding officer at any Annual Meeting or special meeting of stockholders shall have the power, among other things, to adjourn such meeting at any time and from time to time, subject to Sections 4 and 5 of this Article I. The order of business and all other matters of procedure at any meeting of the stockholders shall be determined by the presiding officer.

10. Inspectors of Elections. The Corporation shall, in advance of any meeting of stockholders, appoint one or more inspectors to act at the meeting and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the presiding officer shall appoint one or more inspectors to act at the meeting. Any inspector may, but need not, be an officer, employee or agent of the Corporation. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall perform such duties as are required by the DGCL, including the counting of all votes and ballots. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of the duties of the inspectors. The presiding officer may review all determinations made by the inspectors, and in so doing the presiding officer shall be entitled to exercise his or her sole judgment and discretion and he or she shall not be bound by any determinations made by the inspectors. All determinations by the inspectors and, if applicable, the presiding officer, shall be subject to further review by any court of competent jurisdiction.

ARTICLE III

Directors

1. General Power; Number. The property, affairs and business of the Corporation shall be managed by or under the direction of its Board of Directors, except as otherwise provided by the Certificate or required by law. The Board of Directors shall consist of not less than one (1) nor more than twenty (20) persons. The exact number of directors within the maximum and minimum limitations specified shall be fixed solely and exclusively by resolution duly adopted from time to time by the Board of Directors.

2. Term of Office. Each director (whether elected at an annual meeting, or to fill a vacancy or newly created directorship or otherwise) shall hold office until his successor shall be elected and shall qualify or until his earlier resignation, death or removal.

3. Meetings. Meetings of the Board of Directors shall be held at such place within or outside of the State of Delaware as may from time to time be fixed by resolution of the Board of Directors, or as may be specified in the notice of the meeting. Regular meetings of the Board of Directors shall be held at such times as may from time to time be fixed by resolution of the Board of Directors. Special meetings may be held at any time upon the call of the Chairman of the Board or Chief Executive Officer or a majority of the directors. Notice stating the date, time and place of each special meeting shall be mailed to each director at least four days before the day on which the meeting is to be held, or shall be sent by nationally recognized overnight courier requesting overnight delivery, not later than two days before the day on which the meeting is to be held, or it shall be hand delivered, given orally or telephonically directly to a director, or transmitted by facsimile, e-mail or other electronic, means not later than 24 hours before the time the meeting is to be held, A meeting of the Board of Directors may be held without notice immediately after the annual meeting of stockholders. Notice need not be given of regular meetings of the Board of Directors. A written waiver of notice signed before or after a meeting by a director and filed with the records of the meeting shall be deemed to be equivalent to notice of the meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because such meeting is not lawfully called or convened. Except as otherwise required by law, by the Certificate or by these By-laws, neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

4. Quorum. A majority of the members of the Board of Directors then acting shall constitute a quorum for the transaction of business, but if at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting, without further notice, from time to time until a quorum shall have been obtained.

5. Vacancies. Vacancies in the Board of Directors shall be filled in the manner provided in the Certificate.

6. Removal from Office. Directors may be removed from office only in the manner provided in the Certificate.

7. Qualification. No director need be a stockholder of the Corporation.

8. Resignation. A director may resign at any time by giving written notice to the Chairman of the Board, if one is elected, the President or the Secretary. A resignation shall be effective upon receipt, unless the resignation otherwise provides.

9. Action at Meeting. At any meeting of the Board of Directors at which a quorum is present, the vote of a majority of the directors present shall constitute action by the Board of Directors, unless otherwise required by law, by the Certificate or by these By-laws.

10. Action without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or of the committee, as the case may be, consent thereto

in writing or by electronic transmission, and such writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors. Such consent shall be treated as a resolution of the Board of Directors for all purposes.

11. Regulations; Manner of Acting. To the extent consistent with law, the Certificate of Incorporation and these By-Laws, the Board of Directors and any committee thereof may adopt such rules and regulations for the conduct of meetings of the Board or such committee and for the management of the property, affairs and business of the Corporation as the Board may deem appropriate. Members of the Board of Directors and any committee thereof may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting for all purposes of these By-Laws.

12. Compensation. Directors may, by resolution of the Board of Directors or a designated committee thereof, be allowed a fixed sum and expenses of attendance for attendance at regular or special meetings of the Board of Directors; provided that directors who are serving the Corporation as employees and who receive compensation for their services as such, shall not receive any salary or other compensation for their services as directors of the Corporation. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees, and others who attend pursuant to direction, may, by vote of the Board of Directors, be allowed a like fixed sum and expenses of attendance for attending committee meetings.

13. Executive Committee. The Board of Directors, in its discretion, may appoint an Executive Committee consisting of one or more members of the Board of Directors, who shall serve at the pleasure of the Board of Directors. The Executive Committee shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it. The Executive Committee shall also have the power and authority to declare a dividend and to authorize the issuance of stock. The Executive Committee powers shall be subject to the limitations set forth in Section 141(c) of the Delaware General Corporation Law, as amended. The Executive Committee shall also have authority to adopt a certificate of ownership and merger pursuant to Section 253 of the Delaware General Corporation Law, as amended.

14. Other Committees. The Board of Directors, in its discretion, by a vote of a majority of directors then in office, may appoint one or more committees (in addition to the Executive Committee), each consisting of one or more directors. Each such committee shall have such powers and duties as may be provided by resolution or resolutions of the Board of Directors. Each Committee shall have quorum requirements which are no more restrictive than those of the Board of Directors and shall in all other respects act in the manner and following the procedures established for the Board of Directors. All members of such Committees shall hold such offices at the pleasure of the Board of Directors. The Board of Directors may abolish any such committee at any time. Any committee to which the Board of Directors delegates any of its

powers or duties shall keep records of its meetings and shall report its action to the Board of Directors.

ARTICLE IV

Officers

1. General. The officers of the Corporation shall be appointed by the Board of Directors and shall be a Chief Executive Officer, a President, one or more Vice Presidents (one or more of which may be designated Executive or Senior Vice Presidents by the Board of Directors), a Secretary and a Treasurer. From time to time the Board of Directors may appoint such Assistant Secretaries, Assistant Treasurers and such other officers, agents and employees as it may deem proper. Any number of offices may be held by the same person. Subject to Article V and such limitations as the Board of Directors may from time to time proscribe, each such office shall have the such powers and perform such duties as generally pertain to their respective offices, as well as such powers as duties as the Board of Directors may from time to time designate or confer. The Chief Executive Officer shall be chosen from among the Directors. The Board of Director may also appoint a non-executive Chairman of the Board, who shall be chosen from among the Directors.

2. Term. All officers shall hold their offices until their respective successors are elected and qualify, or until their earlier resignation or removal. Any officer may be removed from office, either with or without cause, at any time by the affirmative vote of a majority of the members of the Board of Directors then in office. Any officer may resign at any time upon written notice to the Corporation addressed to the President or the Secretary and such resignation shall be effective upon receipt, unless the resignation otherwise provides.

3. Power to Vote Securities Owned by the Corporation. Unless otherwise ordered by the Board of Directors, the Chief Executive Officer and the President, acting singly or together, shall have full power and authority on behalf of the Corporation to attend, to act and to vote at any meetings of security holders of the corporations in which the Corporation may hold securities, and at any such meetings shall possess and may exercise any and all the rights and powers incident to the ownership of such securities, and which, as the owner thereof, the Corporation might have possessed and exercised, if present. The Board of Directors by resolution from time to time may confer like powers upon any other person or persons.

ARTICLE V

Duties of Officers

1. Chairman of the Board. If there is a Chairman of the Board, he shall preside at all meetings of the Board of Directors and of the stockholders and he shall have and perform such other duties as from time to time may be assigned to him by the Board of Directors.

2. Chief Executive Officer. The Chief Executive Officer of the Corporation shall be the principal executive officer of the Corporation and shall have general charge and control of all the property, business and affairs of the Corporation and, subject to the supervision of the Board of Directors, he shall have general supervision over the corporation's officers, employees and agents. The Chief Executive Officer shall, in the absence of the Chairman of the Board, preside at meetings of the stockholders and of the Board of Directors and shall, in case of a vacancy in the office of the Chairman of the Board, have the power to perform the duties incident to such office. He shall sign (unless the President or a Vice President shall have signed) certificates representing the stock of the Corporation authorized for issuance by the Board of Directors or the Executive Committee. He may enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation in the ordinary course of the Corporation's business. He shall have all powers and perform all duties incident to the office of a chief executive officer of a corporation and such other duties as are given to him by these By-Laws or as from time to time may be assigned to him by the Board of Directors.

3. President. The President shall, in the absence of the Chairman of the Board and the Chief Executive Officer, preside at meetings of the stockholders and shall, in case of a vacancy in the office of the Chief Executive Officer, have the power to perform the duties incident to such office other than for Presiding at meetings of the Board of Directors unless he shall be a member of the Board if Directors. He shall be the Chief Operating Officer of the Corporation.

4. Vice Presidents. Each Vice President shall have such powers and perform such duties as may be assigned to him by the Board of Directors, the Chief Executive Officer or the President. At the request or in the absence or disability of the Chief Executive Officer, the President, the Vice President (or if none shall have been designated, the senior of the Vice Presidents present and able to act or such other Vice President as may be designated by the Board of Directors) may perform all the duties of such officers and, when so acting, shall have all the powers of and be subject to all the restrictions upon such officers. Any Vice President may sign (unless the Chief Executive Officer, the President or another Vice President shall have signed) certificates representing stock of the Corporation authorized for issuance by the Board of Directors or the Executive Committee.

4. Treasurer. The Treasurer shall have the custody of all the funds and securities of the Corporation. When necessary or proper he shall endorse on behalf of the Corporation, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank, or banks, or depositories as may be designated by the Board of Directors, or by any officer acting under authority conferred by the Board of Directors. He shall enter regularly in books to be kept for the purpose, a full and accurate account of all moneys received and paid by him on account of the Corporation. Whenever required by the Board of Directors, he shall render an account of all his transactions as Treasurer and of the financial condition of the Corporation. He shall at all reasonable times exhibit his books and accounts to any director of the Corporation upon application at the office of the Corporation during business hours and he shall perform all things incident to the position of Treasurer, subject to the control of the Board of Directors. He shall give bond for the faithful discharge of

his duties if the Board of Directors so requires. He may sign (unless an Assistant Treasurer or the Secretary or an Assistant Secretary shall have signed) certificates representing stock of the Corporation authorized for issuance by the Board of Directors or the Executive Committee. He shall perform, in general, all duties incident to the office of a treasurer of a corporation and such other duties as are given to him by these By-Laws or as from time may be assigned to him by the Board of Directors, the Chief Executive Officer or the President.

5. Assistant Treasurers. The Board of Directors may, from time to time, designate and elect one or more Assistant Treasurers who shall have such powers and perform such duties as may be assigned to them by the Board of Directors or the Treasurer. At the request or in the absence or disability of the Treasurer, the Assistant Treasurer (or, if there are two or more Assistant Treasurers, then the senior of the Assistant Treasurers present and able to act or such other Assistant Treasurer as may be designated by the Board of Directors) may perform all the duties of the Treasurer and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Treasurer.

6. Secretary. The Secretary shall attend to the giving and serving of all notices of the Corporation. He shall keep or cause to be kept a record of the proceedings of the meetings of the stockholders and of the Board of Directors in books kept for that purpose. He shall be the custodian of the seal of the Corporation, and cause such seal (or a facsimile thereof) to be affixed to all certificates representing the stock of the Corporation prior to the issuance thereof and to all instruments the execution of which on behalf of the Corporation under its seal shall have been duly authorized in accordance with these By-Laws, and when so affixed he may attest the same. He shall have charge of the records of the Corporation, including the stock books and such other books, reports, statements and other documents as the Board of Directors may direct to be kept or as are required by law to be kept all of which shall at all reasonable times be open to inspection by any director. He shall sign (unless the Treasurer, an Assistant Treasurer or an Assistant Secretary shall sign) certificates representing stock of the Corporation authorized for issuance by the Board of Directors or the Executive Committee. He shall perform all duties incident to the office of a secretary of a corporation and such other duties as are given to him by these By-Laws or as from time to time may be assigned to him by the Board of Directors, the Chairman of the Board or the President.

7. Assistant Secretaries. The Board of Directors may, from time to time, designate and elect one or more Assistant Secretaries who shall have such powers and perform such duties as may be assigned to them by the Board of Directors or the Secretary. At the request or in the absence of the Secretary, the Assistant Secretary (or, if there are two or more Assistant Secretaries, then the senior of the Assistant Secretaries present and able to act or such other Assistant Secretary as may be designated by the Board of Directors) may perform all the duties of the Secretary and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Secretary.

8. Delegation by Board of Directors. In the case of absence or inability to act of any officer of the Corporation and of any person herein authorized to act in his place, the Board of Directors may from time to time delegate the powers of such officer to any other officer or any director or any other person whom it may select.

ARTICLE VI

Capital Stock

1. Certificates of Stock.

(a) Every holder of stock in the Corporation shall be entitled to have a certificate, signed by, or in the name of the Corporation by, the Chairman of the Board, the Chief Executive Officer, the President or any Vice President and the Treasurer or any Assistant Treasurer or the Secretary or any Assistant Secretary, certifying the number of shares owned by him in the Corporation. Notwithstanding any other provision of this Article VI, the Board of Directors may by resolution determine to issue uncertificated shares for some or all of any or all classes or series of its stock and provide for registration in book entry accounts for shares of uncertificated stock in such form or manner as the Board of Directors may from time to time prescribe, in addition to or in place of shares of the Corporation represented by certificates, to the extent authorized by applicable law. By approval and adoption of these By-laws, the Board of Directors has determined that all classes or series of the Corporation's stock may be uncertificated, whether upon original issuance, re-issuance or subsequent transfer.

(b) Certificates representing shares of stock of the Corporation shall be in such form as shall be approved by the Board of Directors.

(c) There shall be entered upon the stock books of the Corporation at the time of issuance of each share the number of the certificate issued, the name of the person owning the shares represented thereby, the number and class of such shares, and the date of issuance thereof. Every certificate exchanged or returned to the Corporation shall be marked "Cancelled", with the date of cancellation.

2. Transfers of Stock. Subject to any restrictions on transfer and unless otherwise provided by the Board of Directors, shares of stock that are represented by a certificate may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate theretofore properly endorsed or accompanied by a written assignment or power of attorney properly executed, with transfer stamps (if necessary) affixed, and with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require. Shares of stock that are not represented by a certificate may be transferred on the books of the Corporation by submitting to the Corporation or its transfer agent such evidence of transfer and following such other procedures as the Corporation or its transfer agent may require.

3. Record Holders. Except as may otherwise be required by law, by the Certificate or by these By-laws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation

in accordance with the requirements of these By-laws.

4. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date: (a) in the case of determination of stockholders entitled to vote at any meeting of stockholders, shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting and (b) in the case of any other action, shall not be more than sixty (60) days prior to such other action. If no record date is fixed: (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; and (ii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

5. Replacement of Certificates. In case of the alleged loss, destruction or mutilation of a certificate of stock of the Corporation, a duplicate certificate may be issued in place thereof, upon such terms as the Board of Directors may prescribe.

ARTICLE VII

Corporate Seal

The Corporate Seal of the Corporation shall be circular in form and shall bear the name of the Corporation, the year of incorporation and the words, “Corporate Seal” and “Delaware”. The form of the seal shall be subject to alteration by the Board of Directors and the seal may be used by causing it or a facsimile to be impressed or affixed or printed or otherwise reproduced. Any officer or director of the Corporation shall have authority to affix the corporate seal of the Corporation to any document requiring the same, and to attest the same.

ARTICLE VIII

Indemnification and Insurance

1. Definitions. For purposes of this Article:

(a) “Corporate Status” describes the status of a person who is serving or has served (i) as a Director of the Corporation, (ii) as an Officer of the Corporation, (iii) as a Non-Officer Employee of the Corporation, or (iv) as a director, partner, trustee, officer, employee or agent of any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, foundation, association, organization or other legal entity which such person is or

was serving at the request of the Corporation. For purposes of this Section 1(a), a Director, Officer or Non-Officer Employee of the Corporation who is serving or has served as a director, partner, trustee, officer, employee or agent of a Subsidiary shall be deemed to be serving at the request of the Corporation. Notwithstanding the foregoing, "Corporate Status" shall not include the status of a person who is serving or has served as a director, officer, employee or agent of a constituent corporation absorbed in a merger or consolidation transaction with the Corporation with respect to such person's activities prior to said transaction, unless specifically authorized by the Board of Directors or the stockholders of the Corporation;

(b) "Director" means any person who serves or has served the Corporation as a director on the Board of Directors of the Corporation;

(c) "Disinterested Director" means, with respect to each Proceeding in respect of which indemnification is sought hereunder, a Director of the Corporation who is not and was not a party to such Proceeding;

(d) "Expenses" means all attorneys' fees, retainers, court costs, transcript costs, fees of expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), travel expenses, duplicating costs, printing and binding costs, costs of preparation of demonstrative evidence and other courtroom presentation aids and devices, costs incurred in connection with document review, organization, imaging and computerization, telephone charges, postage, delivery service fees, and all other disbursements, costs or expenses of the type customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, settling or otherwise participating in, a Proceeding;

(e) "Liabilities" means judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement;

(f) "Non-Officer Employee" means any person who serves or has served as an employee or agent of the Corporation, but who is not or was not a Director or Officer;

(g) "Officer" means any person who serves or has served the Corporation as an officer of the Corporation appointed by the Board of Directors of the Corporation;

(h) "Proceeding" means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, inquiry, investigation, administrative hearing or other proceeding, whether civil, criminal, administrative, arbitrative or investigative; and

(i) “Subsidiary” shall mean any corporation, partnership, limited liability company, joint venture, trust or other entity of which the Corporation owns (either directly or through or together with another Subsidiary of the Corporation) either (i) a general partner, managing member or other similar interest or (ii) (A) fifty percent (50%) or more of the voting power of the voting capital equity interests of such corporation, partnership, limited liability company, joint venture or other entity, or (B) fifty percent (50%) or more of the outstanding voting capital stock or other voting equity interests of such corporation, partnership, limited liability company, joint venture or other entity.

2. Indemnification of Directors and Officers.

(a) Subject to the operation of Section 4 of this Article VIII of these By-laws, each Director and Officer shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), and to the extent authorized in this Section 2.

(1) Actions, Suits and Proceedings Other than By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses and Liabilities that are incurred or paid by such Director or Officer or on such Director’s or Officer’s behalf in connection with any Proceeding or any claim, issue or matter therein (other than an action by or in the right of the Corporation), which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director’s or Officer’s Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(2) Actions, Suits and Proceedings By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses that are incurred by such Director or Officer or on such Director’s or Officer’s behalf in connection with any Proceeding or any claim, issue or matter therein by or in the right of the Corporation, which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director’s or Officer’s Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation; provided, however, that no indemnification shall be made under this Section 2(a)(2) in respect of any claim, issue or matter as to which such Director or

Officer shall have been finally adjudged by a court of competent jurisdiction to be liable to the Corporation, unless, and only to the extent that, the Court of Chancery or another court in which such Proceeding was brought shall determine upon application that, despite adjudication of liability, but in view of all the circumstances of the case, such Director or Officer is fairly and reasonably entitled to indemnification for such Expenses that such court deems proper.

(3) Survival of Rights. The rights of indemnification provided by this Section 2 shall continue as to a Director or Officer after he or she has ceased to be a Director or Officer and shall inure to the benefit of his or her heirs, executors, administrators and personal representatives.

(4) Actions by Directors or Officers. Notwithstanding the foregoing, the Corporation shall indemnify any Director or Officer seeking indemnification in connection with a Proceeding initiated by such Director or Officer only if such Proceeding (including any parts of such Proceeding not initiated by such Director or Officer) was authorized in advance by the Board of Directors of the Corporation, unless such Proceeding was brought to enforce such Officer's or Director's rights to indemnification or, in the case of Directors, advancement of Expenses under these By-laws in accordance with the provisions set forth herein.

3. Indemnification of Non-Officer Employees. Subject to the operation of Section 4 of this Article VIII of these By-laws, each Non-Officer Employee may, in the discretion of the Board of Directors of the Corporation, be indemnified by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against any or all Expenses and Liabilities that are incurred by such Non-Officer Employee or on such Non-Officer Employee's behalf in connection with any threatened, pending or completed Proceeding, or any claim, issue or matter therein, which such Non-Officer Employee is, or is threatened to be made, a party to or participant in by reason of such Non-Officer Employee's Corporate Status, if such Non-Officer Employee acted in good faith and in a manner such Non-Officer Employee reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The rights of indemnification provided by this Section 3 shall exist as to a Non-Officer Employee after he or she has ceased to be a Non-Officer Employee and shall inure to the benefit of his or her heirs, personal representatives, executors and administrators. Notwithstanding the foregoing, the Corporation may indemnify any Non-Officer Employee seeking indemnification in connection with a Proceeding initiated by such Non-Officer Employee only if such Proceeding was authorized in advance by the Board of Directors of the Corporation.

4. Determination. Unless ordered by a court, no indemnification shall be provided pursuant to this Article VIII to a Director, to an Officer or to a Non-Officer Employee unless a determination shall have been made that such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation

and, with respect to any criminal Proceeding, such person had no reasonable cause to believe his or her conduct was unlawful. Such determination shall be made by (a) a majority vote of the Disinterested Directors, even though less than a quorum of the Board of Directors, (b) a committee comprised of Disinterested Directors, such committee having been designated by a majority vote of the Disinterested Directors (even though less than a quorum), (c) if there are no such Disinterested Directors, or if a majority of Disinterested Directors so directs, by independent legal counsel in a written opinion, or (d) by the stockholders of the Corporation.

5. Advancement of Expenses to Directors Prior to Final Disposition.

(a) The Corporation shall advance all Expenses incurred by or on behalf of any Director in connection with any Proceeding in which such Director is involved by reason of such Director's Corporate Status within thirty (30) days after the receipt by the Corporation of a written statement from such Director requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Director and shall be preceded or accompanied by an undertaking by or on behalf of such Director to repay any Expenses so advanced if it shall ultimately be determined that such Director is not entitled to be indemnified against such Expenses. Notwithstanding the foregoing, the Corporation shall advance all Expenses incurred by or on behalf of any Director seeking advancement of expenses hereunder in connection with a Proceeding initiated by such Director only if such Proceeding (including any parts of such Proceeding not initiated by such Director) was (i) authorized by the Board of Directors of the Corporation, or (ii) brought to enforce such Director's rights to indemnification or advancement of Expenses under these By-laws.

(b) If a claim for advancement of Expenses hereunder by a Director is not paid in full by the Corporation within thirty (30) days after receipt by the Corporation of documentation of Expenses and the required undertaking, such Director may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and if successful in whole or in part, such Director shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such advancement of Expenses under this Article VIII shall not be a defense to an action brought by a Director for recovery of the unpaid amount of an advancement claim and shall not create a presumption that such advancement is not permissible. The burden of proving that a Director is not entitled to an advancement of expenses shall be on the Corporation.

(c) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Director has not met any applicable standard for indemnification set forth in the DGCL.

6. Advancement of Expenses to Officers and Non-Officer Employees Prior to Final Disposition.

(a) The Corporation may, at the discretion of the Board of Directors of the Corporation, advance any or all Expenses incurred by or on behalf of any Officer or any Non-Officer Employee in connection with any Proceeding in which such person is involved by reason of his or her Corporate Status as an Officer or Non-Officer Employee upon the receipt by the Corporation of a statement or statements from such Officer or Non-Officer Employee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Officer or Non-Officer Employee and shall be preceded or accompanied by an undertaking by or on behalf of such person to repay any Expenses so advanced if it shall ultimately be determined that such Officer or Non-Officer Employee is not entitled to be indemnified against such Expenses.

(b) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Officer or Non-Officer Employee has not met any applicable standard for indemnification set forth in the DGCL.

7. Contractual Nature of Rights.

(a) The provisions of this Article VIII shall be deemed to be a contract between the Corporation and each Director and Officer entitled to the benefits hereof at any time while this Article VIII is in effect, in consideration of such person's past or current and any future performance of services for the Corporation. Neither amendment, repeal or modification of any provision of this Article VIII nor the adoption of any provision of the Certificate of Incorporation inconsistent with this Article VIII shall eliminate or reduce any right conferred by this Article VIII in respect of any act or omission occurring, or any cause of action or claim that accrues or arises or any state of facts existing, at the time of or before such amendment, repeal, modification or adoption of an inconsistent provision (even in the case of a proceeding based on such a state of facts that is commenced after such time), and all rights to indemnification and advancement of Expenses granted herein or arising out of any act or omission shall vest at the time of the act or omission in question, regardless of when or if any proceeding with respect to such act or omission is commenced. The rights to indemnification and to advancement of expenses provided by, or granted pursuant to, this Article VIII shall continue notwithstanding that the person has ceased to be a director or officer of the Corporation and shall inure to the benefit of the estate, heirs, executors, administrators, legatees and distributes of such person.

(b) If a claim for indemnification hereunder by a Director or Officer is not paid in full by the Corporation within sixty (60) days after receipt by the Corporation of a written claim for indemnification, such Director or Officer may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, such Director or Officer shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such indemnification under this Article VIII shall not be a defense to an action brought by a Director or Officer for recovery of the unpaid amount of an indemnification claim and shall not create a presumption that such indemnification is not permissible. The burden of proving that a Director or Officer is not entitled to indemnification shall be on the Corporation.

(c) In any suit brought by a Director or Officer to enforce a right to indemnification hereunder, it shall be a defense that such Director or Officer has not met any applicable standard for indemnification set forth in the DGCL.

8. Non-Exclusivity of Rights. The rights to indemnification and to advancement of Expenses set forth in this Article VIII shall not be exclusive of any other right which any Director, Officer, or Non-Officer Employee may have or hereafter acquire under any statute, provision of the Certificate or these By-laws, agreement, vote of stockholders or Disinterested Directors or otherwise.

9. Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, Officer or Non-Officer Employee against any liability of any character asserted against or incurred by the Corporation or any such Director, Officer or Non-Officer Employee, or arising out of any such person's Corporate Status, whether or not the Corporation would have the power to indemnify such person against such liability under the DGCL or the provisions of this Article VIII.

10. Other Indemnification. The Corporation's obligation, if any, to indemnify or provide advancement of Expenses to any person under this Article VIII as a result of such person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount such person may collect as indemnification or advancement of Expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or enterprise (the "Primary Indemnitor"). Any indemnification or advancement of Expenses under this Article VIII owed by the Corporation as a result of a person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall only be in excess of, and shall be secondary to, the indemnification or advancement of Expenses available from the applicable Primary Indemnitor(s) and any applicable insurance policies

ARTICLE IX

Amendments

1. Amendment by Directors. Except as provided otherwise by law, these By-laws may be amended or repealed by the Board of Directors by the affirmative vote of a majority of the directors then in office.

2. Amendment by Stockholders. These By-laws may be amended or repealed at any Annual Meeting, or special meeting of stockholders called for such purpose in accordance with these By-Laws, by the affirmative vote of at least seventy-five percent (75%) of the outstanding shares entitled to vote on such amendment or repeal, voting together as a single class; provided, however, that if the Board of Directors recommends that stockholders approve such amendment or repeal at such meeting of stockholders, such amendment or repeal shall only require the affirmative vote of the majority of the outstanding shares entitled to vote on such amendment or repeal, voting together as a single class. Notwithstanding the foregoing, stockholder approval shall not be required unless mandated by the Certificate, these By-laws, or other applicable law.

Exhibit 4.1

WT _____ WISDOMTREE INVESTMENTS, INC. SHARES

Common Stock **_____**

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

CUSIP 97717P 10 4

See Reverse Side For Certain Definitions

THIS CERTIFIES THAT _____ is the owner of

** **

FULLY PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF $.01 PARE VALUE EACH OF

WisdomTree Investments, Inc.

transferable on the books of the Corporation in person or by attorney upon surrender of this Certificate duly endorsed or assigned. This certificate is not valid until countersigned by the Transfer Agent.

WITNESS, the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

DATED

PRESIDENT AND SECRETARY CHAIRMAN OF THE BOARD

COUNTERSIGNED:

CONTINENTAL STOCK TRANSFER & TRUST COMPANY
(Jersey City, NJ)
TRANSFER AGENT

AUTHORIZED OFFICER

The Corporation will furnish to any stockholder, upon request and without charge, a full statement of the designations, powers, rights, preferences, qualifications, restrictions and limitations of the shares of each class and series of the capital stock of the Corporation authorized to be issued so far as the same have been determined. Such request may be made to the secretary of the Corporation.

Keep this certificate in a safe place. If it is lost, stolen or destroyed the company will require a bond of indemnity as a condition to the issuance of a replacement certificate

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM –	*as tenants in common*	*UNIF GIFT MIN ACT - _____ Custodian_____*
TEN ENT –	*as tenants by the entireties*	*(Cust) (Minor)*
JT TEN –	*as joint tenants with right of survivorship and not as tenants in common*	*under Uniform Gifts to Minors Act_____* *(State)*

Additional Abbreviations may also be used though not in the above list.

For value received, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____ *shares of the stock represented by the within Certificate, and do hereby irrevocably constitute and appoint* _____ *Attorney to transfer the said stock on the books of the within named Corporation will full power of substitution in the premises.*

Dated _____

Notice: The signature to this assignment must correspond with the name as written upon the face of the certificate in every particular, without alteration or enlargement or any change whatever.

Signature(s) Guaranteed:

_____

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17Ad-15).

Exhibit 4.2

EXECUTION COPY

AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

among

WisdomTree Investments, Inc.

and

Certain Investors

December 21, 2006

WISDOMTREE INVESTMENTS, INC.

AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

This Amended and Restated Stockholders Agreement, dated as of this 21st day of December, 2006 among AIG Global Asset Management Holding Corp. ("AIG") and James E. Manley ("Manley" and together with AIG, the "2006 Principal Investors"), the other investors listed and defined on Schedule I hereto (the "Institutional Investors"), Jonathan Steinberg, a natural person ("Steinberg") and WisdomTree Investments, Inc., a Delaware corporation (the "Company"). The 2006 Principal Investors, Institutional Investors and Steinberg are hereinafter collectively referred to as the "Investors".

R E C I T A L S

WHEREAS, the 2006 Principal Investors and certain of the Institutional Investors have, pursuant to the terms of a Securities Purchase Agreement, dated as of the date hereof with the Company (the "Purchase Agreement") agreed to purchase 15,000,000 shares (the "Shares") of common stock, $0.01 par value, of the Company (the "Common Stock");

WHEREAS, the Institutional Investors and certain other parties have entered into that certain Stockholders Agreement dated November 10, 2004, as amended by Amendment No. 1 to Stockholders Agreement dated July 22, 2005 (collectively, the "Original Stockholders Agreement");

WHEREAS, pursuant to the Original Stockholders Agreement, the Company has obtained the necessary consents to amend the Original Stockholders Agreement (including removing certain parties to the Original Stockholders Agreement) and enter into this Amended and Restated Stockholders Agreement; and

WHEREAS, the Investors and the Company desire to promote their mutual interests by agreeing to certain matters relating to the operations of the Company and the disposition and voting of the Shares and the Common Stock of the Management Investors.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

1. CONSENT TO AMENDMENT.

Pursuant to Section 6(e) of the Original Stockholders Agreement, such Agreement required that (i) each of the "Institutional Stockholders" (as defined in the Original Stockholders Agreement) and (ii) the "Management Investors" (also defined in the Original Stockholders Agreement) owning a majority of the shares of Common Stock owned by such "Management Investors," consent to any amendment of the Original Stockholders Agreement. To the extent that the Institutional Investors hereto are also "Institutional Investors" pursuant to the Original

Stockholders Agreement and that Steinberg is also a "Management Investor" pursuant to the Original Stockholders Agreement, such Persons hereby consent to this Agreement and all amendments to the Original Stockholders Agreement reflected herein. The Company represents to the parties hereto, that it has obtained all necessary consents to amend the Original Stockholders Agreement and enter into this Agreement.

2. BOARD OF DIRECTORS.

(a) Election of Directors. So long as each 2006 Principal Investor holds its Threshold Amount, from and after the date hereof and prior to the date that the Company's Common Stock has been Re-registered, the Investors shall take all action within their respective power, including but not limited to, the voting of all shares of capital stock of the Company Owned by them, required to cause (consistent with Section 4.11 of the Purchase Agreement) the Board to include (i) one representative designated by AIG (the "AIG Representative") and (ii) one representative affiliated with and designated by Manley (the "Manley Representative").

(b) Replacement Directors; Sub Boards.

(i) In the event that any director designated in the manner set forth in Section 2(a) above is unable to serve, or once having commenced to serve, is removed by the 2006 Principal Investor who appointed such director or such director withdraws from the Board (together, a "Withdrawing Director"), such Withdrawing Director's replacement (the "Substitute Director") will be designated by the appropriate 2006 Principal Investor. The Investors agree to take all action within their respective power as provided in Section 2(a), (A) to cause the election of such Substitute Director promptly following his or her nomination pursuant to this Section 2(b)(i) or (B) upon the written request of such appointing 2006 Principal Investor, to remove, with or without cause, such Substitute Director.

(ii) For those subsidiaries of the Company that have individuals other than officers of the Company on the board of directors of such subsidiary, the AIG Representative shall have a right (but not an obligation) to join the board of such subsidiary or act as an observer thereto.

3. TRANSFER OF STOCK

(a) Resale of Securities. No Investor (other than the 2006 Principal Investors) shall Transfer any Common Stock other than in accordance with the provisions of this Section 3. Any Transfer or purported Transfer made in violation of this Section 3 shall be null and void and of no effect. In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation of Section 3.

(b) Rights of First Refusal.

(i) Limitations on Transfer. Steinberg shall not Transfer any of the Common Stock Owned by him (other than Transfers pursuant to a bona fide open market sale) unless Steinberg shall have first made the offers to sell to the Institutional Investors as

contemplated by this Section 3(b), and such offers shall not have been accepted. Notwithstanding the foregoing, the provisions of this Section shall not apply with respect to a sale or transfer by Steinberg pursuant to Section 3(c) or with respect to the surrender of securities to the Company in connection with the exercise of options held by Steinberg.

(ii) Offer by Transferor. Copies of the Steinberg's offer shall be given to the Institutional Investors and shall consist of an offer to sell to the Institutional Investors, all of the shares then proposed to be transferred by Steinberg (the "Subject Common Stock") pursuant to a bona fide offer of a third party, to which copies shall be attached a statement of intention to Transfer to such third party, the name and address of the prospective third party transferee, the number of Subject Common Stock involved in the proposed Transfer, and terms of such Transfer.

(iii) Acceptance of Offer.

(A) The Institutional Investors may purchase all, but not less than all, of the Subject Common Stock by giving notice thereof to Steinberg within twenty (20) days after the receipt of the offer described in Section 3(b)(ii). The other Investors shall purchase the Subject Common Stock pro rata among themselves (based on the number of Shares held by the other Investors) as a group or as they shall otherwise agree upon among themselves.

(B) In either event, the notice required to be given by the purchasing Institutional Investors (collectively, the "Purchaser") shall specify a date for the closing of the purchase which shall not be more than ten (10) business days after the date of the giving of such notice.

(iv) Purchase Price. The purchase price per share for the Subject Common Stock shall be the price per share offered to be paid by the prospective transferee described in the offer, which price shall be paid in cash or, if so provided in the offer of the prospective transferee, cash plus deferred payments of cash in the same proportions, and with the same terms of deferred payment as therein set forth.

(v) Consideration Other Than Cash. If the offer of Subject Common Stock under this Section 3(b) is for consideration other than cash or cash plus deferred payments of cash, the Purchaser shall pay the cash equivalent of such other consideration. If the Transferor and the Purchaser cannot agree on the amount of such cash equivalent within ten (10) days after the beginning of the twenty (20)-day period under Section 3(b)(iii)(A), any of such parties may, by three (3) days' written notice to the other, initiate appraisal proceedings under Section 3(b)(vi) for determination of the cash equivalent. The Purchaser may give written notice to the Transferor revoking an election to purchase the Subject Common Stock within ten (10) days after determination of the appraised value, if it chooses not to purchase the Subject Common Stock.

(vi) Appraisal Procedure. If any party shall initiate an appraisal procedure to determine the amount of the cash equivalent of any consideration for Subject

Common Stock under Section 3(b)(v), then the Transferor, on the one hand, and the Purchaser, on the other hand, shall each promptly appoint as an appraiser an individual who shall be a member of a nationally recognized investment banking firm. Each appraiser shall, within thirty (30) days of appointment, separately investigate the value of the consideration for the Subject Common Stock as of the proposed transfer date and shall submit a notice of an appraisal of that value to each party. Each appraiser shall be instructed to determine such value without regard to income tax consequences to the Transferor as a result of receiving cash rather than other consideration. If the appraised values of such consideration (the "Earlier Appraisals") vary by less than ten percent (10%), the average of the two appraisals on a per share basis shall be controlling as the amount of the cash equivalent. If the appraised values vary by more than ten percent (10%), the appraisers, within ten (10) days of the submission of the last appraisal, shall appoint a third appraiser who shall be member of a nationally recognized investment banking firm. The third appraiser shall, within thirty (30) days of his appointment, appraise the value of the consideration for the Subject Common Stock (without regard to the income tax consequences to the Transferor as a result of receiving cash rather than other consideration) as of the proposed transfer date and submit notice of his appraisal to each party. The value determined by the third appraiser shall be controlling as the amount of the cash equivalent unless the value is greater than the two Earlier Appraisals, in which case the higher of the two Earlier Appraisals will control, and unless that value is lower than the two Earlier Appraisals, in which case the lower of the two Earlier Appraisals will control. If any party fails to appoint an appraiser or if one of the two initial appraisers fails after appointment to submit his appraisal within the required period, the appraisal submitted by the remaining appraiser shall be controlling. The Transferor and the Purchaser shall each bear the cost of its respective appointed appraiser. The cost of the third appraisal shall be shared one-half by the Transferor and one-half by the Purchaser.

(vii) Closing of Purchase. The closing of the purchase shall take place at the office of Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022 or such other location as shall be mutually agreeable and the purchase price shall be paid at the closing, and cash equivalents and documents evidencing any deferred payments of cash permitted pursuant to Section 3(b)(iv) above shall be delivered at the closing. At the closing, the Transferor shall deliver to the Purchaser the certificates evidencing the Subject Common Stock to be conveyed, duly endorsed and in negotiable form with all the requisite documentary stamps affixed thereto.

(viii) Release from Restriction; Termination of Rights. If the offer to sell is not fully accepted by the other Investors, the Transferor may make a bona fide Transfer to the prospective transferee named in the statement attached to the offer in accordance with the agreed upon terms of such Transfer, provided that such Transfer shall be made only in strict accordance with the terms therein stated. If the Transferor shall fail to make such Transfer within sixty (60) days following the expiration of the time hereinabove provided for the election by the other Investors or, in the event the Purchaser revokes an election to purchase the Subject Common Stock pursuant to Section 3(b)(v), within sixty (60) days of the date of such notice of revocation, such Common Stock shall again become subject to all the restrictions of this Section 3.

(c) Tag-Along Rights.

(i) In the event any Institutional Investor intends to Transfer more than 1,000,000 shares (individually or in connection with a series of related sales) of his or its Common Stock (other than (A) Transfers to any Permitted Transferee or to the Company or (B) transfers pursuant to a bona fide public market sale), such Institutional Investor (the "Selling Investor") shall notify the other Institutional Investors and the 2006 Principal Investors (the "Tag-Along Investors"), in writing, of such proposed Transfer and its terms and conditions. Within ten (10) business days of the date of such notice, each other Tag-Along Investor shall notify the Selling Investor if it elects to participate in such Transfer. Any Tag-Along Investor that fails to notify the Selling Investor within such ten (10) business day period shall be deemed to have waived his or its rights hereunder. Each Tag-Along Investor that so notifies the Selling Investor shall have the right to sell, at the same price and on the same terms and conditions as the Selling Investor, a number of shares of Common Stock equal to the Common Stock the third party actually proposes to purchase multiplied by a fraction, the numerator of which shall be the number of shares of Common Stock Owned by such Tag-Along Investor and the denominator of which shall be the aggregate number of shares of Common Stock Owned by the Selling Investor and each Tag-Along Investor exercising his or its rights under this Section 3(c).

(ii) Notwithstanding anything contained in this Section 3(c), in the event that all or a portion of the purchase price consists of securities and the sale of such securities to the Tag-Along Investors would require either a registration under the Securities Act or the preparation of a disclosure document pursuant to Regulation D under the Securities Act (or any successor regulation) or a similar provision of any state securities law, then, at the option of the Selling Investor, any one or more of the Tag-Along Investors may receive, in lieu of such securities, the fair market value of such securities in cash, as determined in good faith by the Board.

(iii) Any Transfer of shares of capital stock of the Company to a Permitted Transferee allowed for in Section 3(c)(i) shall be made in good faith for purposes other than to specifically avoid the obligations of an Institutional Investor provided for herein.

(iv) This Section 3(c) shall terminate 365 days after the Company's Common Stock has been Re-registered.

(d) Injunctive Relief. The Company and the Investors hereby declare that it is impossible to measure in money the damages which will accrue to the parties hereto by reason of the failure of the Company or any Investor to perform any of its or his obligations set forth in this Section 3. Therefore, the Company and the Investors shall have the right to specific performance of such obligations, and if any party hereto shall institute any action or proceeding to enforce the provisions hereof, each of the Company and the Investors hereby waives the claim or defense that the party instituting such action or proceeding has an adequate remedy at law.

(e) No Further Restrictions Upon Transfer. Any and all shares of Common Stock transferred by an Investor in accordance with this Section 3, other than shares of Common Stock transferred to another Investor during the terms of this Agreement, shall no longer be subject to the terms of this Agreement

4. RESTRICTIONS.

Until such time as the Company's Common Stock has been Re-registered, without the prior consent of 60% of the directors of the Board present at a duly noticed meeting at which a quorum is present or pursuant to a unanimous written consent in lieu of a meeting, the Company shall not and shall not commit to, nor allow any of its subsidiaries to, or commit to:

(a) directly or indirectly declare or pay any dividends or make any distributions of cash, property or securities of the Company or any subsidiary thereof in respect to any class of its capital stock;

(b) directly or indirectly redeem, purchase, or otherwise acquire (except pursuant to the cashless exercise of any option or warrant), any of the Company's or any subsidiary's equity securities (including, without limitation, warrants, options, and other rights to acquire equity securities);

(c) reclassify any class of the capital stock of the Company or take any other action that would adversely alter or change the designations, preferences, powers or other rights of the Common Stock or any preferred stock of the Company;

(d) amend, alter or repeal (by way of merger, consolidation, operation of law or otherwise) any provision of, or add any provision to, the Company's charter (including without limitation, increasing the total number of shares of Common Stock or preferred stock that the Company shall have the authority to issue), bylaws, or the governing documents of any subsidiary;

(e) merge or consolidate with or into any other Person, or sell, transfer or otherwise dispose of all or substantially all of its assets or properties;

(f) liquidate, dissolve, or effect, or permit any of its subsidiaries to liquidate, dissolve, or effect, a recapitalization or reorganization (including any bankruptcy filing or reorganization under applicable federal bankruptcy law) in any form of transaction (including, without limitation, any reorganization into partnership form);

(g) engage in a business other than one of the same general type as now conducted or as presently contemplated;

(h) create, incur, assume, or suffer to exist, or permit any of its subsidiaries to create, incur, assume, or suffer to exist, indebtedness for borrowed money exceeding the amounts approved therefore by the Board in any budget;

(i) change the size of the Board to a number of directors less than five (5) or more than nine (9);

(j) enter into, or cause any subsidiary to enter into, any agreement which would (under any circumstances) restrict the Company's or any of its subsidiary's right or ability to perform the provisions of this Agreement, the Purchase Agreement or the Registration Rights Agreement between the Company, the Investors and certain other parties thereto;

(k) approve any budget of the Company or any of its subsidiaries for any fiscal year; or

(l) enter into any agreement to do any of the foregoing.

5. TERMINATION.

This Agreement shall terminate (a) as to any specific Investor when such Investor no longer owns more than on percent (1%) of the Shares such Investor owns as of the date hereof (as adjusted for any stock splits) and (b) on the date on which Investors Owning a majority of the Shares (such majority to include the 2006 Principal Investors), collectively, shall have agreed in writing to terminate this Agreement.

6. INTERPRETATION OF THIS AGREEMENT

(a) Terms Defined. As used in this Agreement, the following terms have the respective meaning set forth below:

Affiliate: shall mean any Person or entity, directly or indirectly controlling, controlled by or under common control with such Person or entity.

Exchange Act: shall mean the Securities Exchange Act of 1934, as amended.

Owns, Own, Owning or Owned: shall mean beneficial ownership, assuming the conversion of all outstanding securities convertible into Common Stock and the exercise of all outstanding options and warrants to acquire Common Stock.

Permitted Transferee: shall mean, (i) in the case of any Investor that is not a natural person, any Affiliate of such Investor, any limited partner or general partner of such Investor and any Affiliate of any such limited or general partner of such Investor, (ii) in the case of any Investor that is a natural person, any members of such Investor's family, heirs, executors or legal representatives or trusts for the benefit of such Management Investor's family and (iii) in the case of Michael Steinhardt, any organization that has qualified under Section 501(c)(3) of the Internal Revenue Code.

Person: shall mean an individual, partnership, joint-stock company, corporation, limited liability company, trust or unincorporated organization, and a government or agency or political subdivision thereof.

Re-registered: shall mean when the Company's Common Stock is (i) registered under Section 12 of the Exchange Act and (ii) the Company's Common Stock is listed on either the New York Stock Exchange or the Nasdaq Global Market.

Security, Securities: shall have the meaning set forth in Section 1(1) of the Securities Act.

Securities Act: shall mean the Securities Act of 1933, as amended.

Threshold Amount: shall mean in the case of AIG, 5,000,000 shares of Common Stock owned by AIG and its Affiliates and in the case of Manley, 2,000,000 shares of Common Stock owned by Manley and his Affiliates.

Transfer: shall mean any group of or single sale, assignment, pledge, hypothecation, or other disposition or encumbrance.

(b) Accounting Principles. Where the character or amount of any asset or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, this shall be done in accordance with U.S. generally accepted accounting principles at the time in effect, to the extent applicable, except where such principles are inconsistent with the requirements of this Agreement.

(c) Directly or Indirectly. Where any provision in this Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

(d) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and to be performed entirely within such State.

(e) Section Headings. The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof.

7. MISCELLANEOUS

(a) Notices.

(i) All communications under this Agreement shall be in writing and shall be delivered by hand or facsimile or mailed by overnight courier or by registered or certified mail, postage prepaid:

(A) if to any of the Institutional Investors or Steinberg, at the address or facsimile number shown on Schedule I, or at such other address as the Institutional Investor or Steinberg may have furnished the Company in writing;

(B) if to any 2006 Principal Investor, at the address or facsimile number of such 2006 Principal Investor shown on Schedule II, or at such other address as the Institutional Investor may have furnished the Company; and

(C) if to the Company, at 48 Wall Street, Suite 1100, New York, NY 10005 (facsimile: (212) 918-4581), or at such other address or facsimile number as it may have furnished the Investors in writing with a copy to Graubard Miller, the Chrysler Building, 405 Lexington Avenue, New York, NY 10174 (facsimile: (212) 818-8881, Attention: Peter M. Ziemba, Esq.

(ii) Any notice so addressed shall be deemed to be given: if delivered by hand or facsimile, on the date of such delivery; if mailed by overnight courier, on the first business day following the date of such mailing; and if mailed by registered or certified mail, on the third business day after the date of such mailing.

(b) Reproduction of Documents. This Agreement and all documents relating thereto, including, without limitation, (i) consents, waivers and modifications which may hereafter be executed, (ii) documents received by each Investor pursuant hereto and (iii) financial statements, certificates and other information previously or hereafter furnished to each Investor, may be reproduced by each Investor by photographic, photostatic, microfilm, microcard, miniature photographic or other similar process and each Investor may destroy any original document so reproduced. All parties hereto agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by each Investor in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

(c) Power and Authority. Each Investor hereby represents and warrants that such Investor has full power and authority to enter into this Agreement. The 2006 Principal Investors are entering into the Purchase Agreement in reliance upon this Agreement.

(d) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties.

(e) Entire Agreement; Amendment and Waiver. This Agreement and the Purchase Agreement constitute the entire understanding of the parties hereto relating to the subject matter hereof and supersede all prior understandings among such parties. This Agreement may be amended, and the observance of any term of this Agreement may be waived, with (and only with) the written consent of each 2006 Principal Investor and a majority of the other Investors Owning a majority of the shares of Common Stock except for Section 3(b) which may be amended with the consent of all of the Institutional Investors.

(f) Severability. In the event that any part or parts of this Agreement shall be held illegal or unenforceable by any court or administrative body of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

(g) Jurisdiction and Venue

(i) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself or himself and its or his property, to the exclusive jurisdiction of any New York state court sitting in New York county or federal court of the United States of America sitting in New York county, and any appellate court presiding thereover, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereunder or thereunder or for recognition or enforcement of any judgment relating thereto, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in any such New York state court

or, to the extent permitted by law, in any such federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(ii) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it or he may legally and effectively do so, any objection that it or he may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereunder or thereunder in any state or federal court sitting in New York county. Each of the parties hereto irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(iii) The parties hereto further agree that the notice of any process required by any such court in the manner set forth in Section 6(a) shall constitute valid and lawful service of process against them, without the necessity for service by any other means provided by law.

(h) Waiver of Jury Trial.

THE COMPANY AND THE INVESTORS HEREBY WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS AGREEMENT OR THE VALIDITY, PROTECTION, INTERPRETATION OR ENFORCEMENT THEREOF. THE COMPANY AND THE INVESTOR AGREE THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS AGREEMENT AND WOULD NOT ENTER INTO THIS AGREEMENT IF THIS SECTION WERE NOT PART OF THIS AGREEMENT.

(i) Counterparts. This Agreement may be executed in two or more counterparts (including by facsimile), each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Amended and Restated Stockholders Agreement as of the date first above written.

WISDOM TREE INVESTMENTS, INC.

By: _____
Name: Jonathan Steinberg
Title: Chief Executive Officer

COUNTERPART SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

AIG GLOBAL ASSET MANAGEMENT HOLDING CORP.

By: _____

Name:
Title:

COUNTERPART SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

JAMES E. MANLEY

COUNTERPART SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

RRE VENTURES III-A, L.P.
RRE VENTURES FUND III, L.P.
RRE VENTURES III, L.P.

By: _____
Name: Andrew Zalasin
Title: General Partner

COUNTERPART SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

QUANTITATIVE FINANCIAL STRATEGIES, INC.

By: _____

Name:
Title: Authorized Person

COUNTERPART SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

MICHAEL STEINHARDT

COUNTERPART SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

JONATHAN STEINBERG

SCHEDULE I

Institutional Investors

Michael Steinhardt
650 Madison Avenue
New York, NY 10022-1029
Facsimile: (212) 371-3240

RRE Ventures III-A, L.P.
RRE Ventures Fund III, L.P.
RRE Ventures III, L.P.
126 East 56th Street
New York, NY 10022
Facsimile: (212) 980-1870
Attention: Andrew Zalasin

Quantitative Financial Strategies, Inc.
10 Glenville Street
Greenwich, CT 06831
Facsimile: (203) 532-8252
Attention: General Counsel

Other Party

Jonathan Steinberg
c/o Peter M. Ziemba, Esq.
Graubard Miller
The Chrysler Building
405 Lexington Avenue
New York, NY 10174
Facsimile: (212) 818-8881

SCHEDULE II

2006 Principal Investors

AIG Global Asset Management Holding Corp.
c/o AIG Global Investment Group
599 Lexington Avenue, 25th Floor
New York, NY 10022
Tel: (646) 735-0530
Fax: (646) 735-0799
Attention: Kevin Dibble, Vice President and Assistant General Counsel

With a copy to:

AIG Global Investment Group
70 Pine Street
New York, NY 10270
Tel: (212) 770-5226
Fax: (646) 735-0799
Attention: Robert Conry

And

Goodwin Procter LLP
901 New York Avenue, NW
Washington, DC 20001
Attention: James A. Hutchinson
Tel: (202) 346-4293
Fax: (202) 346-4444

James E. Manley
Atlantic-Pacific Capital, Inc.
102 Greenwich Avenue, 2nd Floor
Greenwich, CT 06830
Tel: (203) 861-5464
Fax: (203) 622-0125

With a copy to:

Satterlee Stephens Burke & Burke LLP
230 Park Avenue
New York, NY 10169
Attention: Edwin Markham
Tel: (212) 404-8733
Fax: (212) 818-9606

Exhibit 4.3

This Securities Purchase Agreement (the "Agreement") contains representations and warranties that the investors hereto (the "Investors") and WisdomTree Investments, Inc. ("WisdomTree") made to each other. These representations and warranties were made only for the purposes of the signing of the Agreement and solely for the benefit of the Investor and WisdomTree as of specific dates, may be subject to important limitations and qualifications agreed to by the Investors and WisdomTree in connection with the signing of the Agreement, and may not be complete. Furthermore, these representations and warranties may have been made for the purposes of allocating contractual risk between the Investors and WisdomTree instead of establishing these matters as facts, and may or may not have been accurate as of any specific date and do not purport to be accurate as of the date of the filing of the Agreement by WisdomTree with the Securities and Exchange Commission. Accordingly, you should not rely upon the representations and warranties contained in the Agreement as characterizations of the actual state of facts, since they were intended to be for the benefit of, and to be limited to, the Investors and WisdomTree.

Execution Copy

SECURITIES PURCHASE AGREEMENT

among

WisdomTree Investments, Inc.

and

Certain Investors

As of December 21, 2006

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SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (the "Agreement") is made as of December 21, 2006 by and among

(i) WisdomTree Investments, Inc. (formerly Index Development Partners, Inc.), a Delaware corporation (the "Company"),

(ii) each Person whose name appears on Schedule I and who has a dollar amount other than "0" set forth across such Person's name in the column entitled "Purchase Price" on Schedule I (individually, as "Investor" and collectively, the "Investors"), and

(iii) each other Persons whose name appears on Schedule I and who has "0" set forth across such Person's name in the column entitled "Purchase Price" on Schedule I (which Persons are parties hereto to confirm their agreement to, and receive the benefits of, certain provisions of this Agreement, all as set forth with particularity in those provisions) (the "Prior Investors").

Capitalized terms used herein but not otherwise defined have the meaning set forth in Section 6.1.

RECITALS:

WHEREAS, the Company is an exchange traded fund sponsor and developer of a family of stock indexes based on dividend-paying securities, which the Company created and presently owns (the "Company Stock Indexes");

WHEREAS, the Investors desire to invest an aggregate of $56,475,000 in the Company in exchange for approximately 15.9% of the Company's outstanding capital stock, on a fully diluted basis; and

WHEREAS, the Company considers this Agreement to be in its best interests and in the best interests of its stockholders.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. PURCHASE AND SALE OF SECURITIES

1.1. Initial Issuance of Common Stock

Subject to the terms and conditions set forth in this Agreement and in reliance upon the Company's and the Investors' representations set forth below, on the date hereof (the "Closing Date"), the Company shall sell to the Investors severally and not jointly, and the Investors shall purchase from the Company severally and not jointly, the number of shares of common stock, par value $0.01 per share (the "Common Stock"), and at the aggregate cash

purchase prices (each a "Purchase Price"), set forth opposite their respective names on Schedule I (such shares, collectively, the "Shares"). The Company's agreements with each of the Investors are separate agreements, and the sales to each of the Investors are separate sales. No Investor shall be responsible for the failure by any other Investor to perform its obligations under this Agreement and the sale to any Investor shall not be conditioned upon a sale to any other Investor. Notwithstanding the forgoing, there shall be no sales hereunder unless Investors in the aggregate purchase at least 5,833,334 Shares.

SECTION 2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to the Investors that, except as set forth on the correspondingly numbered section of the Disclosure Schedule delivered to the Investors in connection herewith:

2.1. Corporate Organization

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Attached hereto as Exhibits A and B, respectively, are true and complete copies of the Amended and Restated Certificate of Incorporation and Bylaws of the Company, as amended through the date hereof (collectively, the "Organizational Documents").

(b) The Company has all requisite power and authority to own its properties and to carry on its business as now conducted and as presently contemplated to be conducted. The Company has all requisite power and authority to execute and deliver the Transaction Documents and to perform its obligations hereunder and thereunder.

(c) The Company has filed all necessary documents to qualify to do business as a foreign corporation in, and the Company is in good standing under the laws of each jurisdiction in which the conduct of the Company's business as now conducted and as presently contemplated to be conducted or the nature of the property owned requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, properties, assets, liabilities, prospects, results of operations or condition (financial or otherwise) of the Company and its subsidiaries taken as a whole (a "Material Adverse Effect").

2.2. Subsidiaries

Except as set forth on Schedule 2.2, the Company has no subsidiaries and no interests or investments in any partnership, trust or other entity or organization. Except as set forth on Schedule 2.2, each subsidiary of the Company listed on Schedule 2.2 has been duly incorporated, is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has the corporate power and authority to own its properties and to conduct its business and is duly registered, qualified and authorized to transact business and is in good standing in each jurisdiction in which the conduct of its business or the nature of its properties requires such registration, qualification or authorization, except where failure to so register, qualify or be authorized would not reasonably be expected to have a Material Adverse

Effect; all of the issued and outstanding capital stock of each subsidiary has been duly authorized and validly issued, is fully paid and non-assessable, and is owned by the Company free and clear of any mortgage, pledge, lien, encumbrance, security interest, claim or equity.

2.3. Capitalization

(a) On the date hereof, the authorized capital stock of the Company consists of 250,000,000 shares of its Common Stock and 2,000,000 shares of preferred stock, par value $0.01 per share (the "Preferred Stock"). The issued and outstanding shares of capital stock of the Company consists of 81,517,041 shares of Common Stock which are held of record by the Persons and in the amounts set forth on Schedule 2.3(a).

(b) All the outstanding shares of capital stock of the Company have been duly and validly issued and are fully paid and non-assessable, and were issued in accordance with the registration or qualification requirements of the Securities Act and any relevant state securities laws or pursuant to valid exemptions therefrom. Upon issuance, sale and delivery as contemplated by this Agreement, the Shares will be duly authorized, validly issued, fully paid and non-assessable shares of the Company, free of all preemptive or similar rights, and entitled to the rights therein described.

(c) Except for the rights which attach to the warrants and options which are listed onSchedule 2.3(c)(i) hereto, on the Closing Date there will be no shares of Common Stock or any other equity security of the Company issuable upon conversion or exchange of any security of the Company nor, except to the extent otherwise provided for in the Transaction Documents, will there be any rights, options or warrants outstanding or other agreements to acquire shares of Common Stock nor will the Company be contractually obligated to purchase, redeem or otherwise acquire any of its outstanding shares of Common Stock. Except as set forth on Schedule 2.3(c)(ii) and to the extent otherwise provided for in the Transaction Documents, no stockholder of the Company is entitled to any preemptive or similar rights to subscribe for shares of capital stock of the Company.

2.4. Corporate Proceedings, etc.

The Board of Directors has authorized the execution, delivery, and performance of the Transaction Documents and each of the transactions and agreements contemplated hereby and thereby, including, without limitation, the issuance and delivery of the Shares to the Investors in accordance with this Agreement. Neither approval by the stockholders of the Company nor any other corporate action, is necessary to authorize such execution, delivery and performance of the Transaction Documents, and upon such execution and delivery each of the Transaction Documents shall constitute the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except that such enforcement may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and general principles of equity.

2.5. Consents and Approvals

The execution and delivery by the Company of the Transaction Documents, the performance by the Company of its obligations hereunder and thereunder and the consummation by the Company of the transactions contemplated hereby and thereby do not require the Company or any of its subsidiaries to obtain any consent, approval or action of, or make any filing with or give any notice to, any corporation, person or firm or any public, governmental or judicial authority other than those which have been obtained or made.

2.6. Absence of Defaults, Conflicts, etc.

The execution and delivery of the Transaction Documents do not, and the fulfillment of the terms hereof and thereof by the Company, and the issuance of the Shares will not, result in a breach of any of the terms, conditions or provisions of, or constitute a default under, or permit the acceleration of rights under or termination of, any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness, or other material agreement of the Company or any of its subsidiaries (collectively, the "Key Agreements and Instruments"), or the Organizational Documents, or any rule or regulation of any court or federal, state or foreign regulatory board or body or administrative agency having jurisdiction over the Company or any of its subsidiaries or over their respective properties or businesses.

2.7. Financial Statements

The audited balance sheet of the Company as at December 31, 2005 (the "2005 Balance Sheet"), 2004 and 2003 (true and correct copies of which are attached hereto as Schedule 2.7) fairly present the financial position of the Company as at the dates thereof, and the related statements of operations, stockholders' equity and cash flow for the fiscal periods ended on such dates fairly present the results of operations and changes in financial position of the Company and its subsidiaries for the respective periods indicated. All such financial statements including the schedules and notes thereto, were prepared in accordance with U.S. generally accepted accounting principles ("GAAP") applied consistently throughout the periods involved. The unaudited balance sheet of the Company as of September 30, 2006, and the related statements of operations, stockholders' equity and cash flow for the three-month and nine-month periods ended on such date (the "2006 Financials") (true and correct copies of which have been furnished to the Investors) were prepared in accordance with GAAP (except for the lack of complete footnotes and subject to year-end audit adjustments) and fairly presents the financial condition of the Company and its subsidiaries as at that date thereof. A true and correct copy of the 2006 Financials are attached hereto as Schedule 2.7. The books and accounts of the Company are correct in all respects and fairly reflect all of the transactions, items of income and expense and all assets and liabilities of the Company.

2.8. Absence of Certain Developments

Except as set forth on Schedule 2.8, since September 30, 2006, there has been no (i) material adverse change in the condition, financial or otherwise, of the Company and its subsidiaries taken as a whole or in their assets, liabilities, properties, profits, results of operations or business or prospects, (ii) declaration, setting aside or payment of any dividend or other

distribution with respect to the capital stock of the Company, (iii) issuance of capital stock (other than pursuant to the exercise of options, warrants, or convertible securities outstanding at such date) or options, warrants or rights to acquire capital stock (other than the rights granted to the Investors hereunder), (iv) material loss, destruction or damage to any property of the Company or any subsidiary, whether or not insured, (v) acceleration or prepayment of any indebtedness for borrowed money or the refunding of any such indebtedness, (vi) labor trouble involving the Company or any subsidiary or any material change in their personnel or the terms and conditions of employment, (vii) waiver of any valuable right, whether by contract or otherwise, (viii) loan or extension of credit to any officer or employee of the Company, (ix) change in accounting methods, principles or practices used in preparing the Company's financial statements or (x) acquisition or disposition of any material assets (or any contract or arrangement therefor), or any other material transaction by the Company or any subsidiary otherwise than for fair value in the ordinary course of business.

2.9. Compliance with Law

(a) Except as set forth on Schedule 2.9, neither the Company nor any of its subsidiaries is in material violation of any laws, ordinances, governmental rules or regulations to which it is subject, including without limitation laws or regulations relating to the environment or to occupational health and safety, and no material expenditures are or will be required in order to cause its current operations or properties to comply with any such laws, ordinances, governmental rules or regulations.

(b) The Company and its subsidiaries have all licenses, permits, franchises or other governmental authorizations necessary to the ownership of their property or to the conduct of their respective businesses as now conducted, which if violated or not obtained might have a Material Adverse Effect. Neither the Company nor any subsidiary has finally been denied any application for any such licenses, permits, franchises or other governmental authorizations necessary to its business as now conducted and as presently contemplated to be conducted.

2.10. Litigation

There is no legal action, suit, arbitration or other legal, administrative or other governmental investigation, inquiry or proceeding (whether federal, state, local or foreign) pending or, to the Company's Knowledge, threatened against or affecting the Company or any subsidiary or any of their respective properties, assets or businesses. After reasonable inquiry of its employees, except as set forth in Schedule 2.10, the Company is not aware of any fact which might result in or form the basis for any such action, suit, arbitration, investigation, inquiry or other proceeding. Neither the Company nor any subsidiary is subject to any order, writ, judgment, injunction, decree, determination or award of any court or of any governmental agency or instrumentality (whether federal, state, local or foreign).

2.11. Material Contracts

Schedule 2.11 sets forth a true and complete list of each material contract, agreement, instrument, commitment and other arrangement to which the Company or any

subsidiary is a party or otherwise relating to or affecting any of their respective assets or business, including without limitation, employment, severance or consulting agreements; loan, bridge loan, credit or security agreements; joint venture agreements and distribution agreements (each, a "Contract"). Each Contract is valid, binding and enforceable against the Company or such subsidiary and, to the Company's Knowledge, the other parties thereto, in accordance with its terms, and in full force and effect on the date hereof. Except as set forth on Schedule 2.11, the Company is not in default or breach under any of the Contracts, nor is any other party thereto in default or breach thereunder, nor are there facts or circumstances which have occurred which, with or without the giving of notice or the passage of time or both, would constitute a default or breach under any of the Contracts.

2.12. Absence of Undisclosed Liabilities

Except as set forth in the Balance Sheet of the Company at September 30, 2006, included inSchedule 2.7, neither the Company nor any of its subsidiaries has any debt, obligation or liability (whether accrued, absolute, contingent, liquidated or otherwise, whether due or to become due, whether or not known to the Company) arising out of any transaction entered into at or prior to the Closing Date, or any act or omission at or prior to the Closing Date, or any state of facts existing at or prior to the Closing Date, including taxes with respect to or based upon the transactions or events occurring at or prior to the Closing Date, and including, without limitation, unfunded past service liabilities under any pension, profit sharing or similar plan, except current liabilities incurred and obligations under agreements entered into, in the usual and ordinary course of business after September 30, 2006, none of which (individually or in the aggregate) could have a Material Adverse Effect.

2.13. Employees

(a) The Company and its subsidiaries are in full compliance with all laws regarding employment, wages, hours, equal opportunity, collective bargaining and payment of social security and other taxes except to the extent that noncompliance would not, in the aggregate, have a Material Adverse Effect. Neither the Company nor any of its subsidiaries is engaged in any unfair labor practice or discriminatory employment practice and no complaint of any such practice against the Company or any subsidiary has been filed or, to the Company's Knowledge, threatened to be filed with or by the National Labor Relations Board, the Equal Employment Opportunity Commission or any other administrative agency, federal or state, that regulates labor or employment practices, nor is any grievance filed or, to the Company's Knowledge, after due inquiry, threatened to be filed, against the Company or any subsidiary by any employee pursuant to any collective bargaining or other employment agreement to which the Company or any subsidiary is a party or is bound. The Company and its subsidiaries are in compliance with all applicable foreign, federal, state and local laws and regulations regarding occupational safety and health standards except to the extent that noncompliance will not have a Material Adverse Effect, and has received no complaints from any foreign, federal, state or local agency or regulatory body alleging violations of any such laws and regulations.

(b) Except as set forth on Schedule 2.13(b), the employment of all Persons and officers employed by the Company or any of its subsidiaries is terminable at will without any penalty or severance obligation of any kind on the part of the employer. All sums due for employee compensation and benefits and all vacation time owing to any employees of the Company or any of its subsidiaries have been duly and adequately accrued on the accounting records of the Company and its subsidiaries. All employees of the Company or any of its subsidiaries are either U.S. citizens or resident aliens specifically authorized to engage in employment in the United States in accordance with all applicable laws.

(c) The Company is not aware that any of the Company's employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of such employee's best efforts to promote the interests of the Company or that would conflict with the Company's business as proposed to be conducted.

(d) The Company is not aware that any officer or key employee, or that any group of key employees, intends to terminate their employment with the Company, nor does the Company have a present intention to terminate the employment of any of such employees.

2.14. Tax Matters

Except as set forth on Schedule 2.14, there are no federal, state, county or local taxes due and payable by the Company or any of its subsidiaries which have not been paid or accounted for on the Balance Sheet of the Company at September 30, 2006, included in Schedule 2.7(a). The provisions for taxes on such Balance Sheet is sufficient for the payment of all accrued and unpaid federal, state, county and local taxes of the Company whether or not assessed or disputed as of the date of such Balance Sheet. Except as set forth on Schedule 2.14, the Company and its subsidiaries have duly filed all federal, state, county and local tax returns required to have been filed by it and there are in effect no waivers of applicable statutes of limitations with respect to taxes for any year. Except as set forth on Schedule 2.14, neither the Company nor any of its subsidiaries has been subject to a federal or state tax audit of any kind.

2.15. Employee Benefit Plans

All "employee benefit plans" (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and all other employee benefits and all other employee benefit arrangements, policies or payroll practices, including, without limitation, any arrangement, policy or payroll practices providing severance pay, bonuses, commissions, profit-sharing, savings, incentive, change of control, parachute, stock purchase, stock options, insurance, deferred compensation, or other similar fringe or employee benefits covering former or current employees of the Company or any of its subsidiaries or under which the Company or any of its subsidiaries has any obligation or liability (each, a "Benefit Arrangement"), are and have been maintained and administered in all material respects in accordance with their express terms and with the requirements of applicable law. Schedule 2.15 lists all Benefit Arrangements. True and complete copies of all Benefit Arrangements have been

provided or made available to the Investors prior to the date hereof. The Company's payment to current or former employees pursuant to the Benefit Arrangements are and have been fully deductible under the Code.

2.16. Intellectual Property

The Company and its subsidiaries own all right, title and interest in and to, or have a valid and enforceable license to use, all the Intellectual Property used by them in connection with the their respective businesses, which represents all intellectual property rights necessary to the conduct of the their business as now conducted and presently contemplated. Furthermore:

(a) Schedule 2.16(a) sets forth a complete and current list of registrations/patents or applications pertaining to the Intellectual Property ("Listed Intellectual Property") and the owner of record, date of application (except with respect to patent applications) or issuance and relevant jurisdiction as to each.

(b) The Company, or a subsidiary, free and clear of security interests, liens, encumbrances or claims of any nature, owns all Listed Intellectual Property.

(c) All Listed Intellectual Property is valid, subsisting, unexpired, in proper form and enforceable and all renewal fees and other maintenance fees that have fallen due on or prior to the effective date of this Agreement have been paid.

(d) Except as set forth on Schedule 2.16(d), no Listed Intellectual Property is the subject of any proceeding before any governmental, registration or other authority in any jurisdiction, including any office action or other form of preliminary or final refusal of registration. The Company warrants that steps have been and are being taken to ensure adequate response and continued prosecution of all such Listed Intellectual Property.

(e) The consummation of the transactions contemplated hereby will not alter or impair any Intellectual Property.

The Company and its subsidiaries are in compliance with all contractual obligations relating to the protection of such of the Intellectual Property as they use pursuant to license or other agreement. Furthermore:

(f) Schedule 2.16(f) sets forth a complete list of all agreements relating to the Intellectual Property or to the right of the Company or a subsidiary to use of the proprietary rights of any third party.

(g) The Company and its subsidiaries are not under any obligation to pay royalties or other payments in connection with any agreement, nor restricted from assigning their rights respecting Intellectual Property nor will the Company or any subsidiary otherwise be, as a result of the execution and delivery of this Agreement or the performance of the Company's obligations under this Agreement, in breach of any agreement relating to the Intellectual Property.

To the Company's Knowledge:

(h) There are no conflicts with or infringements of any of the Intellectual Property by any third party.

(i) The conduct of the business of the Company and its subsidiaries, as currently conducted or contemplated, does not conflict with or infringe any proprietary right of any third party.

(j) Except as disclosed on Schedule 2.16(j), there is no claim, suit, action or proceeding pending or threatened against the Company or any subsidiary: (i) alleging any such conflict or infringement with any third party's proprietary rights; or (ii) challenging the Company's or any subsidiary's ownership or use of, or the validity or enforceability of any of the Intellectual Property.

(k) None of the Intellectual Property has been used, disclosed or appropriated to the detriment of the Company or any subsidiary for the benefit of any Person other than the Company.

(l) The Company's transmission, reproduction, use, display, modification or other practices relating to data or informational content do not infringe or violate any proprietary or other right of any other Person and no claim relating to such infringement or violation is threatened or pending.

To the Company's Knowledge:

(m) No present or former employee, officer or director of the Company or any subsidiary, or agent or outside contractor of the Company or any subsidiary, holds any right, title or interest, directly or indirectly, in whole or in part, in or to any Intellectual Property.

(n) No employee, independent contractor or agent of the Company or any subsidiary has misappropriated any trade secrets or other confidential information of any other Person in the course of the performance of his or her duties as an employee, independent contractor or agent of the Company or any subsidiary.

(o) Any programs, modifications, enhancements or other inventions, improvements, discoveries, methods or works of authorship ("Works") that were created by employees of the Company or any subsidiary were made in the regular course of such employees' employment or service relationships with the Company or its subsidiary using the Company's or the subsidiary's facilities and resources and, as such, constitute works made for hire. Each such employee who has created Works or any employee who in the regular course of his employment may create Works and all consultants have signed an assignment or similar agreement with the Company or the subsidiary confirming the Company's or the subsidiary's ownership or, in the alternate, transferring and assigning to the Company or the subsidiary all right, title and interest in and to such programs, modifications, enhancements or other inventions including copyright and other intellectual property rights therein.

2.17. Software

(a) All of the operating and applications computer software programs and databases used by the Company that are material to the conduct of its business as now conducted and as presently contemplated to be conducted (collectively, the "Software") are listed on Schedule 2.17 hereto. All such Software is commercially available and has been either purchased outright or licensed by the Company.

(b) The Company owns or has valid licenses to use all copies of the Software.

(c) No claim relating to the infringement or violation of any proprietary right is threatened or pending with regard to the Company's use of the Software.

2.18. Title to Tangible Assets

The Company and its subsidiaries have good title to their properties and assets and good title to all their leasehold estates, in each case subject to no mortgage, pledge, lien, lease, encumbrance or charge, other than or resulting from taxes which have not yet become delinquent and minor liens and encumbrances which do not in any case materially detract from the value of the property subject thereto or materially impair the operations of the Company as now conducted and as presently contemplated to be conducted and its subsidiaries and which have not arisen otherwise than in the ordinary course of business.

2.19. Condition of Properties

All facilities, machinery, equipment, fixtures, vehicles and other properties owned, leased or used by the Company and its subsidiaries are in good operating condition and repair, are reasonably fit and usable for the purposes for which they are being used and are presently contemplated to be used, are adequate and sufficient for the Company's or such subsidiary's business as now conducted and as presently contemplated to be conducted and conform in all material respects with all applicable ordinances, regulations and laws, except as where the failure to so conform would not reasonably be expected to have a Material Adverse Effect.

2.20. Insurance

The Company and its subsidiaries and their respective properties are insured in such amounts, against such losses and with such insurers as are prudent when considered in light of the nature of the properties and businesses of the Company as now conducted and as presently contemplated to be conducted. Schedule 2.20 sets forth a true and complete listing of the insurance policies of the Company and its subsidiaries as in effect on the date hereof, including in each case the applicable coverage limits, deductibles and the policy expiration dates. No notice of any termination or threatened termination of any of such policies has been received and such policies are in full force and effect.

2.21. Transactions with Related Parties

Neither the Company nor any subsidiary is a party to any agreement with any of the Company's directors, officers or stockholders or any Affiliate or family member of any of the foregoing under which it: (i) leases any real or personal property (either to or from such Person), (ii) licenses technology (either to or from such Person), (iii) is obligated to purchase any tangible or intangible asset from or sell such asset to such Person, (iv) purchases products or services from such Person (except as disclosed in the following sentence) or (v) has borrowed money from or lent money to such Person. Neither the Company nor any subsidiary employs as an employee or engages as a consultant any of the Company's directors, officers or 5%-or-greater stockholders or family members of any of such persons, except for Jonathan Steinberg, Rayne Steinberg, Bruce Lavine, Marc Ruskin and Jeremy Siegel. Except for the Stockholders' Agreement, dated as of November 10, 2004, among the Company and certain stockholders of the Company, as amended on July 22, 2005 ("Existing Stockholders' Agreement"), which shall be amended and restated as of the date of the closing of the purchase and sale of the Common Stock contemplated hereby, to the Company's Knowledge, there exist no agreements among stockholders of the Company to act in concert with respect to their voting or holding of Company securities.

2.22. Registration Rights

Except as set forth on Schedule 2.22 or as provided by the Second Amended and Restated Registration Rights Agreement, the Company will not, as of the Closing Date, be under any obligation to register any of its securities under the Securities Act.

2.23. Private Offering

Neither the Company nor anyone acting on its behalf shall offer the Shares for issue or sale to, or solicit any offer to acquire any of the same from, anyone so as to bring the issuance and sale of such Shares, or any part thereof, within the provisions of Section 5 of the Securities Act. Based upon the representations of the Investors set forth in Section 3 hereof, the offer, issuance and sale of the Shares is and will be exempt from the registration and prospectus delivery requirements of the Securities Act, and have been registered or qualified (or are exempt from registration and qualification) under the registration, permit or qualification requirements of all applicable state securities laws.

2.24. Brokerage

Except as set forth on Schedule 2.24, there are no claims for brokerage commissions or finder's fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement made by or on behalf of the Company.

2.25. Illegal or Unauthorized Payments; Political Contributions

Neither the Company or any of its subsidiaries nor, to the Company's Knowledge, any of the officers, directors, employees, agents or other representatives of the Company or any

of its subsidiaries or any other business entity or enterprise with which the Company or any subsidiary is or has been affiliated or associated, has, directly or indirectly, made or authorized any payment, contribution or gift of money, property, or services, whether or not in contravention of applicable law, (a) as a kickback or bribe to any Person or (b) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of the Company or any of its subsidiaries.

2.26. Internal Accounting Controls

The Company has established and maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

2.27. Material Facts

This Agreement, the schedules furnished contemporaneously herewith, and the other Transaction Documents, certificates or written statements furnished or to be furnished to the Investors through the Closing Date by or on behalf of the Company in connection with the transactions contemplated hereby taken as a whole, do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein or herein, in light of the circumstances in which they were made, not misleading. There is no fact which is known to the Company and which has not been disclosed herein or otherwise by the Company to the Investors which would reasonably be expected to have a Material Adverse Effect. The materials, information and projections presented to the Investors have been prepared in a good faith effort by the Company to describe the Company's present and proposed products, and projected growth and the Company is not aware of any materially misleading statement or omissions therein. While the projections were made by management in good faith based on factual assumptions believed to be true, no representations are made in respect to the accuracy or reliability of such projections.

2.28. Securities Act Registration

As of the date of this Agreement, the Common Stock is not required to be registered under Section 12 of the Exchange Act.

SECTION 3. REPRESENTATIONS AND WARRANTIES OF THE INVESTORS

Each of the Investors severally represents and warrants to the Company as follows:

(a) Such Investor is acquiring the Shares for its or his own account for investment and not with a view towards the resale, transfer or distribution thereof, nor with any present intention of distributing the Shares, but subject, nevertheless, to any requirement of law that the disposition of such Investor's property shall at all times be within such Investor's control, and without prejudice to such Investor's right at all times to sell or otherwise dispose of all or any part of such securities under a registration under the Securities Act or under an exemption from said registration available under the Securities Act.

(b) Such Investor has full power and legal right to execute and deliver this Agreement and to perform its obligations hereunder.

(c) If such Investor is a limited liability company, limited partnership or corporation, it is a validly existing limited liability company, limited partnership or corporation, as the case may be, duly organized under the laws of its jurisdiction of organization.

(d) Such Investor has taken all action necessary for the authorization, execution, delivery, and performance of this Agreement and its obligations hereunder, and, upon execution and delivery by the Company, this Agreement shall constitute the valid and binding obligation of such Investor, enforceable against such Investor in accordance with its terms, except that such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and general principles of equity.

(e) There are no claims for brokerage commissions or finder's fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement made by or on behalf of such Investor and such Investor agrees to indemnify and hold the Company harmless against any costs or damages incurred as a result of any such claim.

(f) Such Investor is an "accredited investor" within the meaning of Section 2(a)(15) of the Securities Act and Regulation D promulgated thereunder. Such Investor has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its investment in the Company as contemplated by this Agreement, and is able to bear the economic risk of such investment for an indefinite period of time. Such Investor has been furnished access to such information and documents as it has requested and has been afforded an opportunity to ask questions of and receive answers from representatives of the Company concerning the terms and conditions of this Agreement and the purchase of the Shares contemplated hereby.

SECTION 4. COVENANTS

4.1. Resale of Securities

(a) Each of the Investors severally covenants that it will not sell or otherwise transfer the Shares except pursuant to an effective registration under the Securities Act or in a transaction which, in the opinion of counsel reasonably satisfactory to the Company, qualifies as an exempt transaction under the Securities Act and the rules and regulations promulgated thereunder.

(b) The certificates evidencing the Shares will bear the following legend reflecting the foregoing restrictions on the transfer of such securities:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN EXEMPTION FROM REGISTRATION THEREUNDER AND COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS."

In addition, the certificates evidencing the shares purchased by Investors who are parties to the Stockholders Agreement (other than the Principal Investors) shall also bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE ALSO SUBJECT TO ADDITIONAL RESTRICTIONS ON TRANSFER SPECIFIED IN THAT CERTAIN STOCKHOLDERS AGREEMENT, DATED AS OF NOVEMBER 10, 2004, AS AMENDED AND MODIFIED FROM TIME TO TIME, AMONG INDEX DEVELOPMENT PARTNERS, INC. (THE "COMPANY") AND CERTAIN OTHER PARTIES THERETO. A COPY OF SUCH AGREEMENT SHALL BE FURNISHED BY THE COMPANY TO THE HOLDER HEREOF UPON WRITTEN REQUEST AND WITHOUT CHARGE."

4.2. Financial Information. Until such time as the Company is subject to the periodic reporting requirements of the Exchange Act, the Company shall deliver to each of the Investors so long as such Investor Owns any Shares:

(a) Quarterly Statements - as soon as practicable, and in any event within 45 days after the close of each of the first three fiscal quarters of each fiscal year of the Company, a consolidated balance sheet, statement of income, statement of stockholders' equity and statement of cash flows of the Company and any subsidiaries, in each case as at the close of such quarter and covering operations for such quarter, as the case may be, and the portion of the Company's fiscal year ending on the last day of such quarter, all in reasonable detail and prepared in accordance with GAAP, subject to audit and year-end adjustments, setting forth in each case in comparative form the figures for the comparable period of the previous fiscal year.

(b) Annual Statements - as soon as practicable after the end of each fiscal year of the Company, and in any event within 90 days thereafter, a consolidated balance sheet of the Company and any subsidiaries at the end of such year and the related consolidated statements of income, stockholders' equity and cash flows for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and accompanied by an opinion thereon of independent certified public accountants of recognized national standing selected by the Company, which opinion shall state that such financial statements fairly present the financial position of the Company and any subsidiaries on a consolidated basis and have been prepared in accordance with GAAP (except for changes in application in which such accountants concur) and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances, and, solely with respect to Principal Investors, the Company shall also provide comparisons of each pertinent item to the business plan referred to in subsection (d) below.

(c) Business Plan; Projections - no later than 30 days prior to the commencement of each fiscal year of the Company, solely with respect to Principal Investors, an annual business plan of the Company and projections of operating results, prepared on a monthly basis, and a three year business plan of the Company and projections of operating results. Within 45 days of the close of each semi-annual fiscal period of the Company, the Company shall provide the Investors with an update of such monthly projections. Such business plans, projections and updates shall contain such substance and detail and shall be in such form as will be reasonably acceptable to the Principal Investors.

(d) Audit Reports - promptly upon receipt thereof, one copy of each other financial report and internal control letter submitted to the Company by independent accountants in connection with any annual, interim or special audit made by them of the books of the Company.

(e) Requested Information - with reasonable promptness, solely with respect to Principal Investors, such other data and information as from time to time may be reasonably requested.

4.3. Confidentiality

As to so much of the information and other material furnished under or in connection with this Agreement (whether furnished before, on or after the date hereof, including without limitation information furnished pursuant to Section 4.2 hereof) as constitutes or contains confidential business, financial or other information of the Company or any subsidiary, each of the Investors covenants for itself and its directors, officers, members and partners that it will use due care to prevent its officers, directors, members, partners, employees, counsel, accountants and other representatives from disclosing such information to Persons other than their respective authorized employees, counsel, accountants, stockholders, members, partners, limited partners and other authorized representatives; provided, however, that each Investor may disclose or deliver any information or other material disclosed to or received by it should such

Investor be advised by its counsel that such disclosure or delivery is required by law, regulation or judicial or administrative order. In the event of any termination of this Agreement prior to the Closing Date, each Investor shall return to the Company all confidential material previously furnished to such Investor or its officers, directors, partners, employees, counsel, accountants and other representatives in connection with this transaction. For purposes of this Section 4.3, "due care" means at least the same level of care that such Investor would use to protect the confidentiality of its own sensitive or proprietary information, and this obligation shall survive termination of this Agreement.

4.4. Conduct of Business and Maintenance of Existence

The Company will continue to engage in business of the same general type as now conducted or as presently contemplated by it, and preserve, renew and keep in full force and effect its corporate existence and take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business. The Company shall require all of its employees or consultants to enter into appropriate confidentiality agreements to protect confidential information relating to the Company and its business, including trade secrets.

4.5. Compliance with Laws

The Company and its subsidiaries will comply in all material respects with all applicable laws, rules, regulations and orders except where the failure to comply would not have a Material Adverse Effect.

4.6. Keeping of Books

The Company will keep proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Company and its subsidiaries in accordance with GAAP.

4.7. Lost, etc. Certificates Evidencing Shares; Exchange

Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of any certificate evidencing any Shares owned by one of the Investors, and (in the case of loss, theft or destruction) of an unsecured indemnity satisfactory to it, and upon reimbursement to the Company of all reasonable expenses incidental thereto, and upon surrender and cancellation of such certificate, if mutilated, the Company will make and deliver in lieu of such certificate a new certificate of like tenor and for the number of shares evidenced by such certificate which remain outstanding. Such Investor's agreement of indemnity shall constitute indemnity satisfactory to the Company for purposes of this Section 4.7. Upon surrender of any certificate representing any Shares for exchange at the office of the Company, the Company at its expense will cause to be issued in exchange therefor new certificates in such denomination or denominations as may be requested for the same aggregate number of Shares represented by the certificate so surrendered and registered as such holder may request. The Company will also pay the cost of all deliveries of certificates for such shares to the office of such Investor (including the cost of insurance against loss or theft in an amount satisfactory to the holders) upon any exchange provided for in this Section 4.7.

4.8. Securities Exchange Act Filings

If the board of directors of the Company determines that the Common Stock should be registered under the Exchange Act, the Company will use commercially reasonable efforts to prepare and file a Form 10 Registration Statement within 120 days of the determination by the board of directors. At such time as the Company is required by law to do so, the Company shall file a Form 10 Registration Statement.

4.9. Subscription Right.

(a) If at any time after the date hereof and prior to the date that the Company's Common Stock has been (i) registered under Section 12 of the Exchange Act and (ii) either listed on the New York Stock Exchange or the Nasdaq Global Market (formerly the Nasdaq National Market), the Company proposes to issue equity securities of any kind (for purposes of this Section 4.9, the term "equity securities" shall include any warrants, options or other rights to acquire equity securities and debt securities convertible into equity securities) of the Company (other than the issuance of securities (i) to the public in a firm commitment underwriting pursuant to a registration statement filed under the Securities Act, (ii) pursuant to the acquisition of another Person by the Company, whether by purchase of stock, merger, consolidation, purchase of all or substantially all of the assets of such Person or otherwise, (iii) pursuant to an employee stock option plan, stock bonus plan, stock purchase plan or other director, management or employee equity program, whether for a group or individual, (iv) to vendors and customers of and consultants to the Company unless they are issued in consideration for goods or services provided to the Company or for purchasing services provided by the Company, or (v) pursuant to the indemnification provisions of Section 5 of this Agreement, Section 5 of the Securities Purchase Agreement, dated as of November 10, 2004, or Section 5 of the Securities Purchase Agreement, dated as of July 22, 2005, each among the Company and the investor parties to such Securities Purchase Agreement), then, as to each Investor, the Company shall:

(i) give written notice setting forth in reasonable detail (1) the designation and all of the terms and provisions of the securities proposed to be issued (the "Proposed Securities"), including, where applicable, the voting powers, preferences and relative participating, optional or other special rights, and the qualification, limitations or restrictions thereof and interest rate and maturity; (2) the price and other terms of the proposed sale of such securities; (3) the amount of such securities proposed to be issued; and (4) such other information as the Investors may reasonably request in order to evaluate the proposed issuance; and

(ii) offer to issue to each such Investor a portion of the Proposed Securities equal to a percentage determined by dividing (x) the number of shares of Common Stock Owned by such Investor, by (y) the total number of shares of Common Stock outstanding on a fully diluted basis (i.e., including for purposes of calculating outstanding shares, all shares of Common Stock underlying all outstanding warrants, options or other rights to acquire Common Stock and all outstanding securities exchangeable or convertible into Common Stock).

(b) Each such Investor must exercise his or its purchase rights hereunder within ten (10) days after receipt of such notice from the Company. Thereafter, the Company shall offer to each Investor who has exercised in full his or its right to purchase a portion of the Proposed Securities in the first offer to Investors made by the Company under this Section 4.8 (each a "Subscribing Investor"), the right to purchase a portion of the balance of the Proposed Securities initially offered to Investors pursuant to Section 4.9(a)(ii), but not subscribed for, that is equal to the percentage determined by dividing (x) the number of shares of Common Stock Owned by such Subscribing Investor, by (y) the total number of shares of Common Stock owned by all Subscribing Investors. The Subscribing Investors must exercise this re-offer within five (5) days after receipt such re-offer. To the extent that the Company offers two or more securities in units, Subscribing Investors must purchase such units as a whole and will not be given the opportunity to purchase only one of the securities making up such unit.

(c) Upon the expiration of the offering periods described above, the Company will be free to sell such Proposed Securities that such Investors have not elected to purchase during the one hundred and twenty (120) days following such expiration on terms and conditions no more favorable to the purchasers thereof than those offered to such holders. Any Proposed Securities offered or sold by the Company after such one hundred and twenty (120)-day period must be reoffered to such Investors pursuant to this Section 4.9.

(d) The election by an Investor not to exercise his or its subscription rights under this Section 4.9 in any one instance shall not affect his or its right (other than in respect of a reduction in his or its percentage holdings) as to any subsequent proposed issuance. Any sale of such securities by the Company without first giving Investors the rights described in this Section 4.9 shall be void and of no force and effect.

(e) Solely for purposes of this Section 4.9, each of the Prior Investors shall be deemed an Investor and entitled to all rights and obligations pertaining to Investors in this Section 4.9, which all Investors and Prior Investors agree shall supersede Section 4.9 of the Stock Purchase Agreement, dated as of July 22, 2005, among the Company, certain of the Investors and the Prior Investors.

4.10. Closing Deliveries

The parties to this Agreement designate Graubard Miller, counsel to the Company, as the depository to receive and distribute the following items:

(a) executed counterpart signature pages to this Agreement from all parties hereto (for distribution to all parties following the closing);

(b) the Purchase Price from each Investors for its or his Shares (for remittance to the Company following the closing);

(c) executed counterpart signature pages to the Second Amended and Restated Registration Rights Agreement, the form of which is attached as Exhibit C hereto

(the "Registration Rights Agreement") (for distribution to all parties thereto following the closing);

(d) executed opinions by Company counsel substantially in the form of Exhibit D hereto (for distribution to all Investors following the closing);

(e) executed counterpart signature pages to the Amended and Restated Stockholders' Agreement, the form of which is attached as Exhibit E hereto (the "Stockholders' Agreement") (for distribution to all parties thereto following the closing); and

(f) stock certificates, duly registered in each Investor's name, evidencing the Shares being purchased by such Investor (for distribution to each Investor as appropriate following the closing).

The Purchase Price to be paid by each Investor shall be sent to Graubard Miller in accordance with the following instructions:

Deutsche Bank for the Americas
280 Park Avenue
New York, New York 10017
ABA #********
Attn.: Florence Blanchard

For further credit to
Graubard Miller
Attorney Trust Account - IOLA Funds
Account No. ********

Upon Graubard Miller's receipt of each of the items listed above (other than the stock certificates which may be received subsequent to the closing), the closing shall be deemed to have occurred and it shall distribute the documents as indicated above and remit the Purchase Price to the Company. The failure of any Investor to deliver executed documents or the Purchase Price to be paid by such Investor shall not invalidate the effectiveness of this Agreement as to the other parties.

4.11. Right of Principal Investors to Designate a Director or Observer

As long any Principal Investor shall Own at least fifty (50%) percent of the shares of Common Stock such Principal Investor Owns immediately following the closing of the purchase and sale of the Common Stock hereunder, such Principal Investor shall have the right to require the Company to, and upon receipt of written notice from such Principal Investor, the Company shall, in each case in accordance with such notice, either (i) appoint a designee of such Principal Investor, reasonably acceptable to the Board of Directors of the Company, as a member of the Board of Directors of the Company, or (b) permit such Principal Investor to designate an observer, reasonably acceptable to the Board of Directors of the Company and subject to such person entering into a confidentiality agreement with the Company reasonably acceptable to the Company, to receive notice of and materials delivered to members of the Board of Directors at

the same time as delivered to such members and to attend and observe each meeting of the Board of Directors. If such Principal Investor has elected to require the Company to appoint a designee to the Board of Directors, the Company agrees to enter into an Indemnification Agreement with such director in form and substance identical to the Indemnification Agreement between the Company and Frank Salerno, the last director appointed to the Board of Directors of the Company. In addition, the Company will use commercially reasonable efforts to maintain a liability insurance policy affording coverage for the acts of its officers and directors and will include such Principal Investor's designee as an insured under such policy. If a Principal Investor has elected to designate an observer, reasonably acceptable to the Board of Directors of the Company to attend and observe meetings of the Board of Directors, the Company shall give such designee notice of each such meeting and provide such designee with an agenda and written materials to be considered at such meeting no later than it gives such notice and provides such items to the other directors. By way of example and not of limitation, each Principal Investor agrees that the Board of Directors would be acting within its reasonable discretion if it determined that a designee designated by a Principal Investor as a director or observer was unacceptable if, in the opinion of counsel to the Company, the Company would be required to make disclosure pursuant to Item 401(f) of Regulation S-K promulgated by the SEC if such designee or observer were a director of the Company and the Company was filing a registration statement on Form S-1 with the Securities and Exchange Commission. The parties agree that whether a designee to the Board of Directors made by either of the Principal Investors would be "independent" shall not be a factor in a determination of whether such designee to the Board of Directors is reasonably acceptable.

4.12. Right of Prior Principal Investors to Designate a Director or Observer

As long any Prior Principal Investor shall Own at least 10,000,000 shares of Common Stock, such Prior Principal Investor shall have the right to require the Company to, and upon receipt of written notice from such Prior Principal Investor, the Company shall, in each case in accordance with such notice, either (i) appoint a designee of such Prior Principal Investor, reasonably acceptable to the Board of Directors of the Company, as a member of the Board of Directors of the Company, or (b) permit such Prior Principal Investor to designate an observer, reasonably acceptable to the Board of Directors of the Company and subject to such person entering into a confidentiality agreement with the Company reasonably acceptable to the Company, to receive notice of and materials delivered to members of the Board of Directors at the same time as delivered to such members and to attend and observe each meeting of the Board of Directors. If such Prior Principal Investor has elected to require the Company to appoint a designee to the Board of Directors, the Company agrees to enter into an Indemnification Agreement with such director in form and substance identical to the Indemnification Agreement between the Company and Frank Salerno, the last director appointed to the Board of Directors of the Company. In addition, the Company will use commercially reasonable efforts to maintain a liability insurance policy affording coverage for the acts of its officers and directors and will include such Prior Principal Investor's designee as an insured under such policy. If a Prior Principal Investor has elected to designate an observer, reasonably acceptable to the Board of Directors of the Company to attend and observe meetings of the Board of Directors, the Company shall give such designee notice of each such meeting and provide such designee with an agenda and written materials to be considered at such meeting no later than it gives such

notice and provides such items to the other directors. By way of example and not of limitation, each Prior Principal Investor agrees that the Board of Directors would be acting within its reasonable discretion if it determined that a designee designated by a Principal Investor as a director or observer was unacceptable if, in the opinion of counsel to the Company, the Company would be required to make disclosure pursuant to Item 401(f) of Regulation S-K promulgated by the Securities and Exchange Commission if such designee or observer were a director of the Company and the Company was filing a registration statement on Form S-1 with the Securities and Exchange Commission. Notwithstanding anything in this Section 4.12 to the contrary, each of James D. Robinson, IV and Michael Steinhardt are acceptable designees as either directors of the Company or as observers. Further, whether a designee to the Board of Directors made by either of the Prior Principal Investors would be "independent" shall not be a factor in a determination of whether a designee to the Board of Directors by a Prior Principal Investor is reasonably acceptable.

4.13. Board Committees

(a) The Board of Directors of the Company shall at all times maintain a duly constituted Audit Committee and Compensation Committee (the "Required Committees"), comprising solely of "independent directors" (as described in Section 4.11 and as defined by applicable rules and regulations of the SEC). The Board of Directors of the Company shall adopt charters for each of the Required Committees within ninety (90) days following the closing of the purchase and sale of the Common Stock hereunder. In addition to any other matters delegated by the Board of Directors, the charter for the Compensation Committee shall state that the Compensation Committee shall have the primary decision-making authority, subject to the superseding authority of the Board of Directors unless such superseding authority is prohibited by the rules and regulations of the SEC or the listing standards of the national securities exchange upon which the Common Stock is then listed, with respect to the following: (i) the Company's equity compensation plans, (ii) any grants or awards under such plans, (iv) any bonus pool and (v) the compensation of the Company's executive officers. If included in the Compensation Committee's charter, but without any obligation that the charter must include such a provision, the Compensation Committee also shall have the primary decision-making authority, subject to the superseding authority of the Board of Directors unless such superseding authority is prohibited by the rules and regulations of the SEC or the listing standards of the national securities exchange upon which the Common Stock is then listed, with respect to the compensation of other key employees (e.g., heads of sales/marketing, chief technology officer, chief compliance officer). The Audit Committee shall have such oversight as is customary for such a committee on a public company board of directors.

(b) If AIG's designee for a director has been appointed to the Board of Directors and would be considered an "independent" director under the (i) listing standards of the standards of the national securities exchange upon which the Common Stock were then listed and (ii) any applicable rules and regulations of the SEC relating to the independence of members of committee of the Board of Directors, and AIG so elects, the Company shall be required to promptly appoint AIG's designee a member of each Required Committee. If AIG does not elect to require the Company to have its designee appointed a member of any of the

Required Committees, such designee shall be entitled to receive notice of and materials delivered to members of such Required Committee at the same time as delivered to such members and permitted to attend and observe each meeting of such Required Committee. If AIG has not elected to have a designee appointed to the Board of Directors, but rather designate an observer, such observer will similarly be entitled to receive notice of and materials delivered to members of such Required Committee at the same time as delivered to such members and to attend and observe each meeting of each Required Committee.

SECTION 5. INDEMNIFICATION

5.1. Indemnification by the Company

For the time periods and subject to the limitations and conditions set forth below or elsewhere in this Section 5, the Company agrees to indemnify and hold harmless and defend each Investor and its respective successors and permitted assigns and its respective officers, directors, employees, representatives, attorneys, consultants and agents (individually a "Investor Indemnified Party" and collectively, the "Investor Indemnified Parties") from and against all losses, claims, damages, costs, expenses or other liabilities (including reasonable attorney's fees and reasonable expenses and expenses of investigation and defense) (collectively, "Losses") that are sustained or incurred by any of the Investor Indemnified Parties by reason of, resulting from or arising out of all or any of the following:

(a) any material misrepresentation, breach or inaccuracy or omission from any representation or warranty of the Company contained in this Agreement or in any Transaction Document (without regard to any Material Adverse Effect or materiality qualification); or

(b) any material breach or nonfulfillment of any agreement or covenant by the Company or any of its subsidiaries of its covenants, agreements or other obligations contained in this Agreement or in any Transaction Document.

5.2. Survival

The representations and warranties given or made in this Agreement or in any certificate or writing furnished in connection herewith shall survive the Closing until sixty (60) days after the expiration of the applicable statute of limitations and shall thereafter terminate and be of no further force or effect, except any representation or warranty as to which a claim for indemnification shall have been asserted during the survival period shall continue in effect with respect to such claim until such claim shall have been finally resolved or settled; provided, however, that the representations and warranties in Sections 2.1, 2.2., 2.3, 2.4 and 2.5 shall survive the Closing indefinitely.

5.3. Certain Limitations

(a) The Company shall not have any liability under Section 5.1(a) unless and until the aggregate amount of the Losses to all Investors under Section 5.1(a) exceeds $100,000 and then only with respect to such aggregate Losses in excess of $100,000.

(b) The aggregate amount of liability of the Company under this Section 5 to any one Investor shall not exceed the aggregate Purchase Price for the Shares purchased by such Investor and the aggregate amount of liability of the Company under this Section 5 to all of the Investors shall not exceed the aggregate Purchase Price for the Shares purchased by all of the Investors.

5.4. Claims Procedure

Except with respect to third party claims, actions or suits covered by Section 5.3, any Investor Indemnified Party who wishes to make a claim for indemnification for a Loss pursuant to Sections 5.1, as applicable (an "Indemnified Party"), shall give written notice to each Person from whom indemnification is being claimed (an "Indemnifying Party") with reasonable promptness after the Indemnified Party's discovery of the facts and circumstances giving rise to the indemnification claim. The Indemnified Party shall supply the Indemnifying Party such information and documents as it has in its possession regarding such claim, together with all pertinent information in its possession regarding the amount of the Loss it asserts it has sustained or incurred, and will permit the Indemnifying Party to inspect such other records and books in the possession of the Indemnified Party and relating to the claim and asserted Loss as the Indemnifying Party shall reasonably request. The Indemnifying Party shall have a period of 30 days after receipt by the Indemnifying Party of such notice and such evidence to either (i) agree to the payment of the Loss to the Indemnified Party or (ii) contest the payment of the Loss. If the Indemnifying Party does not contest the payment of the Loss within such 30 day period, the Indemnifying Party shall be deemed to have accepted all of the Loss. If the Indemnifying Party agrees to the payment of the Loss or has been deemed to have accepted all of the Loss, then the Indemnifying Party shall, within 10 business days after such agreement or acceptance, pay to the Indemnified Party the amount of the Loss that is payable pursuant to, and subject to the limitations set forth in this Agreement. The failure to give the notice referred to herein with reasonable promptness shall not relieve the Indemnifying Party of its indemnification obligations hereunder except to the extent that the Indemnifying Party is actually prejudiced as a result of the failure to give such notice.

5.5. Third Party Claims

(a) If any claim, action at law or suit in equity is instituted by a third party against an Indemnified Party with respect to which an Indemnified Party intends to claim indemnification for any Losses under Sections 5.1, such Indemnified Party shall give written notice to the Indemnifying Party of such claim, action or suit with reasonable promptness. The failure to give the notice required by this Section 5.3 with reasonable promptness shall not relieve the Indemnifying Party of its indemnification obligations hereunder except to the extent that the Indemnifying Party is actually prejudiced as a result of the failure to give such notice.

(b) The Indemnifying Party shall have the right to conduct and control, through counsel of its choosing, which is reasonably acceptable to the Indemnified Party, the defense of such third party action or suit and shall do so in good faith; provided, however, that the Indemnified Party may participate at its own expense, with counsel of its choosing, in the

defense of such third party action or suit although such action or suit shall be controlled by the Indemnifying Party. If the Indemnifying Party does not notify the Indemnified Party that it is assuming the right to conduct and control the defense of such third party action or suit when it delivers the initial notice of the third party claim, the Indemnified Party shall have the right, at the expense of the Indemnifying Party, to conduct and control, through counsel of its choosing, the defense of such third party action or suit and shall do so in good faith; provided, however, that the Indemnifying Party may participate at its own expense, with counsel of its choosing, which is reasonably acceptable to the Indemnified Party, in the defense of such third party action or suit although such action or suit shall be controlled by the Indemnified Party.

(c) The Indemnified Party and the Indemnifying Party shall cooperate with each other to the fullest extent possible in regard to all matters relating to the third-party claim, including, without limitation, corrective actions required by applicable Law, assertion of defenses, the determination, mitigation, negotiation and settlement of all amounts, costs, actions, penalties, damages and the like related thereto, access to the books and records of the Company and its Subsidiaries, and, if necessary, providing the party controlling the defense of the third party claim and its counsel with any powers of attorney or other documents required to permit the party controlling the defense of the third party claim and its counsel to act on behalf of the other party.

(d) Neither the Indemnified Party nor the Indemnifying Party shall settle any such third party claim without the consent of the other party, which consent shall not be unreasonably withheld; provided, however, that if such settlement involves the payment of money only and the release of all claims and the Indemnified Party is completely indemnified therefor and nonetheless refuses to consent to such settlement, the Indemnifying Party shall cease to be obligated for such third party claim. Any compromise or settlement of the claim under this Section 5.5 shall include as an unconditional term thereof the giving by the claimant in question to the Indemnifying Party and the Indemnified Party of a release of all liabilities in respect of such claims.

5.6. Payment of Losses

The parties hereby agree that Losses incurred under Section 5.1 shall be paid to any Investor Indemnified Party in cash or, upon mutual agreement of the Company and the Investor Indemnified Party, in Common Stock at the fair market value of such Common Stock as of the date such claim is resolved (as determined by the Board of Directors of the Company). Any payment of Losses pursuant to this Section 5 shall be treated as an adjustment to the Purchase Price for Tax purposes.

5.7. Rights Additive; Other Actions

Notwithstanding anything in this Section 5 to the contrary, the indemnification rights and protections of this Section 5 shall be additive to the rights of each Investor as against the Company and nothing in this Section 5 shall be deemed to preclude any Investor from taking any action against the Company with respect to any Loss of such Investor.

SECTION 6. INTERPRETATION OF THIS AGREEMENT

6.1. Terms Defined

As used in this Agreement, the following terms have the respective meanings set forth below or set forth in the Section hereof following such term:

AIG: shall mean AIG Global Asset Management Holding Corp., a Principal Investor.

Affiliate: means (a) with respect to any entity, any Person or entity, directly or indirectly, controlling, controlled by or under common control with such Person or entity or (b) with respect to a Person, any individual who is an officer, director, stockholder, employee, partner or member of such Person or an individual who is related by blood, marriage or adoption to any of the foregoing.

Agreement: shall mean this Securities Purchase Agreement among the Company and the Investors.

Benefit Arrangement: shall have the meaning set forth in Section 2.15.

Business Day: shall mean a day other than a Saturday, Sunday or other day on which banks in the State of New York are required or authorized to close.

Closing Date: shall have the meaning set forth in Section 1.1.

Code: shall mean the Internal Revenue Code of 1986, as amended.

Common Stock: shall have the meaning set forth in Section 1.1.

Company: shall have the meaning set forth in the Preamble.

Company Stock Indexes: shall have the meaning set forth in the Preamble.

Contract: shall have the meaning set forth in Section 2.11.

ERISA: shall have the meaning set forth in Section 2.15.

Exchange Act: shall mean the Securities Exchange Act of 1934, as amended.

Existing Stockholders' Agreement: shall have the meaning set forth in Section 2.21 (true and correct copies of which are annexed as part of Schedule 2.3(c)(ii).

GAAP: shall have the meaning set forth in Section 2.7.

Indemnified Party: shall have the meaning set forth in Section 5.4.

Indemnifying Party: shall have the meaning set forth in Section 5.4.

Intellectual Property: shall mean all of the following, owned or used in the current or contemplated business of the Company or any subsidiary: (i) trademarks and service marks, trade dress, product configurations, trade names and other indications of origin, applications or registrations in any jurisdiction pertaining to the foregoing and all goodwill associated therewith; (ii) patentable inventions, discoveries, improvements, ideas, know-how, formula methodology, processes, technology, software (including password unprotected interpretive code or source code, object code, development documentation, programming tools, drawings, specifications and data) and applications and patents in any jurisdiction pertaining to the foregoing, including re-issues, continuations, divisions, continuations-in-part, renewals or extensions; (iii) trade secrets, including confidential information and the right in any jurisdiction to limit the use or disclosure thereof; (iv) copyrights in writings, designs software, mask works or other works, applications or registrations in any jurisdiction for the foregoing and all moral rights related thereto; (v) database rights; (vi) Internet Web sites, domain names and applications and registrations pertaining thereto and all intellectual property used in connection with or contained in all versions of the Company's Web sites; (vii) rights under all agreements relating to the foregoing; (viii) books and records pertaining to the foregoing; and (ix) claims or causes of action arising out of or related to past, present or future infringement or misappropriation of the foregoing.

Investors: shall have the meaning set forth in the Preamble.

Investor Indemnified Party: shall have the meaning set forth in Section 5.1.

Investor Indemnified Parties: shall have the meaning set forth in Section 5.1.

Investors: shall have the meaning set forth in the Preamble.

Key Agreements and Instruments: shall have the meaning set forth in Section 2.6.

Knowledge or Awareness: shall mean the knowledge of such individual (or, if an entity, the executive officers of such entity) and the knowledge a reasonable person in such position, ownership or authority should have known.

Listed Intellectual Property: shall have the meaning set forth in Section 2.16.

Losses: shall have the meaning set forth in Section 5.1.

Material Adverse Effect: shall have the meaning set forth in Section 2.1(c).

Organizational Documents: shall have the meaning set forth in Section 2.1(a).

Own, Owns or Owned: shall mean beneficial ownership, assuming the conversion of all outstanding securities convertible into Common Stock and the exercise of all outstanding options and warrants to acquire Common Stock.

Person: shall mean an individual, partnership, joint-stock company, corporation, limited liability company, trust or unincorporated organization, and a government or agency or political subdivision thereof.

Preferred Stock: shall have the meaning set forth in Section 2.3(a).

Principal Investor: shall mean each of AIG and James Manley.

Prior Principal Investor: shall mean each of Michael Steinhardt and collectively, RRE Ventures III-A, L.P., RRE Ventures Fund III, L.P., and RRE Ventures III, L.P

Purchase Price: shall have the meaning set forth in Section 1.1.

Registration Rights Agreement: shall have the meaning set forth in Section 4.10.

Reregistration Date: shall mean the effective date of a filing on Form 10 of the Exchange Act or a registration statement under the Securities Act by the Company after the date hereof.

SEC: shall mean the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

Securities Act: shall mean the Securities Act of 1933, as amended.

Shares: shall have the meaning set forth in Section 1.1.

Software: shall have the meaning set forth in Section 2.17(a).

Stockholders' Agreement: shall have the meaning set forth in Section 4.10(e).

subsidiary: shall mean a corporation of which a Person owns, directly or indirectly, more than 50% of the securities of any class or classes of a corporation the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the corporate directors (or Persons performing similar functions).

Transaction Documents: shall mean this Agreement, the Registration Rights Agreement and the Stockholders' Agreement.

Works: shall have the meaning set forth in Section 2.16(o).

2006 Financials: shall have the meaning set forth in Section 2.7.

6.2. Accounting Principles

Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, this shall be done in accordance with

GAAP at the time in effect, to the extent applicable, except where such principles are inconsistent with the requirements of this Agreement.

6.3. Directly or Indirectly

Where any provision in this Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

6.4. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

6.5. Paragraph and Section Headings

The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof.

SECTION 7. MISCELLANEOUS

7.1. Notices

(a) All communications under this Agreement shall be in writing and shall be delivered by hand or facsimile or mailed by overnight courier or by registered mail or certified mail, postage prepaid:

(i) if to an Investor, at the address or facsimile number set forth on Schedule 2.1 hereto, or at such other address or facsimile number as the Investor may have furnished the Company in writing; and, in the case of either Principal Investor, with a copy in the case of AIG Global Asset Management Holding Corp., to AIG Global Investment Group, 599 Lexington Avenue, 25th Floor, New York, NY 10022 (Fax: (646) 735-0799), Attention: Kevin Dibble, Esq., Vice President and Assistant General Counsel, AND Goodwin Procter, 901 New York Avenue, N.W., Washington, D.C. 20001 (facsimile: (202) 346-4444), Attention: James Hutchinson, Esq., and in the case of James Manley, to Satterlee Stephens Burke & Burke LLP, 230 Park Avenue, New York, New York 10169 (Fax: (212) 818-9606), Attention: Edwin T. Markham, Esq.

(ii) if to the Company, at: 48 Wall Street, Suite 1100, New York, NY 10005 (facsimile: (212) 918-4581), or at such other address or facsimile number as it may have furnished the Investors in writing, with a copy to Graubard Miller, The Chrysler Building, 405 Lexington Avenue, New York, NY 10174 (facsimile: (212) 818-8881), Attention: Peter M. Ziemba, Esq.

(b) Any notice so addressed shall be deemed to be given: if delivered by hand or facsimile, on the date of such delivery; if mailed by overnight courier, on the first

business day following the date of such mailing; and if mailed by registered or certified mail, on the third business day after the date of such mailing.

7.2. Expenses and Taxes

(a) Each of the parties hereto shall bear their own expenses incurred in connection with its or his investment in the Company.

(b) The Company will pay, and save and hold the Investors harmless from any and all liabilities (including interest and penalties) with respect to, or resulting from any delay or failure in paying, stamp and other taxes (other than income and similar taxes), if any, which may be payable or determined to be payable on the execution and delivery or acquisition of the Shares.

7.3. Reproduction of Documents

This Agreement and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications which may hereafter be executed, (b) documents received by the Investors on the Closing Date (except for certificates evidencing the Shares themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to the Investors, may be reproduced by any Investor by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process and any Investor may destroy any original document so reproduced. All parties hereto agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by an Investor in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

7.4. Successors and Assigns

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties. Each of the Prior Principal Investors shall be a third-party beneficiary of this Agreement with respect to Section 4.12.

7.5. Entire Agreement; Amendment and Waiver

This Agreement and the agreements attached as Exhibits hereto constitute the entire understandings of the parties hereto and supersede all prior agreements or understandings with respect to the subject matter hereof and thereof among such parties. This Agreement may be amended, and the observance of any term of this Agreement may be waived, with (and only with) the written consent of the Company and the Investors.

7.6. Severability

In the event that any part or parts of this Agreement shall be held illegal or unenforceable by any court or administrative body of competent jurisdiction, such determination

shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

7.7. Remedies

Each Investor shall have all rights and remedies set forth in this Agreement and the other Transaction Documents and all of the rights that each Investor has under any law. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any Person having any rights under this Agreement may in its sole discretion apply to any court of law or equity of competent jurisdiction (without posting any bond or other security) for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

7.8. Jurisdiction and Venue

(a) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself or himself and its or his property, to the exclusive jurisdiction of any New York state court sitting in New York county or federal court of the United States of America sitting in New York county, and any appellate court presiding thereover, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereunder or thereunder or for recognition or enforcement of any judgment relating thereto, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in any such New York state court or, to the extent permitted by law, in any such federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(b) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it or he may legally and effectively do so, any objection that it or he may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereunder or thereunder in any state or federal court sitting in New York county. Each of the parties hereto irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) The parties hereto further agree that the notice of any process required by any such court in the manner set forth in Section 7.1 shall constitute valid and lawful service of process against them, without the necessity for service by any other means provided by law.

7.9. Waiver of Jury Trial.

THE COMPANY, THE INITIAL STOCKHOLDERS AND THE INVESTORS HEREBY WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS AGREEMENT OR THE VALIDITY, PROTECTION,

INTERPRETATION OR ENFORCEMENT THEREOF. THE COMPANY AND THE INVESTOR AGREE THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS AGREEMENT AND WOULD NOT ENTER INTO THIS AGREEMENT IF THIS SECTION WERE NOT PART OF THIS AGREEMENT.

7.10. Counterparts

This Agreement may be executed in two or more counterparts (including by facsimile), each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

7.11. Public Announcements

Without the prior consent of each Principal Investor, the Company shall not use or disclose the name of such Principal Investor (or any derivative thereof) in any public announcement, press release or marketing materials, unless required by applicable law or court order.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed as of the date first above written.

[Counterpart Signature Pages follow]

Exhibit 4.4

This Securities Purchase Agreement (the "Agreement") contains representations and warranties that the investors hereto (the "Investors") and WisdomTree Investments, Inc. ("WisdomTree") made to each other. These representations and warranties were made only for the purposes of the signing of the Agreement and solely for the benefit of the Investor and WisdomTree as of specific dates, may be subject to important limitations and qualifications agreed to by the Investors and WisdomTree in connection with the signing of the Agreement, and may not be complete. Furthermore, these representations and warranties may have been made for the purposes of allocating contractual risk between the Investors and WisdomTree instead of establishing these matters as facts, and may or may not have been accurate as of any specific date and do not purport to be accurate as of the date of the filing of the Agreement by WisdomTree with the Securities and Exchange Commission. Accordingly, you should not rely upon the representations and warranties contained in the Agreement as characterizations of the actual state of facts, since they were intended to be for the benefit of, and to be limited to, the Investors and WisdomTree.

Execution Copy

SECURITIES PURCHASE AGREEMENT

among

WisdomTree Investments, Inc.

and

Certain Investors

As of October 15, 2009

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SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (the "Agreement") is made as of October 15, 2009 by and among

(i) WisdomTree Investments, Inc., a Delaware corporation (the "Company"),

(ii) each Person whose name appears on Schedule I and who has a dollar amount other than "0" set forth across such Person's name in the column entitled "Purchase Price" on Schedule I (individually, as "Investor" and collectively, the "Investors"), and

(iii) each other Persons whose name appears on Schedule I and who has "0" set forth across such Person's name in the column entitled "Purchase Price" on Schedule I (which Persons are parties hereto to confirm their agreement to, and receive the benefits of, certain provisions of this Agreement, all as set forth with particularity in those provisions) (the "Prior Investors").

Capitalized terms used herein but not otherwise defined have the meaning set forth in Section 6.1.

RECITALS:

WHEREAS, the Company is an exchange traded fund sponsor and index developer using its own fundamentally weighted index methodology, which also licenses its indexes to third parties for proprietary products and offers a platform to promote the use of WisdomTree ETFs in 401(k) plans; and

WHEREAS, the Company considers this Agreement to be in its best interests and in the best interests of its stockholders.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. PURCHASE AND SALE OF SECURITIES

1.1. Initial Issuance of Common Stock

Subject to the terms and conditions set forth in this Agreement and in reliance upon the Company's and the Investors' representations set forth below, at the Closing (as defined in Section 4.10), the Company shall sell to the Investors severally and not jointly, and the Investors shall purchase from the Company severally and not jointly, the number of shares of common stock, par value $0.01 per share (the "Common Stock"), and at the aggregate cash purchase prices (each a "Purchase Price"), set forth opposite their respective names on Schedule I (such shares, collectively, the "Shares"). The Company's agreements with each of the Investors are separate agreements, and the sales to each of the Investors are separate sales. No Investor shall be responsible for the failure by any other Investor to perform its obligations

under this Agreement and the sale to any Investor shall not be conditioned upon a sale to any other Investor.

SECTION 2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to the Investors that, except as set forth on the correspondingly numbered section of the Disclosure Schedule delivered to the Investors in connection herewith:

2.1. Corporate Organization

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Attached hereto as Exhibits A and B, respectively, are true and complete copies of the Amended and Restated Certificate of Incorporation and Bylaws of the Company, as amended through the date hereof (collectively, the "Organizational Documents").

(b) The Company has all requisite power and authority to own its properties and to carry on its business as now conducted and as presently contemplated to be conducted. The Company has all requisite power and authority to execute and deliver the Transaction Documents and to perform its obligations hereunder and thereunder.

(c) The Company has filed all necessary documents to qualify to do business as a foreign corporation in, and the Company is in good standing under the laws of, each jurisdiction in which the conduct of the Company's business as now conducted and as presently contemplated to be conducted or the nature of the property owned requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, properties, assets, liabilities, prospects, results of operations or condition (financial or otherwise) of the Company and its subsidiaries taken as a whole (a "Material Adverse Effect").

2.2. Subsidiaries

Except as set forth on Schedule 2.2, the Company has no subsidiaries and no interests or investments in any partnership, trust or other entity or organization. Each subsidiary of the Company listed on Schedule 2.2 has been duly incorporated, is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has the corporate power and authority to own its properties and to conduct its business and is duly registered, qualified and authorized to transact business and is in good standing in each jurisdiction in which the conduct of its business or the nature of its properties requires such registration, qualification or authorization, except where failure to so register, qualify or be authorized would not reasonably be expected to have a Material Adverse Effect; all of the issued and outstanding capital stock of each subsidiary has been duly authorized and validly issued, is fully paid and non-assessable, and is owned by the Company free and clear of any mortgage, pledge, lien, encumbrance, security interest, claim or equity.

2.3. Capitalization

(a) The authorized capital stock of the Company consists of 250,000,000 hares of its Common Stock and 2,000,000 shares of preferred stock, par value $0.01 per share (the "Preferred Stock"). As of September 25, 2009, the issued and outstanding shares of capital stock of the Company consists of 107,109,591 shares of Common Stock, including 4,983,625 shares of Common Stock issued pursuant to restricted stock grants that have not yet vested, which are held of record by the Persons and in the amounts set forth on Schedule 2.3(a). All shares of common stock issued subsequent to September 25, 2009 have either been issued pursuant to the terms of this Agreement or upon exercise of outstanding options included in Schedule 2.3(c)(i) hereto.

(b) All the outstanding shares of capital stock of the Company have been duly and validly issued and are fully paid and non-assessable, and were issued in accordance with the registration or qualification requirements of the Securities Act and any relevant state securities laws or pursuant to valid exemptions therefrom. Upon issuance, sale and delivery as contemplated by this Agreement, the Shares will be duly authorized, validly issued, fully paid and non-assessable shares of the Company, free of all preemptive or similar rights, and entitled to the rights therein described.

(c) Except for the rights which attach to the options which are listed onSchedule 2.3(c)(i) hereto, on the Closing Date there will be no shares of Common Stock or any other equity security of the Company issuable upon conversion or exchange of any security of the Company nor, except to the extent otherwise provided for in the Transaction Documents or on Schedule 2.3(c)(ii), will there be any rights, options or warrants outstanding or other agreements to acquire shares of Common Stock nor will the Company be contractually obligated to purchase, redeem or otherwise acquire any of its outstanding shares of Common Stock. Except as set forth on Schedule 2.3(c)(i) and to the extent otherwise provided for in the Transaction Documents, no stockholder of the Company is entitled to any preemptive or similar rights to subscribe for shares of capital stock of the Company.

2.4. Corporate Proceedings, etc.

The Board of Directors has authorized the execution, delivery, and performance of the Transaction Documents and each of the transactions and agreements contemplated hereby and thereby, including, without limitation, the issuance and delivery of the Shares to the Investors in accordance with this Agreement. Neither approval by the stockholders of the Company nor any other corporate action, is necessary to authorize such execution, delivery and performance of the Transaction Documents, and upon such execution and delivery each of the Transaction Documents shall constitute the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except that such enforcement may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and general principles of equity.

2.5. Consents and Approvals

The execution and delivery by the Company of the Transaction Documents, the performance by the Company of its obligations hereunder and thereunder and the consummation by the Company of the transactions contemplated hereby and thereby do not require the Company or any of its subsidiaries to obtain any consent, approval or action of, or make any filing with or give any notice to, any corporation, person or firm or any public, governmental or judicial authority other than those which have been obtained or made.

2.6. Absence of Defaults, Conflicts, etc.

The execution and delivery of the Transaction Documents do not, and the fulfillment of the terms hereof and thereof by the Company, and the issuance of the Shares will not, result in a breach of any of the terms, conditions or provisions of, or constitute a default under, or permit the acceleration of rights under or termination of, any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness (collectively, the "Key Agreements and Instruments") or other material agreement of the Company or any of its subsidiaries set forth on Schedule 2.11, or the Organizational Documents, or any rule or regulation of any court or federal, state or foreign regulatory board or body or administrative agency having jurisdiction over the Company or any of its subsidiaries or over their respective properties or businesses.

2.7. Financial Statements

The audited consolidated balance sheet of the Company as at December 31, 2008 fairly presents the consolidated financial position of the Company and its subsidiaries as at the date thereof, and the related consolidated statements of operations, stockholders' equity and cash flows for the fiscal year ended on such date fairly present the consolidated results of operations and changes in financial position of the Company and its subsidiaries for the fiscal period indicated (a true and correct copy of which is attached hereto as part of Schedule 2.7). The financial statements, including the schedules and notes thereto, were prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The unaudited consolidated balance sheet of the Company and its subsidiaries as of June 30, 2009, and the related statements of operations, stockholders' equity and cash flows for the three- and six-month periods ended on such date (the "2009 Financials") (a true and correct copy of which is attached hereto as part of Schedule 2.7) were prepared in accordance with GAAP and fairly present the financial condition of the Company and its subsidiaries as at that date thereof. The books and accounts of the Company are correct in all material respects and fairly reflect all of the transactions, items of income and expense and all assets and liabilities of the Company.

2.8. Absence of Certain Developments

Except as set forth on Schedule 2.8, since June 30, 2009, there has been no (i) material adverse change in the condition, financial or otherwise, of the Company and its subsidiaries taken as a whole or in their assets, liabilities, properties, profits, results of operations or business or prospects, (ii) declaration, setting aside or payment of any dividend or other distribution with respect to the capital stock of the Company, (iii) issuance of capital stock (other

than pursuant to the exercise of options, warrants, or convertible securities outstanding at such date) or options, warrants or rights to acquire capital stock (other than the rights granted to the Investors hereunder), (iv) material loss, destruction or damage to any property of the Company or any subsidiary, whether or not insured, (v) acceleration or prepayment of any indebtedness for borrowed money or the refunding of any such indebtedness, (vi) labor trouble involving the Company or any subsidiary or any material change in their personnel or the terms and conditions of employment, (vii) waiver of any valuable right, whether by contract or otherwise, (viii) loan or extension of credit to any officer or employee of the Company, (ix) change in accounting methods, principles or practices used in preparing the Company's financial statements or (x) acquisition or disposition of any material assets (or any contract or arrangement therefor), or any other material transaction by the Company or any subsidiary otherwise than for fair value in the ordinary course of business.

2.9. Compliance with Law

(a) Neither the Company nor any of its subsidiaries is in material violation of any laws, ordinances, governmental rules or regulations to which it is subject, including without limitation laws or regulations relating to the environment or to occupational health and safety, and no material expenditures are or will be required in order to cause its current operations or properties to comply with any such laws, ordinances, governmental rules or regulations.

(b) The Company and its subsidiaries have all licenses, permits, franchises or other governmental authorizations necessary to the ownership of their property or to the conduct of their respective businesses as now conducted, which if violated or not obtained might have a Material Adverse Effect. Neither the Company nor any subsidiary has finally been denied any application for any such licenses, permits, franchises or other governmental authorizations necessary to its business as now conducted and as presently contemplated to be conducted.

2.10. Litigation

There is no legal action, suit, arbitration or other legal, administrative or other governmental investigation, inquiry or proceeding (whether federal, state, local or foreign) pending or, to the Company's Knowledge, threatened against or affecting the Company or any subsidiary or any of their respective properties, assets or businesses. After reasonable inquiry of its employees, except as set forth in Schedule 2.10, the Company is not aware of any fact which might result in or form the basis for any such action, suit, arbitration, investigation, inquiry or other proceeding. Neither the Company nor any subsidiary is subject to any order, writ, judgment, injunction, decree, determination or award of any court or of any governmental agency or instrumentality (whether federal, state, local or foreign).

2.11. Material Contracts

Schedule 2.11 sets forth a true and complete list of each material contract, agreement, instrument, commitment and other arrangement to which the Company or any subsidiary is a party or otherwise relating to or affecting any of their respective assets or business, including without limitation, employment, severance or consulting agreements; loan,

bridge loan, credit or security agreements; joint venture agreements and distribution agreements (each, a "Contract"). Each Contract is valid, binding and enforceable against the Company or such subsidiary and, to the Company's Knowledge, the other parties thereto, in accordance with its terms, and in full force and effect on the date hereof. Except as set forth on Schedule 2.11, the Company is not in default or breach under any of the Contracts, nor is any other party thereto in default or breach thereunder, nor are there facts or circumstances which have occurred which, with or without the giving of notice or the passage of time or both, would constitute a default or breach under any of the Contracts.

2.12. Absence of Undisclosed Liabilities

Except as set forth in the 2009 Financials of the Company at June 30, 2009, included in Schedule 2.7, neither the Company nor any of its subsidiaries has any debt, obligation or liability (whether accrued, absolute, contingent, liquidated or otherwise, whether due or to become due, whether or not known to the Company) arising out of any transaction entered into at or prior to the Closing Date, or any act or omission at or prior to the Closing Date, or any state of facts existing at or prior to the Closing Date, including taxes with respect to or based upon the transactions or events occurring at or prior to the Closing Date, and including, without limitation, unfunded past service liabilities under any pension, profit sharing or similar plan, except current liabilities incurred and obligations under agreements entered into, in the usual and ordinary course of business after June 30, 2009, none of which (individually or in the aggregate) could have a Material Adverse Effect.

2.13. Employees

(a) The Company and its subsidiaries are in full compliance with all laws regarding employment, wages, hours, equal opportunity, collective bargaining and payment of social security and other taxes except to the extent that noncompliance would not, in the aggregate, have a Material Adverse Effect. Neither the Company nor any of its subsidiaries is engaged in any unfair labor practice or discriminatory employment practice and no complaint of any such practice against the Company or any subsidiary has been filed or, to the Company's Knowledge, threatened to be filed with or by the National Labor Relations Board, the Equal Employment Opportunity Commission or any other administrative agency, federal or state, that regulates labor or employment practices, nor is any grievance filed or, to the Company's Knowledge, after due inquiry, threatened to be filed, against the Company or any subsidiary by any employee pursuant to any collective bargaining or other employment agreement to which the Company or any subsidiary is a party or is bound. The Company and its subsidiaries are in compliance with all applicable foreign, federal, state and local laws and regulations regarding occupational safety and health standards except to the extent that noncompliance will not have a Material Adverse Effect, and has received no complaints from any foreign, federal, state or local agency or regulatory body alleging violations of any such laws and regulations.

(b) Except as set forth on Schedule 2.13(b), the employment of all Persons and officers employed by the Company or any of its subsidiaries is terminable at will without any penalty or severance obligation of any kind on the part of the employer. All sums due for employee compensation and benefits and all vacation time owing to any employees of the Company or any of its subsidiaries have been duly and adequately accrued on the accounting

records of the Company and its subsidiaries. All employees of the Company or any of its subsidiaries are either U.S. citizens or resident aliens specifically authorized to engage in employment in the United States in accordance with all applicable laws.

(c) The Company is not aware that any of the Company's employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of such employee's best efforts to promote the interests of the Company or that would conflict with the Company's business as proposed to be conducted.

(d) The Company is not aware that any officer or key employee, or that any group of key employees, intends to terminate their employment with the Company, nor does the Company have a present intention to terminate the employment of any of such employees.

2.14. Tax Matters

There are no federal, state, county or local taxes due and payable by the Company or any of its subsidiaries which have not been paid or accounted for on the Balance Sheet of the Company at June 30, 2009, included in Schedule 2.7(a). The provisions for taxes on such Balance Sheet is sufficient for the payment of all accrued and unpaid federal, state, county and local taxes of the Company whether or not assessed or disputed as of the date of such Balance Sheet. The Company and its subsidiaries have duly filed all federal, state, county and local tax returns required to have been filed by it and there are in effect no waivers of applicable statutes of limitations with respect to taxes for any year. Neither the Company nor any of its subsidiaries has been subject to a federal or state tax audit of any kind for any tax year subsequent to 2005 and the Company has no liabilities arising from any federal or state tax audit of any kind for any tax year prior to 2006.

2.15. Employee Benefit Plans

All "employee benefit plans" (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and all other employee benefits and all other employee benefit arrangements, policies or payroll practices, including, without limitation, any arrangement, policy or payroll practices providing severance pay, bonuses, commissions, profit-sharing, savings, incentive, change of control, parachute, stock purchase, stock options, insurance, deferred compensation, or other similar fringe or employee benefits covering former or current employees of the Company or any of its subsidiaries or under which the Company or any of its subsidiaries has any obligation or liability (each, a "Benefit Arrangement"), are and have been maintained and administered in all material respects in accordance with their express terms and with the requirements of applicable law. Schedule 2.15 lists all Benefit Arrangements. True and complete copies of all Benefit Arrangements have been made available to the Investors prior to the date hereof. The Company's payment to current or former employees pursuant to the Benefit Arrangements are and have been fully deductible under the Code.

2.16. Intellectual Property

The Company and its subsidiaries own all right, title and interest in and to, or have a valid and enforceable license to use, all the Intellectual Property used by them in connection with the their respective businesses, which represents all intellectual property rights necessary to the conduct of the their business as now conducted and presently contemplated. Furthermore:

(a) Schedule 2.16(a) sets forth a complete and current list of registrations/patents or applications pertaining to the Intellectual Property ("Listed Intellectual Property") and the owner of record, date of application (except with respect to patent applications) or issuance and relevant jurisdiction as to each.

(b) The Company, or a subsidiary, free and clear of security interests, liens, encumbrances or claims of any nature, owns all Listed Intellectual Property.

(c) All Listed Intellectual Property is valid, subsisting, unexpired, in proper form and enforceable and all renewal fees and other maintenance fees that have fallen due on or prior to the effective date of this Agreement have been paid.

(d) Except as set forth on Schedule 2.16(d), no Listed Intellectual Property is the subject of any proceeding before any governmental, registration or other authority in any jurisdiction, including any office action or other form of preliminary or final refusal of registration. The Company warrants that steps have been and are being taken to ensure adequate response and continued prosecution of all such Listed Intellectual Property.

(e) The consummation of the transactions contemplated hereby will not alter or impair any Intellectual Property.

The Company and its subsidiaries are in compliance with all contractual obligations relating to the protection of such of the Intellectual Property as they use pursuant to license or other agreement. Furthermore:

(f) Schedule 2.16(f) sets forth a complete list of all agreements relating to the Intellectual Property or to the right of the Company or a subsidiary to use of the proprietary rights of any third party.

(g) Except as disclosed on Schedule 2.16(f), the Company and its subsidiaries are not under any obligation to pay royalties or other payments in connection with any agreement, nor restricted from assigning their rights respecting Intellectual Property nor will the Company or any subsidiary otherwise be, as a result of the execution and delivery of this Agreement or the performance of the Company's obligations under this Agreement, in breach of any agreement relating to the Intellectual Property.

To the Company's Knowledge:

(h) There are no conflicts with or infringements of any of the Intellectual Property by any third party.

(i) The conduct of the business of the Company and its subsidiaries, as currently conducted or contemplated, does not conflict with or infringe any proprietary right of any third party.

(j) Except as disclosed on Schedule 2.16(j), there is no claim, suit, action or proceeding pending or threatened against the Company or any subsidiary: (i) alleging any such conflict or infringement with any third party's proprietary rights; or (ii) challenging the Company's or any subsidiary's ownership or use of, or the validity or enforceability of any of the Intellectual Property.

(k) None of the Intellectual Property has been used, disclosed or appropriated to the detriment of the Company or any subsidiary for the benefit of any Person other than the Company.

(l) The Company's transmission, reproduction, use, display, modification or other practices relating to data or informational content do not infringe or violate any proprietary or other right of any other Person and no claim relating to such infringement or violation is threatened or pending.

(m) No present or former employee, officer or director of the Company or any subsidiary, or agent or outside contractor of the Company or any subsidiary, holds any right, title or interest, directly or indirectly, in whole or in part, in or to any Intellectual Property.

(n) No employee, independent contractor or agent of the Company or any subsidiary has misappropriated any trade secrets or other confidential information of any other Person in the course of the performance of his or her duties as an employee, independent contractor or agent of the Company or any subsidiary.

(o) Any programs, modifications, enhancements or other inventions, improvements, discoveries, methods or works of authorship ("Works") that were created by employees of the Company or any subsidiary were made in the regular course of such employees' employment or service relationships with the Company or its subsidiary using the Company's or the subsidiary's facilities and resources and, as such, constitute works made for hire. Each such employee who has created Works or any employee who in the regular course of his employment may create Works and all consultants have signed an assignment or similar agreement with the Company or the subsidiary confirming the Company's or the subsidiary's ownership or, in the alternate, transferring and assigning to the Company or the subsidiary all right, title and interest in and to such programs, modifications, enhancements or other inventions including copyright and other intellectual property rights therein.

2.17. Software

(a) All of the operating and applications computer software programs and databases used by the Company that are material to the conduct of its business as now conducted and as presently contemplated to be conducted (collectively, the "Software") are listed on Schedule 2.17 hereto. All such Software is commercially available and has been either purchased outright or licensed by the Company.

(b) The Company owns or has valid licenses to use all copies of the Software.

(c) No claim relating to the infringement or violation of any proprietary right is threatened or pending with regard to the Company's use of the Software.

2.18. Title to Tangible Assets

The Company and its subsidiaries have good title to their properties and assets and good title to all their leasehold estates, in each case subject to no mortgage, pledge, lien, lease, encumbrance or charge, other than or resulting from taxes which have not yet become delinquent and minor liens and encumbrances which do not in any case materially detract from the value of the property subject thereto or materially impair the operations of the Company as now conducted and as presently contemplated to be conducted and its subsidiaries and which have not arisen otherwise than in the ordinary course of business.

2.19. Condition of Properties

All facilities, machinery, equipment, fixtures, vehicles and other properties owned, leased or used by the Company and its subsidiaries are in good operating condition and repair, are reasonably fit and usable for the purposes for which they are being used and are presently contemplated to be used, are adequate and sufficient for the Company's or such subsidiary's business as now conducted and as presently contemplated to be conducted and conform in all material respects with all applicable ordinances, regulations and laws, except as where the failure to so conform would not reasonably be expected to have a Material Adverse Effect.

2.20. Insurance

The Company and its subsidiaries and their respective properties are insured in such amounts, against such losses and with such insurers as are prudent when considered in light of the nature of the properties and businesses of the Company as now conducted and as presently contemplated to be conducted. Schedule 2.20 sets forth a true and complete listing of the insurance policies of the Company and its subsidiaries as in effect on the date hereof, including in each case the applicable coverage limits, deductibles and the policy expiration dates. No notice of any termination or threatened termination of any of such policies has been received and such policies are in full force and effect.

2.21. Transactions with Related Parties

Neither the Company nor any subsidiary is a party to any agreement with any of the Company's directors, officers or stockholders or any Affiliate or family member of any of the foregoing under which it: (i) leases any real or personal property (either to or from such Person), (ii) licenses technology (either to or from such Person), (iii) is obligated to purchase any tangible or intangible asset from or sell such asset to such Person, (iv) purchases products or services from such Person (except as disclosed in the following sentence) or (v) has borrowed money from or lent money to such Person. Neither the Company nor any subsidiary employs as an employee or engages as a consultant any of the Company's directors, executive officers or 5%-or-greater stockholders or family members of any of such persons, except for Jonathan Steinberg, Rayne Steinberg, Bruce Lavine, Amit Muni and Peter Ziemba. Except for the Amended and Restated Stockholders' Agreement, dated as of December 21, 2006, a true and correct copy of which is attached hereto as Schedule 2.21, among the Company and certain stockholders of the Company, to the Company's Knowledge, there exist no agreements among stockholders of the Company to act in concert with respect to their voting or holding of Company securities.

2.22. Registration Rights

Except as provided by the Third Amended and Restated Registration Rights Agreement, the Company will not, as of the Closing Date, be under any obligation to register any of its securities under the Securities Act.

2.23. Private Offering

Neither the Company nor anyone acting on its behalf has offered the Shares for issue or sale to, or solicited any offer to acquire any of the same from, anyone so as to bring the issuance and sale of such Shares, or any part thereof, within the provisions of Section 5 of the Securities Act. Based upon the representations of the Investors set forth in Section 3 hereof, the offer, issuance and sale of the Shares is and will be exempt from the registration and prospectus delivery requirements of the Securities Act, and have been registered or qualified (or are exempt from registration and qualification) under the registration, permit or qualification requirements of all applicable state securities laws.

2.24. Brokerage

There are no claims for brokerage commissions or finder's fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement made by or on behalf of the Company.

2.25. Illegal or Unauthorized Payments; Political Contributions

Neither the Company or any of its subsidiaries nor, to the Company's Knowledge, any of the officers, directors, employees, agents or other representatives of the Company or any of its subsidiaries or any other business entity or enterprise with which the Company or any subsidiary is or has been affiliated or associated, has, directly or indirectly, made or authorized any payment, contribution or gift of money, property, or services, whether or not in

contravention of applicable law, (a) as a kickback or bribe to any Person or (b) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of the Company or any of its subsidiaries.

2.26. Internal Accounting Controls

The Company has established and maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

2.27. Material Facts

This Agreement, the schedules furnished contemporaneously herewith, and the other Transaction Documents, certificates or written statements furnished or to be furnished to the Investors through the Closing Date by or on behalf of the Company in connection with the transactions contemplated hereby taken as a whole, do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein or herein, in light of the circumstances in which they were made, not misleading. There is no fact which is known to the Company and which has not been disclosed herein or otherwise by the Company to the Investors which would reasonably be expected to have a Material Adverse Effect. The materials and information presented to the Investors have been prepared in a good faith effort by the Company to describe the Company's present and proposed products, and projected growth and the Company is not aware of any materially misleading statement or omissions therein.

2.28. Securities Act Registration

As of the date of this Agreement, the Common Stock is not required to be registered under Section 12 of the Exchange Act.

SECTION 3. REPRESENTATIONS AND WARRANTIES OF THE INVESTORS

Each of the Investors severally represents and warrants to the Company as follows:

(a) Such Investor is acquiring the Shares for its or his own account for investment and not with a view towards the resale, transfer or distribution thereof, nor with any present intention of distributing the Shares, but subject, nevertheless, to any requirement of law that the disposition of such Investor's property shall at all times be within such Investor's control, and without prejudice to such Investor's right at all times to sell or otherwise dispose of all or any part of such securities under a registration under the Securities Act or under an exemption from said registration available under the Securities Act.

(b) Such Investor has full power and legal right to execute and deliver this Agreement and to perform its obligations hereunder.

(c) If such Investor is a limited liability company, limited partnership or corporation, it is a validly existing limited liability company, limited partnership or corporation, as the case may be, duly organized under the laws of its jurisdiction of organization.

(d) Such Investor has taken all action necessary for the authorization, execution, delivery, and performance of this Agreement and its obligations hereunder, and, upon execution and delivery by the Company, this Agreement shall constitute the valid and binding obligation of such Investor, enforceable against such Investor in accordance with its terms, except that such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and general principles of equity.

(e) There are no claims for brokerage commissions or finder's fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement made by or on behalf of such Investor and such Investor agrees to indemnify and hold the Company harmless against any costs or damages incurred as a result of any such claim.

(f) Such Investor is an "accredited investor" within the meaning of Section 2(a)(15) of the Securities Act and Regulation D promulgated thereunder. Such Investor has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its investment in the Company as contemplated by this Agreement, and is able to bear the economic risk of such investment for an indefinite period of time. Such Investor has been furnished access to such information and documents as it has requested and has been afforded an opportunity to ask questions of and receive answers from representatives of the Company concerning the terms and conditions of this Agreement and the purchase of the Shares contemplated hereby.

SECTION 4. COVENANTS

4.1. Resale of Securities

(a) Each of the Investors severally covenants that it will not sell or otherwise transfer the Shares except pursuant to an effective registration under the Securities Act or in a transaction which, in the opinion of counsel reasonably satisfactory to the Company, qualifies as an exempt transaction under the Securities Act and the rules and regulations promulgated thereunder.

(b) The certificates evidencing the Shares will bear the following legend reflecting the foregoing restrictions on the transfer of such securities:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF

AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN EXEMPTION FROM REGISTRATION THEREUNDER AND COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS."

In addition, the certificates evidencing the shares purchased by Investors who are parties to the Stockholders Agreement (other than the Principal Investors) shall also bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE ALSO SUBJECT TO ADDITIONAL RESTRICTIONS ON TRANSFER SPECIFIED IN THAT CERTAIN AMENDED AND RESTATED STOCKHOLDERS AGREEMENT, DATED AS OF DECEMBER 21, 2006, AS AMENDED AND MODIFIED FROM TIME TO TIME, AMONG WISDOMTREE INVESTMENTS, INC. (THE "COMPANY") AND CERTAIN OTHER PARTIES THERETO. A COPY OF SUCH AGREEMENT SHALL BE FURNISHED BY THE COMPANY TO THE HOLDER HEREOF UPON WRITTEN REQUEST AND WITHOUT CHARGE."

4.2. Financial Information. Until such time as the Company is subject to the periodic reporting requirements of the Exchange Act, the Company shall deliver to each of the Investors so long as such Investor Owns any Shares:

(a) Quarterly Statements - as soon as practicable, and in any event within 45 days after the close of each of the first three fiscal quarters of each fiscal year of the Company, a consolidated balance sheet, statement of operations and statement of cash flows of the Company and any subsidiaries, in each case as at the close of such quarter and covering operations for such quarter, as the case may be, and the portion of the Company's fiscal year ending on the last day of such quarter, all in reasonable detail and prepared in accordance with GAAP or, if presented in a manner other than GAAP, the adjustments to GAAP shall be included therein.

(b) Annual Statements - as soon as practicable after the end of each fiscal year of the Company, and in any event within 90 days thereafter, a consolidated balance sheet of the Company and any subsidiaries at the end of such year and the related consolidated statements of operations, stockholders' equity and cash flows for such year, all in reasonable detail and accompanied by an opinion thereon of independent certified public accountants of recognized national standing selected by the Company, which opinion shall state that such financial statements fairly present the financial position of the Company and any subsidiaries on a consolidated basis and have been prepared in accordance with GAAP (except for changes in application in which such accountants concur) and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances.

(c) Audit Reports - promptly upon receipt thereof, one copy of each other financial report and internal control letter submitted to the Company by independent accountants in connection with any annual, interim or special audit made by them of the books of the Company.

4.3. Confidentiality

As to so much of the information and other material furnished under or in connection with this Agreement (whether furnished before, on or after the date hereof, including without limitation information furnished pursuant to Section 4.2 hereof) as constitutes or contains confidential business, financial or other information of the Company or any subsidiary, each of the Investors covenants for itself and its directors, officers, members and partners that it will use due care to prevent its officers, directors, members, partners, employees, counsel, accountants and other representatives from disclosing such information to Persons other than their respective authorized employees, counsel, accountants, stockholders, members, partners, limited partners and other authorized representatives; provided, however, that each Investor may disclose or deliver any information or other material disclosed to or received by it should such Investor be advised by its counsel that such disclosure or delivery is required by law, regulation or judicial or administrative order. In the event of any termination of this Agreement prior to the Closing Date, each Investor shall return to the Company all confidential material previously furnished to such Investor or its officers, directors, partners, employees, counsel, accountants and other representatives in connection with this transaction. For purposes of this Section 4.3, "due care" means at least the same level of care that such Investor would use to protect the confidentiality of its own sensitive or proprietary information, and this obligation shall survive termination of this Agreement.

4.4. Conduct of Business and Maintenance of Existence

The Company will continue to engage in business of the same general type as now conducted or as presently contemplated by it, and preserve, renew and keep in full force and effect its corporate existence and take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business. Notwithstanding the forgoing, nothing in this Agreement shall prohibit (i) the Company's right to sell all or substantially all of business if authorized in accordance with the law of the State of Delaware or (ii) the merger or closure of any exchange traded fund for which its subsidiary serves as investment advisor. The Company shall require all of its employees or consultants to enter into appropriate confidentiality agreements to protect confidential information relating to the Company and its business, including trade secrets.

4.5. Compliance with Laws

The Company and its subsidiaries will comply in all material respects with all applicable laws, rules, regulations and orders except where the failure to comply would not have a Material Adverse Effect.

4.6. Keeping of Books

The Company will keep proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Company and its subsidiaries in accordance with GAAP.

4.7. Lost, etc. Certificates Evidencing Shares; Exchange

Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of any certificate evidencing any Shares owned by one of the Investors, and (in the case of loss, theft or destruction) of an indemnity satisfactory to it, which indemnity shall be insured by an insurance policy issued at the Investor's sole expense, and upon reimbursement to the Company of all reasonable expenses incidental thereto, and upon surrender and cancellation of such certificate, if mutilated, the Company will make and deliver in lieu of such certificate a new certificate of like tenor and for the number of shares evidenced by such certificate which remain outstanding. Upon surrender of any certificate representing any Shares for exchange at the office of the Company, the Company at its expense will cause to be issued in exchange therefor new certificates in such denomination or denominations as may be requested for the same aggregate number of Shares represented by the certificate so surrendered and registered as such holder may request. The Company will also pay the cost of all deliveries of certificates for such shares to the office of such Investor (including the cost of insurance against loss or theft in an amount satisfactory to the holders) upon any exchange provided for in this Section 4.7.

4.8. Securities Exchange Act Filings

If the board of directors of the Company determines that the Common Stock should be registered under the Exchange Act, the Company will use commercially reasonable efforts to prepare and file a Form 10 Registration Statement within 120 days of the determination by the board of directors. At such time as the Company is required by law to do so, the Company shall file a Form 10 Registration Statement.

4.9. Subscription Right.

(a) If at any time after the date hereof and prior to the date that the Company's Common Stock has been (i) registered under Section 12 of the Exchange Act and (ii) either listed on the New York Stock Exchange or the Nasdaq Global Market (formerly the Nasdaq National Market), the Company proposes to issue equity securities of any kind (for purposes of this Section 4.9, the term "equity securities" shall include any warrants, options or other rights to acquire equity securities and debt securities convertible into equity securities) of the Company (other than the issuance of securities (i) to the public in a firm commitment underwriting pursuant to a registration statement filed under the Securities Act, (ii) pursuant to the acquisition of another Person by the Company, whether by purchase of stock, merger, consolidation, purchase of all or substantially all of the assets of such Person or otherwise, (iii) pursuant to an employee stock option plan, stock bonus plan, stock purchase plan or other director, management or employee equity program, whether for a group or individual, (iv) to vendors and customers of and consultants to the Company if they are issued in consideration for goods or services provided to the Company or for purchasing services provided by the Company, or (v) pursuant to the indemnification provisions of Section 5 of this Agreement, Section 5 of the Securities Purchase Agreement, dated as of November 10, 2004, or Section 5 of the Securities Purchase Agreement, dated as of July 22, 2005, or Section 5 of the Securities Purchase Agreement, dated as of December 21, 2006, each among the Company and the investor parties to such Securities Purchase Agreement), then, as to each Investor, the Company shall:

(i) give written notice setting forth in reasonable detail (1) the designation and all of the terms and provisions of the securities proposed to be issued (the "Proposed Securities"), including, where applicable, the voting powers, preferences and relative participating, optional or other special rights, and the qualification, limitations or restrictions thereof and interest rate and maturity; (2) the price and other terms of the proposed sale of such securities; (3) the amount of such securities proposed to be issued; and (4) such other information as the Investors may reasonably request in order to evaluate the proposed issuance; and

(ii) offer to issue to each such Investor a portion of the Proposed Securities equal to a percentage determined by dividing (x) the number of shares of Common Stock Owned by such Investor, by (y) the total number of shares of Common Stock outstanding on a fully diluted basis (i.e., including for purposes of calculating outstanding shares, all shares of Common Stock underlying all outstanding warrants, options or other rights to acquire Common Stock and all outstanding securities exchangeable or convertible into Common Stock).

(b) Each such Investor must exercise his or its purchase rights hereunder within ten (10) days after receipt of such notice from the Company. Thereafter, the Company shall offer to each Investor who has exercised in full his or its right to purchase a portion of the Proposed Securities in the first offer to Investors made by the Company under this Section 4.8 (each a "Subscribing Investor"), the right to purchase a portion of the balance of the Proposed Securities initially offered to Investors pursuant to Section 4.9(a)(ii), but not subscribed for, that is equal to the percentage determined by dividing (x) the number of shares of Common Stock Owned by such Subscribing Investor, by (y) the total number of shares of Common Stock owned by all Subscribing Investors. The Subscribing Investors must exercise this re-offer within five (5) days after receipt such re-offer. To the extent that the Company offers two or more securities in units, Subscribing Investors must purchase such units as a whole and will not be given the opportunity to purchase only one of the securities making up such unit.

(c) Upon the expiration of the offering periods described above, the Company will be free to sell such Proposed Securities that such Investors have not elected to purchase during the one hundred and twenty (120) days following such expiration on terms and conditions no more favorable to the purchasers thereof than those offered to such holders. Any Proposed Securities offered or sold by the Company after such one hundred and twenty (120)-day period must be reoffered to such Investors pursuant to this Section 4.9.

(d) The election by an Investor not to exercise his or its subscription rights under this Section 4.9 in any one instance shall not affect his or its right (other than in respect of a reduction in his or its percentage holdings) as to any subsequent proposed issuance. Any sale of such securities by the Company without first giving Investors the rights described in this Section 4.9 shall be void and of no force and effect.

(e) Solely for purposes of this Section 4.9, each of the Prior Investors shall be deemed an Investor and entitled to all rights and obligations pertaining to Investors in this Section 4.9, which all Investors and Prior Investors agree shall supersede Section 4.9 of the Securities Purchase Agreement, dated as of December 21, 2006, among the Company, certain of the Investors and the Prior Investors.

4.10. Closing and Closing Deliveries

The Company may hold one or more Closings of the purchase and sale of the Common Stock under this Agreement. If there is more than one Closing, this Agreement shall be dated as of date of the initial Closing and any persons for whom a Closing shall be held at a later date (not later than October 26, 2009) shall be deemed an Investor under this Agreement and a 2009 Investor under the Registration Rights Agreement and such Investor's name, address and purchase price shall be added to Schedule I of this Agreement and Schedule I of the Registration Rights Agreement by a Supplement hereto and thereto dated as of the date of such subsequent Closing.

At each Closing, the Company shall collect and then distribute the following items:

(a) executed counterpart signature pages to this Agreement from all parties hereto (for distribution to all parties following the closing);

(b) executed counterpart signature pages to the Third Amended and Restated Registration Rights Agreement, the form of which is attached as Exhibit C hereto (the "Registration Rights Agreement") (for distribution to all parties thereto following the closing);

(c) executed opinions by Company counsel substantially in the form of Exhibit D hereto (for distribution to all Investors following the closing); and

(d) stock certificates, duly registered in each Investor's name, evidencing the Shares being purchased by such Investor (for distribution to each Investor as appropriate following the closing).

The parties to this Agreement have designated Graubard Miller, counsel to the Company, as the depository to receive and hold the Purchase Price to be paid by each Investor until a Closing is held with respect to such Investor.

The Purchase Price to be paid by each Investor shall be sent to Graubard Miller in accordance with the following instructions:

Deutsche Bank for the Americas
280 Park Avenue
New York, New York 10017
ABA #********
Attn.: Florence Blanchard

For further credit to
Graubard Miller
Attorney Trust Account - IOLA Funds
Account No. ********

Upon the Company's receipt of the documents in clauses (a), (b) and (c) and Graubard Miller's receipt of each of the Purchase Price from each of the Investors, the Closing

with respect to such Investors shall be deemed to have occurred, whereupon Graubard Miller shall remit the purchase price to the Company and the Company shall distribute the documents as indicated above. The failure of any Investor to deliver executed documents or the Purchase Price to be paid by such Investor shall not invalidate the effectiveness of this Agreement as to the other parties.

4.11. Right of Prior Principal Investors to Designate a Director or Observer

As long any Prior Principal Investor shall Own at least 10,000,000 shares of Common Stock, such Prior Principal Investor shall have the right to require the Company to, and upon receipt of written notice from such Prior Principal Investor, the Company shall, in each case in accordance with such notice, either (i) appoint a designee of such Prior Principal Investor, reasonably acceptable to the Board of Directors of the Company, as a member of the Board of Directors of the Company, or (b) permit such Prior Principal Investor to designate an observer, reasonably acceptable to the Board of Directors of the Company and subject to such person entering into a confidentiality agreement with the Company reasonably acceptable to the Company, to receive notice of and materials delivered to members of the Board of Directors at the same time as delivered to such members and to attend and observe each meeting of the Board of Directors. If such Prior Principal Investor has elected to require the Company to appoint a designee to the Board of Directors, the Company agrees to enter into an Indemnification Agreement with such director in form and substance identical to the Indemnification Agreement between the Company and Anthony Bossone, the last director appointed to the Board of Directors of the Company. In addition, the Company will use commercially reasonable efforts to maintain a liability insurance policy affording coverage for the acts of its officers and directors and will include such Prior Principal Investor's designee as an insured under such policy. If a Prior Principal Investor has elected to designate an observer, reasonably acceptable to the Board of Directors of the Company to attend and observe meetings of the Board of Directors, the Company shall give such designee notice of each such meeting and provide such designee with an agenda and written materials to be considered at such meeting no later than it gives such notice and provides such items to the other directors. By way of example and not of limitation, each Prior Principal Investor agrees that the Board of Directors would be acting within its reasonable discretion if it determined that a designee designated by a Principal Investor as a director or observer was unacceptable if, in the opinion of counsel to the Company, the Company would be required to make disclosure pursuant to Item 401(f) of Regulation S-K promulgated by the Securities and Exchange Commission if such designee or observer were a director of the Company and the Company was filing a registration statement on Form S-1 with the Securities and Exchange Commission. Notwithstanding anything in this Section 4.12 to the contrary, each of James D. Robinson, IV and Michael Steinhardt are acceptable designees as either directors of the Company or as observers. Further, whether a designee to the Board of Directors made by either of the Prior Principal Investors would be "independent" shall not be a factor in a determination of whether a designee to the Board of Directors by a Prior Principal Investor is reasonably acceptable.

The Board of Directors of the Company shall at all times maintain a duly constituted Audit Committee and Compensation Committee (the "Required Committees"), comprising solely of "independent directors" (as defined by applicable rules and regulations of the SEC). The Board

of Directors of the Company shall continue to maintain charters for each of the Required Committees. In addition to any other matters delegated by the Board of Directors, the charter for the Compensation Committee shall state that the Compensation Committee shall have the primary decision-making authority, subject to the superseding authority of the Board of Directors unless such superseding authority is prohibited by the rules and regulations of the SEC or the listing standards of the national securities exchange upon which the Common Stock is then listed, with respect to the following: (i) the Company's equity compensation plans, (ii) any grants or awards under such plans, (iv) any bonus pool and (v) the compensation of the Company's executive officers. The Audit Committee shall have such oversight as is customary for such a committee on a public company board of directors.

SECTION 5. INDEMNIFICATION

5.1. Indemnification by the Company

For the time periods and subject to the limitations and conditions set forth below or elsewhere in this Section 5, the Company agrees to indemnify and hold harmless and defend each Investor and its respective successors and permitted assigns and its respective officers, directors, employees, representatives, attorneys, consultants and agents (individually a "Investor Indemnified Party" and collectively, the "Investor Indemnified Parties") from and against all losses, claims, damages, costs, expenses or other liabilities (including reasonable attorney's fees and reasonable expenses and expenses of investigation and defense) (collectively, "Losses") that are sustained or incurred by any of the Investor Indemnified Parties by reason of, resulting from or arising out of all or any of the following:

(a) any material misrepresentation, breach or inaccuracy or omission from any representation or warranty of the Company contained in this Agreement or in any Transaction Document (without regard to any Material Adverse Effect or materiality qualification); or

(b) any material breach or nonfulfillment of any agreement or covenant by the Company or any of its subsidiaries of its covenants, agreements or other obligations contained in this Agreement or in any Transaction Document.

5.2. Survival

The representations and warranties given or made in this Agreement or in any certificate or writing furnished in connection herewith shall survive the Closing until sixty (60) days after the expiration of the applicable statute of limitations and shall thereafter terminate and be of no further force or effect, except any representation or warranty as to which a claim for indemnification shall have been asserted during the survival period shall continue in effect with respect to such claim until such claim shall have been finally resolved or settled; provided, however, that the representations and warranties in Sections 2.1, 2.2., 2.3, 2.4 and 2.5 shall survive the Closing indefinitely.

5.3. Certain Limitations

(a) The Company shall not have any liability under Section 5.1(a) unless and until the aggregate amount of the Losses to all Investors under Section 5.1(a) exceeds $100,000 and then only with respect to such aggregate Losses in excess of $100,000.

(b) The aggregate amount of liability of the Company under this Section 5 to any one Investor shall not exceed the aggregate Purchase Price for the Shares purchased by such Investor and the aggregate amount of liability of the Company under this Section 5 to all of the Investors shall not exceed the aggregate Purchase Price for the Shares purchased by all of the Investors.

5.4. Claims Procedure

Except with respect to third party claims, actions or suits covered by Section 5.3, any Investor Indemnified Party who wishes to make a claim for indemnification for a Loss pursuant to Sections 5.1, as applicable (an "Indemnified Party"), shall give written notice to each Person from whom indemnification is being claimed (an "Indemnifying Party") with reasonable promptness after the Indemnified Party's discovery of the facts and circumstances giving rise to the indemnification claim. The Indemnified Party shall supply the Indemnifying Party such information and documents as it has in its possession regarding such claim, together with all pertinent information in its possession regarding the amount of the Loss it asserts it has sustained or incurred, and will permit the Indemnifying Party to inspect such other records and books in the possession of the Indemnified Party and relating to the claim and asserted Loss as the Indemnifying Party shall reasonably request. The Indemnifying Party shall have a period of 30 days after receipt by the Indemnifying Party of such notice and such evidence to either (i) agree to the payment of the Loss to the Indemnified Party or (ii) contest the payment of the Loss. If the Indemnifying Party does not contest the payment of the Loss within such 30 day period, the Indemnifying Party shall be deemed to have accepted all of the Loss. If the Indemnifying Party agrees to the payment of the Loss or has been deemed to have accepted all of the Loss, then the Indemnifying Party shall, within 10 business days after such agreement or acceptance, pay to the Indemnified Party the amount of the Loss that is payable pursuant to, and subject to the limitations set forth in this Agreement. The failure to give the notice referred to herein with reasonable promptness shall not relieve the Indemnifying Party of its indemnification obligations hereunder except to the extent that the Indemnifying Party is actually prejudiced as a result of the failure to give such notice.

5.5. Third Party Claims

(a) If any claim, action at law or suit in equity is instituted by a third party against an Indemnified Party with respect to which an Indemnified Party intends to claim indemnification for any Losses under Sections 5.1, such Indemnified Party shall give written notice to the Indemnifying Party of such claim, action or suit with reasonable promptness. The failure to give the notice required by this Section 5.3 with reasonable promptness shall not relieve the Indemnifying Party of its indemnification obligations hereunder except to the extent that the Indemnifying Party is actually prejudiced as a result of the failure to give such notice.

(b) The Indemnifying Party shall have the right to conduct and control, through counsel of its choosing, which is reasonably acceptable to the Indemnified Party, the defense of such third party action or suit and shall do so in good faith; provided, however, that the Indemnified Party may participate at its own expense, with counsel of its choosing, in the defense of such third party action or suit although such action or suit shall be controlled by the Indemnifying Party. If the Indemnifying Party does not notify the Indemnified Party that it is assuming the right to conduct and control the defense of such third party action or suit when it delivers the initial notice of the third party claim, the Indemnified Party shall have the right, at the expense of the Indemnifying Party, to conduct and control, through counsel of its choosing, the defense of such third party action or suit and shall do so in good faith; provided, however, that the Indemnifying Party may participate at its own expense, with counsel of its choosing, which is reasonably acceptable to the Indemnified Party, in the defense of such third party action or suit although such action or suit shall be controlled by the Indemnified Party.

(c) The Indemnified Party and the Indemnifying Party shall cooperate with each other to the fullest extent possible in regard to all matters relating to the third-party claim, including, without limitation, corrective actions required by applicable Law, assertion of defenses, the determination, mitigation, negotiation and settlement of all amounts, costs, actions, penalties, damages and the like related thereto, access to the books and records of the Company and its Subsidiaries, and, if necessary, providing the party controlling the defense of the third party claim and its counsel with any powers of attorney or other documents required to permit the party controlling the defense of the third party claim and its counsel to act on behalf of the other party.

(d) Neither the Indemnified Party nor the Indemnifying Party shall settle any such third party claim without the consent of the other party, which consent shall not be unreasonably withheld; provided, however, that if such settlement involves the payment of money only and the release of all claims and the Indemnified Party is completely indemnified therefor and nonetheless refuses to consent to such settlement, the Indemnifying Party shall cease to be obligated for such third party claim. Any compromise or settlement of the claim under this Section 5.5 shall include as an unconditional term thereof the giving by the claimant in question to the Indemnifying Party and the Indemnified Party of a release of all liabilities in respect of such claims.

5.6. Payment of Losses

The parties hereby agree that Losses incurred under Section 5.1 shall be paid to any Investor Indemnified Party in cash or, upon mutual agreement of the Company and the Investor Indemnified Party, in Common Stock at the fair market value of such Common Stock as of the date such claim is resolved (as determined by the Board of Directors of the Company). Any payment of Losses pursuant to this Section 5 shall be treated as an adjustment to the Purchase Price for Tax purposes.

5.7. Rights Additive; Other Actions

Notwithstanding anything in this Section 5 to the contrary, the indemnification rights and protections of this Section 5 shall be additive to the rights of each Investor as against

the Company and nothing in this Section 5 shall be deemed to preclude any Investor from taking any action against the Company with respect to any Loss of such Investor.

SECTION 6. INTERPRETATION OF THIS AGREEMENT

6.1. Terms Defined

As used in this Agreement, the following terms have the respective meanings set forth below or set forth in the Section hereof following such term:

Affiliate: means (a) with respect to any entity, any Person or entity, directly or indirectly, controlling, controlled by or under common control with such Person or entity or (b) with respect to a Person, any individual who is an officer, director, stockholder, employee, partner or member of such Person or an individual who is related by blood, marriage or adoption to any of the foregoing.

Agreement: shall mean this Securities Purchase Agreement among the Company and the Investors.

Amended and Restated Stockholders' Agreement: shall have the meaning set forth in Section 2.21 (a true and correct copy of which is annexed as part of Schedule 2.21).

Benefit Arrangement: shall have the meaning set forth in Section 2.15.

Business Day: shall mean a day other than a Saturday, Sunday or other day on which banks in the State of New York are required or authorized to close.

Closing Date: shall have the meaning set forth in Section 4.10.

Code: shall mean the Internal Revenue Code of 1986, as amended.

Common Stock: shall have the meaning set forth in Section 1.1.

Company: shall have the meaning set forth in the Preamble.

Company Stock Indexes: shall have the meaning set forth in the Preamble.

Contract: shall have the meaning set forth in Section 2.11.

ERISA: shall have the meaning set forth in Section 2.15.

Exchange Act: shall mean the Securities Exchange Act of 1934, as amended.

GAAP: shall have the meaning set forth in Section 2.7.

Indemnified Party: shall have the meaning set forth in Section 5.4.

Indemnifying Party: shall have the meaning set forth in Section 5.4.

Intellectual Property: shall mean all of the following, owned or used in the current or contemplated business of the Company or any subsidiary: (i) trademarks and service marks, trade dress, product configurations, trade names and other indications of origin, applications or registrations in any jurisdiction pertaining to the foregoing and all goodwill associated therewith; (ii) patentable inventions, discoveries, improvements, ideas, know-how, formula methodology, processes, technology, software (including password unprotected interpretive code or source code, object code, development documentation, programming tools, drawings, specifications and data) and applications and patents in any jurisdiction pertaining to the foregoing, including re-issues, continuations, divisions, continuations-in-part, renewals or extensions; (iii) trade secrets, including confidential information and the right in any jurisdiction to limit the use or disclosure thereof; (iv) copyrights in writings, designs software, mask works or other works, applications or registrations in any jurisdiction for the foregoing and all moral rights related thereto; (v) database rights; (vi) Internet Web sites, domain names and applications and registrations pertaining thereto and all intellectual property used in connection with or contained in all versions of the Company's Web sites; (vii) rights under all agreements relating to the foregoing; (viii) books and records pertaining to the foregoing; and (ix) claims or causes of action arising out of or related to past, present or future infringement or misappropriation of the foregoing.

Investors: shall have the meaning set forth in the Preamble.

Investor Indemnified Party: shall have the meaning set forth in Section 5.1.

Investor Indemnified Parties: shall have the meaning set forth in Section 5.1.

Investors: shall have the meaning set forth in the Preamble.

Key Agreements and Instruments: shall have the meaning set forth in Section 2.6.

Knowledge or Awareness: shall mean the knowledge of such individual (or, if an entity, the executive officers of such entity) and the knowledge a reasonable person in such position, ownership or authority should have known.

Listed Intellectual Property: shall have the meaning set forth in Section 2.16.

Losses: shall have the meaning set forth in Section 5.1.

Material Adverse Effect: shall have the meaning set forth in Section 2.1(c).

Organizational Documents: shall have the meaning set forth in Section 2.1(a).

Own, Owns or Owned: shall mean beneficial ownership, assuming the conversion of all outstanding securities convertible into Common Stock and the exercise of all outstanding options and warrants to acquire Common Stock.

Person: shall mean an individual, partnership, joint-stock company, corporation, limited liability company, trust or unincorporated organization, and a government or agency or political subdivision thereof.

Preferred Stock: shall have the meaning set forth in Section 2.3(a).

Prior Principal Investors: shall mean each of Michael Steinhardt and collectively, RRE Ventures III-A, L.P., RRE Ventures Fund III, L.P., and RRE Ventures III, L.P

Purchase Price: shall have the meaning set forth in Section 1.1.

Registration Rights Agreement: shall have the meaning set forth in Section 4.10.

Reregistration Date: shall mean the effective date of a filing on Form 10 of the Exchange Act or a registration statement under the Securities Act by the Company after the date hereof.

SEC: shall mean the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

Securities Act: shall mean the Securities Act of 1933, as amended.

Shares: shall have the meaning set forth in Section 1.1.

Software: shall have the meaning set forth in Section 2.17(a).

Subsidiary: shall mean a corporation of which a Person owns, directly or indirectly, more than 50% of the securities of any class or classes of a corporation the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the corporate directors (or Persons performing similar functions).

Transaction Documents: shall mean this Agreement and the Registration Rights Agreement.

Works: shall have the meaning set forth in Section 2.16(o).

2009 Financials: shall have the meaning set forth in Section 2.7.

6.2. Accounting Principles

Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, this shall be done in accordance with GAAP at the time in effect, to the extent applicable, except where such principles are inconsistent with the requirements of this Agreement.

6.3. Directly or Indirectly

Where any provision in this Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

6.4. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

6.5. Paragraph and Section Headings

The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof.

SECTION 7. MISCELLANEOUS

7.1. Notices

(a) All communications under this Agreement shall be in writing and shall be delivered by hand or facsimile or mailed by overnight courier or by registered mail or certified mail, postage prepaid:

(i) if to an Investor, at the address or facsimile number set forth on Schedule 2.1 hereto, or at such other address or facsimile number as the Investor may have furnished the Company in writing;

(ii) if to the Company, at: 380 Madison Avenue, 21st Floor, New York, NY 10017 (facsimile: (917) 267-3851), or at such other address or facsimile number as it may have furnished the Investors in writing, with a copy to Graubard Miller, The Chrysler Building, 405 Lexington Avenue, New York, NY 10174 (facsimile: (212) 818-8881), Attention: David Alan Miller, Esq.

(b) Any notice so addressed shall be deemed to be given: if delivered by hand or facsimile, on the date of such delivery; if mailed by overnight courier, on the first business day following the date of such mailing; and if mailed by registered or certified mail, on the third business day after the date of such mailing.

7.2. Expenses and Taxes

(a) Each of the parties hereto shall bear their own expenses incurred in connection with its or his investment in the Company.

(b) The Company will pay, and save and hold the Investors harmless from any and all liabilities (including interest and penalties) with respect to, or resulting from any delay or failure in paying, stamp and other taxes (other than income and similar taxes), if any, which may be payable or determined to be payable on the execution and delivery or acquisition of the Shares.

7.3. Reproduction of Documents

This Agreement and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications which may hereafter be executed, (b) documents received by the Investors on the Closing Date (except for certificates evidencing the Shares themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to the Investors, may be reproduced by any Investor by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process and any Investor may destroy any original document so reproduced. All parties hereto agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by an Investor in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

7.4. Successors and Assigns

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties. Each of the Prior Principal Investors shall be a third-party beneficiary of this Agreement with respect to Section 4.12.

7.5. Entire Agreement; Amendment and Waiver

This Agreement and the agreements attached as Exhibits hereto constitute the entire understandings of the parties hereto and supersede all prior agreements or understandings with respect to the subject matter hereof and thereof among such parties. This Agreement may be amended, and the observance of any term of this Agreement may be waived, with (and only with) the written consent of the Company and the Investors.

7.6. Severability

In the event that any part or parts of this Agreement shall be held illegal or unenforceable by any court or administrative body of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

7.7. Remedies

Each Investor shall have all rights and remedies set forth in this Agreement and the other Transaction Documents and all of the rights that each Investor has under any law. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any Person having any rights under this Agreement may in its sole discretion apply to any court of law or equity of competent jurisdiction (without posting any bond or other security) for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

7.8. Jurisdiction and Venue

(a) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself or himself and its or his property, to the exclusive jurisdiction of any New York state court sitting in New York county or federal court of the United States of America sitting in New York county, and any appellate court presiding thereover, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereunder or thereunder or for recognition or enforcement of any judgment relating thereto, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in any such New York state court or, to the extent permitted by law, in any such federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(b) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it or he may legally and effectively do so, any objection that it or he may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereunder or thereunder in any state or federal court sitting in New York county. Each of the parties hereto irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) The parties hereto further agree that the notice of any process required by any such court in the manner set forth in Section 7.1 shall constitute valid and lawful service of process against them, without the necessity for service by any other means provided by law.

7.9. Waiver of Jury Trial.

THE COMPANY, THE INITIAL STOCKHOLDERS AND THE INVESTORS HEREBY WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS AGREEMENT OR THE VALIDITY, PROTECTION, INTERPRETATION OR ENFORCEMENT THEREOF. THE COMPANY AND THE INVESTOR AGREE THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS AGREEMENT AND WOULD NOT ENTER INTO THIS AGREEMENT IF THIS SECTION WERE NOT PART OF THIS AGREEMENT.

7.10. Counterparts

This Agreement may be executed in two or more counterparts (including by facsimile), each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed as of the date first above written.

[Counterpart Signature Pages follow]

Exhibit 4.5

Execution Copy

WISDOMTREE INVESTMENTS, INC.

THIRD AMENDED AND RESTATED
REGISTRATION RIGHTS AGREEMENT

THIRD AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT, dated as of October __, 2009, among the investors listed on Schedule I hereto (the "Investors"), the stockholders listed on Schedule II hereto (the "Initial Stockholders") and WisdomTree Investments, Inc., a Delaware corporation (the "Company").

RECITALS

WHEREAS, certain of the Investors (the "2004 Investors") have, pursuant to the terms of the Securities Purchase Agreement, dated as of November 10, 2004, by and among the Company and the Investors (the " 2004 SPA"), purchased shares of common stock, par value $0.01 per share, of the Company (the "Common Stock"); and

WHEREAS, the Company agreed, as a condition precedent to those certain Investors' obligations under the SPA, to grant those certain Investors certain registration rights; and

WHEREAS, the Company and those certain Investors defined the registration rights of those certain Investors in the Registration Rights Agreement, dated as of November 10, 2004, that was entered into by those certain Investors, the Initial Stockholders and the Company (the "Registration Rights Agreement"); and

WHEREAS, certain of the Investors (the "2005 Investors") have, pursuant to the terms of the Securities Purchase Agreement, dated as of July 22, 2005, by and among the Company and those Investors (the "2005 SPA"), purchased shares of Common Stock; and

WHEREAS, the Company agreed, as a condition precedent to the 2005 Investors' obligations under the 2005 SPA, to grant to the 2005 Investors the same registration rights that are embodied in the Registration Rights Agreement; and

WHEREAS, the Company, those parties to the Registration Rights Agreement and the 2005 Investors thereupon entered into an Amended and Restated Registration Rights Agreement, dated as of July 22, 2005, to add each of the 2005 Investors as an "Investor" under the Registration Rights Agreement (the "Amended and Restated Registration Rights Agreement"); and

WHEREAS, as of May 22, 2006, Saul Steinberg assigned his registration rights under the Amended and Restated Registration Rights Agreement to his spouse, Gayfryd Steinberg, upon the transfer by him to her of the shares of Common Stock he purchased pursuant to the 2004 SPA and Gayfryd Steinberg became a party to, and agreed to be bound by the terms of the Amended and Restated Registration Rights Agreement as an "Investor"; and

WHEREAS, certain of the Investors (the "2006 Investors") have, pursuant to the terms of the Securities Purchase Agreement, dated as of December 21, 2006, by and among the Company and those Investors (the "2006 SPA"), purchased shares of Common Stock; and

WHEREAS, the Company agreed, as a condition precedent to the 2006 Investors' obligations under the 2006 SPA, to grant to the 2006 Investors the same registration rights that are embodied in the Amended and Restated Registration Rights Agreement and to grant certain additional rights to the 2009 Principal Investors (as defined in the 2006 SPA); and

WHEREAS, the Company, those parties to the Amended and Restated Registration Rights Agreement and the 2006 Investors thereupon entered into an Second Amended and Restated Registration Rights Agreement, dated as of December 21, 2006, to add each of the 2006 Investors as an "Investor" under the Amended and Restated Registration Rights Agreement (the "Second Amended and Restated Registration Rights Agreement"); and

WHEREAS, certain of the Investors (the "2009 Investors") have, pursuant to the terms of the Securities Purchase Agreement, dated as of the date hereof, by and among the Company and the 2009 Investors (the "2009 Purchase Agreement"), agreed to purchase shares of Common Stock; and

WHEREAS, the Company agreed, as a condition precedent to the 2009 Purchase Agreement, to grant the 2009 similar registration rights that are embodied in the Second Amended and Restated Registration Rights Agreement; and

WHEREAS, the Company, those parties to the Second Amended and Restated Registration Rights Agreement and the 2009 Investors desire to amend and restate the Second Amended and Restated Registration Rights Agreement to add each of the 2009 Investors that are a party to the 2009 Purchase Agreement as an "Investor" under the Second Amended and Restated Registration Rights Agreement; and

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the parties hereby agree as follows:

The Amended and Restated Registration Rights Agreement is hereby amended and restated to read as follows:

SECTION 1. DEFINITIONS

As used in this Agreement, the following terms have the respective meanings set forth below:

Agreement: shall mean this Third Amended and Restated Registration Rights Agreement among the Investors, the Initial Stockholders and the Company;

Commission: shall mean the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act;

Exchange Act: shall mean the Securities Exchange Act of 1934, as amended;

Holder: shall mean any holder of Registrable Securities;

Investor Holder: shall mean any Investor or Investors who in the aggregate are Holders of 50% or more of the then outstanding Registrable Securities and;

Person: shall mean an individual, partnership, joint-stock company, corporation, trust or unincorporated organization, and a government or agency or political subdivision thereof;

Qualified Public Offering: shall mean an underwritten public offering after the date hereof pursuant to an effective registration statement under the Securities Act, covering the offer and sale of Common Stock for the account of the Company to the public generally at a price to the public which places upon the Company a value (calculated by multiplying the number of shares of Common Stock outstanding on a fully diluted basis immediately prior to such offering by the per share offering price, as set forth on the cover of the prospectus for such offering) in which the net proceeds to the Corporation are not less than $30 million;

Register, Registered and Registration: shall mean a registration effected by preparing and filing a registration statement in compliance with the Securities Act (and any post-effective amendments filed or required to be filed) and the declaration or ordering of effectiveness of such registration statement;

Registrable Securities: shall mean (A) shares of Common Stock acquired by the Investors pursuant to the 2004 SPA, the 2005 SPA, the 2006 SPA and/or the 2009 Purchase Agreement, (B) any other shares of Common Stock acquired by the Investors; (C) any Common Stock owned by the Initial Stockholders on the date hereof or issuable upon the exercise of options held or to be granted to the Initial Stockholders in the future and (D) any stock of the Company issued as a dividend or other distribution with respect to, or in exchange for or in replacement of the shares of Common Stock;

Registration Expenses: shall mean all expenses incurred by the Company in compliance with Section 2(a), (b) and (c) hereof, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company, fees and expenses of one counsel for all the Holders, blue sky fees and expenses and the expense of any special audits or reviews incident to or required by any such registration (but excluding the compensation of regular employees of the Company, which shall be paid in any event by the Company);

Reregistration Date: shall mean the effective date of a filing on Form 10 of the Exchange Act or a registration statement under the Securities Act by the Company after the date hereof.

Security, securities: shall have the meaning set forth in Section 2(1) of the Securities Act;

Securities Act: shall mean the Securities Act of 1933, as amended;

Selling Expenses: shall mean all underwriting discounts and selling commissions applicable to the sale of Registrable Securities and all fees and disbursements of counsel for each of the Holders; and

2006 Principal Investors: shall mean (i) James E. Manley and (ii) AIG Global Asset Management Holding Corp.

SECTION 2. REGISTRATION RIGHTS

(a) Requested Registration.

(i) Request for Registration. If at any time the Company shall receive, from any Investor Holder, a written request that the Company effect any registration with respect to all or a part of the Registrable Securities, the Company will:

(1) promptly give written notice of the proposed registration, qualification or compliance to all other Holders; and

(2) as soon as practicable, use its diligent best efforts to effect such registration (including, without limitation, the execution of an undertaking to file post-effective amendments, appropriate qualification under applicable blue sky or other state securities laws and appropriate compliance with applicable regulations issued under the Securities Act) as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any Holder or Holders joining in such request as are specified in a written request received by the Company within ten (10) business days after written notice from the Company is given under Section 2(a)(i)(1) above; provided that the Company shall not be obligated to effect, or take any action to effect, any such registration for any Holder pursuant to this Section 2(a):

(A) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification or compliance, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act or applicable rules or regulations thereunder; or

(B) After the Company has effected three (3) such registrations pursuant to this Section 2(a) and such registrations have been declared or

ordered effective and, if applicable, the sales of such Registrable Securities shall have closed.

The registration statement filed pursuant to the request of the Investor Holders may, subject to the provisions of Section 2(a)(ii) below, include other securities of the Company which are held by Persons who, by virtue of agreements with the Company, are entitled to include their securities in any such registration (the "Other Stockholders"). In the event any Holder requests a registration pursuant to this Section 2(a) in connection with a distribution of Registrable Securities to its partners, the registration shall provide for the resale by such partners, if requested by such Holder.

The registration rights set forth in this Section 2 may be assigned, in whole or in part, to any transferee of Registrable Securities (who shall be bound by all obligations of this Agreement).

(ii) Underwriting. If the Investor Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2(a)(i).

If the Other Stockholders request inclusion of their securities in the underwriting, the Holders shall offer to include the securities of such Other Stockholders in the underwriting and may condition such offer on their acceptance of the further applicable provisions of this Section 2. The Holders whose shares are to be included in such registration and the Company shall (together with all the Other Stockholders proposing to distribute their securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected for such underwriting by the Investor Holders and reasonably acceptable to the Company; provided, however, that such underwriting agreement shall not provide for indemnification or contribution obligations on the part of the Holders materially greater than the obligations of the Holders under Section (2)(f)(ii). Notwithstanding any other provision of this Section 2(a), if the representative advises the Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, the securities of the Company held by the Other Stockholders shall be excluded from such underwriting to the extent so required by such limitation. If, after the exclusion of such shares, further reductions are still required, the number of shares included in the registration by each Holder shall be reduced on a pro rata basis (based on the number of shares held by such Holder), by such minimum number of shares as is necessary to comply with such request. If any Other Stockholder who has requested inclusion in such registration as provided above disapproves of the terms of the underwriting, such Person may elect to withdraw therefrom by written notice to the Company, the underwriter and the Investor Holder. If the underwriter has not limited the number of Registrable Securities or other securities to be underwritten, the Company and officers and directors of the Company may include its or their securities for its or their own account in such registration if the representative so agrees and if the number of Registrable Securities and other securities which would otherwise have been included in such registration and underwriting will not thereby be limited.

(b) Company Registration.

(i) If the Company shall determine to register any of its equity securities either for its own account or for the account of the Other Stockholders, other than a registration relating solely to employee benefit plans, or a registration relating solely to a Rule 145 transaction under the Securities Act, or a registration on any registration form which does not permit secondary sales or does not include substantially the same information as would be required to be included in a registration statement covering the sale of Registrable Securities, the Company will:

(1) promptly give to each of the Holders a written notice thereof (which shall include a list of the jurisdictions in which the Company intends to attempt to qualify such securities under the applicable blue sky or other state securities laws); and

(2) include in such registration (and any related qualification under blue sky laws or other compliance), and in any underwriting involved therein, all the Registrable Securities specified in a written request or requests, made by the Holders within fifteen (15) days after receipt of the written notice from the Company described in clause (1) above, except as set forth in Section 2(b)(ii) below. Such written request may specify all or a part of the Holders' Registrable Securities. In the event any Holder requests inclusion in a registration pursuant to this Section 2(b) in connection with a distribution of Registrable Securities to its partners, the registration shall provide for the resale by such partners, if requested by such Holder.

(ii) Underwriting. If the registration of which the Company gives notice is for a registered public offering involving an underwriting, the Company shall so advise each of the Holders as a part of the written notice given pursuant to Section 2(b)(i)(1) above. In such event, the right of each of the Holders to registration pursuant to this Section 2(b) shall be conditioned upon such Holders' participation in such underwriting and the inclusion of such Holders' Registrable Securities in the underwriting to the extent provided herein. The Holders whose shares are to be included in such registration shall (together with the Company and the Other Stockholders distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected for underwriting by the Company; provided, however, that such underwriting agreement shall not provide for indemnification or contribution obligations on the part of the Holders materially greater than the obligations of the Holders under Section (2)(f)(ii). Notwithstanding any other provision of this Section 2(b), if the representative determines that marketing factors require a limitation on the number of shares to be underwritten, and the representative may (subject to the allocation priority set forth below) limit the number of Registrable Securities to be included in the underwriting to not less than twenty five percent (25%) of the shares included therein (based on the number of shares). The Company shall so advise all holders of securities requesting registration, and the number of shares of securities that are entitled to be included in the underwriting shall be allocated in the following manner: the securities of the Company held by officers, directors and the Other Stockholders of the Company (other than Registrable Securities and other than

securities held by holders who by contractual right demanded such registration ("Demanding Holders")) shall be excluded from such underwriting to the extent required by such limitation, and, if a limitation on the number of shares is still required, the number of shares that may be included in underwriting by each of the Holders and Demanding Holders shall be reduced, on a pro rata basis (based on the number of shares held by such holder), by such minimum number of shares as is necessary to comply with such limitation. If any of the Holders or any officer, director or Other Stockholder disapproves of the terms of any such underwriting, he may elect to withdraw therefrom by written notice to the Company and the underwriter.

(c) Form S-3. Following the Reregistration Date, the Company shall use its best efforts to qualify for registration on Form S-3 for secondary sales. After the Company has qualified for the use of Form S-3, the Investor Holders shall have the right to request three (3) registrations on Form S-3 (such requests shall be in writing and shall state the number of shares of Registrable Securities to be disposed of and the intended method of disposition of shares by such holders), provided that the Company shall not be obligated to effect, or take any action to effect, any such registration pursuant to this Section 2(c):

(i) Unless the Investor Holder or Investor Holders requesting registration propose to dispose of shares of Registrable Securities having an aggregate price to the public (before deduction of Selling Expenses) of more than $500,000;

(ii) Within one hundred eighty (180) days of the effective date of the most recent registration pursuant to this Section 2(c) in which securities held by the requesting Holder could have been included for sale or distribution;

(iii) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification or compliance, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act or applicable rules or regulations thereunder;

The Company shall give written notice to all Holders of the receipt of a request for registration pursuant to this Section 2(c) and shall provide a reasonable opportunity for other Holders to participate in the registration, provided that if the registration is for an underwritten offering, the terms of Section 2(a)(ii) above shall apply to all participants in such offering. Subject to the foregoing, the Company will use its best efforts to effect promptly the registration of all shares of Registrable Securities on Form S-3 to the extent requested by the Holder or Holders thereof for purposes of disposition. In the event any Holder requests a registration pursuant to this Section 2(c) in connection with a distribution of Registrable Securities to its partners, the registration shall provide for the resale by such partners, if requested by such Holder.

(d) Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance pursuant to this Section 2 shall be borne by the Company, and all Selling Expenses shall be borne by the Holders of the securities so registered pro rata on the basis of the number of their shares so registered.

(e) Registration Procedures. In the case of each registration effected by the Company pursuant to this Section 2, the Company will keep the Holders, as applicable, advised in writing as to the initiation of each registration and as to the completion thereof. At its expense, the Company will:

(i) keep such registration effective for a period of one hundred twenty (120) days or until the Holders (or in the case of a distribution to the partners of such Holder, such partners), as applicable, have completed the distribution described in the registration statement relating thereto, whichever first occurs; provided, however, that (1) such one hundred twenty (120)-day period shall be extended for a period of time equal to the period during which the Holders or partners, as applicable, refrain from selling any securities included in such registration in accordance with the provisions in Section 2(i) hereof; and (2) in the case of any registration of Registrable Securities on Form S-3 which are intended to be offered on a continuous or delayed basis, such one hundred and twenty (120)-day period shall be extended until all such Registrable Securities are sold, provided that Rule 415, or any successor rule under the Securities Act, permits an offering on a continuous or delayed basis, and provided further that applicable rules under the Securities Act governing the obligation to file a post-effective amendment permit, in lieu of filing a post-effective amendment which (y) includes any prospectus required by Section 10(a) of the Securities Act or (z) reflects facts or events representing a material or fundamental change in the information set forth in the registration statement, the incorporation by reference of information required to be included in (y) and (z) above to be contained in periodic reports filed pursuant to Section 12 or 15(d) of the Exchange Act in the registration statement;

(ii) furnish such number of prospectuses and other documents incident thereto as each of the Holders, as applicable, from time to time may reasonably request;

(iii) notify each Holder of Registrable Securities covered by such registration at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing; and

(iv) furnish, on the date that such Registrable Securities are delivered to the underwriters for sale, if such securities are being sold through underwriters or, if such securities are not being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (1) an opinion, dated as of such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering and reasonably satisfactory to a majority in interest of the Investor Holders participating in such registration, addressed to the underwriters, if any, and to the Holders participating in such registration and (2) a letter, dated as of such date, from the independent certified public accountants of the Company, in form and substance as is

customarily given by independent certified public accountants to underwriters in an underwritten public offering and reasonably satisfactory to a majority in interest of the Investor Holders participating in such registration, addressed to the underwriters, if any, and if permitted by applicable accounting standards, to the Holders participating in such registration.

(f) Indemnification.

(i) The Company will indemnify each of the Holders, as applicable, each of its officers, directors and partners, and each Person controlling each of the Holders, with respect to each registration which has been effected pursuant to this Section 2, and each underwriter, if any, and each person who controls any underwriter, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any prospectus, offering circular or other document (including any related registration statement, notification or the like) incident to any such registration, qualification or compliance, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or the Exchange Act or any rule or regulation thereunder applicable to the Company and relating to action or inaction required of the Company in connection with any such registration, qualification or compliance, and will reimburse each of the Holders, each of its officers, directors and partners, and each Person controlling each of the Holders, each such underwriter and each Person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating and defending any such claim, loss, damage, liability or action, provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense arises out of or is based on any untrue statement or omission based upon written information furnished to the Company by the Holders or underwriter and stated to be specifically for use therein.

(ii) Each of the Holders will, if Registrable Securities held by it are included in the securities as to which such registration, qualification or compliance is being effected, indemnify the Company, each of its directors and officers and each underwriter, if any, of the Company's securities covered by such a registration statement, each person who controls the Company or such underwriter, each Other Stockholder and each of their officers, directors, and partners, and each person controlling such Other Stockholder against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such registration statement, prospectus, offering circular or other document made by such Holder, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements by such Holder therein not misleading, and will reimburse the Company and such Other Stockholders, directors, officers, partners, persons, underwriters or control persons for any legal or any other expenses reasonably incurred in connection with investigating and defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission

(or alleged omission) is made in such registration statement, prospectus, offering circular or other document in reliance upon and in conformity with written information furnished to the Company by such Holder and stated to be specifically for use therein; provided, however, that the obligations of each of the Holders hereunder shall be limited to an amount equal to the net proceeds to such Holder of securities sold as contemplated herein.

(iii) Each party entitled to indemnification under this Section 2(f) (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom; provided that counsel for the Indemnifying Party, who shall conduct the defense of such claim or any litigation resulting therefrom, shall be approved by the Indemnified Party (whose approval shall not unreasonably be withheld) and the Indemnified Party may participate in such defense at such party's expense (unless the Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party in such action, in which case the fees and expenses of counsel shall be at the expense of the Indemnifying Party), and provided further that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 2(f) unless the Indemnifying Party is materially prejudiced thereby. No Indemnifying Party, in the defense of any such claim or litigation shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with the defense of such claim and litigation resulting therefrom.

(iv) If the indemnification provided for in this Section 2(f) is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage or expense referred to herein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the statements or omissions which resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations; provided, however, that the obligations of each of the Holders hereunder shall be limited to an amount equal to the net proceeds to such Holder of securities sold as contemplated herein.

(v) The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by reference to, among other things, whether the untrue (or alleged

untrue) statement of a material fact or the omission (or alleged omission) to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(vi) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with any underwritten public offering contemplated by this Agreement are in conflict with the foregoing provisions, the provisions in such underwriting agreement shall be controlling.

(vii) The foregoing indemnity agreement of the Company and Holders is subject to the condition that, insofar as they relate to any loss, claim, liability or damage arising out of a statement made in or omitted from a preliminary prospectus but eliminated or remedied in the amended prospectus on file with the Commission at the time the registration statement in question becomes effective or the amended prospectus filed with the Commission pursuant to Rule 424(b) under the Securities Act (the "Final Prospectus"), such indemnity or contribution agreement shall not inure to the benefit of any underwriter or Holder if a copy of the Final Prospectus was furnished to the underwriter and was not furnished to the Person asserting the loss, liability, claim or damage at or prior to the time such action is required by the Securities Act.

(g) Information by the Holders.

(i) Each of the Holders holding securities included in any registration shall furnish to the Company such information regarding such Holder and the distribution proposed by such Holder as the Company may reasonably request in writing and as shall be reasonably required in connection with any registration, qualification or compliance referred to in this Section 2.

(ii) In the event that, either immediately prior to or subsequent to the effectiveness of any registration statement, any Holder shall distribute Registrable Securities to its partners, such Holder shall so advise the Company and provide such information as shall be necessary to permit an amendment to such registration statement to provide information with respect to such partners, as selling security holders. Promptly following receipt of such information, the Company shall file an appropriate amendment to such registration statement reflecting the information so provided. Any incremental expense to the Company resulting from such amendment shall be borne by such Holder.

(h) Rule 144 Reporting.

With a view to making available the benefits of certain rules and regulations of the Commission which may permit the sale of restricted securities to the public without registration, the Company agrees to:

(i) make and keep public information available as those terms are understood and defined in Rule 144 under the Securities Act ("Rule 144"), at all times from and after ninety (90) days following the effective date of the first registration under the Securities Act filed by the Company for an offering of its securities to the general public;

(ii) use its best efforts to file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act at any time after it has become subject to such reporting requirements; and

(iii) so long as a Holder owns any Registrable Securities, furnish to such Holder upon request, a written statement by the Company as to its compliance with the reporting requirements of Rule 144 (at any time from and after ninety (90) days following the effective date of the first registration statement filed by the Company for an offering of its securities to the general public), and of the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed as such Holder may reasonably request in availing itself of any rule or regulation of the Commission allowing such Holder to sell any such securities without registration.

(i) "Market Stand-off" Agreement. Each of the Holders agrees, if requested by the Company and an underwriter of equity securities of the Company, not to sell or otherwise transfer or dispose of any Registrable Securities held by such Holder during the one hundred eighty (180)-day period following the effective date of a registration statement of the Company filed under the Securities Act, provided that:

(i) such agreement only applies to a Qualified Public Offering; and

(ii) all officers and directors of the Company enter into similar agreements.

If requested by the underwriters, the Holders shall execute a separate agreement to the foregoing effect. The Company may impose stop-transfer instructions with respect to the shares (or securities) subject to the foregoing restriction until the end of said one hundred eighty (180)-day period. The provisions of this Section 2(i) shall be binding upon any transferee who acquires Registrable Securities.

(j) Termination. The registration rights set forth in this Section 2 shall not be available to any Holder if, (i) in the opinion of counsel to the Company, all of the Registrable Securities then owned by such Holder could be sold in any ninety (90)-day period pursuant to Rule 144 or (ii) all of the Registrable Securities held by such Holder have been sold in a registration pursuant to the Securities Act or pursuant to Rule 144.

(k) Additional Demand Registration Right for 2006 Principal Investors. Each of the 2006 Principal Investors shall have a separate, independent and additional right to request either (i) a registration pursuant to Section 2(a)(i) as if it, acting alone, were an Investor Holder, or (ii) a registration on Form S-3 pursuant to Section 2(c) as if it, acting alone, were an Investor Holder, but in either case, only if an Investor Holder (which may or may not be the same

Investor Holder with respect to each request) had already exercised its rights for all of the three requisite registrations under each of those two Sections and the 2006 Principal Investor thereafter still held Registrable Securities. The provisions and limitations of Section 2 shall otherwise remain applicable to the registration requested by the 2006 Principal Investor with the requesting 2006 Principal Investor being substituted for the Investor Holder.

SECTION 3. MISCELLANEOUS

(a) Directly or Indirectly. Where any provision in this Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

(b) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

(c) Section Headings. The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof.

(d) Notices.

(i) All communications under this Agreement shall be in writing and shall be delivered by hand or facsimile or mailed by overnight courier or by registered or certified mail, postage prepaid:

(1) if to the Company, at 380 Madison Avenue, 21st Floor, New York, NY 10017 (facsimile: (917) 267-3851), marked for attention of the Legal Department, or at such other address or facsimile number as it may have furnished in writing to the Holders, with a copy to Graubard Miller, The Chrysler Building, 405 Lexington Avenue, New York, NY 10174 (facsimile: (212) 818-8881), Attention: David Alan Miller, Esq.

(2) if to the Holders, other than the 2006 Principal Investors, at the address or facsimile number listed on Schedule I or II hereto, as applicable, or at such other address or facsimile number as may have been furnished the Company in writing, with a copy to Schulte Roth & Zabel LLP, 919 Third Avenue, New York, NY 10022 (facsimile: (212) 93-5955), Attention: Benjamin Polk, Esq.

(3) if to the 2006 Principal Investors, at the address or facsimile number listed on Schedule I hereto, as applicable, or at such other address or facsimile number as may have been furnished the Company in writing, with a copy in the case of AIG Global Asset Management Holding Corp., to Goodwin Procter, 901 New York Avenue, N.W., Washington, D.C. 20001 (facsimile: (202) 346-4444), Attention: James Hutchinson, Esq., and in the case of James Manley, to Satterlee Stephens Burke & Burke LLP, 230 Park Avenue, New York, New York 10169 (Fax: (212) 818-9606), Attention: Edwin T. Markham, Esq.

(ii) Any notice so addressed shall be deemed to be given: if delivered by hand or facsimile, on the date of such delivery; if mailed by overnight courier, on the first business day following the date of such mailing; and if mailed by registered or certified mail, on the third business day after the date of such mailing.

(e) Reproduction of Documents. This Agreement and all documents relating thereto, including, without limitation, any consents, waivers and modifications which may hereafter be executed may be reproduced by the Holders by any photographic, photostatic, microfilm, microcard, miniature photographic or other similar process and the Holders may destroy any original document so reproduced. The parties hereto agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by the Holders in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

(f) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties.

(g) Entire Agreement; Amendment and Waiver. This Agreement constitutes the entire understanding of the parties hereto relating to the subject matter hereof and supersedes all prior understandings among such parties. This Agreement may be amended, and the observance of any term of this Agreement may be waived, with (and only with) the written consent of the Company and the Holders holding a majority of the then outstanding Registrable Securities. In addition, Section 2(k) may only be amended with the consent of all of the 2006 Principal Investors. Notwithstanding the foregoing, upon the approval of the Board of Directors of the Company, any Person may become a party to this agreement, as an Initial Stockholder, by executing the Registration Rights Joinder Agreement attached hereto as Exhibit A. Upon the execution of any such Registration Rights Joinder Agreement, Schedule II hereto shall automatically be updated to reflect such additional Initial Stockholder.

(h) Severability. In the event that any part or parts of this Agreement shall be held illegal or unenforceable by any court or administrative body of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

(i) Counterparts. This Agreement may be executed in two or more counterparts (including by facsimile), each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

[Remainder of Page Intentionally Left Blank]

[Counterpart Signature Pages Follow]

EXHIBIT A

REGISTRATION RIGHTS JOINDER

By execution of this Registration Rights Joinder, the undersigned agrees to become a party to that certain Second Amended and Restated Registration Rights Agreement dated as of December 21, 2006, as may be amended, among WisdomTree Investments, Inc. and the parties named therein. The undersigned shall have all the rights, and shall observe all the obligations, applicable to an Initial Stockholder under such Agreement.

Name:_____

Number and Type of Securities Held:_____

Address for Notices:

_____

_____

_____

_____

With copies to:

_____

_____

_____

_____

Signature:_____

Date: _____

Exhibit 10.1

FORM OF
INVESTMENT ADVISORY AGREEMENT

AGREEMENT made as of this [date], between WisdomTree Asset Management, Inc. (the "Adviser") and WisdomTree Trust, a business trust organized under the laws of the State of Delaware (the "Trust").

WHEREAS, the Adviser is principally engaged in the business of rendering investment management services and is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), or will be so registered prior to the launch of any Initial Fund (as defined below); and

WHEREAS, the Trust proposes to engage in the business of an investment company and is registered as such under the Investment Company Act of 1940, as amended (the "1940 Act"); and

WHEREAS, the Trust is authorized to issue shares of beneficial interest in separate series with each such series representing interests in a separate portfolio of securities and other assets; and

WHEREAS, the Trust intends initially to offer shares representing interests in each of the separate series listed on Schedule A attached hereto (each, an "Initial Fund" and collectively, the "Initial Funds"); and

WHEREAS, the Trust desires to appoint the Adviser to serve as the investment adviser with respect to each of the Initial Funds; and

WHEREAS, the Trust may, from time to time, offer shares representing interests in one or more additional series (each, an "Additional Fund" and collectively, the "Additional Funds"); and

WHEREAS, the Trust may desire to appoint the Adviser as the investment adviser with respect to one or more of the "Additional Funds" (each such Additional Fund and Initial Fund being referred to herein individually as a "Fund" and collectively as the "Funds");

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Appointment of the Adviser

The Trust hereby appoints the Adviser to act as investment adviser for the Initial Funds for the period and on terms set forth herein. The Adviser accepts such appointment and agrees to render such services for the compensation set forth herein. In the event that the Trust desires to retain the Adviser to render investment advisory services hereunder with respect to an Additional Fund, and the Adviser is willing to render such services, Schedule A shall be amended in accordance with Section 10(b) whereupon such Additional Fund shall become a Fund hereunder. The Adviser shall be deemed to be an independent contractor and shall, unless otherwise

expressly provided for or authorized, in this Agreement or another writing by the Trust and the Adviser, have no authority to act for or represent the Trust in any way or otherwise be deemed an agent of the Trust.

2. Duties of the Adviser

(a) The Trust acknowledges and agrees that it is contemplated that the Adviser will manage the investment operations and composition of each Fund of the Trust and render investment advice for each Fund. The Adviser may, at its own expense, select and contract with one or more investment sub-advisers to manage the investment operations and composition of each Fund of the Trust and render investment advice for each Fund. The services provided by the Adviser or any such sub-adviser shall include: (i) furnishing continuously an investment program for each Fund; (ii) managing the investment and reinvestment of Fund assets; (iii) determining which investments shall be purchased, held, sold or exchanged for each Fund and what portion, if any, of the assets of each Fund shall be held uninvested; (iv) making changes on behalf of the Trust in the investments for each Fund; (v) providing the Trust with records concerning the activities that the Trust is required to maintain; and (vi) rendering reports to the Trust's officers and Board of Trustees concerning the Adviser's discharge of the foregoing responsibilities. In addition, the Adviser will arrange for other necessary services, including custodial, transfer agency and administration. The Adviser shall furnish to the Trust all office facilities, equipment, services and executive and administrative personnel necessary for managing the investment program of the Trust for each Fund. The Adviser may enter into arrangements with its parent or other persons affiliated or unaffiliated with the Adviser for the provision of certain personnel and facilities to the Adviser to enable the Adviser to fulfill its duties and obligations under this Agreement.

(b) The Adviser shall discharge the foregoing responsibilities subject to the supervision and control of the Board of Trustees of the Trust and in compliance with such policies as the Trustees may from time to time establish, each Fund's investment objective and policies as set forth in the then current prospectus and statement of additional information for such Fund contained in the Trust's Registration Statement on Form N-1A, as amended or supplemented from time to time, the Trust's compliance manual, as in effect from time to time, and applicable laws and regulations.

3. Certain Records and Reports

Any records required to be maintained and preserved pursuant to the provisions of Rule 31a-1 and Rule 31a-2 under the 1940 Act that are prepared or maintained by the Adviser (or any investment sub-adviser) on behalf of the Trust are the property of the Trust and will be surrendered promptly to the Trust at its request (the "Records"). The Adviser agrees to preserve the Records for the periods prescribed in Rule 31a-2 under the 1940 Act. The Trust and the Adviser agree to furnish to each other, if applicable, current prospectuses, proxy statements, reports to shareholders, certified copies of their financial statements, and such other information with regard to their affairs as each may reasonably request. The Adviser shall keep confidential any information obtained in connection with its duties hereunder and disclose such in formation

only if the Trust has authorized such disclosure or if such disclosure is expressly required or lawfully requested by applicable federal or state regulatory authorities.

4. Advisory Fees/Allocation of Expenses

(a) For the services to be provided by the Adviser hereunder with respect to each Fund, the Trust shall pay to the Adviser a fee at the rate set forth on Schedule A attached hereto. Schedule A shall be amended from time to time to reflect the addition and/or termination of any Fund as a Fund hereunder and to reflect any change in the advisory fees payable with respect to any Fund duly approved in accordance with Section 10(b) hereunder. All fees payable hereunder shall be accrued daily and paid as soon as practical after the last day of each month.

In any case of commencement or termination of this Agreement with respect to any Fund during any calendar month, the fee with respect to such Fund for that month shall be reduced proportionately based upon the number of calendar days during which it is in effect, and the fee shall be computed upon the average daily net assets of such Fund for the days during which it is in effect.

(b) The Adviser agrees to pay all expenses of the Trust, except for: (i) brokerage expenses and other expenses (such as stamp taxes) connected with the execution of portfolio transactions or in connection with creation and redemption transactions; (ii) legal fees or expenses in connection with any arbitration, litigation or pending or threatened arbitration or litigation, including any settlements in connection therewith; (iii) compensation and expenses of the Trustees of the Trust who are not officers, directors/trustees, partners or employees of the Adviser or its affiliates (the "Independent Trustees"); (iv) compensation and expenses of counsel to the Independent Trustees, (iv) compensation and expenses of the Trust's chief compliance officer; (v) extraordinary expenses; (vi) distribution fees and expenses paid by the Trust under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act; and (vii) the advisory fee payable to the Adviser hereunder. The payment or assumption by the Adviser of any expense of the Trust that the Adviser is not required by this Agreement to pay or assume shall not obligate the Adviser to pay or assume the same or any similar expense of the Trust on any subsequent occasion.

5. Limitation of Liability Under the Declaration of Trust

The Declaration of Trust establishing the Trust provides that no Trustee, shareholder, officer, employee or agent of the Trust shall be subject to any personal liability in connection with Trust property or the affairs of the Trust and that all persons should shall look solely to the Trust property or to the property of one or more specific Funds for satisfaction of claims of any nature arising in connection with the affairs of the Trust.

6. Regulation

The Adviser shall submit to all regulatory and administrative bodies having jurisdiction over the services provided pursuant to this Agreement any information, reports or other material which

any such body by reason of this Agreement may request or require pursuant to applicable laws and regulations.

7. Provision of Certain Information by the Adviser

The Adviser will promptly notify the Trust in writing of the occurrence of any of the following events:

(a) the Adviser fails to be registered as an investment adviser under the Advisers Act or under the laws of any jurisdiction in which the Adviser is required to be registered as an investment adviser in order to perform its obligations under this Agreement;

(b) the Adviser is served or otherwise receives notice of any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, involving the affairs of the Trust; and

(c) the chief executive officer or parent company of the Adviser or the portfolio manager of any Fund changes.

8. Limitation of Liability of the Adviser

Neither the Adviser nor its officers, directors, employees, agents, affiliated persons or controlling persons or assigns shall be liable for any error of judgment or mistake of law or for any loss suffered by the Trust or its shareholders in connection with the matters to which this Agreement relates; provided that no provision of this Agreement shall be deemed to protect the Adviser against any liability to the Trust or its shareholders resulting from any willful misfeasance, bad faith or gross negligence in the performance of its duties or obligations hereunder, the reckless disregard of its duties or obligations hereunder, or breach of its fiduciary duty to the Trust, any Fund or its shareholders.

9. Force Majeure

Notwithstanding any other provision of this Agreement, the Adviser shall not be liable for any loss suffered by the Trust or its shareholders caused directly or indirectly by circumstances beyond the Adviser's reasonable control including, without limitation, government restrictions, exchange or market rulings, suspensions of trading, acts of civil or military authority, national emergencies, labor difficulties, fires, earthquakes, floods or other catastrophes, acts of God, wars, riots or failures of communication or power supply. In the event of equipment breakdowns beyond its reasonable control, the Adviser shall take reasonable steps to minimize service interruptions, but shall have no liability with respect thereto.

10. Duration, Termination and Amendment

(a) Duration. This Agreement shall become effective with respect to each Initial Fund on the date hereof and, with respect to any Additional Fund, on the date Schedule A is amended to reflect such Additional Fund in accordance with paragraph (b) below. Unless terminated in

accordance with this Section 8, the Agreement shall remain in full force and effect for two years from the date hereof with respect to each Initial Fund and, with respect to each Additional Fund, for two years from the date on which such Fund becomes a Fund hereunder. Subsequent to such initial periods of effectiveness, this Agreement shall continue in full force and effect for periods of one year thereafter with respect to each Fund so long as such continuance with respect to such Fund is specifically approved at least annually (i) by either the Board of Trustees of the Trust or by vote of a "majority of the outstanding voting securities" (as defined in the 1940 Act) of such Fund, and (ii) in either event, by the vote of a majority of the Trustees of the Trust who are not parties to this Agreement or "interested persons" (as defined in the 1940 Act) of any such party ("Independent Trustees") cast in person at a meeting called for the purpose of voting on such approval. If the shareholders of any Fund fail to approve the Agreement of any continuance of the Agreement as provided herein, the Adviser may continue to serve hereunder in the manner and to the extent permitted by the 1940 Act and rules and regulations thereunder. The foregoing requirement that continuance of this Agreement be "specifically approved at least annually" shall be construed in a manner consistent with the 1940 Act and the rules and regulations thereunder.

(b) Amendment. Any amendment to this Agreement that is material shall become effective with respect to a Fund only upon approval of the Adviser, the Board of Trustees of the Trust, including a majority of the Independent Trustees of the Trust cast in person at a meeting called for the purpose of voting such approval and, if required under the 1940 Act, a majority of the outstanding voting securities (as defined in the 1940 Act) of the Fund.

c. Approval, Amendment or Termination by a Fund. Any approval, amendment or termination of this Agreement with respect to a Fund will not require the approval of a majority of the outstanding voting securities of any other Fund or the approval of a majority of the outstanding voting securities of the Trust, unless such approval is required by applicable law.

d. Automatic Termination. This Agreement shall automatically and immediately terminate in the event of its "assignment" (as defined in the 1940 Act).

e. Termination. This Agreement may be terminated with respect to any Fund at any time, without payment of any penalty, by vote of the Board of Trustees of the Trust, including a majority of the Independent Trustees of the Trust, or by vote of a majority of the outstanding voting securities (as defined in the 1940 Act) of that Fund, or by the Adviser, in each case on not less than 30 days' nor more than 60 days' prior written notice to the other party; provided, that a shorter notice period shall be permitted for a Fund in the event its shares are no longer listed on a national securities exchange.

11. Services Not Exclusive

The services of the Adviser to the Trust hereunder are not to be deemed exclusive, and the Adviser shall be free to render similar services to others (including other investment companies and to engage in other activities) so long as its services hereunder are not impaired thereby.

12. Miscellaneous

(a) Notice. All notices required to be given pursuant to this Agreement shall be delivered or mailed to the last known business address of the Trust or the Adviser in person or by registered mail or a private mail or delivery service providing the sender with notice of receipt. Notice shall be deemed given on the date delivered or mailed in accordance with this section. A copy of any notice given to the Trust shall be delivered to: Robert J. Borzone, Jr., Kirkpatrick & Lockhart Nicholson Graham LLP, 599 Lexington Avenue, New York, New York 10022-6030.

(b) Severability. Should any portion of this Agreement for any reason be held to be void in law or in equity, the Agreement shall be construed, insofar as is possible, as if such portion had never been contained herein.

(c) Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware (without giving effect to its conflict of law principles) and the applicable provisions of the 1940 Act. To the extent that the applicable laws of the State of Delaware, or any of the provisions herein, conflict with the applicable provisions of the 1940 Act, the latter shall control.

(d) Execution By Counterpart. This Agreement may be executed in any number of counterparts, all of which together shall constitute one agreement.

(e) Survival After Termination. The rights and obligations set forth in Sections 5 and 8 shall survive the termination of this Agreement.

(f) Permissible Interests. Trustees, officers, agents and shareholders of the Trust are or may be interested in the Adviser (or any successor thereof) as directors, partners, officers, agents, shareholders or otherwise; directors, partners, officers, agents and shareholders of the Adviser are or may be interested in the Trust as Trustees, officers, agents, shareholders or otherwise; and the Adviser (or any successor thereof) is or may be interested in the Trust as a shareholder or otherwise.

(g) Entire Agreement. This Agreement contains the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed as of the date first set forth above.

WISDOMTREE TRUST

By: _____
Name: Jonathan Steinberg
Title: President

WISDOMTREE ASSET MANAGEMENT, INC.

By: _____
Name: Jonathan Steinberg
Title: Chief Executive Officer

Schedule A
to the Investment Advisory Agreement
Dated as of _____
between WisdomTree Trust
and WisdomTree Asset Management, Inc.

Name of Series	Fee

Exhibit 10.2

FORM OF LICENSE AGREEMENT

THIS AGREEMENT, dated as of [Date] ("Effective Date"), is made by and between WisdomTree Investments, Inc., a Delaware corporation, having its principal place of business at 48 Wall Street, 11th Floor, New York, NY 10005 ("Licensor"), and WisdomTree Trust, a Delaware business trust, having its principal place of business at 48 Wall Street, 11th Floor, New York, NY 10005 ("Licensee").

WHEREAS, Licensor is the owner of all right, title and interest in and to certain quantitative securities benchmarks ("Licensed Benchmarks"), along with associated service marks, together with any applications or registrations now or hereinafter issued on said service marks whether federal, state or foreign ("Licensed Marks"), identified more completely in Exhibit A hereto; and

WHEREAS, Licensor is the owner of certain research and development information, processes, know-how, trade secrets and technical data related to financial benchmarks, indexes, funds and model portfolios ("Technical Data"); and

WHEREAS, Licensor wishes to grant a license to Licensee and Licensee wishes to receive a license from Licensor, for the right to use the Licensed Benchmarks, Technical Data and Licensed Marks owned by Licensor in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the above premises and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Licensor and Licensee agree as follows:

Grant of License

1. Subject to the terms and conditions set forth below, Licensor hereby grants to Licensee, and Licensee hereby accepts an exclusive, nontransferable, non-sublicensable, non-assignable, royalty-free license in the United States to use the Licensed Benchmarks and associated Technical Data solely in connection with the construction and establishment of a series of exchange-traded funds, each based on a Licensed Benchmark ("Benchmark Funds"), and to use the Licensed Marks, solely in connection with the Benchmark Funds.

Ownership

2. Licensee acknowledges and agrees (i) that Licensor is the exclusive owner of the Licensed Benchmarks, the Technical Data, and the Licensed Marks and all the rights therein and goodwill pertaining thereto, (ii) that all use of the Licensed Marks by Licensee shall inure to the benefit of Licensor, including its successors and assigns, (iii) that Licensee shall not take any action which is inconsistent with Licensor's ownership of the Licensed Benchmarks, Technical Data and Licensed Marks, and (iv) that, upon termination of this Agreement, all rights in the Licensed Marks, including the goodwill connected therewith, the Licensed Benchmarks and Technical Data shall remain the property of Licensor. Licensor shall be solely responsible for, and may exercise its discretion in, deciding whether to apply for and prosecute applications for registration of the Licensed Marks in any jurisdiction and whether to maintain any such registrations therefor.

Quality Control of Licensed Marks

3. Licensee agrees that the nature and quality of the Benchmark Funds and related services provided by Licensee in connection with the Licensed Marks shall conform to commercially reasonable standards. Licensee agrees to cooperate with Licensor in facilitating Licensor's control of such nature and quality, and to supply Licensor with specimens of use of the Licensed Marks upon request. Licensee agrees that it will not make any significant change to the Licensed Marks or business methods for rendering the services offered under the Licensed Marks without obtaining the prior consent of Licensor. Licensee shall not have the right to and shall not use any

trademarks, trade names or service marks confusingly similar to the Licensed Marks or other Licensor marks.

Confidentiality

4. Licensee shall: (i) treat as confidential and preserve the confidence of all Confidential Information as that term is defined below; (ii) make no use of the Confidential Information except as expressly permitted under this Agreement; and (iii) except as expressly authorized by Licensor, limit access to the Confidential Information to Licensee's employees and consultants who reasonably require access to such Confidential Information, and otherwise maintain policies and procedures designed to prevent any unauthorized disclosure of the Confidential Information. For purposes of this Agreement, Confidential Information shall include all business and financial information relating to Licensor, all proprietary information relating to the Licensed Benchmarks and Technical Data, and any Benchmark Funds or processes produced in connection therewith (excluding, however, that portion of such proprietary information incorporated into an issued patent assigned to or owned by Licensor), and all inventions, discoveries, methods, plans, techniques, processes, documents, drawings, data, trade secrets, know-how, patent applications and information of Licensor that is related thereto and marked or otherwise designated, verbally or in writing, as "Confidential." Confidential Information shall not include anything that (i) is or lawfully becomes in the public domain, other than as a result of a breach of an obligation hereunder; (ii) is furnished to Licensee by a third party having a lawful right to do so; or (iii) was known to Licensee at the time of the disclosure. Unless prohibited by law, Licensee shall give prompt notice to Licensor of any requests or demands for any Confidential Information made under lawful process by any third parties, prior to disclosure or furnishing of such Confidential Information. Licensee agrees to cooperate with Licensor, at Licensor's expense, in seeking reasonable protective arrangements to prevent, limit or restrict the disclosure of Confidential Information pursuant to such lawful process. If Licensee has complied with the foregoing provisions of this Section 4, Licensee may disclose Confidential Information, upon the advice of counsel that such disclosure is required by law, regulation or lawful process.

Licensee's Obligations

5. Licensee agrees that it will never dispute, contest, or challenge, directly or indirectly, the validity or enforceability of the Licensed Marks or Licensor's ownership of the Licensed Benchmarks, Technical Data or Licensed Marks, nor to counsel, procure, or assist anyone else to do the same. Licensee further agrees that it will never attempt to dilute, directly or indirectly, the value of the goodwill attached to the Licensed Marks, nor to counsel, procure, or assist anyone else to do the same.

6. Licensee agrees to safeguard and maintain the reputation and prestige of the Licensed Marks and will not do anything that would tarnish the image of or adversely impact the value, reputation or goodwill associated with the Licensed Marks. Operation of any Benchmark Fund in accordance with standard business practices shall not result in a breach of this Section 6, regardless of the actual performance of such Benchmark Fund.

7. Licensee agrees that it will comply with all laws, rules, regulations, and requirements of any governmental or administrative body or voluntary industry standards that may be applicable to the advertising, publicity, promotion, sale, or offering of the Benchmark Funds, to the offering of related services and operations, and to other goods or services bearing the Licensed Marks.

Enforcement

8. Licensor shall have the sole right, but no obligation, at its own discretion, to pursue any cause of action regarding the Licensed Benchmarks, Technical Data or Licensed Marks. Licensee agrees to join as a party plaintiff in any such lawsuit by Licensor, if requested by Licensor.

9. Licensee shall promptly notify Licensor of any infringement, threatened infringement or misappropriation of the Licensed Benchmarks, Technical Data or Licensed Marks that may come to its attention.

10. Licensor represents and warrants to Licensee that (i) to Licensor's actual knowledge, Licensor is the sole owner of the Licensed Marks free and clear of any restrictions upon its ability to license the Licensed Marks pursuant to this Agreement and (ii) to Licensor's actual knowledge, no person, firm, or corporation has any rights in the Licensed Marks which will interfere with Licensee's use thereof pursuant to this Agreement.

Term and Termination

11. This Agreement, unless terminated earlier as provided by Section 12 and Section 13 herein, shall remain in full force and effect for a period of ten (10) years, up to and including the entire last day of the period ("Initial Term"), and be automatically renewed at Licensor's sole discretion for an additional term of two (2) years ("Renewal Term") at the expiration of the Initial Term or any subsequent Renewal Term. Either party may give to the other party, not more than one year or less than 90 days in advance of the expiration of the Initial Term or any Renewal Term, written notice of its intent not to renew this Agreement.

12. Notwithstanding Section 13 hereto, Licensor may revoke the license provided herein irrespective of any event of default if Licensor's subsidiary, WisdomTree Asset Management, Inc., ceases to exercise investment discretion over Licensee or any Benchmark Fund in its capacity as manager, investment advisor, trustee, or any other comparable capacity. If and when said license shall ever be revoked pursuant to this Section 12, Licensee agrees to discontinue all use of the Licensed Benchmarks, Technical Data and Licensed Marks immediately.

13. A non-defaulting party may terminate this Agreement in the event of the occurrence of any of the following events of default:

    (a) the failure of the other party to comply with any material provision of this Agreement, if such noncompliance is not remedied within 30 days after written notice of such default is provided to the defaulting party; provided, however, that such cure period shall be extended if such default by its nature and not as a result of the defaulting party cannot be cured within such 30 days so long as the defaulting party commences action immediately after such notice to cure such default and proceeds diligently thereafter to effect the cure of such default as soon as possible; or

    (b) the unauthorized sale, transfer or assignment of this Agreement by Licensee to a third party. The sale of an interest in Licensee exceeding fifty percent (50%) shall constitute an assignment of this Agreement for purposes of this Agreement.

Mutual Warranties and Indemnifications

14. Licensor and Licensee each individually represent, warrant and covenant to the other that (a) each is fully capable of and authorized to enter into this Agreement; (b) the execution, delivery and performance of this Agreement does not violate its certificate of incorporation, by-laws or similar governing instruments or applicable law and does not, and with the passage of time will not, materially conflict with or constitute a breach under any other agreement, judgment or instrument to which it is a party or by which it is bound; (c) this Agreement is the legal, valid and binding obligation of such party, enforceable in accordance with its terms; and (d) each will comply with all applicable laws, rules and regulations when exercising any of its rights and performing any of its obligations hereunder.

15. Licensee agrees that Licensor will have no liability and Licensee will indemnify, defend, and hold harmless Licensor, its affiliated companies and their officers, directors, employees, and agents

against any and all damages, liabilities, claims, causes of action, attorneys fees or costs incurred by Licensor in defending against any third-party claims or threats of claims arising from (i) the advertisement, promotion, or sale of products or services bearing the Licensed Marks or based on the Licensed Benchmarks; and (ii) the conduct of Licensee's business.

16. Licensor shall indemnify, defend and hold harmless Licensee and its officers, directors, employees, and agents against any and all damages, liabilities, claims, causes of action, attorneys fees or costs incurred by Licensee in defending against any third-party claims or threats of claims arising from Licensee's breach of Section 10 insofar as it relates to the use of the Licensed Marks in accordance with the terms of this Agreement.

General Provisions

17. Licensee acknowledges that Licensor's obligations under this Agreement are not personal, and Licensor can unconditionally assign, in its own discretion, this Agreement to another corporation or any other entity or natural person. Licensee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Licensee. Accordingly, this Agreement and Licensee's rights and interests hereunder shall not be voluntarily or involuntarily, directly or indirectly, sold, pledged, assigned, transferred, shared, sub-divided, or encumbered in any way in whole or in part, in any matter whatsoever without the prior written approval of the Licensor.

18. The relationship between the parties established by this Agreement is solely that of licensor and licensee. Neither party is in any way the legal representative, partner, employee or agent of the other, nor is either party authorized or empowered to create or assume any obligation of any kind, implied or expressed, on behalf of the other party, without the express prior written consent of the other.

19. This Agreement constitutes the entire agreement between the parties with respect to the subject matter contained herein and shall supersede all prior agreements, proposals or understandings between the parties whether written or oral.

20. This Agreement shall not be deemed or construed to be modified, amended, rescinded, canceled or waived, in whole or in part, except by written instrument signed by both parties hereto. This Agreement may be amended from time to time to add new securities benchmarks and service marks that will be licensed by mutual agreement of parties. If the parties agree to licensing additional benchmarks and service marks, Licensor shall provide to Licensee at the address in Section 24 a copy of the amended Exhibit A signed by an authorized representative of Licensor. Licensee shall provide Licensor with acknowledgement and acceptance of the amended Exhibit A within five (5) business days. Nothing in this Section 20 shall be construed to give Licensor the power or authority to force Licensee to accept or agree to any amendment to Exhibit A or any license of additional benchmarks and service marks.

21. Neither the waiver by Licensor of any breach of or default under any of the provisions of this Agreement, nor the failure of Licensor to enforce any of the provisions of this Agreement or to exercise any right hereunder, shall be construed as a waiver of any subsequent breach or default, or as a waiver of any such rights or provision hereunder.

22. If any term or provision of this Agreement shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each term and provision shall be valid and enforceable to the fullest extent permitted by law.

23. The headings in this Agreement are for convenience only and shall not be construed as part of this Agreement or in any way limiting or amplifying any of the provisions of this Agreement.

24. All notices given pursuant to this Agreement shall be given in writing and shall be given by telegram, facsimile, certified mail or hand delivery to the addresses set forth below or at such other address as a party may from time to time specify in writing:

If to Licensor:

Richard Morris, Esq.
Deputy General Counsel
WisdomTree Investments, Inc.
48 Wall Street, 11th Floor
New York, NY 10005
Tel.: (212) 918-4968
Fax: (212) 918-4581

If to Licensee:

Jonathan Steinberg
President
WisdomTree Trust
48 Wall Street, 11th Floor
New York, NY 10005
Tel.: (212) 918-4582
Fax: (212) 918-4581

and

Robert J. Borzone, Jr.
Kirkpatrick & Lockhart Nicholson Graham LLP
599 Lexington Avenue
New York, New York 10022-6030
Tel: (212) 536-4029
Fax: (212) 536-3901

25. The parties acknowledge that this Agreement has been negotiated and prepared in an arms-length transaction and that both Licensor and Licensee have negotiated all the terms contained herein. Accordingly, the parties agree that neither party shall be deemed to have drafted this Agreement and this Agreement shall not be interpreted against either party as the draftsman.

26. This Agreement shall be governed by the substantive laws of the State of New York without regard to the application of conflicts of law principles. The parties each hereby submit to the jurisdiction of the United States District Court in the Southern District of New York and the state courts in the State of New York located in New York City, New York, and waive any claim that each such venue is an inconvenient forum.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

WisdomTree Investments, Inc.

By: _____
Name: _____
Title: _____

WisdomTree Trust

By: _____
Name: _____
Title: _____

EXHIBIT A

1. Licensed Benchmarks

[Index List]

2. Licensed Marks

[Mark List]

Exhibit 10.3

Execution Copy

MUTUAL PARTICIPATION AGREEMENT

by and among

WISDOMTREE INVESTMENTS, INC.
("WisdomTree")

WISDOMTREE ASSET MANAGEMENT, INC.
("WTAM")

and

MELLON CAPITAL MANAGEMENT CORPORATION
("Mellon Capital")

THE DREYFUS CORPORATION
("Dreyfus")

Dated January 24, 2008

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EXHIBITS

MUTUAL PARTICIPATION AGREEMENT

This MUTUAL PARTICIPATION AGREEMENT (this "Agreement") is made this 24th day of January 2008 (the "Effective Date") by and between WisdomTree Investments, Inc., a Delaware corporation ("WisdomTree"), WisdomTree Asset Management, Inc., a Delaware corporation ("WTAM" and together with WisdomTree, the "WisdomTree Parties"), Mellon Capital Management Corporation, a Delaware corporation ("Mellon Capital"), and The Dreyfus Corporation, a New York corporation ("Dreyfus" and together with Mellon Capital, the "Mellon Parties"). WisdomTree, WTAM, Mellon Capital and Dreyfus are referred to herein individually as a "Party" and together as the "Parties."

Recitals

A. WisdomTree is the sponsor of a family of exchange-traded funds (the "WisdomTree ETFs"), each formed as a series of WisdomTree Trust, a Delaware statutory trust and an open-end management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act") and authorized to have multiple portfolio series (the "Trust").

B. WTAM is an investment adviser registered under the Investment Advisers Act of 1940, as amended (the "Advisers Act") and serves as investment adviser to each of the WisdomTree ETFs.

C. Mellon Capital and Dreyfus are each an investment adviser registered under the Advisers Act.

D. The Parties desire to enter into a mutual participation arrangement (the "Venture") pursuant to which the Parties will collaborate in developing, operating and offering a series of single- or co-branded ETFs (as defined below), each to be formed as a new portfolio series of the Trust and to be managed according to certain fixed income, currency and cash investment strategies to be identified or developed in cooperation by the Parties (the "New ETFs").

E. As part of the Venture, the Parties will contribute cash, a grant of certain intellectual property licenses to allow for the use by the New ETFs of trade names and trademarks for the co-branding of the New ETFs, as well as any new Proprietary Indices (as defined below), and certain other services, including services to be performed pursuant to separate contractual arrangements by and among certain of the Parties, their ultimate parent corporations or other majority-owned direct or indirect subsidiaries of the Parties' or their parent corporations (each such parent or subsidiary corporation, an "Affiliate" of a Party and, collectively, the Party's "Affiliates"), and the Trust (the "Ancillary Agreements"), critical to the success of the Venture on the terms provided for herein.

Agreement

In consideration of the premises and the mutual covenants hereinafter set forth, and intending to be legally bound, WisdomTree, WTAM, Mellon Capital and Dreyfus hereby agree as follows:

ARTICLE I

GENERAL TERMS

1.1 New ETFs and Proprietary Indices. The Parties shall collaborate in developing, organizing, operating, offering and promoting the New ETFs and the associated Proprietary Indices, if any. As further provided below, WisdomTree and Mellon Capital, or their respective Affiliates, will share ownership rights to all Proprietary Indices developed in cooperation by the Parties as part of the Venture.

(a) For purposes of this Agreement, an "ETF" means:

(i) any open-end management investment company or unit investment trust registered under the 1940 Act that issues and redeems any series of redeemable securities in compliance with the conditions of an exemptive order or regulation issued or promulgated by the U.S. Securities and Exchange Commission (the "SEC") permitting, among other things, (A) the shares to be issued and redeemed only in large aggregations, typically 50,000 shares or more (Creation Units"), and (B) secondary market transactions in the shares to occur at negotiated prices on national securities exchanges, as defined in Section 2(a)(26) of the 1940 Act (an "Exchange"), and lists such redeemable securities for trading on an Exchange;

(ii) any exchange traded product ("ETP"), such as a grantor trust or other entity registered under the Securities Act of 1933, as amended (the "1933 Act") that (A) is not registered as an investment company under the 1940 Act, (B) is typically treated as a pass through entity under the Internal Revenue Code, (C) issues and redeems a series of redeemable securities in large aggregations, and (D) whose redeemable securities are listed for trading on one or more Exchanges and trade through secondary market transactions at negotiated prices on such Exchanges; or

(iii) any exchange traded note ("ETN") registered under the 1933 Act that (A) provides for payments based on the performance of an index or pool of assets, (B) trades through secondary market transactions at negotiated prices on one or more Exchanges, and (C) is listed for trading on one or more Exchanges.

(b) New ETFs will be limited to ETFs that are managed according to a fixed income, cash or currency investment strategy, including ETFs that invest primarily in the investments described in the definition of "Proprietary Index" below. A list of potential New ETFs shall be developed by the Steering Committee (as defined below). Such list of New ETFs may be modified by the Steering Committee, including by adding or removing New ETFs.

1.2 Term. This Agreement shall remain in effect until its termination in accordance withArticle VIII herein.

1.3 Expenses. Each of the Parties hereto will bear all costs, charges and expenses incurred by such Party in connection with this Agreement and the consummation of the

transactions contemplated herein. Each Party will be solely responsible for compensating any of its officers or employees that work on the Venture, including those that such Party designates to serve on the Steering Committee (as defined below) or on any Management Committee (as defined below). Nothing in this Agreement is intended to specifically obligate any Party to hire additional employees to perform any of the services contemplated herein.

1.4 No Individual Authority. No Party shall, without the express, prior written consent of another Party, take any action for or on behalf of or in the name of such other Party, or assume, undertake or enter into any commitment, debt, duty or obligation binding upon such other Party, except as expressly provided in an Ancillary Agreement to which the other Party is a party. Any action taken in violation of this Section 1.4 shall be void. Each of the WisdomTree Parties shall indemnify and hold harmless the Mellon Parties, and each of the Mellon Parties shall indemnify and hold harmless the WisdomTree Parties, from and against any and all claims, demands, losses, damages, liabilities, lawsuits and other proceedings, judgments and awards, and costs and expenses (including, but not limited to, reasonable attorney's fees and all court costs), arising directly or indirectly, in whole or in part, out of any breach of this Section 1.4 by such Parties, unless and to the extent such Parties acted in good faith. This provision shall survive termination of this Agreement.

1.5 Geographic Scope. While the initial focus of the Venture shall be the United States, it is the Parties' intent that the scope of the Venture may be expanded under a separate agreement to include exchange-traded products that would qualify as New ETFs except to the extent that they would be organized, registered and traded outside the United States ("Offshore ETFs"). To the extent the Parties decide to develop and offer such Offshore ETFs, such Offshore ETFs will, unless otherwise agreed to by the Parties, be based in Dublin, Ireland formed under a new offshore trust established by WisdomTree.

1.6 Board of Trustees and Shareholder Vote. Notwithstanding the obligations of the Parties provided for herein and in the Ancillary Agreements, the Parties understand and agree that the Board of Trustees of each New ETF (the "Board of Trustees") shall have the fiduciary obligation and ultimate authority to manage the affairs of each New ETF. In addition, certain matters shall require the vote of a majority of the outstanding voting securities of each New ETF. Specifically and as may be provided for in greater detail in the Ancillary Agreements:

(a) With respect to each New ETF, each of the initial Advisory Agreement (as defined below) and Sub-Advisory Agreement (as defined below), and any material subsequent changes thereto as provided under the 1940 Act and relevant SEC guidance, will be subject to approval by the vote of a majority of the outstanding voting securities of each New ETF.

(b) After the initial two-year period, the terms of each of the Advisory Agreement and Sub-Advisory Agreement shall be subject to approval annually by a majority of the Trustees (each, a "Trustee") of the Trust who are not "interested" persons as defined under the 1940 Act.

(c) With respect to each New ETF, each of the Advisory Agreement and Sub-Advisory Agreement will be subject to termination at any time, without the payment of any penalty, by the Board of Trustees of the Trust or by vote of a majority of the outstanding voting

securities of each New ETF on not more than sixty days' written notice to the Investment Adviser or Sub-adviser (as defined below), as the case may be.

(d) Each of the Advisory Agreement and Sub-Advisory Agreement will automatically terminate in case of its "assignment," as defined under the 1940 Act.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

As a material inducement for each Party to provide its designated contributions and services as described herein to and initiate the Venture, the Parties hereby represent and warrant to each other:

2.1 The WisdomTree Parties Representations and Warranties.

(a) Organization and Corporate Power. Each of the WisdomTree Parties is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Each of the WisdomTree Parties has duly authorized the execution, delivery and performance of this Agreement and each Ancillary Agreement to which it is a party. Each of the WisdomTree Parties has all requisite corporate power and authority and all material licenses, permits and authorizations necessary to own and operate it properties, to carry on its businesses as now conducted and presently proposed to be conducted, except where the failure to be so licensed, qualified or in good standing would not have a material adverse effect on such WisdomTree Party or the Venture.

(b) Binding Effect. This Agreement and each Ancillary Agreement to which it is a party, constitutes a valid and binding obligation of each of the WisdomTree Parties enforceable in accordance with its terms, subject to the availability of equitable remedies and to the laws of bankruptcy and other similar laws affecting creditors' rights generally.

(c) Governmental Consent, etc. No permit, consent, approval or authorization of, or declaration to or filing with, any governmental authority, except any SEC exemptive relief in connection with the formation of the New ETFs, is required in connection with the execution, delivery and performance by each WisdomTree Party of this Agreement or the Ancillary Agreements to which it is a party, or the consummation by such WisdomTree Party of any of the transactions contemplated hereby or thereby.

(d) Registrations and Licenses. For the purposes of carrying out each WisdomTree Party's duties under this Agreement and the Ancillary Agreements, each WisdomTree Party is, and during the term of this Agreement will be, appropriately registered and hold the necessary licenses to act in its respective capacities set forth herein, wherever and in all relevant jurisdictions, as required, and its officers, directors, managers, partners and/or employees are registered or licensed to act in their respective capacities, in each such jurisdiction where such registration or license is required by applicable law. Each WisdomTree Party agrees to promptly

provide written notice to the Mellon Parties of any failure to maintain such registrations or licenses.

2.2 The Mellon Parties Representations and Warranties.

(a) Organization and Corporate Power. Each of the Mellon Parties are duly organized, validly existing and in good standing under the laws of the State of Delaware. Each of the Mellon Parties has duly authorized the execution, delivery and performance of this Agreement and each Ancillary Agreements to which it is a party. Each of the Mellon Parties has all requisite corporate power and authority and all material licenses, permits and authorizations necessary to own and operate it properties, to carry on its businesses as now conducted and presently proposed to be conducted, except where the failure to be so licensed, qualified or in good standing would not have a material adverse effect on such Mellon Party or the Venture.

(b) Binding Effect. This Agreement and each Ancillary Agreement to which the Mellon Parties is a party, constitutes a valid and binding obligation of the Mellon Parties enforceable in accordance with its terms, subject to the availability of equitable remedies and to the laws of bankruptcy and other similar laws affecting creditors' rights generally.

(c) Governmental Consent, etc. No permit, consent, approval or authorization of, or declaration to or filing with, any governmental authority, except any SEC exemptive relief in connection with the formation of the New ETFs, is required in connection with the execution, delivery and performance by the Mellon Parties of this Agreement or the Ancillary Agreements to which they are party, or the consummation by the Mellon Parties of any of the transactions contemplated hereby or thereby.

(d) Registrations and Licenses. For the purposes of carrying out each Mellon Party's duties under this Agreement and the Ancillary Agreements, each Mellon Party is, and during the term of this Agreement will be, appropriately registered and hold the necessary licenses to act in its respective capacities set forth herein, wherever and in all relevant jurisdictions, as required, and its officers, directors, managers, partners and/or employees are registered or licensed to act in their respective capacities, in each such jurisdiction where such registration or license is required by applicable law. Each Mellon Party agrees to promptly provide written notice to the WisdomTree Parties of any failure to maintain such registrations or licenses.

ARTICLE III

RESPONSIBILITIES OF THE PARTIES

3.1 The WisdomTree Parties.

(a) General Responsibilities.

(i) WTAM, directly or indirectly through Affiliates, will have oversight responsibility for the formation, organization and registration of each of

the New ETFs, including with respect to regulatory filings, registrations, authorizations and obtaining of any regulatory relief required for the formation of the New ETFs.

(ii) As provided in the Advisory Agreement, and as between the Parties, WTAM will have the primary responsibility for coordinating and liaising with, and reporting to, the Trust's Board of Trustees and the Trust's officers with respect to the New ETFs.

(iii) WTAM will lead the marketing and distribution efforts of each New ETF through the customary sales channels through which the other WisdomTree ETFs are generally marketed and promoted, including, without limitations, broker-dealers, independent registered investment advisers and institutional accounts. The WisdomTree Parties will continue to employ personnel sufficient to conduct such marketing and distribution efforts and will bear the expenses of their activities. It is expected that the Trust shall engage the third-party distributor that currently provides distribution services to the WisdomTree ETFs, to provide similar services to the New ETFs, including the preparation and filing, as may be necessary, of all marketing and advertising materials for the New ETFs.

(b) WisdomTree Ancillary Agreement. Subject to the approval of the Trust's Board of Trustees, WTAM will act as the investment adviser for each New ETF pursuant to the terms of an investment advisory agreement substantially in the form of the existing advisory agreement between the Trust and WTAM on behalf of WisdomTree ETFs (except for the fees, expenses and charges payable thereunder, which shall be separately negotiated) (the "Advisory Agreement," which shall be an Ancillary Agreement for purposes of this Agreement). Under the terms of the Advisory Agreement, it is expected that WTAM will be responsible for the general day-to-day operation and administration of the New ETFs and the payment of certain Fund Costs (as defined below). Among other things, WTAM will be responsible for arranging for, overseeing, and liaising on behalf of the Trust with, such providers of services, including, without limitation, the Mellon Parties, as may be necessary for the New ETFs to operate and offer their shares to investors. The Trust shall pay to WTAM a fee with respect to each New ETF as set forth in the Advisory Agreement (the "Advisory Fee") as full compensation for all services provided to the Trust with respect to the New ETFs by WTAM under the Advisory Agreement.

3.2 The Mellon Parties.

(a) Mellon Ancillary Agreements. Subject to the approval of the Trust's Board of Trustees, Mellon Capital and Dreyfus shall enter into a Sub-Advisory Agreement with WTAM, and Mellon Capital shall arrange for The Bank of New York, a New York bank ("BNY"), to enter into certain other agreements with the Trust (together with the Sub-Advisory Agreement, the "Mellon Ancillary Agreements") for the provision of various services to the Trust and the New ETFs as set forth below:

(i) Subject to the approval of the Trust's Board of Trustees and pursuant to the terms of a Sub-Advisory Agreement substantially in the form attached as Exhibit A hereto to be entered into by and among WTAM, Mellon Capital and Dreyfus (in each case, the "Subadviser") (the "Sub-Advisory Agreement"), the Subadviser will act as an investment subadviser to each of the New ETFs. Dreyfus will act as the Subadviser of any New ETF co-branded using "Dreyfus" in its name, and Mellon Capital will act as Subadviser for any other New ETFs. Dreyfus may use dual employees of Mellon Capital or other Affiliates for any New ETF for which its serves as the Subadviser. Under the terms of the Sub-Advisory Agreement, the Subadviser will be responsible for the day-to-day management of each New ETF's investment portfolio in accordance with its investment objectives and strategy. The Sub-Advisory Agreement shall provide for the compensation to the Subadviser to be calculated as a percentage of the Net Profit or Net Loss of the Venture (as such terms are defined below), as further provided below (the "Subadvisory Fee").

(ii) Subject to the approval of the Trust's Board of Trustees, BNY will act as custodian for each New ETF pursuant to the terms of a Custody Agreement substantially in the form of the existing agreement (except for the fees, expenses and charges payable thereunder, which shall be separately negotiated) between BNY and the Trust with respect to the WisdomTree ETFs (the "Custody Agreement") and a Foreign Custody Manager Agreement substantially in the form of the existing agreement (except for the fees, expenses and charges payable thereunder, which shall be separately negotiated) between BNY and the Trust with respect to the WisdomTree ETFs that invest in non-U.S. securities or instruments (the "Foreign Custody Agreement").

(iii) Subject to the approval of the Trust's Board of Trustees, BNY will provide fund administration and accounting services to each New ETF pursuant to a Fund Administration and Accounting Agreement substantially in the form of the existing agreement (except for the fees, expenses and charges payable thereunder, which shall be separately negotiated) between BNY and the Trust with respect to the WisdomTree ETFs (the "Fund Administration and Accounting Agreement").

(iv) Subject to the approval of the Trust's Board of Trustees, BNY will act as transfer agent for each New ETF pursuant to a Transfer Agency and Service Agreement substantially in the form of the existing agreement (except for the fees, expenses and charges payable thereunder, which shall be separately negotiated) between BNY and the Trust with respect to the WisdomTree ETFs (the "Transfer Agency and Service Agreement").

(b) Fees and Payments under the Mellon Ancillary Agreements. During the term of this Agreement, notwithstanding the provisions of any Ancillary Agreement, the Subadviser shall pay all fees, charges and expenses due and payable on behalf of all New ETFs to BNY under the Custody Agreement, the Foreign Custody Agreement, the Fund Administration and Accounting Agreement, and the Transfer Agency and Service Agreement, as any such Mellon Ancillary Agreement may be amended, supplemented or superseded from time

to time. Notwithstanding the foregoing, the Subadviser shall not be responsible for paying under any Mellon Ancillary Agreement the following:

(i) brokerage expenses and other expenses (such as stamp taxes) connected with the execution of portfolio transactions or in connection with creation and redemption transactions;

(ii) legal fees or expenses in connection with any arbitration, litigation or pending or threatened arbitration or litigation, including any judgments or settlements in connection therewith;

(iii) other legal fees or expenses payable under Article VIII, Section 3 of the Custody Agreement and Section 5(i) of the Fund Administration and Accounting Agreement;

(iv) amounts due and payable by way of indemnification or as a result of taxes, Losses or Claims (as such capitalized terms may be defined in the applicable Mellon Ancillary Agreement) or advances (except advances of fees, charges and expenses for which the Sub-Adviser is otherwise responsible under this Agreement), including without limitation: (A) mailing costs in connection with proxy services as provided in Article III, Section 5, "Taxes" as provided in Article III, Section 8 and "Losses" as provided in Article VIII, of the Custody Agreement, and indemnification under Article V, Section 2 of the Foreign Custody Agreement, (B) expenses from which BNY is held harmless under Section 5 and "Losses" as provided in Section 8, of the Fund Administration and Accounting Agreement, and (C) postage as provided in Section 9.3 and "Claims" as provided in Section 12, of the Transfer Agency and Service Agreement; and

(v) extraordinary expenses.

Section 3.2(b)(i) and (v) shall be interpreted in a manner consistent with comparable provisions in the form of Advisory Agreement.

(c) Purchase of Seed Shares.

(i) On the date determined by the Steering Committee for each New ETF, Mellon Capital or its Affiliates may purchase one or more Creation Units from such New ETF (the "Seed Shares"). Mellon Capital intends that it or its Affiliates will purchase Seed Shares for a number of New ETFs, subject to its or its Affiliates' internal approval process. Unless waived in writing by Mellon Capital, any purchase of Seed Shares from a New ETF shall be subject to satisfaction the following conditions precedent:

(A) The Trust shall have obtained any necessary approvals by the outstanding voting securities of such New ETF and the Trust's Board of Trustees of the Ancillary Agreements, the Trust shall have entered into the Ancillary Agreements on behalf of such New ETF, and the Ancillary

Agreements shall be valid, binding and enforceable against such New ETF as of the date of such purchase;

(B) If the New ETF is using a WisdomTree Mark or a Mellon Mark set forth in Exhibit C, or the New ETF is using a Proprietary Index, the Trust shall have entered into the License Agreement(s) (as defined below) on behalf of such New ETF, and the License Agreement(s) shall be valid, binding and enforceable against such New ETF, and the representations and warranties therein shall be true in all material respects, as of the date of such purchase;

(C) The Trust shall have registered the New ETF with the SEC pursuant to an effective registration statement, the Trust shall have obtained and be in compliance with all no-action letters, orders and regulations issued or promulgated by the SEC that are necessary or appropriate for the New ETF to offer and redeem its shares or to trade its shares on an Exchange, and neither the SEC nor any other federal or state authority shall have issued any stop order or instituted any proceeding that would prevent any such issuance, redemption or trading of the New ETF's shares; and

(D) The representations and warranties of the WisdomTree Parties contained in Section 2.1 hereof will be true and correct at and as of the date of such purchase as though then made, except to the extent of changes caused by the transactions expressly contemplated herein

(ii) Mellon Capital and its Affiliates may not redeem Seed Shares until the earlier of (A) consent of the Steering Committee, (B) such New ETF meeting the asset under management target for such New ETF set by the Steering Committee upon formation of the New ETF, (C) such New ETF being categorized as an Underperforming ETF pursuant to Section 7.1 below, (D) a plan of liquidation and dissolution of such New ETF has been approved by the Board of Trustees and the vote of a majority of the outstanding securities of such New ETF, or (E) termination of this Agreement. The Parties anticipate that Mellon Capital or its Affiliates may sell some or all of its Seed Shares to specialists or dealers who wish to obtain shares of such New ETF without purchasing new Creation Units.

(d) Additional Responsibilities. The Mellon Parties will coordinate with the WisdomTree Parties in an effort to expand product distribution beyond traditional ETF channels including exploring opportunities in the wealth management and institutional sales channel using the Mellon Parties pension fund sales force.

ARTICLE IV

CALCULATION OF NET PROFIT AND LOSS

4.1 Calculation of Net Profit and Loss.

(a) Venture Net Profit and Loss. Subject to Section 4.2 and Subsection (b) below, so long as the Venture is in effect, the Mellon Parties shall be entitled to receive a monthly fee in an amount equal to fifty percent (50%) of the "Net Profit" of the Venture, or make a monthly payment to WisdomTree equal to fifty percent (50%) of the "Net Loss" of the Venture, as the case may be, during any calendar month. With respect to each month, the Net Profit and Net Loss shall be equal to the excess, or shortage, as applicable, of (i) the aggregate Advisory Fees paid to WTAM under the Advisory Agreement, less (ii) Costs (as defined below) incurred, during such month.

(b) Venture Net Profit and Loss During the Seeding Period of a New ETF. Until such time as a Mellon Party is no longer required to maintain Seed Shares in a New ETF as provided in Section 3.2(c)(ii) above, in addition to the Mellon Parties' share of Net Profit and Net Loss provided in Section 4.1(a), the Mellon Parties shall be entitled to receive fifty percent (50%) of the Advisory Fees paid to WTAM under the Advisory Agreement attributable to the Seed Shares of such New ETF.

4.2 Profit Sharing by the Mellon Parties Upon Termination of the Sub-Advisory Agreement. In the event that the Sub-Advisory Agreement is terminated, whether in its entirety or with respect to one or more New ETFs, by the Trust or the Investment Adviser for any reason before the termination of this Agreement, the Mellon Parties shall be entitled to continue to receive as their share of the Venture for the remaining term of this Agreement, an amount equal to fifty percent (50%) of the Net Profit of the Venture, or make a monthly payment to WisdomTree equal to fifty percent (50%) of the Net Loss of the Venture, as the case may be, during any calendar month. In such case, WisdomTree shall be entitled to hire a new subadviser, which subadviser will not be an Affiliate of any WisdomTree Party, to manage the assets of the New ETFs, and shall pay the new subadviser a subadvisory fee determined by WisdomTree, subject to approval by the Board of Trustees, and that such subadvisory fee shall be considered a Cost (as defined below). For the avoidance of doubt, in the event that the Subadvisory Agreement is terminated, whether in its entirety or with respect to one or more New ETFs, before the termination of this Agreement, Mellon Capital shall continue to be obligated to make all payments under Section 3.2(b) above with respect to such terminated New ETFs.

4.3 Calculation of Costs. "Costs" shall mean, with respect to each calendar month, the aggregate "Fund Costs" and "Promotional Costs" (as defined below) incurred by the Parties during such month.

(a) Fund Costs. "Fund Costs" shall mean, with respect to each calendar month (i) all costs and expenses of the Trust with respect to the New ETFs that are the responsibility of the WisdomTree Parties or their Affiliates under the Advisory Agreement, provided, however, that the Subadvisory Fee and any payments to any Mellon Parties under any Mellon Ancillary Agreements that are the sole responsibility of the Subadviser under this

Agreement, and that any fees or other payments to any WisdomTree Parties or their Affiliates, shall not be included in Fund Costs; and (ii) all other third-party costs incurred by any Party with respect to services that distinctly support the operation and maintenance of the New ETFs. The categories of costs, fees and expenses eligible to be included in Fund Costs are set forth in Exhibit B hereto, as the same may be modified or supplemented from time to time by the Steering Committee. Fund Costs shall also include costs, fees or expenses of less than $10,000 incurred by such Party that do not fall under the categories listed on the then-current Exhibit B, but that otherwise would qualify as a Fund Cost under this Section 4.3(a); provided that the Party incurring any such costs, fees or expenses shall promptly report such additional Fund Costs to the Steering Committee.

(b) Promotional Costs. "Promotional Costs" shall mean all third party cash outlays for services that distinctly support the marketing and promotion of the New ETFs. The categories of costs, fees and expenses eligible to be included in Promotional Costs are set forth in Exhibit B hereto, as the same may be modified or supplemented from time to time by the Steering Committee. Notwithstanding the foregoing, unless otherwise reflected in the Business Plan, the aggregate sum of all Promotional Costs for all New ETFs will be capped at $500,000 per fiscal year.

4.4 Net Profit and Net Loss Reports.

(a) Monthly Profit and Loss Report. As soon as practical after the end of each month, and in no event later than thirty (30) days after the end of such month, WisdomTree shall cause to be prepared and delivered to Mellon Capital a calculation of the Net Profit or Net Loss, as the case may be, including such schedules and data as may be appropriate to support such calculation ("Monthly Profit and Loss Report").

(b) As soon as practical after the end of each fiscal year, and in no event later than sixty (60) days after the end of such fiscal year, WisdomTree shall cause to be prepared and delivered to Mellon Capital a calculation of the Net Profit or Net Loss, as the case may be, for the entire fiscal year including corrections and reconciliations of prior Monthly Profit and Loss Reports and such schedules and data as may be appropriate to support such calculations ("Annual Profit and Loss Report"). Mellon Capital shall be entitled to review an interim draft of the Annual Profit and Loss Report at least ten (10) business days prior to its finalization.

(c) WisdomTree shall calculate the Net Profit or Net Loss in a manner consistent with U.S. generally accepted accounting principles as applied to the preparation of WisdomTree's audited financial statements. In the event that WisdomTree has not received information from BNY or any third party that WisdomTree reasonably believes is necessary to complete such calculations in time for any Monthly or Annual Profit and Loss Report, WisdomTree may use reasonable estimates that are consistent with the estimates used in preparing its financial statements. WisdomTree shall also provide Mellon Capital with timely access, during WisdomTree's normal business hours, to WisdomTree's personnel, properties, books and records to the extent related to the determination of the Net Profit or Net Loss.

4.5 Payments. Payment by WisdomTree to Mellon Capital of its share of any Net Profit, and payment of any amount due a Mellon Party under Section 4.1(b), or payment by

Mellon Capital to WisdomTree of its share of any Net Loss, (each, a "Payment") shall be made within thirty business (30) days of each Monthly Profit and Loss Report and the Annual Profit and Loss Report, as provided above (each, a "Payment Day"). If on any Payment Day, either WisdomTree or Mellon Capital owed the other Party any uncontested amount under this Agreement or the Ancillary Agreements, WisdomTree shall (a) offset such owed amount from the owing Party's portion of Net Profit and increase the other Party's portion by the owed amount or (b) add such owed amount to the owing Party's portion of Net Loss and decrease the other Party's portion by the owed amount. Payments made by a Party in accordance with this Agreement will be made by such Party from either (i) such Party's Net Profits of the Venture or (ii) such Party's own resources, and the source of any such payment shall be at the Party's discretion. The payments made under this Section 4.5 shall be deemed payment in full of any and all sub-advisory fees payable to a Mellon Party under the Sub-Advisory Agreement.

4.6 Disputes. The following clauses (a) and (b) set forth the procedures for resolving disputes among the Parties with respect to the determination of the Annual Profit and Loss Report:

(a) Within fifteen (15) days after delivery to Mellon Capital of a Monthly Profit or Loss Report, or within thirty (30) days after deliver to Mellon Capital of an Annual Profit and Loss Report, Mellon Capital may deliver to WisdomTree a written notice (the "Dispute Notice") advising WisdomTree either that Mellon Capital disagrees with WisdomTree's calculations in the Monthly Profit or Loss Report or Annual Profit and Loss Report and deems that one or more adjustments to such report are required. All items and allocations not disputed by Mellon Capital within the applicable period shall be final (except that additional adjustments may be made in a subsequent Monthly Profit or Loss Report or Annual Profit or Loss Report if BNY or any third party provides additional or corrected information concerning Costs that was or should have been previously provided to WTAM) and shall not be subject to further review, challenge or adjustment absent fraud or manifest error. If WisdomTree concurs with the adjustments proposed by the Mellon Capital Dispute Notice, or if WisdomTree does not object thereto in a writing delivered to Mellon Capital within fifteen (15) days after WisdomTree's receipt of the Dispute Notice, the calculations set forth in such Dispute Notice shall become final and shall not be subject to further review, challenge or adjustment absent fraud or manifest error.

(b) In the event that Mellon Capital submits a Dispute Notice and WisdomTree objects to such Dispute Notice, the Steering Committee shall resolve such disagreement. In the event the Steering Committee is unable to resolve the disagreement set forth in such Dispute Notice within sixty (60) days after the date of the Dispute Notice, then such disagreements shall be resolved pursuant to the Dispute Resolution provisions in Article IX below.

ARTICLE V

MANAGEMENT OF THE VENTURE

5.1 Committees Generally. The management and business affairs of the Venture shall be vested in one or more committees (each, a "Management Committee") as determined by WisdomTree and Mellon Capital acting jointly, or the Steering Committee. Each Management Committee shall consist of two or more members ("Committee Members"), provided that every Management Committee contains an equal number of WisdomTree designee(s) and Mellon Capital designee(s) unless otherwise determined by the Parties acting jointly or by the Steering Committee. Each Management Committee shall exercise such powers as shall be conferred or authorized by WisdomTree and Mellon Capital acting jointly, or the Steering Committee. WisdomTree and Mellon Capital acting jointly, or the Steering Committee, shall have the power at any time to change the number of members comprising any such Management Committee or to dissolve it.

(a) Election and Term. A Committee Member shall be a natural person. Each Committee Member shall hold such office until his or her successor is designated or until his or her earlier resignation or removal as provided for herein. Each Party can remove any Committee Member it designates.

(b) Duties; Compensation. A Committee Member shall perform his or her duties in good faith and in a manner he or she reasonably believes to be in the best interest of the Venture. Notwithstanding the foregoing, a Committee Member does not violate a duty or obligation under this Agreement because the Committee Member's conduct furthers the interest of the Party that designated the Committee Member, the Parties each acknowledging that such Committee Members will represent and serve the interest of the Party appointing him or her. No Committee Member designated by WisdomTree will be personally liable to any Mellon Party, and no Committee Member designated by Mellon Capital will be personally liable to any WisdomTree Party, for monetary damages for any act or omission, including breach of contract or breach of duties (including fiduciary duties) of a Committee Member to the Venture, any Party or any other Person. A Committee Member shall have no authority to do any act in contravention of this Agreement or the Ancillary Agreements. Committee Members shall receive no additional compensation for service on the Steering Committee or on a Management Committee.

(c) Quorum; Meetings. At all meetings of a Management Committee, a quorum for the transaction of business shall require the attendance of at least one WisdomTree designee and one Mellon Capital designee and shall require the consent of each such designee(s). At all meetings of the Steering Committee, a quorum for the transaction of business shall require the attendance of at least two (2) WisdomTree designees and two (2) Mellon Capital designees and shall require the consent of all such designees. Voting by proxy is permitted. Any action required or permitted to be taken at a Management Committee or Steering Committee meeting may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Committee Members. Committee Members may participate in a meeting by means of conference telephone or similar communication provided all persons participating in such meeting can hear each other.

5.2 Steering Committee. Initially, the Venture shall have an eight (8) person Steering Committee (the "Steering Committee"), which shall be one of the Management Committees. WisdomTree shall have the right to designate four (4) Committee Members and Mellon Capital shall have the right to designate four (4) Committee Members. The Steering Committee shall have authority over all matters of the Venture, except as otherwise delegated to any other Management Committee. The initial members of the Steering Committee shall be:

(a) Initial WisdomTree Members
Bruce Lavine
Richard Morris
Rick Harper
[to be added]

(b) Initial Mellon Members
David Kwan
Gabriela Parcella
Kurt Zyla
Paul Disdier

5.3 Committee Deadlock.

(a) Steering Committee. The unanimous consent of the Steering Committee shall be the general requirement for action by the Committee. However, if the Steering Committee becomes deadlocked over a particular matter, or because of a lack of a quorum is unable to act upon a particular matter, then the Steering Committee Members shall negotiate in good faith to resolve the deadlock. If such negotiations are not successful and if requested by either WisdomTree or Mellon Capital within ten (10) days thereafter, the parties shall submit the matter in dispute to the Chief Executive Officer of WTAM and the Chief Executive Officer of Mellon Capital for their review and resolution in such manner as they deem necessary or appropriate. The Steering Committee will be bound by any resolution reached by the senior officers to whom such matter is submitted. In the event the senior officers of each Party provided above cannot resolve the dispute submitted to them in a reasonable matter of time, then either Party may require such dispute be resolved in accordance with the dispute resolution provision of Article IX below.

(b) Other Management Committees. Unanimous consent shall be the general requirement for action by any Management Committee. However, if a Management Committee becomes deadlocked over a particular matter, or because of a lack of a quorum is unable to act upon a particular matter, then such Management Committee Members shall negotiate in good faith to resolve the dispute. If such negotiations are not successful and if requested by either WisdomTree or Mellon Capital within ten (10) days thereafter, such Management Committee shall submit the matter in dispute to the Steering Committee for its review and resolution in such manner as the Steering Committee deems necessary or appropriate. Each Management Committee shall be bound by any resolution reached by the Steering Committee.

5.4 Business Plans and Budget Approval.

(a) Initial Business Plan. The initial business plan and operating budget for the Venture (the "Business Plan") shall be prepared by the Steering Committee as soon as possible but in no event later than sixty (60) days after the Effective Date. The Business Plan will designate the New ETFs that the Parties intend to establish during the period covered by the Business Plan, specify for each such New ETF the targeted assets under management referred to in Section 3.2(c)(ii) hereof, and include on an itemized basis an estimate of the Costs to be incurred on behalf of the New ETFs and the Venture during such period. Without prior authorization by the Steering Committee, no Party may incur, or authorize any New ETF to incur, any new item of Cost not specified in the Business Plan or any itemized Cost that would exceed the budgeted amount by more than 10%.

(b) Subsequent Business Plans. At least thirty (30) days prior to the beginning of each fiscal year of the Trust, an appropriate Committee(s) shall prepare for approval by the Steering Committee prior to the beginning of such fiscal year an updated Business Plan for the Venture covering the next fiscal year. In the event that an updated Business Plan is not agreed upon within the period required, the prior Business Plan shall remain in effect until such time as the an updated Business Plan is approved by the Steering Committee.

(c) Development of New ETFs. The Steering Committee shall initially identify the New ETFs to be launched as part of the Venture, and the timeline for launching such New ETFs. The development, operation and offering of each New ETF shall be made in accordance with, and subject to, the provisions of the 1940 Act and all other applicable laws, rules and regulations, including SEC guidance and orders.

(d) Advisory Fees. With respect to each New ETF, the Steering Committee will be solely responsible for determining (i) the advisory fee rate that will be submitted for approval by the Board of Trustees, including introduction of any fee "breakpoints," (ii) any voluntary advisory fee reductions, and (iii) any temporary or ongoing advisory fee waivers or caps. No Party will offer or recommend to the Board of Trustees any advisory fee rates, or voluntary fee reductions, waivers or caps, except as previously approved by the Steering Committee; provided, however, that nothing in this Section 5.4(d) shall be construed to cause or require any Party to act in a manner that is inconsistent with the duties and obligations of an investment adviser registered under the Advisers Act or with any other applicable law or regulation. Notwithstanding the foregoing:

(i) the Parties agree that WTAM, and not the Steering Committee, will be responsible for setting the advisory fee for any New ETF that is a U.S. Cash ETF, as defined in Section 6.3. below, at an annual rate not lower than twenty-five basis points (0.25%); and

(ii) in the case of any Jackson National Product, as defined in Section 7.1(e) below, that (A) is co-branded by Mellon Capital and (B) would have been a Competing ETF, as defined in Section 7.1(a) below, but for the application of Section 7.1(e), the Parties agree that WTAM, and not the Steering Committee, will be responsible for determining the advisory fee rate for any New

ETF that is managed according to an investment strategy that is substantially similar to the investment strategy of such Jackson National Product, so long as the annual rate of such advisory fee is not lower than the then-current total annual operating expenses of such Jackson National Product.

5.5 Books and Records. Accurate books, records and accounts of the Venture shall be kept or caused to be kept at the principal place of business of WisdomTree or at such other place approved by the Steering Committee. Said books, records and accounts shall be available for inspection by the Parties and their designated agents at all reasonable times. Accurate books, records and accounts related to each Ancillary Agreement shall be kept or caused to be kept as provided for in each such Ancillary Agreement.

ARTICLE VI

INTELLECTUAL PROPERTY POLICIES

6.1 Defined Terms.

(a) "Marks" means trademarks, trade names, service marks, logos, branding or other designs, together with any registrations thereof, the applications therefore, and the goodwill associated therewith, owned exclusively by the WisdomTree Parties and their Affiliates, or by the Mellon Parties and their Affiliates, and only as designated by each Party in a schedule appended hereto as Exhibit C.

(b) "Proprietary Index" means a designated group of securities or instruments that (i) measures or represents the performance of a specific segment of the market for U.S. and/or non-U.S. fixed income securities, money market instruments and/or currencies, (ii) is calculated on a daily basis and based on a defined and published set of rules, (iii) is publicly disseminated on a daily basis, and (iv) is developed jointly by the Parties and branded or designated by the parties as an index. The term "Proprietary Index" includes any associated research and development information, processes, know-how, trade secrets and technical data related to such Proprietary Index that is proprietary in nature and jointly developed by the Parties pursuant to the Venture, and any associated trademarks, trade names, service marks, logos, branding or other designs, together with any registrations thereof, the applications therefore, and the goodwill associated therewith. "Proprietary Indices" refers to every such Proprietary Index collectively. The Parties acknowledge and confirm that except as otherwise provided herein, WisdomTree and Mellon Capital will share a common, undivided, ownership interest in each Proprietary Index developed by the Venture.

6.2 License Agreements.

(a) To facilitate the operations of the Venture and the organization, administration, offering and promotion of the New ETFs, and subject to approval by the Board of Trustees of the Trust, as may be required, the Parties hereto (each, a "Licensing Party") agree to enter into the following agreements to be mutually agreed upon: (i) a Marks License Agreement pursuant to which each Licensing Party shall grant a non-exclusive, non-transferable, non-sub-licensable,

non-assignable, royalty-free license to the Trust to use any of the Marks owned by such Licensing Party or Affiliate (the "Marks License Agreement"), and (ii) a Proprietary Indices License Agreement pursuant to which each Licensing Party shall grant a non-exclusive non-transferable, non-sub-licensable, non-assignable, royalty-free license to the Trust to use any Proprietary Indices owned by the Parties jointly (the "Proprietary Indices License Agreement," and, together with the Marks License Agreement, the "License Agreements"), solely for purposes of the Venture and in connection with the New ETFs.

(b) Each Party represents and warrants that it has the power and authority to license the Marks shown under its name on Exhibit C in exchange for its interest in the Venture. The license of the Marks as contemplated hereby will not (i) violate, conflict with or result in a breach of any instrument or agreement to which it is a party or which would affect the Venture's proposed use of the Marks, (ii) violate any provisions of, or result in the breach of the Party's certificate of incorporation, bylaws or other organizational documents, or (iii) violate any law, statute, rule, regulation, judgment, order, permit, license, or decree applicable to such Party or the Marks.

(c) Both the WisdomTree Parties and the Mellon Parties agree that nothing herein shall give any right, title or interest in the other Party's Marks apart from the rights granted hereunder, and all such right, title and interest, includes but is not limited to rights of ownership, registration, maintenance, and enforcement.

6.3 Co-Branding. New ETFs that are not "U.S. Cash ETFs," as defined below, shall be co-branded by the Parties using one or more WisdomTree Parties' Marks and one or more Mellon Parties' Marks as shall be determined by the Steering Committee or such other Management Committee designated by the Steering Committee. The co-branded name of any such New ETF shall begin with the words "WisdomTree Dreyfus" so long as such New ETF is sub-advised by Dreyfus. New ETFs that are U.S. Cash ETFs shall not be co-branded and shall bear the "WisdomTree" name only. A "U.S. Cash ETF" means any ETF that either (i) invests primarily in a portfolio of U.S. dollar-denominated, short-term, high-quality debt securities, in a manner substantially consistent with the conditions of Rule 2a-7(c)(2), (c)(3) and (c)(4) under the 1940 Act (though it is not required to have an objective of maintaining a stable net asset value per share or price per share) or (ii) invests primarily in a portfolio of U.S. dollar-denominated debt instruments and seeks to provide an enhanced U.S. cash return, provided that in either case such U.S. Cash ETF does not seek as a primary investment objective or strategy to provide exposure to non-U.S. currency, non-U.S. currency rates, or non-U.S. Dollar money market instruments or rates.

6.4 Proprietary Indices. WisdomTree and Mellon Capital will share ownership rights to any Proprietary Index created as a result of the Venture. During the term of the Venture, neither WisdomTree nor Mellon Capital may assign, or grant any other interest (including any security interest) in, any Proprietary Index, except that either Party may assign its share of any Proprietary Index, in whole or in part, to an Affiliate that agrees to (i) take such Proprietary Index subject to the rights of the Trust and the other Parties pursuant to the terms of the License Agreements and (b) otherwise comply with the provisions of this Article VI During the term of the Venture, any licensing of or grant of any other right to use a Proprietary Index to a third party

will be subject to approval by the Steering Committee. Any fee or royalty derived from a third party license agreement of a Proprietary Index shall be shared equally by both WisdomTree and Mellon Capital. After the term of the Venture, Proprietary Indices, if any, shall be transferred either to WisdomTree or to Mellon Capital as provided in Section 8.5 below.

ARTICLE VII

ADDITIONAL AGREEMENTS

7.1 Establishment of Competing ETFs. Except as otherwise provided in this Agreement, during the Term of this Agreement any Party may engage in any business (new or existing) or acquire an interest in or invest in any corporation, partnership, joint venture or other business entity engaged in any business; provided, however, that:

(a) Competing ETFs. For purposes of this Agreement, a "Competing ETF" means any ETF that is managed according to a fixed income, cash or currency investment strategy that is substantially similar to the investment strategy of any existing or potential New ETF.

(b) WisdomTree Covenant. During the term of this Agreement, the WisdomTree Parties will not act as an investment adviser for, or otherwise sponsor, brand or co-brand a Competing ETF, except as a New ETF and a part of the Venture. Notwithstanding the foregoing, if the WisdomTree Parties want to launch a New ETF but the Steering Committee decides not to make such a fund a New ETF and part of the Venture, or the Mellon Parties are unable or unwilling to act as Subadviser to the potential New ETF, the WisdomTree Parties will be free to launch a Competing ETF outside the Venture. In addition, the restriction herein on Competing ETFs shall not apply with respect to any New ETF that (1) fails to reach a net asset level of at least $200 million within three (3) years after its launch or (2) fails to maintain daily average net assets of at least $200 million during any fiscal year of the New ETF that began after the end of the initial three-year period (an "Underperforming ETF"). The WisdomTree Parties will be allowed to independently act as an investment adviser for, or otherwise sponsor, brand or co-brand, a Competing ETF that has an investment strategy identical to the Underperforming ETF. Underperforming ETFs shall remain part of the Venture until removed by the Steering Committee, at which time the removed Underperforming ETF will no longer be treated as a New EFT for purposes of this Agreement.

(c) Mellon Party Covenant. Except as otherwise provided in this Section 7.1, during the term of this Agreement, the Mellon Parties will not act as an investment adviser, or otherwise sponsor, brand or co-brand, any Competing ETF, nor will any Mellon Party or subsidiary of a Mellon Party act as a subadviser to any Competing ETF to which a Mellon Party or a subsidiary of a Mellon Party has provided seed capital in an amount exceeding the minimum requirement under applicable law. Notwithstanding the foregoing, if the Mellon Parties want to launch a New ETF but the Steering Committee decides not to make such a fund a New ETF and part of the Venture, or the WisdomTree Parties are unable or unwilling to act as Adviser to the potential New ETF, the Mellon Parties will be free to act as an investment adviser or subadviser

for, or otherwise sponsor, brand or co-brand, a Competing ETF outside the Venture. In addition, the restriction herein on Competing ETFs shall not apply with respect to any Underperforming ETF. The Mellon Parties will be allowed to independently develop and launch a Competing ETF that has an investment strategy identical to the Underperforming ETF. The restrictions herein shall not be construed to prohibit any Mellon Party from acting as a subadviser to a Competing ETF that is not branded or co-branded by such Mellon Party, so long as a Mellon Party or a subsidiary of a Mellon Party does not provide seed capital to such Competing ETF. For the avoidance of doubt, a Mellon Party shall not be deemed to have co-branded a Competing ETF with a brand containing the name "Mellon" or "Dreyfus," if the name is used as part of the name that an Affiliate of the Mellon Parties (other than a subsidiary of the Mellon Parties) uses in the ordinary course of its business.

(d) Dreyfus Exception. Notwithstanding the provisions set forth in this Section 7.1, Dreyfus, without further consent from the Steering Committee or the Parties, may act as an investment adviser or subadviser, or otherwise sponsor, brand or co-brand, a U.S. Cash ETF even if such ETF would otherwise be a Competing ETF ("Dreyfus Cash ETF"). Any Dreyfus Cash ETF shall not be considered a Competing ETF or made part of the Venture, and shall not be a party to and have no rights under this Agreement or the Ancillary Agreements.

(e) Jackson National Exception. The provisions of this Section 7.1 shall not apply to any mutual fund or other product launched by Jackson National Life Insurance Company, Jackson National Life Insurance Company New York or their Affiliates (each, a "Jackson National Product").

7.2 Change of Control.

(a) In the event of a Change in Control, as defined below, of a WisdomTree Party or a Mellon Party (the "Acquired Party"), and provided this Agreement has not otherwise terminated as a result of the termination of the Advisory Agreement or Sub-advisory Agreement by the Trust, then the Acquired Party shall notify WisdomTree (if the Acquired Party is a Mellon Party) or Mellon Capital (if the Acquired Party is a WisdomTree Party) of any such Change of Control and the identity of the acquiring Person (as defined below) ("Acquiring Company") as soon as such Change of Control may publicly be announced. Upon receipt of any such notification and only in the event the Acquiring Company (or its Affiliate) is a Competitive Company, as defined below (otherwise the Venture shall continue pursuant to its terms), WisdomTree (if the Acquired Party is a Mellon Party) or Mellon Capital (if the Acquired Party is a WisdomTree Party) (the "Remaining Party") shall have the right to give notice to the Acquired Party within thirty (30) days after receipt of the Acquired Party's notice that the Remaining Party:

(i) desires to continue the Venture for a period of up to 180 days from the date of the Change in Control (the "Trial Period"), subject to any approvals by the vote of a majority of the outstanding voting securities of each New ETF and any approvals by the Board of Trustees, as may be necessary or required, and upon the express condition that the Acquiring Company within fifteen (15) days thereafter agrees in writing to such Trial Period and otherwise agrees to be bound by the provisions of this Agreement, the Ancillary Agreements, the other Exhibits

hereto and any other related agreements that are necessary to carry out the Venture. If the Acquiring Company accepts these conditions, the collaboration shall continue and the Remaining Party's option to terminate the Venture (the "Option") shall expire unless the Remaining Party exercises its Option within thirty (30) days prior to the expiration of the Trial Period. If the Acquiring Company fails to give notice within the required period that it will be bound by the provisions of such aforementioned agreements, the Remaining Party shall have the right to exercise the Option as of the expiration date of such fifteen (15) day period; or

(ii) Desires to terminate the Venture immediately.

(b) As used in this Agreement, "Person" means an association, a corporation, a limited liability company, a bank, an individual, a partnership, a trust or any other entity or organization.

(c) For purposes of this Section 7.2, "Change of Control" means the consummation of the first to occur of (i) an event that would be deemed to have caused the "assignment" (as such term is defined under the 1940 Act) or either of the Advisory Agreement or the Sub-Advisory Agreement, (ii) the sale, lease or other transfer of all or substantially all of the assets of a Party to a Person who is not an Affiliate of such Party; (iii) the merger or consolidation of a Party within or into another Person (other than an Affiliate of such Party) or the merger of another Person (other than an Affiliate of such Party) into a Party or any subsidiary thereof with the effect that immediately after such transaction the stockholders or parent corporation of that Party immediately prior to such transaction hold, directly or indirectly, less than 50% of the total voting power of all securities generally entitled to vote in the election of directors, managers or trustees of the Person surviving such merger of consolidation; or (iv) the acquisition of more than 50% of the voting power of all securities of a Party generally entitled to vote in the election of directors of that Party by a Person (other than an Affiliate of such Party). In the event of any transaction described in clauses (ii) or (iii) between a Party and an Affiliate of such Party, if such transaction includes a transfer of this Agreement, then such Affiliate shall succeed to all of such Party's rights, interests, responsibilities and obligations under this Agreement and any reference to such Party in this Agreement shall be deemed thereafter to refer to such Affiliate.

(d) For purposes of this Section 7.2, "Competitive Company" means:

(i) With respect to a Change of Control in which a WisdomTree Party is the Acquired Party, the Acquiring Company (or its Affiliate) is one of the Persons identified in a letter provided contemporaneously with this Agreement; or

(ii) With respect to a Change of Control in which a Mellon Party is the Acquired Party, the Acquiring Company is one of the Persons identified in Exhibit E.

7.3 Acquisitions.

(a) If any Party or Affiliate acquires a Person who acts as an investment adviser to ETFs, or otherwise sponsors, brands, co-brands or promotes ETFs, then any ETF advised, sponsored, branded, co-branded or promoted by such acquired Person as of the date of such acquisition shall not be treated as a Competing ETF for purposes of this Agreement.

(b) If any Mellon Party or Affiliate acquires directly or indirectly a Person identified in Exhibit E, and as a result of such acquisition such Person becomes an Affiliate of the Mellon Parties, or if any Mellon Party acquires a business of such Person relating to the sponsoring or advising of ETFs, including a brand name, trademark or service mark relating to the Person's ETFs, then WisdomTree shall be entitled to make the elections set forth in Section 7.2(a)(i) and 7.2(a)(ii) above as the Remaining Party.

7.4 Non-Solicitation of Employees. During the term of this Agreement:

(a) No WisdomTree Party or Affiliate, either on its own account or in conjunction with or on behalf of any other Person, will employ, solicit or entice away or attempt to employ, solicit or entice away from any Mellon Party or Affiliate, any Person who is involved in the day-to-day operations of the New ETFs, is involved in establishing or maintaining a Proprietary Index, or is a member of any Management Committee, and who is, or will have been at the date of, or within twelve (12) months before any solicitation, enticement or attempt, an officer or employee of the Mellon Party or Affiliate; and

(b) No Mellon Party or Affiliate, either on its own account or in conjunction with or on behalf of any other Person, will employ, solicit or entice away or attempt to employ, solicit or entice away from any WisdomTree Party or Affiliate, any Person who is involved in the day-to-day operations of the New ETFs, is involved in establishing or maintaining a Proprietary Index, or is a member of any Management Committee, and who is or will have been at the date of, or within twelve (12) months before any solicitation, enticement or attempt, an officer or employee of the WisdomTree Party or Affiliate.

This restriction shall apply regardless of whether the officer or employee would commit a breach of contract by reason of leaving employment. The foregoing does not restrict a Party's general advertisements with respect to a position that are not directed to officers or employees of another Party.

7.5 Notification of Certain Events. Each WisdomTree Party will promptly notify Mellon Capital, and each Mellon Party will promptly notify WisdomTree, if it is served or otherwise receives notice of any material action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, self-regulatory organization, public board or body, involving the affairs of the New ETFs or the Party, provided, however, that (i) routine regulatory examinations shall not be required to be reported by this provision and (ii) notification will be considered prompt if it is given contemporaneously with any regulatory filing or notice to other affected parties within the time that such filing or notice is required by applicable law.

ARTICLE VIII

TERMINATION

8.1 Term of the Venture. The initial term of the Venture shall begin on the Effective Date and shall end at the end of the first calendar quarter in 2013, provided, however, that this Agreement and the Venture shall be automatically renewed for one-year periods commencing on April 1, 2013 and, thereafter, on each successive anniversary of such date unless either WisdomTree or Mellon Capital notifies the other in writing within ninety (90) days prior to any such anniversary that it desires to terminate this Agreement and the Venture. All references to "term" of the Venture shall include any renewals thereof.

8.2 Termination of Venture. The Venture shall remain in effect until terminated upon the earliest of:

(a) The mutual agreement of the Parties;

(b) An election to terminate by WisdomTree, if a Mellon Party fails to perform a material obligation under this Agreement or any Ancillary Agreement to which it is a party, or by Mellon Capital, if a WisdomTree Party fails to perform a material obligation under this Agreement or any Ancillary Agreement to which it is a party, and the defaulting Mellon Party or WisdomTree Party does not cure such failure to the reasonable satisfaction of WisdomTree or Mellon Capital, respectively, within thirty (30) days after the date of the defaulting Parties' receipt of written notice from WisdomTree or Mellon Capital specifying such failure;

(c) an election to terminate by the Remaining Company pursuant to an event under Sections 7.2 and/or 7.3;

(d) by either of Mellon Capital or WisdomTree immediately upon written notice to the other, in the event of the bankruptcy, insolvency or placing of the business of the other Party in the hands of a receiver; or

(e) by either of Mellon Capital or WisdomTree as provided in Section 8.1 above.

8.3 Effect of Termination of Sub-Advisory Agreement. For the avoidance of doubt, the termination by the Trust and the Adviser of the Sub-Advisory Agreement for any reason shall not cause the termination of the Venture.

8.4 Winding Up of the Venture and Termination of Agreement. Upon termination of the Venture, this Agreement shall remain in force and the Parties shall continue to perform their respective duties and obligations under this Agreement for a period of six (6) months or such longer period (a) as may be deemed by the Steering Committee to be necessary to allow for the orderly winding up of the Venture in cooperation by the Parties, including the orderly termination of the License Agreements, the Sub-Advisory Agreement and any other Ancillary Agreements, as may be necessary or agreed upon by the Parties, or (b) as may be necessary or required under any Ancillary Agreement (the "Winding Up Period"). Termination of the

Venture shall have no effect on the Parties rights and obligations under this Article VIII, Section 7.4 (regarding non-solicitation of employees), Article IX (regarding dispute resolution) and Article X (regarding miscellaneous), which rights and obligations shall continue until they terminate pursuant to their terms. No Party shall be released from any obligation to the other Party arising prior to the termination of the Venture except upon performance of such obligation. Upon the conclusion of the Winding Up Period, this Agreement shall terminate; provided, however, that the Parties acknowledge and confirm that any termination of the Venture shall have not any effect on the Parties' duties and obligations under the License Agreements or any Ancillary Agreement with the Trust for the full term of the License Agreements and of each Ancillary Agreement.

8.5 Buy-Sell Rights Upon Termination of the Agreement. Each of WisdomTree (or at its election any WisdomTree Party or Affiliate thereof) and Mellon Capital (or at its election any Mellon Party or Affiliate thereof) shall have the obligation to commence the process described in this Section 8.5 upon termination of the Venture by such Party.

(a) Buy-Sell Offer Generally. Each of WisdomTree and Mellon Capital, if so permitted hereunder and provided Proprietary Indices have been developed (as applicable, the "Offering Party"), shall have the option to make a binding, written offer (the "Buy-Sell Offer") to the other Party (the "Electing Party") pursuant to which the Electing Party shall elect to either:

(i) Sell all of the Electing Party's interest in the Proprietary Indices (subject to any third-party license agreements entered into in accordance with Section 0, the "IP Interest") to the Offering Party for a purchase price equal to the designated value of the Electing Party's IP Interest, as set forth in the Buy-Sell Offer (the "Designated Value"); or

(ii) Purchase all of the Offering Party's IP Interests for a purchase price equal to the Designated Value of the Offering Party's Interests, as set forth in the Buy-Sell Offer.

(b) Election. The Electing Party shall notify the Offering Party in writing (the "Election Notice") within thirty (30) days after the Electing Party's receipt of the Buy-Sell Offer of whether it (i) desires to sell all of the Electing Party's IP Interest to the Offering Party as set forth on the Buy-Sell Offer or (ii) to purchase the Offering Party's IP Interest as set forth on the Buy-Sell Offer. If the Electing Party fails to deliver the Election Notice to the Offering Party within the above-described thirty (30) day period, the Electing Party shall be required to sell the Electing Party's IP Interest to the Offering Party as set forth on the Buy-Sell Offer. The Party that has been designated as the purchaser of an IP Interest pursuant to this Section 8.5 is collectively referred to as the "Purchasing Party" and the Party that has been designated as the seller of an IP Interest pursuant to this Section 8.5 is collectively referred to as the "Selling Party."

(c) Closing of the Buy-Sell Sale.

(i) The Purchasing Party shall purchase the IP Interests of the Selling Party (the "Buy-Sell Sale") on or before the end of the Winding Up Period. The

Designated Value of the Selling Party's IP Interests, as reflected on the Buy-Sell Offer, shall be paid by the Purchasing Party by wire transfer of immediately available funds to one or more bank accounts designated by the Selling Party. Notwithstanding the foregoing, if on the date of the Buy-Sell Sale, the Selling Party then owes any amount to the Purchasing Party or any of its Affiliates pursuant to this Agreement or Ancillary Agreements or any other then due and payable monetary obligation evidenced by a written agreement specifying such amount or a final, non-appealable order of a court of competent jurisdiction, the Purchasing Party shall be entitled to retain such amount, as an off-set to the purchase price of the Selling Party's IP Interest, in full satisfaction of the amount so owed.

(ii) At the closing of the Buy-Sell Sale, the Selling Party shall execute all documents reasonably necessary to consummate the Buy-Sell Sale, and shall thereafter cease to have any interest in or claim to the IP Interest unless independently licensed to the Selling Party in accordance with Section 0.

(iii) In the event the Purchasing Party fails to purchase the Selling Party's IP Interests as provided in this Section 8.5 within the time provided herein (other than due to the Selling Party's failure to perform), the Selling Party shall, upon delivery to the Purchasing Party of written notice within fifteen (15) days after the expiration of the period in which the Purchasing Party is required to purchase the Selling Party's IP Interest, have the right, but not the obligation, to purchase all of the Purchasing Party's IP Interest at a price equal to eighty percent (80%) of the Designated Value of the Purchasing Party's IP Interest as set forth on the Buy-Sell Offer.

(d) Buy-Sell Rights Upon Termination of a New ETF. In the event that (i) the Steering Committee determines to remove an Underperforming ETF or any other New ETF from the Venture, and (ii) such New ETF utilizes a Proprietary Index, then each of WisdomTree and Mellon Capital shall have the option to make a Buy-Sell Offer for such Proprietary Index. Any such Buy-Sell Offer shall be made, accepted and closed in accordance with the provisions of this Section 8.5, except that the IP Interest subject to such Buy-Sell Offer shall consist solely of the Electing Party's or Offering Party's interest the Proprietary Index utilized by the New ETF being so removed

(e) Buy-Sell Rights Upon Default Termination. If WisdomTree or Mellon Capital (in each case, the "Non-Defaulting Party") elects to terminate the Venture pursuant to Section 8.2(b) above, then, notwithstanding any other provision of this Section 8.5 to the contrary, if WisdomTree is the Non-Defaulting Party, Mellon Capital, and if Mellon Capital is the Non-Defaulting Party, WisdomTree (in each case, the "Defaulting Party"), shall have the obligation to commence the process described in this Section 8.5 above upon termination of the Venture and make a Buy-Sell Offer (as the Offering Party) to the Non-Defaulting Party (as the Electing Party). The Parties agree that, in each such case, the Non-Defaulting Party (as the Electing Party) shall be entitled to purchase the IP Interest from the Defaulting Party (as the Offering Party) for a purchase price equal to eighty percent (80%) of the Designated Value, or to

sell the IP Interest to the Defaulting Party for a purchase price equal to the full Designated Value, as set forth in the Buy-Sell Offer.

ARTICLE IX

DISPUTE RESOLUTION

9.1 Exclusive Nature. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination or validity thereof (a "Dispute") shall be resolved in accordance with the procedures set forth in this Article IX. These procedures shall be the sole and exclusive process for the resolution of any such Dispute. However, any Party may seek from a court any interim or provisional relief that may be necessary to protect the rights or property (including Party Confidential Information) of that Party, pending the arbitral tribunal's determination of the merits of the controversy.

9.2 Mediation and Arbitration. If the Dispute has not been resolved by negotiation as provided in Section 5.4 herein, upon the written request of either WisdomTree or Mellon Capital, the Parties agree to endeavor to settle the dispute in an amicable manner by mediation administered by the American Arbitration Association under its Commercial Mediation Rules, before resorting to arbitration. Thereafter, any unresolved controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by binding arbitration administered by the American Arbitration Association and judgment upon an award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The number of arbitrators shall be three, one chosen by each of WisdomTree and Mellon Capital with the third, who shall be the chairman, chosen by the two arbitrators chosen by WisdomTree and Mellon Capital. The place of arbitration shall be New York, New York.

9.3 Dispute Resolution Confidentiality. All submissions and proceedings held pursuant to this Section 9.3 shall be confidential and none of the Parties or the mediator or arbitrators may disclose the existence, content, or results of any mediation or arbitration hereunder without the prior written consent of both WisdomTree and Mellon Capital unless otherwise required by law to do so. All negotiations held pursuant to Section 5.4 shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

ARTICLE X

MISCELLANEOUS

10.1 Confidentiality.

(a) Except as expressly provided for in this Agreement, any of the other Ancillary Agreement or any other agreement entered into by the Parties, each of WisdomTree and Mellon Capital shall, and shall cause its Affiliates (including the other WisdomTree Parties

or Mellon Parties, as the case may be) and its and their officers, directors, employees, agents and subcontractors (collectively, "Representatives") to, keep confidential any and all patent applications, copyrights, mask words, technical, commercial, scientific and other proprietary data, trade secrets, processes, documents or other information or physical objects (including, without limitation, materials, specifications, schematics, marketing data, agreements between any party and a third party, license applications, customer lists and business plans and projections of any Party) and all index or other intellectual property acquired from another Party, its Affiliates or any of their respective Representatives (collectively, the "Disclosing Party") (whether such information is furnished in oral or written form or whether such information is observed) in respect of the transactions contemplated by this Agreement and the Ancillary Agreements and which relates (in the case of a Party) to the other Party or any of its Affiliates or their respective businesses or products ("Party Confidential Information"), and each of WisdomTree and Mellon Capital shall not disclose to any person directly or indirectly, and shall cause its respective Affiliates and Representatives not to disclose directly or indirectly, any Party Confidential Information to anyone outside such Person, such Affiliates and their respective Representatives, other than in connection with the business of the Venture.

(b) Except as otherwise provided in this Agreement or determined by the Steering Committee, each Party will keep confidential, will not disclose, will not use outside of the Venture, and will otherwise retain in strictest confidence concepts, ideas, designs, know-how, methods, data, processes, formulae, compositions, improvements, inventions, discoveries, product specifications, past, current and planned research and development and distribution methods and processes, lists of actual or potential customers or suppliers, current and anticipated customer requirements, price lists, market studies, business plans, computer software and programs (including object code and source code), computer software and database technologies, systems, structures and architectures, in each case developed jointly by the Parties during the course of the Venture, and any other written or other information concerning the Venture not generally known to the public ("Venture Confidential Information"). This Agreement is not Venture Confidential Information.

(c) The foregoing restrictions shall not apply to any information disclosed hereunder to any Party (the "Receiving Party") who can demonstrate that such Party Confidential Information or Venture Confidential Information (collectively, the "Confidential Information"):

(i) is or hereafter becomes generally available to the trade or public other than by reason of any breach hereof;

(ii) was already known to the Receiving Party or such Affiliate or Representative as shown by written records;

(iii) is necessary or desirable in order to comply with federal or state securities laws or the rules of any Exchange on which securities of the Receiving Party or any of its Affiliates are listed;

(iv) is being made in connection with the sale, transfer or other disposition, in whole or in part, of the Receiving Party's interest in the Venture or the Proprietary Indices in accordance with this Agreement (but then only if

disclosure is subject to a non-disclosure agreement then customary in such transactions and as to which the Disclosing Party is a third-party beneficiary); or

(v) is disclosed to the Receiving Party or such Affiliate or Representative by a third party who has the right to disclose such information.

In addition, the foregoing restrictions shall not apply to a Purchasing Party with respect to Confidential Information that is a part of or otherwise relates to the IP Interests acquired by such Purchasing Party.

(d) If required by order of any government authority, a Receiving Party or Affiliate, may disclose to such authority, Confidential Information to the extent required by such order; provided, however, that (i) with respect to Party Confidential Information, such Receiving Party shall have first notified the relevant Disclosing Parties of such order and (ii) with respect to Venture Confidential Information, such Receiving Party shall have first notified the Steering Committee of such order. The Receiving Party subject to the order shall cooperate reasonably with the Disclosing Party (in the case of Party Confidential Information) or the Steering Committee (in the case of Venture Confidential Information) in the event that the Disclosing Parties or the Steering Committee shall seek to obtain, solely at their expense (provided that any expense incurred at the direction of the Steering Committee shall be treated as Costs), a protective order (including but not limited to "confidentiality treatment" pursuant to U.S. securities laws) to maintain the confidentiality of such data, information or materials.

(e) Other than as provided in this Agreement, WisdomTree agrees that it shall not (and shall not permit any of its Affiliates to) at any time use any Mellon Party's Party Confidential Information, and Mellon Capital agrees that it shall not (and shall not permit any of its Affiliates to) at any time use any WisdomTree Party's Party Confidential Information, for any purpose whatsoever, without the prior written consent of the other Party. The obligations set forth in this Section 10.1(e) shall extend to copies, if any, of Party Confidential Information made by any of the persons referred to herein and to documents prepared by such Persons which embody or contain Party Confidential Information.

(f) Each Party shall deal with Confidential Information so as to protect it from disclosure with a degree of care not less than that used by it in dealing with its own information intended to remain exclusively within its knowledge and shall take reasonable steps to maintain the risk of disclosure of Confidential Information.

(g) The Receiving Party acknowledges and agrees that due to the unique nature of the Confidential Information, there can be no adequate remedy at law for any breach of its obligations hereunder, that any such breach may allow the Receiving Party or third parties to unfairly compete with the Venture or with the Disclosing Party resulting in irreparable harm to the other Parties or to the Disclosing Party, and therefore, that upon any such breach or any threat thereof, the other Parties (in the case of Venture Confidential Information) or the Disclosing Party (in the case of Party Confidential Information) shall be entitled to obtain appropriate equitable relief in addition to whatever remedies it might have at law and to be indemnified by the Receiving Party from any loss or harm, including, without limitation, lost profits and attorney's fees, in connection with any breach or enforcement of the Receiving

Party's obligations hereunder or the unauthorized use or release of any such Confidential Information. The Receiving Party will notify the other Parties (in the case of Venture Confidential Information) or the Disclosing Party (in the case of Party Confidential Information) in writing immediately upon the occurrence of any such unauthorized release or other breach. Any breach of this Section 10.1 will constitute a material breach of this Agreement.

(h) Upon termination of this Agreement, a Receiving Party shall discontinue use of the Party Confidential Information and any portion thereof, and return all such Party Confidential Information in its possession to the Disclosing Party, including all copies thereof, provided, however that, notwithstanding the foregoing, each Party and its Representatives may retain solely for compliance purposes copies of the Party Confidential Information pursuant to internal document retention policies and shall not be required to delete archived backup materials provides that any Party Confidential Information so retained will continue to held confidential following termination of this Agreement.

(i) The obligations set forth in thisSection 10.1 shall survive for five years following the termination of the Agreement.

10.2 Notices. Any notice hereunder shall be deemed sufficiently given by one Party to another if in writing and if and when delivered or tendered either in person or by the deposit of it in the United States mail in a sealed envelope, registered or certified, with postage prepaid, addressed to the person to whom such notice is being given at such person's address appearing on the records of the Company or such other address as may have been given by such person to the Company for the purposes of notice in accordance with this Section 10.2. A notice not given as above shall, if it is in writing, be deemed given if and when actually received by the Party to whom it is required or permitted to be given.

10.3 Governing Law. Except for the application of the United States Arbitration Act (9 U.S.C. §§ 1–16) to dispute resolution as provided in this Agreement, this agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflict of laws principles thereof.

10.4 Captions. The captions to the section, subsections and paragraphs in this Agreement are inserted for convenience only and shall not affect the construction or interpretation hereof.

10.5 Counterparts; Facsimile Transmission. This Agreement and all amendments hereto may be executed in several counterparts and each counterpart shall constitute a duplicate original of the same instrument. Signatures sent to the other parties by facsimile transmission shall be binding as evidence of acceptance of the terms hereof by such signatory party.

10.6 Severability. Any provision hereof prohibited by, or unlawful or unenforceable under, any applicable law of any jurisdiction shall, as to such jurisdiction, be ineffective without affecting any other provision of this Agreement. To the full extent, however, that the provisions of such applicable law may be waived, they are hereby waived to the end that this Agreement be deemed to be a valid and binding Agreement enforceable in accordance with its terms.

10.7 Binding Effect; Assignment. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective representatives, successors, and permitted assigns, in accordance with the terms hereof. Neither the WisdomTree Parties nor the Mellon Parties may assign this Agreement without the prior written consent of Mellon Capital (in the case of an assignment by a WisdomTree Party) or WisdomTree (in the case of an assignment by a Mellon Party), except that any Party may, at their sole expense, assign its rights under this Agreement to a wholly-owned subsidiary or the parent corporation of the assigning Party provided, however, that no assignment shall in any way affect a Party's obligations or liabilities under this Agreement.

10.8 Modification; Waiver. Any amendment, change or modification to this Agreement shall be void unless in writing and signed by all Parties hereto. No failure or delay by a Party hereto in exercising any right, power or privilege hereunder, and no course of dealing between or among any of the Parties, shall operate as a waiver of any such right, power or privilege. No waiver of any default on any one occasion shall constitute a waiver of any subsequent or other default. No single or partial exercise of any such right, power or privilege shall preclude the further or full exercise thereof.

10.9 Publicity. No press release or announcement concerning the transactions contemplated hereby shall be issued by either the WisdomTree Parties or the Mellon Parties without the prior consent of Mellon Capital or WisdomTree, respectively, except as such release or announcement may be required by law, rule or regulation of an Exchange, in which case the party required to make the release or announcement shall allow the other party reasonable time to comment on such release or announcement in advance of such issuance or filing.

10.10 Entire and Sole Agreement. This Agreement and the other exhibits, schedules and agreements referred to herein, constitute the entire agreement between the Parties hereto and supersede all prior agreements, representations, warranties, statements, promises, information, arrangements and understandings, whether oral or written, express or implied, with respect to the subject matter hereof.

10.11 Further Assurances. From time to time after the Effective Date, each WisdomTree Party or Mellon Party will execute and deliver such other instruments of conveyance, assignment, transfer, and delivery and take such other action as the other Parties may reasonably request in order to consummate the transactions contemplated hereby.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

WISDOMTREE INVESTMENTS, INC.

By: /s/ Jonathan Steinberg
Name: Jonathan Steinberg
Title: Chief Executive Officer

MELLON CAPITAL MANAGEMENT CORPORATION

By: /s/ Gabriela Parcella
Name: Gabriela Parcella
Title: EVP & Chief Operating Officer

WISDOMTREE ASSET MANAGEMENT, INC.

By: /s/ Bruce Lavine
Name: Bruce Lavine
Title: President and Chief Operating Officer

THE DREYFUS CORPORATION

By: /s/ J. David Officer
Name: J. David Officer
Title: Vice Chairman & C.O.O.

EXHIBIT A

SUBADVISORY AGREEMENT

SUB-ADVISORY AGREEMENT

AGREEMENT, dated as of _____, 2008, by and between WisdomTree Asset Management, Inc. (the "Investment Adviser"), a Delaware corporation having its principal office and place of business at 380 Madison Avenue, 21st Floor, New York, NY 10017, and Mellon Capital Management Corporation ("Mellon Capital"), a Delaware corporation having its principal office and place of business at 50 Fremont Street, Suite 3900, San Francisco, California 94105, and The Dreyfus Corporation ("Dreyfus"), a New York corporation having its principal office and place of business at 200 Park Avenue, New York, New York 10166.

WHEREAS, the Investment Adviser is registered as an investment adviser under the Investment Advisers Act of 1940, as amended ("Advisers Act");

WHEREAS, the Investment Adviser has entered into an Investment Advisory Agreement dated as of_____, 2008 (the "Advisory Agreement") with WisdomTree Trust ("Trust") an investment company registered under the Investment Company Act of 1940, as amended ("Investment Company Act");

WHEREAS, each of Mellon Capital and Dreyfus (each a "Sub-Adviser" and, collectively, the "Sub-Advisers"; for the avoidance of doubt, any reference to the "Sub-Adviser" shall mean each of the Sub-Advisers) is registered as an investment adviser under the Advisers Act;

WHEREAS, the Board of Trustees of the Trust and the Investment Adviser desire to retain each of the Sub-Advisers to render investment advisory and other services with respect to each of the funds specified under the Sub-Adviser's name in Appendix A hereto, as amended from time to time, each a series of the Trust (each a "Fund" and collectively, the "Funds"), in the manner and on the terms hereinafter set forth;

WHEREAS, the Investment Adviser has the authority under the Advisory Agreement with the Trust to select sub-advisers for each Fund of the Trust;

WHEREAS, this Sub-Advisory Agreement is one of the "Ancillary Agreements" referred to in that certain Mutual Participation Agreement by and among the Adviser, the Sub-Advisers and WisdomTree Investments, Inc., dated as of January __, 2008 (as further amended, modified or supplemented, the "MPA"); and

WHEREAS, each Sub-Adviser is willing to furnish such services to the Investment Adviser and each Fund;

NOW, THEREFORE, the Investment Adviser and the Sub-Adviser agree as follows:

1. APPOINTMENT OF THE SUB-ADVISER

The Investment Adviser hereby appoints each Sub-Adviser to act as an investment adviser for each Fund specified under such Sub-Adviser's name on Appendix A hereto, subject to the supervision and oversight of the Investment Adviser and the Trustees of the Trust, and in accordance with the terms and conditions of this Agreement. Each Sub-Adviser will be an independent contractor and will have no authority to act for or represent the Trust or the Investment Adviser in any way or otherwise be deemed an agent of the Trust or the Investment Adviser except as expressly authorized in this Agreement or another writing by the Trust, the Investment Adviser and the Sub-Adviser.

2. ACCEPTANCE OF APPOINTMENT

Each Sub-Adviser accepts that appointment for the Funds specified under its name on Appendix A hereto and agrees to render the services herein set forth, for the compensation herein provided.

The assets of each Fund will be maintained in the custody of a custodian (who shall be identified by the Investment Adviser in writing). If the Sub-Adviser is responsible for only a portion of a Fund's assets, the Investment Adviser will specify on Appendix A or otherwise designate to the Sub-Adviser in writing the portion of the assets for which the Sub-Adviser is responsible, and, unless the context otherwise requires, any reference to a "Fund" in this Agreement shall be deemed to refer only to such designated portion of the Fund's assets. The Sub-Adviser will not have custody of any securities, cash or other assets of the Fund and will not be liable for any loss resulting from any act or omission of the custodian other than acts or omissions arising in reasonable reliance on instructions of the Sub-Adviser.

3. SERVICES TO BE RENDERED BY THE SUB-ADVISER TO THE TRUST

A. As adviser to each Fund specified under a Sub-Adviser's name on Appendix A, the Sub-Adviser will coordinate the investment and reinvestment of the assets of the Fund and determine the composition of the assets of the Fund, in accordance with the terms of this Agreement, each Fund's Prospectus and Statement of Additional Information and subject to the direction, supervision and control of the Investment Adviser and the Trustees of the Trust.

B. As part of the services it will provide hereunder, the Sub-Adviser will:

(i) formulate and implement a continuous investment program and portfolio management compliance and reporting program for each Fund;

(ii) take whatever steps it deems necessary or advisable to implement the investment program for each Fund by arranging for the purchase and sale of securities and other investments;

(iii) keep the Investment Adviser fully informed on an ongoing basis of all material facts concerning the investment and reinvestment of the assets of each Fund and the operations of the Sub-Adviser relating thereto, make regular and periodic special written reports of such additional information concerning the same as may reasonably be requested from time to time by the Investment Adviser or the Trustees of the Trust, and attend meetings with the Investment Adviser and/or the Trustees, as reasonably requested, to discuss the foregoing;

(iv) if requested by the Investment Adviser, provide advice about the fair value of the securities and other investments/assets in the Fund; provided, however, that the parties acknowledge that the Trust is responsible for any fair value pricing; and

(v) cooperate with and provide reasonable assistance to the Investment Adviser, the Trust's administrator, the Trust's custodian and foreign custodians, the Trust's transfer agent and pricing agents and all other agents and representatives of the Trust and the Investment Adviser, keep all such persons fully informed as to such matters as the Sub-Adviser considers in good faith to be necessary to the performance of their obligations to the Trust and the Investment Adviser, provide prompt responses to reasonable requests made by such persons and maintain any appropriate interfaces with each so as to promote the efficient exchange of information.

C. In furnishing services hereunder, the Sub-Adviser shall be subject to, and shall perform in accordance with the following: (i) the then effective Prospectus and Statement of Additional Information of the Trust filed with the Securities and Exchange Commission ("SEC") and delivered to the Sub-Adviser, as the same may be thereafter modified, amended and/or supplemented ("Prospectus and SAI"); (ii) the Investment Company Act and the Advisers Act and the rules under each, and all other federal and state

laws or regulations applicable to the Trust and the Fund(s); and (iii) any order or no-action letter of the SEC governing the operation of the Trust. Prior to the commencement of the Sub-Adviser's services hereunder, the Investment Adviser shall provide the Sub-Adviser with current copies of the Prospectus and SAI, any order or no-action letter of the SEC governing the operation of the Trust, and any relevant compliance and other policies and procedures that are adopted by the Board of Trustees and agreed upon with the Sub-Adviser. The Investment Adviser undertakes to provide the Sub-Adviser with copies or other written notice of any amendments, modifications or supplements to any such above-mentioned documents and, except as may be required by the Advisers Act or other applicable law or regulation, Sub-Adviser will not need to comply until a copy has been provided to the Sub-Adviser and agreed upon.

D. The Sub-Adviser, at its expense, will furnish: (i) all necessary facilities and personnel, including salaries, expenses and fees of any personnel required for them to faithfully perform their duties under this Agreement; and (ii) administrative facilities, including maintaining records, and all equipment necessary for the efficient conduct of the Sub-Adviser's duties under this Agreement.

E. The Sub-Adviser will select brokers and dealers to effect all Fund transactions subject to the conditions set forth herein. The Sub-Adviser will place all necessary orders with brokers, dealers, or issuers, and will negotiate brokerage commissions, if applicable. The Sub-Adviser is directed at all times to seek to execute transactions for each Fund in accordance with applicable federal and state laws and regulations. In placing any orders for the purchase or sale of investments for each Fund, in the name of the Fund or its nominees, the Sub-Adviser shall seek to obtain for the Fund "best execution," considering all of the circumstances, and shall maintain records adequate to demonstrate compliance with this requirement. In no instance will Fund securities be purchased from or sold to the Sub-Adviser, or any affiliated person thereof, except in accordance with the Investment Company Act, the Advisers Act and the rules under each, and all other federal and state laws and regulations applicable to the Trust and the Fund.

F. The Sub-Adviser is not authorized to engage in "soft-dollar" transactions on behalf of the Funds, except that the Sub-Adviser may engage in transactions permitted by Section 28(e) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), only with the express written approval of the Investment Adviser or the Trust's Board of Trustees.

G. On occasions when the Sub-Adviser deems the purchase or sale of a security to be in the best interest of the Fund(s) as well as other clients of the Sub-Adviser, the Sub-Adviser to the extent permitted by applicable laws and regulations, may, but shall be under no obligation to, aggregate the securities to be purchased or sold to attempt to obtain a fair and reasonable result and efficient execution, provided that the Sub-Adviser does not favor any account over any other account. Allocation of the securities so purchased or sold, as well as the expenses incurred in the transaction, will be made by the Sub-Adviser in the manner which the Sub-Adviser considers to be the most equitable and consistent with its fiduciary obligations to each Fund and to its other clients over time. The Investment Adviser agrees that the Sub-Adviser and its affiliates may give advice and take action in the performance of their duties with respect to any of their other clients that may differ from advice given, or the timing or nature of actions taken, with respect to the Fund. The Investment Adviser also acknowledges that the Sub-Adviser and its affiliates are fiduciaries to other entities, some of which have the same or similar investment objectives (and will hold the same or similar investments) as the Fund, and that the Sub-Adviser will carry out its duties hereunder together with its duties under such relationships.

H. The Sub-Adviser will provide the Investment Adviser with copies of the Sub-Adviser's current policies and procedures adopted in accordance with Rule 206(4)-7 under the Adviser Act. To the extent the Funds are required by the Investment Company Act to adopt any such policy or procedure, the Investment Adviser will submit such policy or procedure to the Trust's Board of Trustees for adoption by each of the Funds, with such modifications or additions thereto as the Board of Trustees or Investment Adviser may recommend with the concurrence of the Sub-Adviser. The Sub-Adviser shall furnish the services hereunder to the Fund in accordance with this Section 3 and such policies and procedures.

I. The Sub-Adviser will maintain all accounts, books and records with respect to each Fund as are required of an investment adviser of a registered investment company pursuant to the Investment Company Act and Advisers Act and the rules thereunder and shall file with the SEC any report on Form 13F or Schedule 13G and any amendments thereto, required by the Exchange Act, with respect to its duties as are set forth herein.

J. The Sub-Adviser will, unless and until otherwise directed by the Investment Adviser or the Board of Trustees, exercise all rights of security holders with respect to securities held by each Fund, including, but not limited to: voting proxies in accordance with the Sub-Adviser's then-current proxy voting policies (provided such policies have been approved by the Trust's Board of Trustees), converting, tendering, exchanging or redeeming securities.

4. COMPENSATION OF SUB-ADVISER; PAYMENT OF FEES UNDER CERTAIN ANCILLARY AGREEMENTS

A. Each Sub-Adviser shall be entitled to receive a monthly fee with respect to each Fund for which it serves as Sub-Adviser equal to one-half (1/2) of the fee paid to the Investment Adviser with respect to such Fund pursuant to the Advisory Agreement. The fee shall be accrued on a daily basis and payable in accordance with the terms of the MPA.

B. The Investment Adviser acknowledges and agrees that it will inform the Trustees at the time of any approval, amendment or renewal of this Agreement with respect to any Fund, that the fees paid under this Section 4 have been established in recognition that the each Sub-Adviser is paying for certain services that are provided to the Fund as specified in the MPA, in addition to the services provided by each Sub-Adviser under this Agreement, and should be treated as such for all purposes of the Investment Company Act, including without limitation, Section 36 thereof. The Sub-Advisers shall cooperate with the Investment Adviser in providing any information that may be required by the Board of Trustees of the Trust in connection with any approval, amendment or renewal of this Agreement.

5. LIABILITY AND INDEMNIFICATION

A. Except as may otherwise be provided by the Investment Company Act or any other federal securities law, neither the Sub-Adviser nor any of its officers, members or employees (its "Affiliates") shall be liable for any losses, claims, damages, liabilities or litigation (including legal and other expenses) incurred or suffered by the Investment Adviser or the Trust as a result of any error of judgment by the Sub-Adviser or its Affiliates with respect to each Fund, except that nothing in this Agreement shall operate or purport to operate in any way to exculpate, waive or limit the liability of the Sub-Adviser or its Affiliates for, and the Sub-Adviser shall indemnify and hold harmless the Trust, the Investment Adviser, its officers, employees, consultants and all affiliated persons thereof (within the meaning of Section 2(a)(3) of the Investment Company Act) and all controlling persons (as described in Section 15 of the Securities Act of 1933, as amended ("1933 Act")) (collectively, "Manager Indemnitees") against any and all losses, claims, damages, liabilities or litigation (including reasonable legal and other expenses) to which any of the Manager Indemnitees may become subject under the 1933 Act, the Investment Company Act, the Advisers Act, or under any other statute, or common law or otherwise arising out of or based on (i) any breach by the Sub-Adviser of a Sub-Adviser representation or warranty made herein, (ii) any willful misconduct, bad faith, reckless disregard or negligence of the Sub-Adviser in the performance of any of its duties or obligations hereunder or (iii) any untrue statement of a material fact contained in the Prospectus or SAI, proxy materials, reports, advertisements, sales literature, or other materials pertaining to the Fund(s) or the omission to state therein a material fact known to the Sub-Adviser which was required to be stated therein or necessary to make the statements therein not misleading, if such statement or omission was made in reliance upon information furnished to the Investment Adviser or the Trust, or the omission of such information, by the Sub-Adviser Indemnitees (as defined below) for use therein.

B. Except as may otherwise be provided by the Investment Company Act or any other federal securities law, the Investment Adviser shall indemnify and hold harmless the Sub-Adviser, its officers, employees, consultants and all affiliated persons thereof (within the meaning of Section 2(a)(3) of the Investment Company Act) and all controlling persons (as described in Section 15 of the 1933 Act) (collectively, "Sub-Adviser Indemnitees") against any and all losses, claims, damages, liabilities or litigation (including reasonable legal and other expenses) to which any of the Sub-Adviser Indemnitees may become subject under the 1933 Act, the Investment Company Act, the Advisers Act, or under any other statute, at common law or otherwise, arising out of or based on this Agreement; provided however, the Investment Adviser shall not indemnify or hold harmless the Sub-Adviser Indemnitees for any losses, claims, damages, liabilities or litigation (including reasonable legal and other expenses) arising out of or based on (i) any breach by the Sub-Adviser of a Sub-Adviser representation or warranty made herein, (ii) any willful misconduct, bad faith, reckless disregard or negligence of the Sub-Adviser in the performance of any of its duties or obligations hereunder or (iii) any untrue statement of a material fact contained in the Prospectus or SAI, proxy materials, reports, advertisements, sales literature, or other materials pertaining to the Fund(s) or the omission to state therein a material fact known to the Sub-Adviser which was required to be stated therein or necessary to make the statements therein not misleading, if such statement or omission was made in reliance upon information furnished to the Investment Adviser or the Trust, or the omission of such information, by the Sub-Adviser Indemnities for use therein.

C. A party seeking indemnification hereunder (the "Indemnified Party") shall (i) provide prompt notice to the other of any claim ("Claim") for which it intends to seek indemnification, (ii) grant control of the defense and /or settlement of the Claim to the other party, and (iii) cooperate with the other party in the defense thereof. The Indemnified Party shall have the right at its own expense to participate in the defense of any Claim, but shall not have the right to control the defense, consent to judgment or agree to the settlement of any Claim without the written consent of the other party. The party providing the indemnification shall not consent to the entry of any judgment or enter any settlement which (i) does not include, as an unconditional term, the release by the claimant of all liabilities for Claims against the Indemnified Party or (ii) which otherwise adversely affects the rights of the Indemnified Party.

D. Notwithstanding anything in this Agreement to the contrary contained herein, the Sub-Adviser shall not be responsible or liable for its failure to perform under this Agreement or for any losses to the Investment Adviser or the Trust resulting from any event beyond the reasonable control of the Sub-Adviser or its agents, including but not limited to, nationalization, expropriation, devaluation, seizure, or similar unusual actions by any governmental authority, de facto or de jure; or the breakdown, failure or malfunction of any utilities or telecommunications systems; or acts of war, terrorism, insurrection or revolution; or acts of God (collectively, "Force Majeure Events"). Upon the occurrence of a Force Majeure Event, the Sub-Adviser, shall endeavor to recommence performance or observance without delay, in a manner consistent with its obligations under the Advisers Act, the Investment Company Act and as a fiduciary of the Trust.

6. REPRESENTATIONS OF THE INVESTMENT ADVISER

The Investment Adviser represents, warrants and agrees that:

A. The Investment Adviser has been duly authorized by the Board of Trustees of the Trust to delegate to the Sub-Adviser the provision of investment services to each Fund as contemplated hereby.

B. The Trust has adopted a written code of ethics complying with the requirements of Rule 17j-1 under the Investment Company Act and will provide the Sub-Adviser with a copy of such code of ethics.

C. The Investment Adviser (i) will be registered as an investment adviser under the Advisers Act prior to the commencement of operation of the Funds and thereafter will continue to be so registered for so long as this Agreement remains in effect; (ii) is not prohibited by the Investment Company Act, the Advisers Act or other law, regulation or order from performing the services contemplated by this Agreement; (iii) has met and will seek to continue to meet for so long as this Agreement is in effect, any other applicable federal or state requirements, or the applicable requirements of any regulatory or industry self-regulatory agency necessary to be met in order to perform the services contemplated by this Agreement; (iv) has the authority to enter into and perform the services contemplated by this Agreement, and (v) will promptly notify the Sub-Adviser of the occurrence of any event that would disqualify the Investment Adviser from serving as investment manager of an investment company pursuant to Section 9(a) of the Investment Company Act or otherwise.

D. The Investment Adviser acknowledges receipt of Part II of Sub-Adviser's Form ADV at least 48 hours prior to entering into this Agreement, as required by Rule 204-3 under the Advisers Act.

E. The Investment Adviser shall direct the Trust's custodian to provide timely information to the Sub-Adviser regarding such matters as the composition of assets in the portion of each Fund managed by the Sub-Adviser, cash requirements and cash available for investment in such portion of each such Fund, and all other information as may be reasonably necessary for the Sub-Adviser to perform its duties hereunder.

7. REPRESENTATIONS OF THE SUB-ADVISER

The Sub-Adviser represents, warrants and agrees as follows:

A. The Sub-Adviser (i) is registered as an investment adviser under the Advisers Act and will continue to be so registered for so long as this Agreement remains in effect; (ii) is not prohibited by the Investment Company Act, the Advisers Act or other law, regulation or order from performing the services contemplated by this Agreement; (iii) has met and will seek to continue to meet for so long as this Agreement remains in effect, any other applicable federal or state requirements, or the applicable requirements of any regulatory or industry self-regulatory agency necessary to be met in order to perform the services contemplated by this Agreement; (iv) has the authority to enter into and perform the services contemplated by this Agreement; and (v) will promptly notify the Investment Adviser of the occurrence of any event that would disqualify the Sub-Adviser from serving as an investment adviser of an investment company pursuant to Section 9(a) of the Investment Company Act or otherwise. The Sub-Adviser will also promptly notify each Fund and the Investment Adviser if it is served or otherwise receives notice of any material action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, self-regulatory organization, public board or body, involving the affairs of the Fund(s) or the Sub-Adviser, provided, however, that routine regulatory examinations of the Sub-Adviser shall not be required to be reported by this provision. Any notification will be considered prompt if it is given in a manner consistent with the Sub-Adviser's fiduciary and other obligations under the Advisers Act and contemporaneously with any regulatory filing or notice to other affected parties within the time that such filing or notice is required by applicable law.

B. The Sub-Adviser has adopted a written code of ethics complying with the requirements of Rule 17j-1 under the Investment Company Act and Rule 204A-1 under the Advisers Act and will provide the Investment Adviser and the Board with a copy of such code of ethics, together with evidence of its

adoption. Within forty-five days of the end of the last calendar quarter of each year that this Agreement is in effect, and as otherwise requested, the Sub-Adviser shall certify to the Investment Adviser that the Sub-Adviser has complied with the requirements of Rule 17j-1 and Rule 204A-1 during the previous year and that there has been no material violation of the Sub-Adviser's code of ethics or, if such a material violation has occurred, that appropriate action was taken in response to such violation. Upon the written request of the Investment Adviser, the Sub-Adviser shall permit the Investment Adviser, its employees or its agents to examine the reports required to be made to the Sub-Adviser by Rule 17j-1(c)(1) and Rule 204A-1(b) and all other records relevant to the Sub-Adviser's code of ethics.

C. The Sub-Adviser has provided the Investment Adviser with a copy of its Form ADV which as of the date of this Agreement is its Form ADV as most recently filed with the SEC, will provide a copy of Part II annually, and promptly will furnish a copy of all material amendments to the Investment Adviser.

D. The Sub-Adviser agrees to maintain an appropriate level of errors and omissions or professional liability insurance coverage.

E. The Sub-Adviser agrees not to consult with (i) other subadvisers to a Fund, if any, (ii) other subadvisers to any other Fund of the Trust, or (iii) other subadvisers to an investment company under common control with any Fund, concerning transactions for a Fund in securities or other assets.

8. NON-EXCLUSIVITY

The services of the Sub-Adviser to the Investment Adviser, the Fund(s) and the Trust are not to be deemed to be exclusive, and the Sub-Adviser shall be free to render investment advisory or other services to others and to engage in other activities. It is understood and agreed that the directors, officers, and employees of the Sub-Adviser are not prohibited from engaging in any other business activity or from rendering services to any other person, or from serving as partners, officers, directors, trustees, or employees of any other firm or corporation.

9. SUPPLEMENTAL ARRANGEMENTS

The Sub-Adviser may from time to time employ or associate itself with any person it believes to be particularly suited to assist it in providing the services to be performed by such Sub-Adviser hereunder, provided that no such person shall perform any services with respect to the Fund(s) that would constitute an assignment or require a written advisory agreement pursuant to the Investment Company Act. Any compensation payable to such persons shall be the sole responsibility of the Sub-Adviser, and neither the Investment Adviser nor the Trust shall have any obligations with respect thereto or otherwise arising under the Agreement.

10. REGULATION

The Sub-Adviser shall submit to all regulatory and administrative bodies having jurisdiction over the services provided pursuant to this Agreement any information, reports, or other material which any such body by reason of this Agreement may request or require pursuant to applicable laws and regulations and shall promptly provide the Advisor and Trust with copies of such information, reports and materials.

11. RECORDS

The records relating to the services provided under this Agreement shall be the property of the Trust and shall be under its control; however, the Trust shall furnish to the Sub-Adviser such records and permit it to retain such records (either in original or in duplicate form) as it shall reasonably require in order to carry out its business. In the event of the termination of this Agreement, such other records shall promptly be returned to the Trust by the Sub-Adviser free from any claim or retention of rights therein, provided that the Sub-Adviser may retain any such records that are required by law or regulation. The Investment

Adviser and the Sub-Adviser shall keep confidential any information obtained in connection with its duties hereunder and disclose such information only if the Trust has authorized such disclosure or if such disclosure is expressly required or requested by applicable federal or state regulatory authorities, or otherwise required by law.

12. DURATION OF AGREEMENT

This Agreement shall become effective upon the date first above written, provided that this Agreement shall not take effect with respect to a Fund unless it has first been approved: (i) by a vote of a majority of those trustees of the Trust who are not "interested persons" (as defined in the Investment Company Act) of any party to this Agreement ("Independent Trustees"), cast in person at a meeting called for the purpose of voting on such approval, and (ii) by vote of a majority of the Fund's outstanding securities. This Agreement shall continue in effect for a period more than two years from the date of its execution only so long as such continuance is specifically approved at least annually by the Board of Trustees provided that in such event such continuance shall also be approved by the vote of a majority of the Independent Trustees cast in person at a meeting called for the purpose of voting on such approval. Additional Funds may be added to Appendix A by written agreement of the Investment Adviser and the Sub-Adviser and only after the approval by the Board of Trustees of the Trust, including a majority of the Independent Trustees, cast in person at a meeting called for the purpose of voting such approval and, if required under the Investment Company Act, a majority of the outstanding voting securities (as defined in the Investment Company Act) of the Fund.

13. TERMINATION OF AGREEMENT

A. This Agreement may be terminated with respect to any Fund at any time, without the payment of any penalty, by the Board of Trustees, or by the vote of a majority of the outstanding voting securities of such Fund, each on sixty (60) days' written notice to the Investment Adviser and the Sub-Adviser. This Agreement will automatically terminate, without the payment of any penalty in the event the Investment Advisory Agreement between the Investment Adviser and the Trust is assigned (as defined in the Investment Company Act) or terminates for any other reason.

B. This Agreement will also terminate upon written notice to the other party that the other party is in material breach of this Agreement, unless the other party in material breach of this Agreement cures such breach to the reasonable satisfaction of the party alleging the breach within thirty (30) days after written notice. Any "assignment" (as that term is defined in the Investment Company Act) of this Agreement will result in automatic termination of this Agreement. The Sub-Adviser will notify the Trust and the Investment Adviser of any such assignment and of any changes in key personnel who are either the portfolio manager(s) of the Funds named in the Prospectus and/or SAI, or senior management of the Sub-Adviser, in each case prior to or promptly after, such change. The Sub-Adviser agrees to bear all reasonable legal, printing, mailing, proxy and related expenses of the Trust and the Investment Adviser, if any, arising out of an assignment of this Agreement by the Sub-Adviser.

C. Following the termination of the MPA for any reason, the Investment Adviser or the Sub-Advisers may terminate this Agreement with respect to any Fund upon at least one hundred twenty (120) days' written notice to the other. In such an event, the Sub-Advisers agree to reasonably cooperate with the Trust and the Investment Adviser in

connection with the transition of subadvisory services relating to such Fund(s) to another Subadviser.

14. AMENDMENTS TO THE AGREEMENT

Except to the extent permitted by the Investment Company Act or the rules or regulations thereunder or pursuant to exemptive relief granted by the SEC, this Agreement may be amended by the parties with respect to any Fund only if such amendment, if material, is specifically approved by the vote of a majority of the outstanding voting securities of such Fund (unless such approval is not required by Section 15 of the Investment Company Act as interpreted by the SEC or its staff or unless the SEC has granted an exemption from such approval requirement) and by the vote of a majority of the Independent Trustees cast in person at a meeting called for the purpose of voting on such approval. The required shareholder approval shall be effective with respect to the Fund if a majority of the outstanding voting securities of the Fund vote to approve the amendment, notwithstanding that the amendment may not have been approved by a majority of the outstanding voting securities of any other Fund affected by the amendment or all the Funds of the Trust.

15. ASSIGNMENT

The Sub-Adviser shall not assign or transfer its rights and obligations under this Agreement. Any assignment (as that term is defined in the Investment Company Act) of the Agreement shall result in the automatic termination of this Agreement, as provided in Section 13 hereof. The Sub-Adviser agrees to bear all reasonable legal, printing, mailing, proxy and related expenses of the Trust and the Investment Adviser, if any, arising out of any assignment of this Agreement by the Sub-Adviser. Notwithstanding the foregoing, no assignment shall be deemed to result from any changes in the directors, officers or employees of such Sub-Adviser except as may be provided to the contrary in the Investment Company Act or the rules or regulations thereunder.

16. ENTIRE AGREEMENT

This Agreement contains the entire understanding and agreement of the parties with respect to each Fund.

17. HEADINGS

The headings in the sections of this Agreement are inserted for convenience of reference only and shall not constitute a part hereof.

18. USE OF SUB-ADVISERS' NAMES

The parties agree that the names of the Sub-Advisers, the names of any affiliated persons of the Sub-Advisers and any derivative or logo or trademark or service mark or trade name are the valuable property of the Sub-Advisers and their affiliated persons. The Sub-Advisers have granted to the Trust a limited license to use such name, derivatives, logos, trademarks or service marks or trade names under the terms of a License Agreement (as defined in the MPA). However, upon any termination of the License Agreement prior to the termination of this Agreement, the Investment Adviser and the Trust may continue to use such name, derivatives, logos, trademarks or service marks or trade names only with the prior written approval of the Sub-Advisers. Any such use following the termination of the License Agreement shall be subject to the following terms and conditions:

A. The Investment Adviser and the Trust agree that they will review with the Sub-Advisers any advertisement, sales literature or notice prior to its use that makes reference to the Sub-Advisers or their

affiliated persons, or any such name, derivatives, logos, trademarks, service marks or trade names, so that the Sub-Advisers may review the context in which it is referred, it being agreed that the Sub-Advisers shall have no responsibility to ensure the adequacy of the form or content of such materials for purposes of the Investment Company Act or other applicable laws and regulations.

B. Upon termination of this Agreement, the Investment Adviser and the Trust shall forthwith cease to use such name, derivatives, logos, trademarks or service marks or trade names.

C. If the Investment Adviser or the Trust makes any unauthorized use of the Sub-Advisers names, derivatives, logos, trademarks or service marks or trade names, the parties acknowledge that the Sub-Advisers shall suffer irreparable harm for which monetary damages may be inadequate and, thus, the Sub-Advisers shall be entitled to injunctive relief, as well as any other remedy available under law.

In addition, the Investment Adviser and the Trust may use the name of the Sub-Adviser in a factual manner if such use is a fair use or nominative use under the Lanham Act (such as, for example, in regulatory filings made with the SEC or any SRO or in other documents as required by SEC or SRO regulations). Nothing in this Section 18 shall be deemed to have amended, modified or limited the License Agreement in any respect.

19. NOTICES

All notices required to be given pursuant to this Agreement shall be delivered or mailed to the address listed below of each applicable party in person or by registered or certified mail or a private mail or delivery service providing the sender with notice of receipt or such other address as specified in a notice duly given to the other parties. Notice shall be deemed given on the date delivered or mailed in accordance with this paragraph.

For: **Mellon Capital Management Corporation**
Attention: Manager of Client Service
50 Fremont Street, Suite 3900
San Francisco, CA 94105

With a copy to:
Mellon Capital Management Corporation
Attention: Legal Department
50 Fremont Street, Suite 3900
San Francisco, CA 94105

For: **The Dreyfus Corporation**
Attention: Phil Maisano
200 Park Avenue
New York, NY 10166

With a copy to:
The Dreyfus Corporation
Attention: Michael Rosenberg
200 Park Avenue
New York, NY 10166

For: **WisdomTree Asset Management, Inc.**
Jonathan Steinberg
380 Madison Ave.

21st Floor
New York, NY 10017

With a copy to:
WisdomTree Asset Management, Inc.
Attn: Legal Department
380 Madison Ave 21st Floor
New York, NY 10017

20. SEVERABILITY AND SURVIVAL

Should any portion of this Agreement for any reason be held to be void in law or in equity, the Agreement shall be construed, insofar as is possible, as if such portion had never been contained herein. Sections 5, 11 and 20 shall survive the termination of this Agreement.

21. TRUST AND SHAREHOLDER LIABILITY

The Sub-Adviser is hereby expressly put on notice of the limitation of shareholder liability as set forth in the Trust Declaration and agrees that obligations, if any, assumed by the Trust pursuant to this Agreement shall be limited in all cases to the Trust and its assets, and if the liability relates to one or more series, the obligations hereunder shall be limited to the respective assets of the Fund. The Sub-Adviser further agrees that it shall not seek satisfaction of any such obligation from the shareholders or any individual shareholder of the Fund(s), nor from the Trustees or any individual Trustee of the Trust.

22. GOVERNING LAW

The provisions of this Agreement shall be construed and interpreted in accordance with the laws of the State of New York, or any of the applicable provisions of the Investment Company Act. To the extent that the laws of the State of New York, or any of the provisions in this Agreement, conflict with applicable provisions of the Investment Company Act, the latter shall control.

23. INTERPRETATION

Any question of interpretation of any term or provision of this Agreement having a counterpart in or otherwise derived from a term or provision of the Investment Company Act shall be resolved by reference to such term or provision of the Investment Company Act and to interpretations thereof, if any, by the United States courts or, in the absence of any controlling decision of any such court, by rules, regulations or orders of the SEC validly issued pursuant to the Investment Company Act. Specifically, the terms "vote of a majority of the outstanding voting securities," "interested persons," "assignment," and "affiliated persons," as used herein shall have the meanings assigned to them by Section 2(a) of the Investment Company Act. In addition, where the effect of a requirement of the Investment Company Act reflected in any provision of this Agreement is relaxed by a rule, regulation or order of the SEC, whether of special or of general application, such provision shall be deemed to incorporate the effect of such rule, regulation or order.

This Agreement has been executed as a single Agreement for purposes of convenience only and shall be interpreted as if each Sub-Adviser had entered into a separate Agreement with the Investment Adviser to provide services to each individual Fund specified on Appendix A under such Sub-Adviser's name.

24. CONFIDENTIALITY

Each party shall treat as confidential all Confidential Information of the other (as that term is defined below) and use such information only in furtherance of the purposes of this Agreement. Each Party shall limit access to the Confidential Information to its Affiliates, employees, consultants, auditors and regulators who reasonably require access to such Confidential Information, and otherwise maintain policies and procedures designed to prevent disclosure of the Confidential Information. For purposes of this Agreement, Confidential Information shall include all non-public business and financial information, methods, plans, techniques, processes, documents and trade secrets of a Party. Confidential Information shall not include anything that (i) is or lawfully becomes in the public domain, other than as a result of a breach of an obligation hereunder; (ii) is furnished to Licensee by a third party having a lawful right to do so; or (iii) was known to Licensee at the time of the disclosure. Each Party shall give prompt notice to the other of any requests or demands for any Confidential Information made under lawful process by any third parties, prior to disclosure or furnishing of such Confidential Information. Each Party agrees to reasonably cooperate with the other, at the other's expense, in seeking reasonable protective arrangements to prevent, limit or restrict the disclosure of Confidential Information pursuant to such lawful process. This Agreement shall not be deemed to be Confidential Information.

25. AUTHORITY TO EXECUTE TRANSACTION DOCUMENTS

Subject to any other written instructions of the Investment Adviser or the Trust, each Sub-Adviser is hereby appointed agent and attorney-in-fact for the limited purposes of executing on behalf of any Fund specified under such Sub-Adviser's name on Appendix A hereto: account documentation, transaction term sheets and confirmations, certifications regarding the Fund's status as an accredited investor, qualified institutional buyer or qualified purchaser and certifications regarding other factual matters as may be requested by brokers, dealers or counter parties in connection with its management of the Fund's assets. However, nothing in this Section 24 shall be construed as imposing a duty on a Sub-Adviser to act in its capacity as attorney-in-fact for the Fund. Any person dealing with a Sub-Adviser in its capacity as attorney-in-fact hereunder for the Fund is hereby expressly put on notice that Sub-Adviser is acting solely in the capacity as an agent of the Fund and that any such person must look solely to the Fund for enforcement of any claim against Fund, as the Sub-Adviser assumes no personal liability to such person whatsoever for obligations of the Fund entered into by Sub-Adviser in its capacity as attorney-in-fact for the Fund.

26. COUNTERPARTS

This Agreement may be executed in counterparts each of which shall be deemed to be an original and all of which, taken together, shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date first mentioned above.

WISDOMTREE ASSET MANAGEMENT, INC.

By:_____
Name: Jonathan Steinberg
Title: Chief Executive Officer

MELLON CAPITAL MANAGEMENT CORPORATION

By:_____
Name:
Title:

THE DREYFUS CORPORATION

By: _____

Name:
Title:

APPENDIX A
TO
SUB-ADVISORY AGREEMENT

I. FUNDS FOR WHICH DREYFUS ACTS AS SUB-ADVISER

The Investment Adviser hereby appoints Dreyfus, and Dreyfus hereby accepts appointment as, the Sub-Adviser for the Funds set forth above.

WISDOMTREE ASSET MANAGEMENT, INC.

By: _____
Name: Jonathan Steinberg
Title: Chief Executive Officer

THE DREYFUS CORPORATION

By: _____
Name:
Title:

II. FUNDS FOR WHICH MELLON CAPITAL ACTS AS SUB-ADVISER

The Investment Adviser hereby appoints Mellon Capital, and Mellon Capital hereby accepts appointment as, the Sub-Adviser for the Funds set forth above.

WISDOMTREE ASSET MANAGEMENT, INC.

By: _____
Name: Jonathan Steinberg
Title: Chief Executive Officer

MELLON CAPITAL MANAGEMENT CORPORATION

By: _____
Name:
Title:

EXHIBIT B

COSTS AND EXPENSES

Fund Costs

Fund Costs shall be calculated in accordance with Section 4.3(a) herein, and shall include the following categories of costs, fees and expenses with respect to each New ETF:

1. Costs incurred in connection with the formation, organization, and initial and ongoing registration of the New ETFs.
2. Exchange listing fees.
3. Audit and tax advice, preparation, review and filing fees.
4. Non-Audit tax, accounting or similar services, such as consulting, PFIC analysis and non-U.S. tax agent services.
5. Legal fees (other than those excluded by the terms of the Advisory Agreement, the Sub-Advisory Agreement and this Agreement).
6. Printing, filing, copying, faxing and mailing fees.
7. Fees imposed by the SEC and any other regulatory bodies, including SROs.
8. Index calculation fees.
9. Index dissemination fees.
10. Indicative optimized portfolio value calculation and dissemination fees.
11. Data licensing fees.
12. Back testing fees.
13. Distributor costs (including those of ALPS).
14. Proxy voting and reporting costs.
15. Trailer Fees payable to Treasury Equity LLC under Sections 1.5(e) and 1.5(f) of that certain Agreement dated March 12, 2007 between WisdomTree Investments, Inc. and Treasury Equity, LLC, a summary description of which is annexed to this Exhibit B.

Promotional Costs

Promotional Costs shall be calculated in accordance with Section 4.3(b) herein, and shall include, but are not limited to, the following costs, fees and expenses with respect to each New ETF:

1. Conference and other event sponsorship expenses.
2. Advertising costs.
3. Promotional items.
4. Marketing materials
5. Travel and entertainment expenses as set forth in the Business Plan.

ANNEX TO EXHIBIT B

Summary of Required Payments to Treasury Equity, LLC under Sections 1.5(e) and (f) of the Asset Purchase Agreement dated March 12, 2007 between WisdomTree Investments, Inc. and Treasury Equity, LLC

(a) For and during the period commencing on that day the assets under management of all of WisdomTree's 1940 Act Currency ETFs (as defined below) that have been launched within five years from the date the first WisdomTree 1940 Act Currency ETF was launched by WisdomTree (hereinafter called "WisdomTree's Trailer Paying 1940 Act Currency ETFs") first equals or exceeds $1 billion and continuing until March 12, 2017, WisdomTree shall pay to Treasury Equity the lesser of: (i) three basis points (0.03%) of the combined daily net assets of WisdomTree's Trailer Paying 1940 Act Currency ETFs in excess of $1 billion and (ii) 10% of gross revenues of WisdomTree derived from WisdomTree's Trailer Paying 1940 Act Currency ETFs based upon the combined daily net assets of WisdomTree's Trailer Paying 1040 Act Currency ETFs in excess of $1 billion; and

(b) For a period of ten years after the date the first WisdomTree 1940 Act Currency ETF was launched by WisdomTree, (i) 10% of gross revenue received by WisdomTree from licensing to third parties the intellectual property embodied in any one or more of the Patent Applications of Treasury Equity assigned to WisdomTree; and (ii) one and one-half basis points (0.015%) of the combined daily net assets under WisdomTree's management of all 1940 Act ETFs (other than any 1940 Act Currency ETF with respect to which consideration is or may be otherwise be payable to Treasury Equity by WisdomTree (including the forgoing paragraph (a) above) that (A) use or employ any of the intellectual property embodied in any one or more of the Patent Applications of Treasury Equity assigned to WisdomTree; (B) that invests substantially all of its assets in a pool of (z) money market and other short term securities that have a maturity of 60 days or less and (y) futures or forward contracts relating to tangible commodities and that are listed on a U.S. national securities exchange.

For purposes of this Agreement a "1940 Act ETF" means any pooled investment vehicle registered as an investment company under the Investment Company Act of 1940 that issues and redeems shares or units of interest only in large aggregations commonly known as "creation units" and whose shares or units of interest are listed and traded on any recognized United States or foreign securities exchange. For purposes of this Agreement, the parties intend that the definition of a "1940 Act Currency ETF" will include and be limited to 1940 Act ETFs that have an investment purpose that provides investment exposure to at least two currencies. Accordingly, for purposes of this Agreement, a "1940 Act Currency ETF" means any 1940 Act ETF that invests substantially all of its assets in a pool of money market or other short term securities that have a maturity of 60 days or less, denominated in one or more currencies, but if the money market or other short term securities are denominated in only one currency that currency must either (i) be a currency other than the currency in which the ETF Shares of such 1940 Act ETF are quoted on the principal exchange for such ETF Shares, or (ii) the portfolio held by the 1940 Act ETF must include either (A) futures or forward contracts or other derivative instruments with respect to a currency or currencies other than the currency in which the money market or other short term securities are denominated or (B) futures or forward contracts or other derivative instruments with respect to the same currency in which the money market or other short term securities are denominated, but the value of which contracts or instruments is related to the value of such currency as compared to the value of the currency or currencies of another country or countries;

EXHIBIT C

PARTY MARKS

Mellon Party Marks

Dreyfus

WisdomTree Marks

WisdomTree

EXHIBIT D-1

RESERVED

EXHIBIT D-2

RESERVED

EXHIBIT E

LIST OF COMPANIES UNDER SECTION 7.2(d)(ii)

Barclays Global Investors

Bear Stearns Asset Mgmt

Claymore

First Trust

Grail Partners

PowerShares

ProShares

Rydex

State Street Global Advisors

Van Eck

Vanguard

XShares

Exhibit 10.4

FINANCIAL DATA SYSTEMS, INC.
1993 Stock Option Plan

Section 1. Purpose; Definitions.

1.1 Purpose. The purpose of the Financial Data Systems, Inc. ("Company") 1993 Stock Option Plan ("Plan") is to enable the Company to offer to its key employees, officers, directors and consultants whose past, present and/or potential contributions to the Company and its Subsidiaries have been, are or will be important to the success of the Company, an opportunity to acquire a proprietary interest in the Company. The various types of long-term incentive awards which may be provided under the Plan will enable the Company to respond to changes in compensation practices, tax laws, accounting regulations and the size and diversity of its businesses.

1.2 Definitions. For purposes of the Plan, the following terms shall be defined as set forth below:

(a) "Agreement" means the agreement between the Company and the Holder setting forth the terms and conditions of an award under the Plan.

(b) "Board" means the Board of Directors of the Company.

(c) "Code" means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto and the regulations promulgated thereunder.

(d) "Committee" means the Stock Option Committee of the Board or any other committee of the Board which the Board may designate to administer the Plan or any portion thereof. If no Committee is so designated, then all references in this Plan to "Committee" shall mean the Board.

(e) "Common Stock" means the Common Stock of the Company, par value $.01 per share.

(f) "Company" means Financial Data Systems, Inc., a corporation organized under the laws of the State of Delaware.

(g) "Deferred Stock" means Stock to be received, under an award made pursuant to Section 8 below, at the end of a specified deferral period.

(h) "Disability" means disability as determined under procedures established by the Committee for purposes of the Plan.

(i) "Effective Date" means the date set forth in Section 11.

(j) "Fair Market Value", unless otherwise required by any applicable provision of the Code or any regulations issued thereunder, means, as of any given date: (i) if the Common Stock is listed on a national securities exchange or quoted on the NASDAQ

National Market System, the last sale price of the Common Stock on the last trading day preceding the date of grant of an award hereunder, as reported on the composite tape or by NASDAQ/NMS System Statistics, as the case may be; (ii) if the Common Stock is not listed on a national securities exchange or quoted on the NASDAQ National Market System, but is traded in the over-the-counter market, the closing bid price for the Common Stock on the last trading day preceding the date of grant of an award hereunder, for which such quotations are reported by NASDAQ; and (iii) if the fair market value of the Common Stock cannot be determined pursuant to clause (i) or (ii) above, such price as the Committee shall determine, in good faith.

(k) "Family Group Member" shall mean the spouse, sibling or lineal descendant of the Holder or a trust established for any such person.

(l) "Holder" means a person who has received an award under the Plan.

(m) "Incentive Stock Option" means any Stock Option intended to be and designated as an "incentive stock option" within the meaning of Section 422 of the Code.

(n) "NonQualified Stock Option" means any Stock Option that is not an Incentive Stock Option.

(o) "Normal Retirement" means retirement from active employment with the Company or any Subsidiary on or after age 65.

(p) "Other Stock-Based Award" means an award under Section 9 below that is valued in whole or in part by reference to, or is otherwise based upon, Stock.

(q) "Parent" means any present or future parent corporation of the Company, as such term is defined in Section 424(e) of the Code.

(r) "Plan" means the 1993 Stock Option Plan, as hereinafter amended from time to time.

(s) "Restricted Stock" means Stock, received under an award made pursuant to Section 7 below, that is subject to restrictions under said Section 7.

(t) "SAR Value" means the excess of the Fair Market Value of one share of Common Stock over the exercise price per share specified in a related Stock Option in the case of a Stock Appreciation Right granted in tandem with a Stock Option and the Stock Appreciation Right price per share in the case of a Stock Appreciation Right awarded on a free standing basis, in each case multiplied by the number of shares in respect of which the Stock Appreciation Right shall be exercised, on the date of exercise.

(u) "Stock" means the Common Stock of the Company, par value $.01 per share.

(v) “Stock Appreciation Right” means the right, pursuant to an award granted under Section 6 hereof, to recover an amount equal to the SAR Value.

(w) “Stock Option” or “Option” means any option to purchase shares of Stock which is granted pursuant to the Plan.

(x) “Stock Reload Option” means any option granted under Section 5.3 as a result of the payment of the exercise price of a Stock Option and/or the withholding tax related thereto in the form of Stock owned by the Holder or the withholding of Stock by the Company.

(y) “Subsidiary” means any present or future subsidiary corporation of the Company, as such term is defined in Section 424(f) of the Code.

Section 2. Administration.

2.1 Committee Membership. The Plan shall be administered by the Board or a Committee. Committee members shall serve for such term as the Board may in each case determine, and shall be subject to removal at any time by the Board.

2.2 Powers of Committee. The Committee shall have full authority, subject to Section 4.2 hereof, to award, pursuant to the terms of the Plan: (i) Stock Options, (ii) Stock Appreciation Rights, (iii) Restricted Stock, (iv) Deferred Stock, (v) Stock Reload Options and/or (vi) Other Stock-Based Awards. For purposes of illustration and not of limitation, the Committee shall have the authority (subject to the express provisions of this Plan):

(a) to select the officers, key employees, directors and consultants of the Company or any Subsidiary to whom Stock Options, Stock Appreciation Rights, Restricted Stock, Deferred Stock, Reload Stock Options and/or Other Stock-Based Awards may from time to time be awarded hereunder.

(b) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder (including, but not limited to, number of shares, share price, any restrictions or limitations, and any vesting, exchange, surrender, cancellation, acceleration, termination, exercise or forfeiture provisions, as the Committee shall determine);

(c) to determine any specified performance goals or such other factors or criteria which need to be attained for the vesting of an award granted hereunder;

(d) to determine the terms and conditions under which awards granted hereunder are to operate on a tandem basis and/or in conjunction with or apart from other equity awarded under this Plan and cash awards made by the. Company or any Subsidiary outside of this Plan;

(e) to permit a Holder to elect to defer a payment under the Plan under such rules and procedures as the Committee may establish, including the crediting of interest on deferred amounts denominated in cash and of dividend equivalents on deferred amounts denominated in Stock;

(f) to determine the extent and circumstances under which Stock and other amounts payable with respect to an award hereunder shall be deferred which may be either automatic or at the election of the Holder; and

(g) to substitute (i) new Stock Options for previously granted Stock Options, which previously granted Stock Options have higher option exercise prices and/or contain other less favorable terms, and (ii) new awards of any other type for previously granted awards of the same type, which previously granted awards are upon less favorable terms.

2.3 Interpretation of Plan.

(a) *Committee Authority.* Subject to Section 10 hereof, the Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall, from time to time, deem advisable, to interpret the terms and provisions of the Plan and any award issued under the Plan (and to determine the form and substance of all Agreements relating thereto), and to otherwise supervise the administration of the Plan. Subject to Section 10 hereof, all decisions made by the Committee pursuant to the provisions of the Plan shall be made in the Committee's sole discretion and shall be final and binding upon all persons, including the Company, its Subsidiaries and Holders.

(b) *Incentive Stock Options.* Anything in the Plan to the contrary notwithstanding, no term or provision of the Plan relating to Incentive Stock Options (including but limited to Stock Reload Options or Tandem Stock Appreciation rights granted in conjunction with an Incentive Stock Option) or any Agreement providing for Incentive Stock Options shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code, or, without the consent of the Holder(s) affected, to disqualify any Incentive Stock Option under such Section 422.

Section 3. Stock Subject to Plan.

3.1 Number of Shares. The total number of shares of Common Stock reserved and available for distribution under the Plan shall be 500,000 shares. Shares of Stock under the Plan may consist, in whole or in part, of authorized and unissued shares or treasury shares. If any shares of Stock that have been optioned cease to be subject to a Stock Option, or if any shares of Stock that are subject to any Stock Appreciation Right, Restricted Stock, Deferred Stock award, Reload Stock Option or Other Stock-Based Award granted hereunder are forfeited or any such award otherwise terminates without a payment being made to the Holder in the form of Stock, such shares shall again be available for distribution in connection with future grants and awards under the Plan.

Only net shares issued upon a stock-for-stock exercise (including stock used for withholding taxes) shall be counted against the number of shares available under the Plan.

3.2 Adjustment Upon Changes in Capitalization, Etc. In the event of any merger, reorganization, consolidation, recapitalization, dividend (other than a cash dividend), stock split, reverse stock split, or other change in corporate structure affecting the Stock, such substitution or adjustment shall be made in the aggregate number of shares reserved for issuance under the Plan, in the number and exercise price of shares subject to outstanding Options, in the number of shares and Stock Appreciation Right price relating to Stock Appreciation Rights, and in the number of shares subject to, and in the related terms of, other outstanding awards (including but not limited to awards of Restricted Stock, Deferred Stock, Reload Stock Options and Other Stock-Based Awards) granted under the Plan as may be determined to be appropriate by the Committee in order to prevent dilution or enlargement of rights, provided that the number of shares subject to any award shall always be a whole number.

Section 4. Eligibility.

Awards may be made or granted to key employees, officers, directors and consultants who are deemed to have rendered or to be able to render significant services to the Company or its Subsidiaries and who are deemed to have contributed or to have the potential to contribute to the success of the Company. No Incentive Stock Option shall be granted to any person who is not an employee of the Company or a Subsidiary at the time of grant.

Section 5. Stock Options.

5.1. Grant and Exercise. Stock Options granted under the Plan may be of two types: (i) Incentive Stock Options and (ii) NonQualified Stock Options. Any Stock Option granted under the Plan shall contain such terms, not inconsistent with this Plan, or with respect to Incentive Stock Options, the Code, as the Committee may from time to time approve. The Committee shall have the authority to grant Incentive Stock Options, NonQualified Stock Options, or both types of Stock Options and may be granted alone or in addition to other awards granted under the Plan. To the extent that any Stock Option intended to qualify as an Incentive Stock Option does not so qualify, it shall constitute a separate NonQualified Stock Option. An Incentive Stock Option may only be granted within the ten year period commencing from the Effective Date and may only be exercised within ten years of the date of grant (or five years in the case of an Incentive Stock Option granted to an optionee ("10% Stockholder") who, at the time of grant, owns Stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or a Parent or Subsidiary.

5.2. Terms and Conditions. Stock Options granted under the Plan shall be subject to the following terms and conditions:

(a) *Exercise Price.* The exercise price per share of Stock purchasable under a Stock Option shall be determined by the Committee at the time of grant and may be less than 100% of the Fair Market Value of the Stock as defined above; provided, however, that the exercise price of an Incentive Stock Option shall not be less than 100% of the Fair Market Value of the Stock (110%, in the case of 10% Holder).

(b) *Option Term.* Subject to the limitations in Section 5.1, the term of each Stock Option shall be fixed by the Committee.

(c) *Exercisability.* Stock Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee. If the Committee provides, in its discretion, that any Stock Option is exercisable only in installments, i.e., that it vests over time, the Committee may waive such installment exercise provisions at any time at or after the time of grant in whole or in part, based upon such factors as the Committee shall determine.

(d) *Method of Exercise.* Subject to whatever installment, exercise and waiting period provisions are applicable in a particular case, Stock Options may be exercised in whole or in part at any time during the term of the Option, by giving written notice of exercise to the Company specifying the number of shares of Stock to be purchased. Such notice shall be accompanied by payment in full of the purchase price, which shall be in cash or, unless otherwise provided in the Agreement, in shares of Stock (including Restricted Stock and other contingent awards under this Plan) or, partly in cash and partly in such Stock, or such other means which the Committee determines are consistent with the Plan's purpose and applicable law. Cash payments shall be made by wire transfer, certified or bank check or personal check, in each case payable to the order of the Company; provided, however, that the Company shall not be required to deliver certificates for shares of Stock with respect to which an Option is exercised until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof. Payments in the form of Stock shall be valued at the Fair Market Value of a share of Stock on the date prior to the date of exercise. Such payments shall be made by delivery of stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Subject to the terms of the Agreement, the Committee may, in its sole discretion, at the request of the Holder, deliver upon the exercise of a Non-Qualified Stock Option a combination of shares of Deferred Stock and Common Stock; provided that, notwithstanding the provisions of Section 8 of the Plan, such Deferred Stock shall be fully vested and not subject to forfeiture. A Holder shall have none of the rights of a stockholder with respect to the shares subject to the Option until such shares shall be transferred to the Holder upon the exercise of the Option.

(e) *Transferability.* No Stock Option shall be transferable by the Holder otherwise than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the Holder's lifetime, only by the Holder; provided, however, that notwithstanding anything to the contrary contained herein, the Committee may in its sole

discretion allow a Non-Incentive Stock Option to be transferred to a Family Group Member.

(f) *Termination by Reason of Death.* If a Holder's employment by the Company or a Subsidiary terminates by reason of death, any Stock Option held by such Holder, unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, shall be fully vested and may thereafter be exercised by the legal representative of the estate or by the legatee of the Holder under the will of the Holder, for a period of one year (or such other greater or lesser period as the Committee may specify at grant) from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(g) *Termination by Reason of Disability.* If a Holder's employment by the Company or any Subsidiary terminates by reason of Disability, any Stock Option held by such Holder, unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, shall be fully vested and may thereafter be exercised by the Holder for a period of one year (or such other lesser period as the Committee may specify at the time of grant) from the date of such termination of employment or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(h) *Other Termination.* Subject to the provisions of Section 12.3 below and unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, if a Holder is an employee of the Company or a Subsidiary at the time of grant and if such Holder's employment by the Company or any Subsidiary terminates for any reason other than death or Disability, the Stock Option shall thereupon automatically terminate, except that if the Holder's employment is terminated by the Company or a Subsidiary without cause or due to Normal Retirement, then the portion of such Stock Option which has vested on the date of termination of employment may be exercised for the lesser of three months after termination of employment or the balance of such Stock Option's term.

(i) *Additional Incentive Stock Option Limitation.* In the case of an Incentive Stock Option, the amount of aggregate Fair Market Value of Stock (determined at the time of grant of the Option) with respect to which Incentive Stock Options are exercisable for the first time by a Holder during any calendar year (under all such plans of the Company and its Parent and Subsidiary) shall not exceed $100,000.

(j) *Buyout and Settlement Provisions.* The Committee may at any time offer to buyout a Stock Option previously granted, based upon such terms and conditions as the Committee shall establish and communicate to the Holder at the time that such offer is made.

(k) *Stock Option Agreement.* Each grant of a Stock Option shall be confirmed by, and shall be subject to the terms of, the Agreement executed by the Company and the Holder.

5.3. Stock Reload Option. The Committee may also grant to the Holder (concurrently with the grant of an Incentive Stock Option and at or after the time of grant in the case of a Non-Incentive Stock Option) a Stock Reload Option up to the amount of shares of Stock held by the Holder for at least six months and used to pay all or part of the exercise price of an Option and, if any, withheld by the Company as payment for withholding taxes. Such Stock Reload Option shall have an exercise price of the Fair Market Value as of the date of the Stock Reload Option grant as determined in accordance with Section 1.2(j). Unless the Committee determines otherwise, a Stock Reload Option may be exercised commencing one year after it is granted and shall expire on the date of expiration of the Option to which the Reload Option is related.

Section 6. Stock Appreciation Rights.

6.1. Grant and Exercise. Stock Appreciation Rights may be granted in tandem with ("Tandem Stock Appreciation Right") or in conjunction with all or part of any Stock Option granted under the Plan or may be granted on a free-standing basis. In the case of a Non-Qualified Stock Option, a Tandem Stock Appreciation Right may be granted either at or after the time of the grant of such Non-Qualified Stock Option. In the case of an Incentive Stock Option, a Tandem Stock Appreciation Right may be granted only at the time of the grant of such Incentive Stock Option.

6.2. Terms and Conditions. Stock Appreciation Rights shall be subject to the following terms and conditions:

(a) *Exercisability.* Tandem Stock Appreciation Rights shall be exercisable only at such time or times and to the extent that the Stock Options to which they relate shall be exercisable in accordance with the provisions of Section 5 hereof and this Section 6 and may be subject to the Code with respect to related Incentive Stock Options and such additional limitations on exercisability as shall be determined by the Committee and set forth in the Agreement. Other Stock Appreciation Rights shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee and set forth in the Agreement.

(b) *Termination.* A Tandem Stock Appreciation Right shall terminate and shall no longer be exercisable upon the termination or exercise of the related Stock Option, except that, unless otherwise determined by the Committee at the time of grant, a Tandem Stock Appreciation Right granted with respect to less than the full number of shares covered by a related Stock Option shall not be reduced until after the number of shares remaining under the related Stock Option equals the number of shares covered by the Tandem Stock Appreciation Right.

(c) *Method of Exercise.* A Tandem Stock Appreciation Right may be exercised by a Holder by surrendering the applicable portion of the related Stock Option. Upon such exercise and surrender, the Holder shall be entitled to receive such amount in the form determined pursuant to Section 6.2(d) below. Stock Options which have been so surrendered, in whole or in part, shall no longer be exercisable to the extent the related Tandem Stock Appreciation Rights have been exercised.

(d) *Receipt of SAR Value.* Upon the exercise of a Stock Appreciation Right, a Holder shall be entitled to receive up to, but not more than, an amount in cash and/or shares of Stock equal to the SAR Value with the Committee having the right to determine the form of payment.

(e) *Shares Affected Upon Plan.* Upon the exercise of a Tandem Stock Appreciation Right, the Stock Option or part thereof to which such Tandem Stock Appreciation Right is related shall be deemed to have been exercised for the purpose of the limitation set forth in Section 3 hereof on the number of shares of Common Stock to be issued under the Plan, but only to the extent of the number of shares, if any, issued under the Tandem Stock Appreciation Right at the time of exercise based upon the SAR Value.

Section 7. Restricted Stock.

7.1. Grant. Shares of Restricted Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom, and the time or times at which, grants of Restricted Stock will be awarded, the number of shares to be awarded, the price (if any) to be paid by the Holder, the time or times within which such awards may be subject to forfeiture ("Restriction Period"), the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the awards.

7.2. Terms and Conditions. Each Restricted Stock award shall be subject to the following terms and conditions:

(a) *Certificates.* Restricted Stock, when issued, will be represented by a stock certificate or certificates registered in the name of the Holder to whom such Restricted Stock shall have been awarded. During the Restriction Period, certificates representing the Restricted Stock and any securities constituting Retained Distributions (as defined below) shall bear a legend to the effect that ownership of the Restricted Stock (and such Retained Distributions), and the enjoyment of all rights appurtenant thereto, are subject to the restrictions, terms and conditions provided in the Plan and the Agreement. Such certificates shall be deposited by the Holder with the Company, together with stock powers or other instruments of assignment, each endorsed in blank, which will permit transfer to the Company of all or any portion of the Restricted Stock and any securities constituting Retained Distributions that shall be forfeited or that shall not become vested in accordance with the Plan and the Agreement.

(b) *Rights of Holder.* Restricted Stock shall constitute issued and outstanding shares of Common Stock for all corporate purposes. The Holder will have the right to vote such Restricted Stock, to receive and retain all regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, payor distribute on such Restricted Stock and to exercise all other rights, powers and privileges of a holder of Common Stock with respect to such Restricted Stock, with the exceptions that (i) the Holder will not be entitled to delivery of the stock certificate or certificates

representing such Restricted Stock until the Restriction Period shall have expired and unless all other vesting requirements with respect thereto shall have been fulfilled; (ii) the Company will retain custody of the stock certificate or certificates representing the Restricted Stock during the Restriction Period; (iii) other than regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, payor distribute, the Company will retain custody of all distributions ("Retained Distributions") made or declared with respect to the Restricted Stock (and such Retained Distributions will be subject to the same restrictions, terms and conditions as are applicable to the Restricted Stock) until such time, if ever, as the Restricted Stock with respect to which such Retained Distributions shall have been made, paid or declared shall have become vested and with respect to which the Restriction Period shall have expired; (iv) a breach of any of the restrictions, terms or conditions contained in this Plan or the Agreement or otherwise established by the Committee with respect to any Restricted Stock or Retained Distributions will cause a forfeiture of such Restricted Stock and any Retained Distributions with respect thereto.

(c) *Vesting; Forfeiture.* Upon the expiration of the Restriction Period with respect to each award of Restricted Stock and the satisfaction of any other applicable restrictions, terms and conditions (i) all or part of such Restricted Stock shall become vested in accordance with the terms of the Agreement, and (ii) any Retained Distributions with respect to such Restricted Stock shall become vested to the extent that the Restricted Stock related thereto shall have become vested. Any such Restricted Stock and Retained Distributions that do not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Restricted Stock and Retained Distributions that shall have been so forfeited.

Section 8. Deferred Stock.

8.1. Grant. Shares of Deferred Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom and the time or times at which grants of Deferred Stock shall be awarded, the number of shares of Deferred Stock to be awarded to any person, the duration of the period (the "Deferral Period") during which, and the conditions under which, receipt of the shares will be deferred, and all the other terms and conditions of the awards.

8.2. Terms and Conditions. Each Deferred Stock award shall be subject to the following terms and conditions:

(a) *Certificates.* At the expiration of the Deferral Period (or the Additional Deferral Period referred to in Section 8.2(c) below, where applicable), share certificates shall be delivered to the Holder, or his legal representative, representing the number equal to the shares covered by the Deferred Stock award.

(b) *Vesting; Forfeiture.* Upon the expiration of the Deferral Period (or the Additional Deferral Period, where applicable) with respect to each award of Deferred Stock and the satisfaction of any other applicable limitations, terms or conditions, such

Deferred Stock shall become vested in accordance with the terms of the Agreement. Any Deferred Stock that does not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Deferred Stock that has been so forfeited.

(c) *Additional Deferral Period.* A Holder may request to, and the Committee may at any time, defer the receipt of an award (or an installment of an award) for an additional specified period or until a specified event ("Additional Deferral Period"). Subject to any exceptions adopted by the Committee, such request must generally be made at least one year prior to expiration of the Deferral Period for such Deferred Stock award (or such installment).

Section 9. Other Stock-Based Awards.

9.1. Grant and Exercise. Other Stock-Based Awards may be awarded, subject to limitations under applicable law, that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of Common Stock, as deemed by the Committee to be consistent with the purposes of the Plan, including, without limitation, purchase rights, shares of Common Stock awarded which are not subject to any restrictions or conditions, convertible or exchangeable debentures, or other rights convertible into shares of Common Stock and awards valued by reference to the value of securities of or the performance of specified Subsidiaries. Other Stock- Based Awards may be awarded either alone or in addition to or in tandem with any other awards under this Plan or any other plan of the Company.

9.2. Eligibility. The Committee shall determine the eligible persons to whom and the time or times at which grants of such awards shall be made, the number of shares of Common Stock to be awarded pursuant to such awards, and all other terms and conditions of the awards.

9.3. Terms and Conditions. Each Other Stock-Based Award shall be subject to such terms and conditions as may be determined by the Committee.

Section 10. Amendments and Termination.

The Board may at any time, and from time to time, amend alter, suspend or discontinue any of the provisions of the Plan, but no amendment, alteration, suspension or discontinuance shall be made which would impair the rights of a Holder under any Agreement theretofore entered into hereunder, without his consent.

Section 11. Term of Plan.

11.1 Effective Date. The Plan shall be effective as of February 17, 1993 ("Effective Date"), subject to the approval of the Plan by the stockholders of the Company within one year after the Effective Date. Any awards granted under the Plan prior to such approval shall be effective when made (unless otherwise specified by the Committee at

the time of grant), but shall be conditioned upon, and subject to, such approval of the Plan by the Company's stockholders and no awards shall vest or otherwise become free of restrictions prior to such approval.

11.2 Termination Date. Unless terminated by the Board, this Plan shall continue to remain effective until such time no further awards may be granted and all awards granted under the Plan are no longer outstanding. Notwithstanding the foregoing, grants of Incentive Stock Options may only be made during the ten year period following the Effective Date.

Section 12. General Provisions.

12.1 Written Agreements. Each award granted under the Plan shall be confirmed by, and shall be subject to the terms of the Agreement executed by the Company and the Holder. The Committee may terminate any award made under the Plan if the Agreement relating thereto is not executed and returned to the Company within 60 days after the Agreement has been delivered to the Holder for his or her execution.

12.2 Unfunded Status of Plan. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Holder by the Company, nothing contained herein shall give any such Holder any rights that are greater than those of a general creditor of the Company.

12.3 Employees.

(a) *Engaging in Competition With the Company.* In the event an employee Holder terminates his employment with the Company or a Subsidiary for any reason whatsoever, and within eighteen (18) months after the date thereof accepts employment with any competitor of, or otherwise engages in competition with, the Company, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any award which was realized or obtained (measured at the date of exercise, vesting or payment) by such Holder at any time during the period beginning on that date which is six months prior to the date of such Holder's termination of employment with the Company.

(b) *Termination for Cause.* The Committee may, in the event an employee is terminated for cause, annul any award granted under this Plan to such employee and, in such event, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any award which was realized or obtained (measured at the date of exercise, vesting or payment) by such Holder at any time during the period beginning on that date which is six months prior to the date of such Holder's termination of employment with the Company.

(c) *No Right of Employment.* Nothing contained in the Plan or in any award hereunder shall be deemed to confer upon any employee of the Company or any Subsidiary any right to continued employment with the Company or any Subsidiary, nor

shall it interfere in any way with the right of the Company or any Subsidiary to terminate the employment of any of its employees at any time.

12.4 Investment Representation. The Committee may require each person acquiring shares of Stock pursuant to a Stock Option or other award under the Plan to represent to and agree with the Company in writing that the Holder is acquiring the shares for investment without a view to distribution thereof.

12.5 Additional Incentive Arrangements. Nothing contained in the Plan shall prevent the Board from adopting such other or additional incentive arrangements as it may deem desirable, including, but not limited to, the granting of stock options and the awarding of stock and cash otherwise than under the Plan; and such arrangements may be either generally applicable or applicable only in specific cases.

12.6 Withholding Taxes. Not later than the date as of which an amount first becomes includible in the gross income of the Holder for Federal income tax purposes with respect to any option or other award under the Plan, the Holder shall pay to the Company, or make arrangements satisfactory to the Committee regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amounts. If permitted by the Committee, tax withholding or payment obligations may be with Common Stock, including Common Stock that is part of the award that gives rise to the withholding requirement. The obligations of the Company under the Plan shall be conditional upon such payment or arrangements and the Company or the Holder's employer (if not the Company) shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Holder from the Common Stock or any Subsidiary.

12.7 Governing Law. The Plan and all awards made and actions taken thereunder shall be governed by and construed in accordance with the laws of the State of New York (without regard to choice of law provisions).

12.8 Other Benefit Plans. Any award granted under the Plan shall not be deemed compensation for purposes of computing benefits under any retirement plan of the Company or any Subsidiary and shall not affect any benefits under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation (unless required by specific reference in any such other plan to awards under this Plan).

12.9 *Non-Transferability.* Except as otherwise expressly provided in the Plan, no right or benefit under the Plan may be alienated, sold, assigned, hypothecated, pledged, exchanged, transferred, encumbranced or charged, and any attempt to alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same shall be void.

12.10 Applicable Laws. The obligations of the Company with respect to all Stock Options and awards under the Plan shall be subject to (i) all applicable laws, rules and regulations and such approvals by any government agencies as may be required,

including, without limitation, the effectiveness of a registration statement under the Securities Act of 1933, as amended, and (ii) the rules and regulations of any securities exchange on which the Stock may be listed.

12.11 Conflicts. If any of the terms or provisions of the Plan conflict with the requirements of with respect to Incentive Stock Options, Section 422 of the Code, then such term or provisions shall be deemed imperative to the extent they so conflict with the requirements of said Section 422 of the Code, such provision shall be deemed to be incorporated herein with the same force and effect as if such provision had been set out at length herein.

12.12 Non-Registered Stock. The shares of Stock being distributed under this Plan have not been registered under the Securities Act of 1993 or any applicable state or foreign securities laws and the Company has no obligation to any Holder to register the Stock or to assist the Holder in obtaining an exemption from the various registration requirements, or to list the Stock on a national securities exchange.

Exhibit 10.5

Approved by Board of Directors March 18, 1996
Approved by Stockholders on: June 19, 1996

INDIVIDUAL INVESTOR GROUP, INC.

1996 Performance Equity Plan

Section 1. Purpose; Definitions.

1.1 Purpose. The purpose of the Individual Investor Group, Inc. (the "Company") 1996 Performance Equity Plan (the "Plan") is to enable the Company to offer to its key employees, officers, directors and consultants whose past, present and/or potential contributions to the Company and its Subsidiaries have been, are or will be important to the success of the Company, an opportunity to acquire a proprietary interest in the Company. The various types of long-term incentive awards which may be provided under the Plan will enable the Company to respond to changes in compensation practices, tax laws, accounting regulations and the size and diversity of its businesses.

1.2 Definitions. For purposes of the Plan, the following terms shall be defined as set forth below:

(a) "Agreement" means the agreement between the Company and the Holder setting forth the terms and conditions of an award under the Plan.

(b) "Board" means the Board of Directors of the Company.

(c) "Code" means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto and the regulations promulgated thereunder.

(d) "Committee" means the Stock Option Committee of the Board or any other committee of the Board, which the Board may designate to administer the Plan or any portion thereof. If no Committee is so designated, then all references in this Plan to "Committee" shall mean the Board.

(e) "Common Stock" means the Common Stock of the Company, par value $.01 per share.

(f) "Company" means Individual Investor Group, Inc., a corporation organized under the laws of the State of Delaware.

(g) "Deferred Stock" means Stock to be received, under an award made pursuant to Section 8, below, at the end of a specified deferral period.

(h) "Disability" means disability as determined under procedures established by the Committee for purposes of the Plan.

(i) "Effective Date" means the date set forth in Section 12.1, below.

(j) "Fair Market Value", unless otherwise required by any applicable provision of the Code or any regulations issued thereunder, means, as of any given date: (i) if the Common Stock is listed on a national securities exchange or quoted on the Nasdaq National Market or Nasdaq SmallCap Market, the last sale price of the Common Stock in the principal trading market for the Common Stock on the last trading day preceding the date of grant of an award hereunder, as reported by the exchange or Nasdaq, as the case may be; (ii) if the Common Stock is not listed on a national securities exchange or quoted on the Nasdaq National Market or Nasdaq SmallCap Market, but is traded in the over-the-counter market, the closing bid

price for the Common Stock on the last trading day preceding the date of grant of an award hereunder for which such quotations are reported by the OTC Bulletin Board or the National Quotation Bureau, Incorporated or similar publisher of such quotations; and (iii) if the fair market value of the Common Stock cannot be determined pursuant to clause (i) or (ii) above, such price as the Committee shall determine, in good faith.

(k) "Holder" means a person who has received an award under the Plan.

(l) "Incentive Stock Option" means any Stock Option intended to be and designated as an "incentive stock option" within the meaning of Section 422 of the Code.

(m) "Nonqualified Stock Option" means any Stock Option that is not an Incentive Stock Option.

(n) "Normal Retirement" means retirement from active employment with the Company or any Subsidiary on or after age 65.

(o) "Other Stock-Based Award" means an award under Section 9, below, that is valued in whole or in part by reference to, or is otherwise based upon, Stock.

(p) "Parent" means any present or future parent corporation of the Company, as such term is defined in Section 424(e) of the Code.

(q) "Plan" means the Individual Investor Group, Inc. 1996 Performance Equity Plan, as hereinafter amended from time to time.

(r) "Restricted Stock" means Stock, received under an award made pursuant to Section 7, below, that is subject to restrictions under said Section 7.

(s) "SAR Value" means the excess of the Fair Market Value (on the exercise date) of the number of shares for which the Stock Appreciation Right is exercised over the exercise price that the participant would have otherwise had to pay to exercise the related Stock Option and purchase the relevant shares.

(t) "Stock" means the Common Stock of the Company, par value $.01 per share.

(u) "Stock Appreciation Right" means the right to receive from the Company, on surrender of all or part of the related Stock Option, without a cash payment to the Company, a number of shares of Common Stock equal to the SAR Value divided by the exercise price of the Stock Option.

(v) "Stock Option" or "Option" means any option to purchase shares of Stock which is granted pursuant to the Plan.

(w) "Stock Reload Option" means any option granted under Section 5.3, below, as a result of the payment of the exercise price of a Stock Option and/or the withholding tax related thereto in the form of Stock owned by the Holder or the withholding of Stock by the Company.

(x) "Subsidiary" means any present or future subsidiary corporation of the Company, as such term is defined in Section 424(f) of the Code.

Section 2. Administration.

2.1 Committee Membership. The Plan shall be administered by the Board or a Committee. Committee members shall serve for such term as the Board may in each case determine, and shall be subject to removal at any time by the Board.

2.2 Powers of Committee. The Committee shall have full authority to award, pursuant to the terms of the Plan: (i) Stock Options, (ii) Stock Appreciation Rights, (iii) Restricted Stock, (iv) Deferred Stock, (v) Stock Reload Options and/or (vi) Other Stock-Based Awards. For purposes of illustration and not of limitation, the Committee shall have the authority (subject to the express provisions of this Plan):

(a) to select the officers, key employees, directors and consultants of the Company or any Subsidiary to whom Stock Options, Stock Appreciation Rights, Restricted Stock, Deferred Stock, Reload Stock Options and/or Other Stock-Based Awards may from time to time be awarded hereunder.

(b) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder (including, but not limited to, number of shares, share price, any restrictions or limitations, and any vesting, exchange, surrender, cancellation, acceleration, termination, exercise or forfeiture provisions, as the Committee shall determine);

(c) to determine any specified performance goals or such other factors or criteria which need to be attained for the vesting of an award granted hereunder;

(d) to determine the terms and conditions under which awards granted hereunder are to operate on a tandem basis and/or in conjunction with or apart from other equity awarded under this Plan and cash awards made by the Company or any Subsidiary outside of this Plan;

(e) to permit a Holder to elect to defer a payment under the Plan under such rules and procedures as the Committee may establish, including the crediting of interest on deferred amounts denominated in cash and of dividend equivalents on deferred amounts denominated in Stock;

(f) to determine the extent and circumstances under which Stock and other amounts payable with respect to an award hereunder shall be deferred which may be either automatic or at the election of the Holder; and

(g) to substitute (i) new Stock Options for previously granted Stock Options, which previously granted Stock Options have higher option exercise prices and/or contain other less favorable terms, and (ii) new awards of any other type for previously granted awards of the same type, which previously granted awards are upon less favorable terms.

2.3 Interpretation of Plan.

(a) Committee Authority. Subject to Section 11, below, the Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall, from time to time, deem advisable, to interpret the terms and provisions of the Plan and any award issued under the Plan (and to determine the form and substance of all Agreements relating thereto), and to otherwise supervise the administration of the Plan. Subject to Section 11, below, all decisions made by the Committee pursuant to the provisions of the Plan shall be made in the Committee's sole discretion and shall be final and binding upon all persons, including the Company, its Subsidiaries and Holders.

(b) Incentive Stock Options. Anything in the Plan to the contrary notwithstanding, no term or provision of the Plan relating to Incentive Stock Options (including but limited to Stock Reload Options or Stock Appreciation rights granted in conjunction with an Incentive Stock Option) or any Agreement providing for Incentive Stock Options shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code, or, without the consent of the Holder(s) affected, to disqualify any Incentive Stock Option under such Section 422.

Section 3. Stock Subject to Plan.

3.1 Number of Shares. The total number of shares of Common Stock reserved and available for

distribution under the Plan shall be 1,000,000 shares. Shares of Stock under the Plan may consist, in whole or in part, of authorized and unissued shares or treasury shares. If any shares of Stock that have been granted pursuant to a Stock Option cease to be subject to a Stock Option, or if any shares of Stock that are subject to any Stock Appreciation Right, Restricted Stock, Deferred Stock award, Reload Stock Option or Other Stock-Based Award granted hereunder are forfeited, or any such award otherwise terminates without a payment being made to the Holder in the form of Stock, such shares shall again be available for distribution in connection with future grants and awards under the Plan. Only net shares issued upon a stock-for-stock exercise (including stock used for withholding taxes) shall be counted against the number of shares available under the Plan.

3.2 Adjustment Upon Changes in Capitalization, Etc. In the event of any merger, reorganization, consolidation, recapitalization, dividend (other than a cash dividend), stock split, reverse stock split, or other change in corporate structure affecting the Stock, such substitution or adjustment shall be made in the aggregate number of shares reserved for issuance under the Plan, in the number and exercise price of shares subject to outstanding Options, in the number of shares and Stock Appreciation Right price relating to Stock Appreciation Rights, and in the number of shares subject to, and in the related terms of, other outstanding awards (including but not limited to awards of Restricted Stock, Deferred Stock, Reload Stock Options and Other Stock-Based Awards) granted under the Plan as may be determined to be appropriate by the Committee in order to prevent dilution or enlargement of rights, provided that the number of shares subject to any award shall always be a whole number.

Section 4. Eligibility.

4.1 General. Awards may be made or granted to key employees, officers, directors and consultants who are deemed to have rendered or to be able to render significant services to the Company or its Subsidiaries and who are deemed to have contributed or to have the potential to contribute to the success of the Company. No Incentive Stock Option shall be granted to any person who is not an employee of the Company or a Subsidiary at the time of grant.

4.2 Directors' Awards. Notwithstanding anything contained herein to the contrary:

(a) The only awards that may be granted to a director of the Company hereunder (even if such person also acts in other capacities for the Company in addition to being a director) shall be Stock Options with the terms set forth below and in Section 6, below. If there is an inconsistency between the provisions of this Section 4 and Section 6, the provisions of this Section 4 shall control.

(b) During the term of the Plan, if there are shares then available for grant as Stock Options on the initial election or appointment to the Board of Directors of a director and upon each subsequent re-election, and if the director is not employed by the Company or a Subsidiary, then the director shall be awarded a Stock Option to purchase 30,000 shares of Stock at the Fair Market Value of a share of Stock on the date of election, appointment or re-election of the director to the Board of Directors. The Stock Option shall become exercisable by the director as to 10,000 shares of Stock on each anniversary of his election, appointment or re-election as a director, provided the person is a director of the Company on such anniversary, and once exercisable that portion of the Stock Option will remain exercisable until the tenth anniversary of the election, appointment or re-election, as the case may be; provided if the director ceases to be a director of the Company or a Subsidiary for any reason other than death, the portion of the Stock Option, if any that was exercisable as of the date of termination may be exercised for period of six months or until the expiration of the exercise period, whichever is shorter. The portion of the Stock Option that was not exercisable as of the date of termination shall terminate immediately. In the event of a director's death, the portion, if any, of the Stock Option exercisable at the date of death may be exercised by the legal representative or legatee of the director for one year from the date of death or the expiration of the exercise period, whichever is shorter. Notwithstanding the foregoing, if the director eligible for an award of a Stock Option under this Section 4.2 is re-elected as a director and has not yet served as a director of the Company for a term of three full years, the award of the Stock Option provided in this Section 4.2 will be modified as follows: (i) the number of shares of Stock that may be acquired under the Stock Option will be reduced to (A) 20,000 shares of Stock if the director has served as a director more than two years but less than three years,

(B) 10,000 shares of Stock if the director has served as a director more than one year, but less than two years, and (C) if the director has served less than one year as a director, no Stock Option will be awarded, and (ii) the Stock Option will be exercisable by the director as to 10,000 shares of Stock on each of the second and third anniversaries of his re-election or re-appointment as a director if the Stock Option represents the right to acquire 20,000 shares of Stock and the Stock Option will be exercisable by the director as to 10,000 shares of Stock on the third anniversary of his re-election or re-appointment as a director if the Stock Option represents the right to acquire 10,000 shares of Stock.

(c) This Section 4.2 shall not be amended more than once every twelve months, other than to comply with any changes in the Code or the Employment Retirement Income Security Act or the rules and regulations promulgated under either of those statutes.

Section 5. Required Six Month Holding Period.

A period of not less than six months must elapse from the date of grant of an award under the Plan, (i) before any disposition by a Holder of a derivative security (as defined in Rule 16a-1 promulgated under the Securities Exchange Act of 1934, as amended) issued under this Plan or (ii) before any disposition by a Holder of any Stock purchased or granted pursuant to an award under this Plan.

Section 6. Stock Options.

6.1 Grant and Exercise. Stock Options granted under the Plan may be of two types: (i) Incentive Stock Options and (ii) Nonqualified Stock Options. Any Stock Option granted under the Plan shall contain such terms, not inconsistent with this Plan, or with respect to Incentive Stock Options, not inconsistent with the Code, as the Committee may from time to time approve. The Committee shall have the authority to grant Incentive Stock Options, Non-Qualified Stock Options, or both types of Stock Options and which may be granted alone or in addition to other awards granted under the Plan. To the extent that any Stock Option intended to qualify as an Incentive Stock Option does not so qualify, it shall constitute a separate Nonqualified Stock Option. An Incentive ten-year period commencing from the Effective Date and may only be exercised within ten years of the date of grant (or five years in the case of an Incentive Stock Option granted to an optionee ("10% Stockholder") who, at the time of grant, owns Stock possessing more than 10% of the total combined voting power of all classes of stock of the Company.

6.2 Terms and Conditions. Stock Options granted under the Plan shall be subject to the following terms and conditions:

(a) Exercise Price. The exercise price per share of Stock purchasable under a Stock Option shall be determined by the Committee at the time of grant and may be less than 100% of the Fair Market Value of the Stock as defined above; provided, however, that the exercise price of an Incentive Stock Option shall not be less than 100% of the Fair Market Value of the Stock if granted to a person other than a 10% Stockholder and, if granted to a 10% Stockholder, the exercise price shall not be less than 110% of the Fair Market Value of the Stock.

(b) Option Term. Subject to the limitations in Section 6.1, above, the term of each Stock Option shall be fixed by the Committee.

(c) Exercisability. Stock Options shall be exercisable at such time or times, and subject to such terms and conditions as shall be determined by the Committee. If the Committee provides, in its discretion, that any Stock Option is exercisable only in installments, i.e., that it vests over time, the Committee may waive such installment exercise provisions at any time at or after the time of grant in whole or in part, based upon such factors as the Committee shall determine.

(d) Method of Exercise. Subject to whatever installment, exercise and waiting period provisions are applicable in a particular case, Stock Options may be exercised in whole or in part at any time during the term of the Option, by giving written notice of exercise to the Company specifying the number of shares of Stock to be purchased. Such notice shall be accompanied by payment in full of the purchase price, which shall be in cash or, unless otherwise provided in the Agreement, in shares of Stock (including Restricted Stock and other contingent awards under this Plan) or, partly in cash and partly in such Stock, or such other means which the Committee determines are consistent with the Plan's purpose and applicable law. Cash payments shall be made by wire transfer, certified or bank check or personal

check, in each case payable to the order of the Company; provided, however, that the Company shall not be required to deliver certificates for shares of Stock with respect to which an Option is exercised until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof. Payments in the form of Stock shall be valued at the Fair Market Value of a share of Stock on the date prior to the date of exercise. Such payments shall be made by delivery of stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Subject to the terms of the Agreement, the Committee may, in its sole discretion, at the request of the Holder, deliver upon the exercise of a Nonqualified Stock Option a combination of shares of Deferred Stock and Common Stock; provided that, notwithstanding the provisions of Section 9 of the Plan, such deferred Stock shall be fully vested and not subject to forfeiture. A Holder shall have none of the rights of a stockholder with respect to the shares subject to the Option until such shares shall be transferred to the Holder upon the exercise of the Option.

(e) Transferability. Except as may be set forth in the Agreement, no Stock Option shall be transferable by the Holder other than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the Holder's lifetime, only by the Holder.

(f) Termination by Reason of Death. If a Holder's employment by the Company or a Subsidiary terminates by reason of death, any Stock Option held by such Holder, unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, shall be fully vested and may thereafter be exercised by the legal representative of the estate or by the legatee of the Holder under the will of the Holder, for a period of one year (or such other greater or lesser period as the Committee may specify at grant) from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(g) Termination by Reason of Disability. If a Holder's employment by the Company or any Subsidiary terminates by reason of Disability, any Stock Option held by such Holder, unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, shall be fully vested and may thereafter be exercised by the Holder for a period of one year (or such other greater or lesser period as the Committee may specify at the time of grant) from the date of such termination of employment or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(h) Other Termination. Subject to the provisions of Section 13.3, below, and unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, if a Holder is an employee of the Company or a Subsidiary at the time of grant and if such Holder's employment by the Company or any Subsidiary terminates for any reason other than death or Disability, the Stock Option shall thereupon automatically terminate, except that if the Holder's employment is terminated by the Company or a Subsidiary without cause or due to Normal Retirement, then the portion of such Stock Option which has vested on the date of termination of employment may be exercised for the lesser of three months after termination of employment or the balance of such Stock Option's term.

(i) Additional Incentive Stock Option Limitation. In the case of an Incentive Stock Option, the aggregate Fair Market Value of Stock (determined at the time of grant of the Option) with respect to which Incentive Stock Options become exercisable by a Holder during any calendar year (under all such plans of the Company and its Parent and Subsidiary) shall not exceed $100,000.

(j) Buyout and Settlement Provisions. The Committee may at any time, in its sole discretion, offer to buy out a Stock Option previously granted, based upon such terms and conditions as the Committee shall establish and communicate to the Holder at the time that such offer is made.

(k) Stock Option Agreement. Each grant of a Stock Option shall be confirmed by, and shall be subject to the terms of, the Agreement executed by the Company and the Holder.

6.3 Stock Reload Option. The Committee may also grant to the Holder (concurrently with the grant of an Incentive Stock Option and at or after the time of grant in the case of a Nonqualified Stock Option) a Stock Reload Option up to the amount of shares of Stock held by the Holder for at least six months and used to pay all or part of the exercise price of an Option and, if any, withheld by the Company as payment for withholding taxes. Such Stock Reload Option shall have an exercise price equal to the Fair Market Value as of the date of the Stock Reload Option grant. Unless the Committee

determines otherwise, a Stock Reload Option may be exercised commencing one year after it is granted and shall expire on the date of expiration of the Option to which the Reload Option is related.

Section 7. Stock Appreciation Rights.

7.1 Grant and Exercise. The Committee may grant Stock Appreciation Rights to participants who have been, or are being granted, Options under the Plan as a means of allowing such participants to exercise their Options without the need to pay the exercise price in cash. In the case of a Nonqualified Stock Option, a Stock Appreciation Right may be granted either at or after the time of the grant of such Nonqualified Stock Option. In the case of an Incentive Stock Option, a Stock Appreciation Right may be granted only at the time of the grant of such Incentive Stock Option.

7.2 Terms and Conditions. Stock Appreciation Rights shall be subject to the following terms and conditions:

(a) Exercisability. Stock Appreciation Rights shall be exercisable as shall be determined by the Committee and set forth in the Agreement, subject to the limitations, if any, imposed by the Code, with respect to related Incentive Stock Options.

(b) Termination. A Stock Appreciation Right shall terminate and shall no longer be exercisable upon the termination or exercise of the related Stock Option.

(c) Method of Exercise. Stock Appreciation Rights shall be exercisable upon such terms and conditions as shall be determined by the Committee and set forth in the Agreement and by surrendering the applicable portion of the related Stock Option. Upon such exercise and surrender, the Holder shall be entitled to receive a number of Option Shares equal to the SAR Value divided by the Fair Market Value (on the exercise date).

(d) Shares Affected Upon Plan. The granting of a Stock Appreciation Right shall not affect the number of shares of Stock available for awards under the Plan. The number of shares available for awards under the Plan will, however, be reduced by the number of shares of Stock acquirable upon exercise of the Stock Option to which such Stock Appreciation Right relates.

Section 8. Restricted Stock.

8.1 Grant. Shares of Restricted Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom, and the time or times at which, grants of Restricted Stock will be awarded, the number of shares to be awarded, the price (if any) to be paid by the Holder, the time or times within which such awards may be subject to forfeiture (the "Restriction Period"), the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the awards.

8.2 Terms and Conditions. Each Restricted Stock award shall be subject to the following terms and conditions:

(a) Certificates. Restricted Stock, when issued, will be represented by a stock certificate or certificates registered in the name of the Holder to whom such Restricted Stock shall have been awarded. During the Restriction Period, certificates representing the Restricted Stock and any securities constituting Retained Distributions (as defined below) shall bear a legend to the effect that ownership of the Restricted Stock (and such Retained Distributions), and the enjoyment of all rights appurtenant thereto, are subject to the restrictions, terms and conditions provided in the Plan and the Agreement. Such certificates shall be deposited by the Holder with the Company, together with stock powers or other instruments of assignment, each endorsed in blank, which will permit transfer to the Company of all or any portion of the Restricted Stock and any securities constituting Retained Distributions that shall be forfeited or that shall not become vested in accordance with the Plan and the Agreement.

(b) Rights of Holder. Restricted Stock shall constitute issued and outstanding shares of Common Stock for all corporate purposes. The Holder will have the right to vote such Restricted Stock, to receive and retain all regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, pay or distribute on such Restricted Stock and to exercise all other rights, powers and privileges of a holder of Common Stock with respect to such Restricted Stock, with the exceptions that (i) the Holder will not be entitled to delivery of the stock certificate or certificates representing such Restricted Stock until the Restriction Period shall have expired and unless all other vesting requirements with respect thereto shall have been fulfilled; (ii) the Company will retain custody of the stock certificate or certificates representing the Restricted Stock during the Restriction Period; (iii) other than regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, pay or distribute, the Company will retain custody of all distributions ("Retained Distributions") made or declared with respect to the Restricted Stock (and such Retained Distributions will be subject to the same restrictions, terms and conditions as are applicable to the Restricted Stock) until such time, if ever, as the Restricted Stock with respect to which such Retained Distributions shall have been made, paid or declared shall have become vested and with respect to which the Restriction Period shall have expired; (iv) a breach of any of the restrictions, terms or conditions contained in this Plan or the Agreement or otherwise established by the Committee with respect to any Restricted Stock or Retained Distributions will cause a forfeiture of such Restricted Stock and any Retained Distributions with respect thereto.

(c) Vesting; Forfeiture. Upon the expiration of the Restriction Period with respect to each award of Restricted Stock and the satisfaction of any other applicable restrictions, terms and conditions (i) all or part of such Restricted Stock shall become vested in accordance with the terms of the Agreement, and (ii) any Retained Distributions with respect to such Restricted Stock shall become vested to the extent that the Restricted Stock related thereto shall have become vested. Any such Restricted Stock and Retained Distributions that do not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Restricted Stock and Retained Distributions that shall have been so forfeited.

Section 9. Deferred Stock.

9.1 Grant. Shares of Deferred Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom, and the time or times at which, grants of Deferred Stock will be awarded, the number of shares of Deferred Stock to be awarded to any person, the duration of the period (the "Deferral Period") during which, and the conditions under which, receipt of the shares will be deferred, and all the other terms and conditions of the awards.

9.2 Terms and Conditions. Each Deferred Stock award shall be subject to the following terms and conditions:

(a) Certificates. At the expiration of the Deferral Period (or the Additional Deferral Period referred to in Section 9.2 (d) below, where applicable), share certificates shall be issued and delivered to the Holder, or his legal representative, representing the number equal to the shares covered by the Deferred Stock award.

(b) Rights of Holder. A person entitled to receive Deferred Stock shall not have any rights of a stockholder by virtue of such award until the expiration of the applicable Deferral Period and the issuance and delivery of the certificates representing such Stock. The shares of Stock issuable upon expiration of the Deferral Period shall not be deemed outstanding by the Company until the expiration of such Deferral Period and the issuance and delivery of such Stock to the Holder.

(c) Vesting; Forfeiture. Upon the expiration of the Deferral Period with respect to each award of Deferred Stock and the satisfaction of any other applicable restrictions, terms and conditions all or part of such Deferred Stock shall become vested in accordance with the terms of the Agreement. Any such Deferred Stock that does not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Deferred Stock.

(d) Additional Deferral Period. A Holder may request to, and the Committee may at any time, defer the receipt of an award (or an installment of an award) for an additional specified period or until a specified event (the "Additional Deferral Period"). Subject to any exceptions adopted by the Committee, such request must generally be made at least one year prior to expiration of the Deferral Period for such Deferred Stock award (or such installment).

Section 10. Other Stock-Based Awards.

10.1 Grant and Exercise. Other Stock-Based Awards may be awarded, subject to limitations under applicable law, that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of Common Stock, as deemed by the Committee to be consistent with the purposes of the Plan, including, without limitation, purchase rights, shares of Common Stock awarded which are not subject to any restrictions or conditions, convertible or exchangeable debentures, or other rights convertible into shares of Common Stock and awards valued by reference to the value of securities of or the performance of specified Subsidiaries. Other Stock-Based Awards may be awarded either alone or in addition to or in tandem with any other awards under this Plan or any other plan of the Company.

10.2 Eligibility for Other Stock-Based Awards. The Committee shall determine the eligible persons to whom and the time or times at which grants of such other stock-based awards shall be made, the number of shares of Common Stock to be awarded pursuant to such awards, and all other terms and conditions of the awards.

10.3 Terms and Conditions. Each Other Stock-Based Award shall be subject to such terms and conditions as may be determined by the Committee.

Section 11. Amendment and Termination.

The Board may at any time, and from time to time, amend alter, suspend or discontinue any of the provisions of the Plan, but no amendment, alteration, suspension or discontinuance shall be made which would impair the rights of a Holder under any Agreement theretofore entered into hereunder, without the Holder's consent.

Section 12. Term of Plan.

12.1 Effective Date. The Plan shall be effective as of March 18, 1996 ("Effective Date"), subject to the approval of the Plan by the Company's stockholders within one year after the Effective Date. Any awards granted under the Plan prior to such approval shall be effective when made (unless otherwise specified by the Committee at the time of grant), but shall be conditioned upon, and subject to, such approval of the Plan by the Company's stockholders and no awards shall vest or otherwise become free of restrictions prior to such approval.

12.2 Termination Date. Unless terminated by the Board, this Plan shall continue to remain effective until such time no further awards may be granted and all awards granted under the Plan are no longer outstanding. Notwithstanding the foregoing, grants of Incentive Stock Options may only be made during the ten year period following the Effective Date.

Section 13. General Provisions.

13.1 Written Agreements. Each award granted under the Plan shall be confirmed by, and shall be subject to the terms of the Agreement executed by the Company and the Holder. The Committee may terminate any award made under the Plan if the Agreement relating thereto is not executed and returned to the Company within ten days after the Agreement has been delivered to the Holder for his or her execution.

13.2 Unfunded Status of Plan. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Holder by the Company,

nothing contained herein shall give any such Holder any rights that are greater than those of a general creditor of the Company.

13.3 Employees.

(a) Engaging in Competition With the Company. In the event a Holder's employment with the Company or a Subsidiary is terminated for any reason whatsoever, and within eighteen months after the date thereof such Holder accepts employment with any competitor of, or otherwise engages in competition with, the Company, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any award which was realized or obtained by such Holder at any time during the period beginning on that date which is six months prior to the date of such Holder's termination of employment with the Company.

(b) Termination for Cause. The Committee may, in the event a Holder's employment with the Company or a Subsidiary is terminated for cause, annul any award granted under this Plan to such employee and, in such event, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any award which was realized or obtained by such Holder at any time during the period beginning on that date which is six months prior to the date of such Holder's termination of employment with the Company.

(c) No Right of Employment. Nothing contained in the Plan or in any award hereunder shall be deemed to confer upon any Holder who is an employee of the Company or any Subsidiary any right to continued employment with the Company or any Subsidiary, nor shall it interfere in any way with the right of the Company or any Subsidiary to terminate the employment of any Holder who is an employee at any time.

13.4 Investment Representations. The Committee may require each person acquiring shares of Stock pursuant to a Stock Option or other award under the Plan to represent to and agree with the Company in writing that the Holder is acquiring the shares for investment without a view to distribution thereof.

13.5 Additional Incentive Arrangements. Nothing contained in the Plan shall prevent the Board from adopting such other or additional incentive arrangements as it may deem desirable, including, but not limited to, the granting of Stock Options and the awarding of stock and cash otherwise than under the Plan; and such arrangements may be either generally applicable or applicable only in specific cases.

13.6 Withholding Taxes. Not later than the date as of which an amount must first be included in the gross income of the Holder for Federal income tax purposes with respect to any option or other award under the Plan, the Holder shall pay to the Company, or make arrangements satisfactory to the Committee regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. If permitted by the Committee, tax withholding or payment obligations may be settled with Common Stock, including Common Stock that is part of the award that gives rise to the withholding requirement. The obligations of the Company under the Plan shall be conditioned upon such payment or arrangements and the Company or the Holder's employer (if not the Company) shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Holder from the Company or any Subsidiary.

13.7 Governing Law. The Plan and all awards made and actions taken thereunder shall be governed by and construed in accordance with the laws of the State of New York (without regard to choice of law provisions).

13.8 Other Benefit Plans. Any award granted under the Plan shall not be deemed compensation for purposes of computing benefits under any retirement plan of the Company or any Subsidiary and shall not affect any benefits under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation (unless required by specific reference in any such other plan to awards under this Plan).

13.9 Non-Transferability. Except as otherwise expressly provided in the Plan or the Agreement, no right or benefit under the Plan may be alienated, sold, assigned, hypothecated, pledged, exchanged, transferred, encumbranced or charged, and any attempt to alienate, sell, assign, hypothecate, pledge,

exchange, transfer, encumber or charge the same shall be void.

13.10 Applicable Laws. The obligations of the Company with respect to all Stock Options and awards under the Plan shall be subject to (i) all applicable laws, rules and regulations and such approvals by any governmental agencies as may be required, including, without limitation, the Securities Act of 1933, as amended, and (ii) the rules and regulations of any securities exchange on which the Stock may be listed.

13.11 Conflicts. If any of the terms or provisions of the Plan or an Agreement (with respect to Incentive Stock Options) conflict with the requirements of Section 422 of the Code, then such terms or provisions shall be deemed inoperative to the extent they so conflict with the requirements of said Section 422 of the Code. Additionally, if this Plan or any Agreement does not contain any provision required to be included herein under Section 422 of the Code, such provision shall be deemed to be incorporated herein and therein with the same force and effect as if such provision had been set out at length herein and therein. If any of the terms or provisions of any Agreement conflict with any terms or provision of the Plan, then such terms or provisions shall be deemed inoperative to the extent they so conflict with the requirements of the Plan. Additionally, if any Agreement does not contain any provision required to be included therein under the Plan, such provision shall be deemed to be incorporated therein wit the same force and effect as if such provision had been set out at length therein.

13.12 Non-Registered Stock. The shares of Stock to be distributed under this Plan have not been, as of the Effective Date, registered under the Securities Act of 1933, as amended, or any applicable state or foreign securities laws and the Company has no obligation to any Holder to register the Stock or to assist the Holder in obtaining an exemption from the various registration requirements, or to list the Stock on a national securities exchange.

Exhibit 10.6

Approved by Board of Directors November 4, 1996
Approved by Stockholders on: _

INDIVIDUAL INVESTOR GROUP, INC.
1996 Management Incentive Plan

Section 1. Purpose; Definitions.

1.1 Purpose. The purpose of the Individual Investor Group, Inc. (the "Company") 1996 Management Incentive Plan (the "Plan") is to enable the Company to offer to the executive officers of the Company and its subsidiaries as determined by the Committee (as hereinafter defined) an opportunity to acquire a proprietary interest in the Company. The various types of long-term incentive awards which may be provided under the Plan will enable the Company to respond to changes in compensation practices, tax laws, accounting regulations and the size and diversity of its businesses.

1.2 Definitions. For purposes of the Plan, the following terms shall be defined as set forth below:

(a) "Agreement" means the agreement between the Company and the Holder setting forth the terms and conditions of an award under the Plan.

(b) "Board" means the Board of Directors of the Company.

(c) "Code" means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto and the regulations promulgated thereunder.

(d) "Committee" means any committee of the Board, which the Board may designate to administer the Plan or any portion thereof. If no Committee is so designated, then **all** references in this Plan to "Committee" shall mean the Board.

(e) "Common Stock" means the Common Stock of the Company, par value $.01 per share.

(f) "Company" means Individual Investor Group, Inc., a corporation organized under the laws of the State of Delaware.

(g) "Deferred Stock" means Stock to be received, under an award made pursuant to Section 8, below, at the end of a specified deferral period.

(h) "Disability" means disability as determined under procedures established by the Committee for purposes of the Plan.

(i) "Effective Date" means the date set forth in Section 12.1, below.

(j) "Fair Market Value", unless otherwise required by any applicable provision of the Code or any regulations issued thereunder, means, as of any given date: (i) if the Common Stock is listed on a national securities exchange or quoted on the Nasdaq National Market or Nasdaq SmallCap Market, the last sale price of the Common Stock in the principal trading market for the Common Stock on the last trading day preceding the date of grant of an award hereunder, as reported by the exchange or Nasdaq, as the case may be; (ii) if the Common Stock is not listed on a national securities exchange or quoted on the Nasdaq National Market or Nasdaq SmallCap Market, but is traded in the over-the-counter market, the closing bid price for the Common Stock on the last trading day preceding the date of grant of an award hereunder for which such quotations are reported by the OTC Bulletin Board or the National Quotation Bureau, Incorporated or similar publisher of such quotations; and (iii) if the fair market value of the Common Stock cannot be determined pursuant to clause (i) or (ii) above, such price as the Committee shall determine, in good faith.

(k) "Holder" means a person who has received an award under the Plan.

(1) "Incentive Stock Option" means any Stock Option intended to be and designated as an "incentive stock option" within the meaning of Section 422 of the Code.

(m) “Nonqualified Stock Option” means any Stock Option that is not an Incentive Stock Option.

(n) “Normal Retirement” means retirement from active employment with the Company or any Subsidiary on or after age 65.

(o) “Other Stock-Based Award” means an award under Section 9, below, that is valued in whole or in part by reference to, or is otherwise based upon, Stock.

(p) “Parent” means any present or future parent corporation of the Company, as such term is defined in Section 424(e) of the Code.

(q) “Plan” means the Individual Investor Group, Inc. 1996 Management Incentive Plan, as here after amended from time to time.

(r) “Restricted Stock” means Stock, received under an award made .pursuant to Section 7, below, that is subject to restrictions under said Section 7.

(s) “SAR Value” means the excess of the Fair Market Value (on the exercise date) of the number of shares for which the Stock Appreciation Right is exercised over the exercise price that the participant would have otherwise had to pay to exercise the related Stock Option and purchase the relevant shares.

(t) “Stock” means the Common Stock of the Company, par value $.01 per share.

(u) “Stock Appreciation Right” means the right to receive from the Company, on surrender of all or part of the related Stock Option, without a cash payment to the Company, a number of shares of Common Stock equal to the SAR Value divided by the exercise price of the Stock Option.

(v) “Stock Option” or “Option” means any option to purchase shares of Stock which is granted

(w) “Stock Reload Option” means any option granted under Section 5.3, below, as a result of the payment of the exercise price of a Stock Option and/or the withholding tax related thereto in the form of Stock owned by the Holder or the withholding of Stock by the Company.

(x) “Subsidiary” means any present or future subsidiary corporation of the Company, as such term is defined in Section 424(f) of the Code.

Section 2. Administration.

2.1 Committee Membership. The Plan shall be administered by the Board or a Committee. Committee members shall serve for such term as the Board may in each case determine, and shall be subject to removal at any time by the Board.

2.2 Powers of Committee. The Committee shall have full authority to award, pursuant to the terms of the Plan: (i) Stock Options, (ii) Stock Appreciation Rights, (iii) Restricted Stock, (iv) Deferred Stock, (v) Stock Reload Options and/or (vi) Other Stock-Based Awards. For purposes of illustration and not of limitation, the Committee shall have the authority (subject to the express provisions of this Plan):

(a) to select the executive officers of the Company or any Subsidiary to whom Stock Options, Stock Appreciation Rights, Restricted Stock, Deferred Stock, Reload Stock Options and/or Other Stock-Based Awards may from time to time be awarded hereunder.

(b) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder (including, but not limited to, number of shares, share price, any restrictions or limitations, and any vesting, exchange, surrender, cancellation, acceleration, termination, exercise or forfeiture provisions, as the Committee shall determine);

(c) to determine any specified performance goals or such other factors or criteria which need to be attained for the vesting of an award granted hereunder;

(d) to determine the terms and conditions under which awards granted hereunder are to operate on a tandem basis and/or in conjunction with or apart from other equity awarded under this Plan and cash awards made by the Company or any Subsidiary outside of this Plan;

(e) to permit a Holder to elect to defer a payment under the Plan under such rules and procedures as the Committee may establish, including the crediting of interest on deferred amounts denominated in cash and of dividend equivalents on deferred amounts denominated in Stock;

(f) to determine the extent and circumstances under which Stock and other amounts payable with respect to an award hereunder shall be deferred which may be either automatic or at the election of the Holder; and

(g) to substitute (i) new Stock Options for previously granted Stock Options, which previously granted Stock Options have higher option exercise prices and/or contain other less favorable terms, and (ii) new awards of any other type for previously granted awards of the same type, which previously granted awards are upon less favorable terms.

2.3 Interpretation of Plan.

(a) Committee Authority. Subject to Section 11, below, the Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall, from time to time, deem advisable, to interpret the terms and provisions of the Plan and any award issued under the Plan (and to determine the form and substance of all Agreements relating thereto), and to otherwise supervise the administration of the Plan. Subject to Section 11, below, all decisions made by the Committee pursuant to the provisions of the Plan shall be made in the Committee's sole discretion and shall be final and binding upon all persons, including the Company, its Subsidiaries and Holders.

(b) Incentive Stock Options. Anything in the Plan to the contrary notwithstanding, no term or provision of the Plan relating to Incentive Stock Options (including but limited to Stock Reload Options or Stock Appreciation rights granted in conjunction with an Incentive Stock Option) or any Agreement providing for Incentive Stock Options shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code, or, without the consent of the Holder(s) affected, to disqualify any Incentive Stock Option under such Section 422.

Section 3. Stock Subject to Plan.

3.1 Number of Shares. The total number of shares of Common Stock reserved and available for distribution under the Plan shall be 500,000 shares. Shares of Stock under the Plan may consist, in whole or in part, of authorized and unissued shares or treasury shares. If any shares of Stock that have been granted pursuant to a Stock Option cease to be subject to a Stock Option, or if any shares of Stock that are subject to any Stock Appreciation Right, Restricted Stock, Deferred Stock award, Reload Stock Option or Other Stock-Based Award granted hereunder are forfeited, or any such award otherwise terminates without a payment being made to the Holder in the form of Stock, such shares shall again be available for distribution in connection with future grants and awards under the Plan. Only net shares issued upon a stock-for-stock exercise (including stock used for withholding taxes) shall be counted against the number of shares available under the Plan.

3.2 Adjustment Upon Changes in Capitalization, Etc. In the event of any change in the number of outstanding shares of Common Stock of the Company occurring as the result of a stock split, reverse stock split or stock dividend on the Common Stock, after the grant of an Award, the Company shall proportionately adjust the number of shares of Stock subject to the Award and the price to be paid on exercise of an Award as well as the aggregate number of shares reserved for issuance under the Plan. Any

right to acquire a fractional share of Stock resulting from any adjustments will be rounded to the nearest whole share of Stock. If the Company shall be the surviving corporation in any merger, combination or consolidation, any outstanding Award shall pertain and apply to the shares of Stock to which the Holder is entitled, without adjustment for issuance by the Company of any securities in the merger, combination or consolidation. In the event of a change in the par value of the Common Stock of the Company which is subject to any outstanding Award, such Award will be deemed to pertain to the shares of Stock resulting from any such change. To the extent that the foregoing adjustments relate to the Common Stock of the Company, the adjustments will be made by the Committee whose determination will be final, binding and conclusive.

Section 4. Eligibility.

4.1 General. Awards may be made or granted to executive officers of the Company and its subsidiaries as selected by the Committee who are deemed to have rendered or to be able to render significant services to the Company or its Subsidiaries an who are deemed to have contributed or to have the potential to contribute to the success of the Company. No Incentive Stock Option shall be granted to any person who is not an employee of the Company or a Subsidiary at the time of grant.

Section 5. Required Six Month Holding Period.

A period of not less than six months must elapse from the date of grant of an award under the Plan, (i) before any disposition by a Holder of a derivative security (as defined in Rule 16a-1 promulgated under the Securities Exchange Act of 1934, as amended) issued under this Plan or (ii) before any disposition by a Holder of any Stock purchased or granted pursuant to an award under this Plan.

Section 6. Stock Options.

6.1 Grant and Exercise. Stock Options granted under the Plan may be of two types: (i) Incentive Stock Options and (ii) Nonqualified Stock Options. Any Stock Option granted under the Plan shall contain such terms, not inconsistent with this Plan, or with respect to Incentive Stock Options, not inconsistent with the Code, as the Committee may from time to time approve. The Committee shall have the authority to grant Incentive Stock Options, Non-Qualified Stock Options, or both types of Stock Options and which may be granted alone or in addition to other awards granted under the Plan. To the extent that any Stock Option intended to qualify as an Incentive Stock Option does not so qualify, it shall constitute a separate Nonqualified Stock Option. An Incentive Stock Option may be granted only within the ten-year period commencing from the Effective Date and may only be exercised within ten years of the date of grant (or five years in the case of an Incentive Stock Option granted to an optionee ("10% Stockholder") who, at the time of grant, owns Stock possessing more than 10% of the total combined voting power of all classes of stock of the Company.

6.2 Terms and Conditions. Stock Options granted under the Plan shall be subject to the following terms and conditions:

(a) Exercise Price. The exercise price per share of Stock purchasable under a Stock Option shall be determined by the Committee at the time of grant and may be less than 100% of the Fair Market Value of the Stock as defined above; provided, however, that the exercise price of an Incentive Stock Option shall not be less than 100% of the Fair Market Value of the Stock if granted to a person other than a 10% Stockholder and, if granted to a 10% Stockholder, the exercise price shall not be less than 110% of the Fair Market Value of the Stock.

(b) Option Term. Subject to the limitations in Section 6.1, above, the term of each Stock Option shall be fixed by the Committee.

(c) Exercisability. Stock Options shall be exercisable at such time or times, and subject to such terms and conditions as shall be determined by the Committee. If the Committee provides, in its discretion, that any Stock Option is exercisable only in installments, i.e., that it vests over time, the

Committee may waive such installment exercise provisions at any time at or after the time of grant in whole or in part, based upon such factors as the Committee shall determine

(d) Method of Exercise. Subject to whatever installment, exercise and waiting period provisions are applicable in a particular case, Stock Options may be exercised in whole or in part at any time during the term of the Option, by giving written notice of exercise to the Company specifying the number of shares of Stock to be purchased. Such notice shall be accompanied by payment in full of the purchase price, which shall be in cash or, unless otherwise provided in the Agreement, in shares of Stock (including Restricted Stock and other contingent awards under this Plan) or, partly in cash and partly in such Stock, or such other means which the Committee determines are consistent with the Plan's purpose and applicable law. Cash payments shall be made by wire transfer, certified or bank check or personal check, in each case payable to the order of the Company; provided, however, that the Company shall not be required to deliver certificates for shares of Stock with respect to which an Option is exercised until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof. Payments in the form of Stock shall be valued at the Fair Market Value of a share of Stock on the date prior to the date of exercise. Such payments shall be made by delivery of stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Subject to the terms of the Agreement, the Committee may, in its sole discretion, at the request of the Holder, deliver upon the exercise of a Nonqualified Stock Option a combination of shares of Deferred Stock and Common Stock; provided that, notwithstanding the provisions of Section 9 of the Plan, such Deferred Stock shall be fully vested and not subject to forfeiture. A Holder shall have none of the rights of a stockholder with respect to the shares subject to the Option until such shares shall be transferred to the Holder upon the exercise of the Option.

(e) Transferability. Except as may be set forth in the Agreement, no Stock Option shall be transferable by the Holder other than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the Holder's lifetime, only by the Holder.

(f) Termination by Reason of Death. If a Holder's employment by the Company or a Subsidiary terminates by reason of death, any Stock Option held by such Holder, unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, shall be fully vested and may thereafter be exercised by the legal representative of the estate or by the legatee of the Holder under the will of the Holder, for a period of one year (or such other greater or lesser period as the Committee may specify at grant) from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(g) Termination by Reason of Disability. If a Holder's employment by the Company or any Subsidiary terminates by reason of Disability, any Stock Option held by such Holder, unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, shall be fully vested and may thereafter be exercised by the Holder for a period of one year (or such other greater or lesser period as the Committee may specify at the time of grant) from the date of such termination of employment or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(h) Other Termination. Subject to the provisions of Section 13.3, below, and unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, if a Holder is an employee of the Company or a Subsidiary at the time of grant and if such Holder's employment by the Company or any Subsidiary terminates for any reason other than death or Disability, the Stock Option shall thereupon automatically terminate, except that if the Holder's employment is terminated by the Company or a Subsidiary without cause or due to Normal Retirement, then the portion of such Stock Option which has vested on the date of termination of employment may be exercised for the lesser of three months after termination of employment or the balance of such Stock Option's term.

(i) Additional Incentive Stock Option Limitation. In the case of an Incentive Stock Option,

the aggregate Fair Market Value of Stock (determined at the time of grant of the Option) with respect to which Incentive Stock Options become exercisable by a Holder during any calendar year (under all such plans of the Company and its Parent and Subsidiary) shall not exceed $100,000.

(j) Buyout and Settlement Provisions. The Committee may at any time, in its sole discretion, offer to buyout a Stock Option previously granted, based upon such terms and conditions as the Committee shall establish and communicate to the Holder at the time that such offer is made.

(k) Stock Option Agreement. Each grant of a Stock Option shall be confirmed by, and shall be subject to the terms of, the Agreement executed by the Company and the Holder.

6.3 Stock Reload Option. The Committee may also grant to the Holder (concurrently with the grant of an Incentive Stock Option and at or after the time of grant in the case of a Nonqualified Stock Option) a Stock Reload Option up to the amount of shares of Stock held by the Holder for at least six months and used to pay all or part of the exercise price of an Option and, if any, withheld by the Company as payment for withholding taxes. Such Stock Reload Option shall have an exercise price equal to the Fair Market Value as of the date of the Stock Reload Option grant. Unless the Committee determines otherwise, a Stock Reload Option may be exercised commencing one year after it is granted and shall expire on the date of expiration of the Option to which the Reload Option is related.

Section 7. Stock Appreciation Rights.

7. 1 Grant and Exercise. The Committee may grant Stock Appreciation Rights to participants who have been, or are being granted, Options under the Plan as a means of allowing such participants to exercise their Options without the need to pay the exercise price in cash. In the case of a Nonqualified Stock Option, a Stock Appreciation Right may be granted either at or after the time of the grant of such Nonqualified Stock Option. In the case of an Incentive Stock Option, a Stock Appreciation Right may be granted only at the time of the grant of such Incentive Stock Option.

7.2 Terms and Conditions. Stock Appreciation Rights shall be subject to the following terms and

(a) Exercisability. Stock Appreciation Rights shall be exercisable as shall be determined by the Committee and set forth in the Agreement, subject to the limitations, if any, imposed by the Code, with respect to related Incentive Stock Options.

(b) Termination. A Stock Appreciation Right shall terminate and shall no longer be exercisable upon the termination or exercise of the related Stock Option.

(c) Method of Exercise. Stock Appreciation Rights shall be exercisable upon such terms and conditions as shall be determined by the Committee and set forth in the Agreement and by surrendering the applicable portion of the related Stock Option. Upon such exercise and surrender, the Holder shall be entitled to receive a number of Option Shares equal to the SAR Value divided by the Fair Market Value (on the exercise date).

(d) Shares Affected Upon Plan. The granting of a Stock Appreciation Right shall not affect the number of shares of Stock available for awards under the Plan. The number of shares available for awards under the Plan will, however, be reduced by the number of shares of Stock acquirable upon exercise of the Stock Option to which such Stock Appreciation Right relates.

Section 8. Restricted Stock.

8.1 Grant. Shares of Restricted Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom, and the time or times at which, grants of Restricted Stock will be awarded, the number of shares to be awarded, the price (if any) to be paid by the Holder, the time or times within which such awards may be subject to forfeiture (the

"Restriction Period"), the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the awards.

8.2 Terms and Conditions. Each Restricted Stock award shall be subject to the following terms and conditions:

(a) Certificates. Restricted Stock, when issued, will be represented by a stock certificate or certificates registered in the name of the Holder to whom such Restricted Stock shall have been awarded. During the Restriction Period, certificates representing the Restricted Stock and any securities constituting Retained Distributions (as defined below) shall bear a legend to the effect that ownership of the Restricted Stock (and such Retained Distributions), and the enjoyment of all rights appurtenant thereto, are subject to the restrictions, terms and conditions provided in the Plan and the Agreement. Such certificates shall be deposited by the Holder with the Company, together with stock powers or other instruments of assignment, each endorsed in blank, which will permit transfer to the Company of all or any portion of the Restricted Stock and any securities constituting Retained Distributions that shall be forfeited or that shall not become vested in accordance with the Plan and the Agreement.

(b) Rights of Holder. Restricted Stock shall constitute issued and outstanding shares of Common Stock for all corporate purposes. The Holder will have the right to vote such Restricted Stock, to receive and retain all regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, pay or distribute on such Restricted Stock and to exercise all other rights, powers and privileges of a holder of Common Stock with respect to such Restricted Stock, with the exceptions that (i) the Holder will not be entitled to delivery of the stock certificate or certificates representing such Restricted Stock until the Restriction Period shall have expired and unless all other vesting requirements with respect thereto shall have been fulfilled; (ii) the Company will retain custody of the stock certificate or certificates representing the Restricted Stock during the Restriction Period; (iii) other than regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, payor distribute, the Company will retain custody of all distributions ("Retained Distributions") made or declared with respect to the Restricted Stock (and such Retained Distributions will be subject to the same restrictions, terms and conditions as are applicable to the Restricted Stock) until such time, if ever, as the Restricted Stock with respect to which such Retained Distributions shall have been made, paid or declared shall have become vested and with respect to which the Restriction Period shall have expired; (iv) a breach of any of the restrictions, terms or conditions contained in this Plan or the Agreement or otherwise established by the Committee with respect to any Restricted Stock or Retained Distributions will cause a forfeiture of such Restricted Stock and any Retained Distributions with respect thereto.

(c) Vesting; Forfeiture. Upon the expiration of the Restriction Period with respect to each award of Restricted Stock and the satisfaction of any other applicable restrictions, terms and conditions (i) all or part of such Restricted Stock shall become vested in accordance with the terms of the Agreement, and (ii) any Retained Distributions with respect to such Restricted Stock shall become vested to the extent that the Restricted Stock related thereto shall have become vested. Any such Restricted Stock and Retained Distributions that do not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Restricted Stock and Retained Distributions that shall have been so forfeited.

Section 9. Deferred Stock.

9.1 Grant. Shares of Deferred Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom, and the time or times at which, grants of Deferred Stock will be awarded, the number of shares of Deferred Stock to be awarded to any person, the duration of the period (the "Deferral Period") during which, and the conditions under which, receipt of the shares will be deferred, and all the other terms and conditions of the awards.

9.2 Terms and Conditions. Each Deferred Stock award shall be subject to the following terms and conditions:

(a) Certificates. At the expiration of the Deferral Period (or the Additional Deferral Period referred to in Section 9.2 (d) below, where applicable), share certificates shall be issued and delivered to the Holder, or his legal representative, representing the number equal to the shares covered by the Deferred Stock award.

(b) Rights of Holder. A person entitled to receive Deferred Stock shall not have any rights of a stockholder by virtue of such award until the expiration of the applicable Deferral Period and the issuance and delivery of the certificates representing such Stock. The shares of Stock issuable upon expiration of the Deferral Period shall not be deemed outstanding by the Company until the expiration of such Deferral Period and the issuance and delivery of such Stock to the Holder.

(c) Vesting; Forfeiture. Upon the expiration of the Deferral Period with respect to each award of Deferred Stock and the satisfaction of any other applicable restrictions, terms and conditions all or part of such Deferred Stock shall become vested in accordance with the terms of the Agreement. Any such Deferred Stock that does not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Deferred Stock.

(d) Additional Deferral Period. A Holder may request to, and the Committee may at any time, defer the receipt of an award (or an installment of an award) for an additional specified period or until a specified event (the "Additional Deferral Period"). Subject to any exceptions adopted by the Committee, such request must generally be made at least one year prior to expiration of the Deferral Period for such Deferred Stock award (or such installment).

Section 10. Other Stock-Based Awards.

10.1 Grant and Exercise. Other Stock-Based Awards may be awarded, subject to limitations under applicable law, that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of Common Stock, as deemed by the Committee to be consistent with the purposes of the Plan, including, without limitation, purchase rights, shares of Common Stock awarded which are not subject to any restrictions or conditions, convertible or exchangeable debentures, or other rights convertible into shares of Common Stock and awards valued by reference to the value of securities of or the performance of specified Subsidiaries. Other Stock-Based Awards may be awarded either alone or in addition to or in tandem with any other awards under this Plan or any other plan of the Company.

10.2 Eligibility for Other Stock-Based Awards. The Committee shall determine the eligible persons to whom and the time or times at which grants of such other stock-based awards shall be made, the number of shares of Common Stock to be awarded pursuant to such awards, and all other terms and conditions of the awards.

10.3 Terms and Conditions. Each Other Stock-Based Award shall be subject to such terms and conditions as may be determined by the Committee.

Section 11. Amendment and Termination.

The Board may at any time, and from time to time, amend alter, suspend or discontinue any of the provisions of the Plan, but no amendment, alteration; suspension or discontinuance shall be made which would impair the rights of a Holder under any Agreement theretofore entered into hereunder, without the Holder's consent.

Section 12. Term of Plan.

12.1 Effective Date. The Plan shall be effective as of November 4, 1996 ("Effective Date"), subject to the approval of the Plan by the Company's stockholders within one year after the Effective Date. Any awards granted under the Plan prior to such approval shall be effective when made (unless otherwise specified by the Committee at the time of grant), but shall be conditioned upon, and subject to, such

approval of the Plan by the Company's stockholders and no awards shall vest or otherwise become free of restrictions prior to such approval.

12.2 Termination Date. Unless terminated by the Board, this Plan shall continue to remain effective until such time no further awards may be granted and all awards granted under the Plan are no longer outstanding. Notwithstanding the foregoing, grants of Incentive Stock Options may only be made during the ten year period following the Effective Date.

Section 13. General Provisions.

13.1 Written Agreements. Each award granted under the Plan shall be confirmed by, and shall be subject to the terms of the Agreement executed by the Company and the Holder. The Committee may terminate any award made under the Plan if the Agreement relating thereto is not executed and returned to the Company within ten days after the Agreement has been delivered to the Holder for his or her execution.

13.2 Unfunded Status of Plan. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Holder by the Company, nothing contained herein shall give any such Holder any rights that are greater than those of a general creditor of the Company.

13.3 Employees.

(a) Engaging in Competition With the Company. In the event a Holder's employment with the Company or a Subsidiary is terminated for any reason whatsoever, and within eighteen months after the date thereof such Holder accepts employment with any competitor of, or otherwise engages in competition with, the Company, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any award which was realized or obtained by such. Holder at any time during the period beginning on that date which is six months prior to the date of such Holder's termination of employment with the Company.

(b) Termination for Cause. The Committee may, in the event a Holder's employment with the Company or a Subsidiary is terminated for cause, annul any award granted under this Plan to such employee and, in such event, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any award which was realized or obtained by such Holder at any time during the period beginning on that date which is six months prior to the date of such Holder's termination of employment with the Company.

(c) No Right of Employment. Nothing contained in the Plan or in any award hereunder shall be deemed to confer upon any Holder who is an employee of the Company or any Subsidiary any right to continued employment with the Company or any Subsidiary, nor shall it interfere in any way with the right of the Company or any Subsidiary to terminate the employment of any Holder who is an employee at any time.

13.4 Investment Representations. The Committee may require each person acquiring shares of Stock pursuant to a Stock Option or other award under the Plan to represent to and agree with the Company in writing that the Holder is acquiring the shares for investment without a view to distribution thereof.

13.5 Additional Incentive Arrangements. Nothing contained in the Plan shall prevent the Board from adopting such other or additional incentive arrangements as it may deem desirable, including, but not limited to, the granting of Stock Options and the awarding of stock and cash otherwise than under the Plan; and such arrangements may be either generally applicable or applicable only in specific cases.

13.6 Withholding Taxes. Not later than the date as of which an amount must first be included in the gross income of the Holder for Federal income tax purposes with respect to any option or other award under the Plan, the Holder shall pay to the Company, or make arrangements satisfactory to the Committee regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or

paid with respect to such amount. If permitted by the Committee, tax withholding or payment obligations may be settled with Common Stock, including Common Stock that is part of the award that gives rise to the withholding requirement. The obligations of the Company under the Plan shall be conditioned upon such payment or arrangements and the Company or the Holder's employer (if not the Company) shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Holder from the Company or any Subsidiary.

13.7 Governing Law. The Plan and all awards made and actions taken thereunder shall be governed by and construed in accordance with the laws of the State of New York (without regard to choice of law provisions).

13.8 Other Benefit Plans. Any award granted under the Plan shall not be deemed compensation for purposes of computing benefits under any retirement plan of the Company or any Subsidiary and shall not affect any benefits under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation (unless required by specific reference in any such other plan to awards under this Plan).

13.9 Non-Transferability. Except as otherwise expressly provided in the Plan or the Agreement, no right or benefit under the Plan may be alienated, sold, assigned, hypothecated, pledged, exchanged, transferred, encumbranced or charged, and any attempt to alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same shall be void.

13.10 Applicable Laws. The obligations of the Company with respect to all Stock Options and awards under the Plan shall be subject to (i) all applicable laws, rules and regulations and such approvals by any governmental agencies as may be required, including, without limitation, the Securities Act of 1933, as amended, and (ii) the rules and regulations of any securities exchange on which the Stock may be listed.

13.11 Conflicts. If any of the terms or provisions of the Plan or an Agreement (with respect to Incentive Stock Options) conflict with the requirements of Section 422 of the Code, then such terms or provisions shall be deemed inoperative to the extent they so conflict with the requirements of said Section 422 of the Code. Additionally, if this Plan or any Agreement does not contain any provision required to be included herein under Section 422 of the Code, such provision shall be deemed to be incorporated herein and therein with the same force and effect as if such provision had been set out at length herein and therein. If any of the terms or provisions of any Agreement conflict with any terms or provision of the Plan, then such terms or provisions shall be deemed inoperative to the extent they so conflict with the requirements of the Plan. Additionally, if any Agreement does not contain any provision required to be included therein under the Plan, such provision shall be deemed to be incorporated therein with the same force and effect as if such provision had been set out at length therein.

13.12 Non-Registered Stock. The shares of Stock to be distributed under this Plan have not been, as of the Effective Date, registered under the Securities Act of 1933, as amended, or any applicable state or foreign securities laws and the Company has no obligation to any Holder to register the Stock or to assist the Holder in obtaining an exemption from the various registration requirements, or to list the Stock on a national securities exchange.

Exhibit 10.7

Approved by Board of Directors on February 10, 2000

Approved by Stockholders on June 21, 2000

INDIVIDUAL INVESTOR GROUP, INC.

2000 Performance Equity Plan

Section 1. **Purpose; Definitions.**

1.1 Purpose. The purpose of the Individual Investor Group, Inc. 2000 Performance Equity Plan is to enable the Company to offer to its employees, officers, directors and consultants whose past, present and/or potential contributions to the Company and its Subsidiaries have been, are or will be important to the success of the Company, an opportunity to acquire a proprietary interest in the Company. The various types of long-term incentive awards that may be provided under the Plan will enable the Company to respond to changes in compensation practices, tax laws, accounting regulations and the size and diversity of its businesses.

1.2 Definitions. For purposes of the Plan, the following terms shall be defined as set forth below:

(a) "Agreement" means the agreement between the Company and the Holder setting forth the terms and conditions of an award under the Plan.

(b) "Board" means the Board of Directors of the Company.

(c) "Code" means the Internal Revenue Code of 1986, as amended from time to time.

(d) "Committee" means the Stock Option Committee of the Board or any other committee of the Board that the Board may designate to administer the Plan or any portion thereof. If no Committee is so designated, then all references in this Plan to "Committee" shall mean the Board.

(e) "Common Stock" means the Common Stock of the Company, $.01 par value per share.

(f) "Company" means Individual Investor Group, Inc., a corporation organized under the laws of the State of Delaware.

(g) "Deferred Stock" means Common Stock to be received, under an award made pursuant to Section 8, below, at the end of a specified deferral period.

(h) "Disability" means physical or mental impairment as determined under procedures established by the Committee for purposes of the Plan.

(i) "Effective Date" means the date set forth in Section 11.1, below.

(j) "Fair Market Value", unless otherwise required by any applicable provision of the Code or any regulations issued thereunder, means, as of any given date: (i) if the Common Stock is listed on a national securities exchange or quoted on the Nasdaq National Market or Nasdaq SmallCap

Market, the last sale price of the Common Stock in the principal trading market for the Common Stock on the last trading day preceding the date of grant of an award hereunder, as reported by the exchange or Nasdaq, as the case may be; (ii) if the Common Stock is not listed on a national securities exchange or quoted on the Nasdaq National Market or Nasdaq SmallCap Market, but is traded in the over-the-counter market, the closing bid price for the Common Stock on the last trading day preceding the date of grant of an award hereunder for which such quotations are reported by the OTC Bulletin Board or the National Quotation Bureau, Incorporated or similar publisher of such quotations; and (iii) if the fair market value of the Common Stock cannot be determined pursuant to clause (i) or (ii) above, such price as the Committee shall determine, in good faith.

(k) "Holder" means a person who has received an award under the Plan.

(l) "Incentive Stock Option" means any Stock Option intended to be and designated as an "incentive stock option" within the meaning of Section 422 of the Code.

(m) "Nonqualified Stock Option" means any Stock Option that is not an Incentive Stock Option.

(n) "Normal Retirement" means retirement from active employment with the Company or any Subsidiary on or after age 65.

(o) "Other Stock-Based Award" means an award under Section 9, below, that is valued in whole or in part by reference to, or is otherwise based upon, Common Stock.

(p) "Parent" means any present or future "parent corporation" of the Company, as such term is defined in Section 424(e) of the Code.

(q) "Plan" means the Individual Investor Group, Inc. 2000 Performance Equity Plan, as hereinafter amended from time to time.

(r) "Restricted Stock" means Common Stock, received under an award made pursuant to Section 7, below, that is subject to restrictions under said Section 7.

(s) "SAR Value" means the excess of the Fair Market Value (on the exercise date) over the exercise price that the participant would have otherwise had to pay to exercise the related Stock Option, multiplied by the number of shares for which the Stock Appreciation Right is exercised.

(t) "Stock Appreciation Right" means the right to receive from the Company, on surrender of all or part of the related Stock Option, without a cash payment to the Company, a number of shares of Common Stock equal to the SAR Value divided by the Fair Market Value (on the exercise date).

(u) "Stock Option" or "Option" means any option to purchase shares of Common Stock which is granted pursuant to the Plan.

(v) "Stock Reload Option" means any option granted under Section 5.3 of the Plan.

(w) "Subsidiary" means any present or future "subsidiary corporation" of the Company, as such term is defined in Section 424(f) of the Code.

Section 2. **Administration.**

2.1 Committee Membership. The Plan shall be administered by the Board or a Committee. Committee members shall serve for such term as the Board may in each case determine, and shall be subject to removal at any time by the Board.

2.2 Powers of Committee. The Committee shall have full authority to award, pursuant to the terms of the Plan: (i) Stock Options, (ii) Stock Appreciation Rights, (iii) Restricted Stock, (iv) Deferred Stock, (v) Stock Reload Options and/or (vi) Other Stock-Based Awards. For purposes of illustration and not of limitation, the Committee shall have the authority (subject to the express provisions of this Plan):

(a) to select the officers, employees, directors and consultants of the Company or any Subsidiary to whom Stock Options, Stock Appreciation Rights, Restricted Stock, Deferred Stock, Reload Stock Options and/or Other Stock-Based Awards may from time to time be awarded hereunder.

(b) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder (including, but not limited to, number of shares, share exercise price or types of consideration paid upon exercise of such options, such as other securities of the Company or other property, any restrictions or limitations, and any vesting, exchange, surrender, cancellation, acceleration, termination, exercise or forfeiture provisions, as the Committee shall determine);

(c) to determine any specified performance goals or such other factors or criteria which need to be attained for the vesting of an award granted hereunder;

(d) to determine the terms and conditions under which awards granted hereunder are to operate on a tandem basis and/or in conjunction with or apart from other equity awarded under this Plan and cash awards made by the Company or any Subsidiary outside of this Plan;

(e) to permit a Holder to elect to defer a payment under the Plan under such rules and procedures as the Committee may establish, including the crediting of interest on deferred amounts denominated in cash and of dividend equivalents on deferred amounts denominated in Common Stock;

(f) to determine the extent and circumstances under which Common Stock and other amounts payable with respect to an award hereunder shall be deferred that may be either automatic or at the election of the Holder; and

(g) to substitute (i) new Stock Options for previously granted Stock Options, which previously granted Stock Options have higher option exercise prices and/or contain other less favorable terms, and (ii) new awards of any other type for previously granted awards of the same type, which previously granted awards are upon less favorable terms.

2.3 Interpretation of Plan.

(a) Committee Authority. Subject to Section 10, below, the Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall, from time to time, deem advisable, to interpret the terms and provisions of the Plan and any award issued under the Plan (and to determine the form and substance of all Agreements relating thereto), and to otherwise supervise the administration of the Plan. Subject to Section 10, below, all decisions made by the Committee pursuant to the provisions of the Plan shall be made in the

Committee's sole discretion and shall be final and binding upon all persons, including the Company, its Subsidiaries and Holders.

(b) Incentive Stock Options. Anything in the Plan to the contrary notwithstanding, no term or provision of the Plan relating to Incentive Stock Options (including but limited to Stock Reload Options or Stock Appreciation rights granted in conjunction with an Incentive Stock Option) or any Agreement providing for Incentive Stock Options shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code, or, without the consent of the Holder(s) affected, to disqualify any Incentive Stock Option under such Section 422.

Section 3. **Stock Subject to Plan.**

3.1 Number of Shares. The total number of shares of Common Stock reserved and available for issuance under the Plan shall be 1,000,000 shares. Shares of Common Stock under the Plan may consist, in whole or in part, of authorized and unissued shares or treasury shares. If any shares of Common Stock that have been granted pursuant to a Stock Option cease to be subject to a Stock Option, or if any shares of Common Stock that are subject to any Stock Appreciation Right, Restricted Stock, Deferred Stock award, Reload Stock Option or Other Stock-Based Award granted hereunder are forfeited or any such award otherwise terminates without a payment being made to the Holder in the form of Common Stock, such shares shall again be available for distribution in connection with future grants and awards under the Plan. Only net shares issued upon a stock-for-stock exercise (including stock used for withholding taxes) shall be counted against the number of shares available under the Plan.

3.2 Adjustment Upon Changes in Capitalization, Etc. In the event of any merger, reorganization, consolidation, dividend (other than a cash dividend) payable on shares of Common Stock, stock split, reverse stock split, combination or exchange of shares, or other extraordinary or unusual event occurring after the grant of an award which results in a change in the shares of Common Stock of the Company as a whole, the Committee shall determine, in its sole discretion, whether such change equitably requires an adjustment in the terms of any award or the aggregate number of shares reserved for issuance under the Plan. Any such adjustments will be made by the Committee, whose determination will be final, binding and conclusive.

Section 4. **Eligibility.**

Awards may be made or granted to employees, officers, directors and consultants who are deemed to have rendered or to be able to render significant services to the Company or its Subsidiaries and who are deemed to have contributed or to have the potential to contribute to the success of the Company. No Incentive Stock Option shall be granted to any person who is not an employee of the Company or a Subsidiary at the time of grant.

Section 5. **Stock Options.**

5.1 Grant and Exercise. Stock Options granted under the Plan may be of two types: (i) Incentive Stock Options and (ii) Nonqualified Stock Options. Any Stock Option granted under the Plan shall contain such terms, not inconsistent with this Plan, or with respect to Incentive Stock Options, not inconsistent with the Plan and the Code, as the Committee may from time to time approve. The Committee shall have the authority to grant Incentive Stock Options or Non-Qualified Stock Options, or both types of Stock Options which may be granted alone or in addition to other awards granted under the Plan. To the extent that any Stock Option intended to

qualify as an Incentive Stock Option does not so qualify, it shall constitute a separate Nonqualified Stock Option.

5.2 Terms and Conditions. Stock Options granted under the Plan shall be subject to the following terms and conditions:

(a) Option Term. The term of each Stock Option shall be fixed by the Committee; provided, however, that an Incentive Stock Option may be granted only within the ten-year period commencing from the Effective Date and may only be exercised within ten years of the date of grant (or five years in the case of an Incentive Stock Option granted to an optionee who, at the time of grant, owns Common Stock possessing more than 10% of the total combined voting power of all classes of stock of the Company ("10% Stockholder").

(b) Exercise Price. The exercise price per share of Common Stock purchasable under a Stock Option shall be determined by the Committee at the time of grant and may not be less than 100% of the Fair Market Value on the day of grant; provided, however, that the exercise price of an Incentive Stock Option granted to a 10% Stockholder shall not be less than 110% of the Fair Market Value on the date of grant.

(c) Exercisability. Stock Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee. If the Committee provides, in its discretion, that any Stock Option is exercisable only in installments, i.e., that it vests over time, the Committee may waive such installment exercise provisions at any time at or after the time of grant in whole or in part, based upon such factors as the Committee shall determine.

(d) Method of Exercise. Subject to whatever installment, exercise and waiting period provisions are applicable in a particular case, Stock Options may be exercised in whole or in part at any time during the term of the Option, by giving written notice of exercise to the Company specifying the number of shares of Common Stock to be purchased. Such notice shall be accompanied by payment in full of the purchase price, which shall be in cash or, if provided in the Agreement, either in shares of Common Stock (including Restricted Stock and other contingent awards under this Plan) or partly in cash and partly in such Common Stock, or such other means which the Committee determines are consistent with the Plan's purpose and applicable law. Cash payments shall be made by wire transfer, certified or bank check or personal check, in each case payable to the order of the Company; provided, however, that the Company shall not be required to deliver certificates for shares of Common Stock with respect to which an Option is exercised until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof. Payments in the form of Common Stock shall be valued at the Fair Market Value on the date prior to the date of exercise. Such payments shall be made by delivery of stock certificates in negotiable form that are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Subject to the terms of the Agreement, the Committee may, in its sole discretion, at the request of the Holder, deliver upon the exercise of a Nonqualified Stock Option a combination of shares of Deferred Stock and Common Stock; provided that, notwithstanding the provisions of Section 8 of the Plan, such Deferred Stock shall be fully vested and not subject to forfeiture. A Holder shall have none of the rights of a Stockholder with respect to the shares subject to the Option until such shares shall be transferred to the Holder upon the exercise of the Option.

(e) Transferability. Except as may be set forth in the Agreement, no Stock Option shall be transferable by the Holder other than by will or by the laws of descent and distribution, and all

Stock Options shall be exercisable, during the Holder's lifetime, only by the Holder (or, to the extent of legal incapacity or incompetency, the Holder's guardian or legal representative).

(f) Termination by Reason of Death. If a Holder's employment by the Company or a Subsidiary terminates by reason of death, any Stock Option held by such Holder, unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, shall be fully vested and may thereafter be exercised by the legal representative of the estate or by the legatee of the Holder under the will of the Holder, for a period of one year (or such other greater or lesser period as the Committee may specify at grant) from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(g) Termination by Reason of Disability. If a Holder's employment by the Company or any Subsidiary terminates by reason of Disability, any Stock Option held by such Holder, unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, shall be fully vested and may thereafter be exercised by the Holder for a period of one year (or such other greater or lesser period as the Committee may specify at the time of grant) from the date of such termination of employment or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(h) Other Termination. Subject to the provisions of Section 12.3, below, and unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, if a Holder is an employee of the Company or a Subsidiary at the time of grant and if such Holder's employment by the Company or any Subsidiary terminates for any reason other than death or Disability, the Stock Option shall thereupon automatically terminate, except that if the Holder's employment is terminated by the Company or a Subsidiary without cause or due to Normal Retirement, then the portion of such Stock Option that has vested on the date of termination of employment may be exercised for the lesser of three months after termination of employment or the balance of such Stock Option's term.

(i) Additional Incentive Stock Option Limitation. In the case of an Incentive Stock Option, the aggregate Fair Market Value (on the date of grant of the Option) with respect to which Incentive Stock Options become exercisable for the first time by a Holder during any calendar year (under all such plans of the Company and its Parent and Subsidiary) shall not exceed $100,000.

(j) Buyout and Settlement Provisions. The Committee may at any time, in its sole discretion, offer to repurchase a Stock Option previously granted, based upon such terms and conditions as the Committee shall establish and communicate to the Holder at the time that such offer is made.

5.3 Stock Reload Option. If a Holder tenders shares of Common Stock to pay the exercise price of a Stock Option ("Underlying Option"), and/or arranges to have a portion of the shares otherwise issuable upon exercise withheld to pay the applicable withholding taxes, the Holder may receive, at the discretion of the Committee, a new Stock Reload Option to purchase that number of shares of Common Stock equal to the number of shares tendered to pay the exercise price and the withholding taxes (but only if such shares were held by the Holder for at least six months). Stock Reload Options may be any type of option permitted under the Code and will be granted subject to such terms, conditions, restrictions and limitations as may be determined by the Committee, from time to time. Such Stock Reload Option shall have an exercise price equal to the Fair Market Value as of the date of exercise of the Underlying Option. Unless the Committee determines otherwise, a Stock Reload Option may be exercised commencing one year after it is granted and shall expire on the date of expiration of the Underlying Option to which the Reload Option is related.

Section 6. **Stock Appreciation Rights.**

6.1 Grant and Exercise. The Committee may grant Stock Appreciation Rights to participants who have been, or are being granted, Stock Options under the Plan as a means of allowing such participants to exercise their Stock Options without the need to pay the exercise price in cash. In the case of a Nonqualified Stock Option, a Stock Appreciation Right may be granted either at or after the time of the grant of such Nonqualified Stock Option. In the case of an Incentive Stock Option, a Stock Appreciation Right may be granted only at the time of the grant of such Incentive Stock Option.

6.2 Terms and Conditions. Stock Appreciation Rights shall be subject to the following terms and conditions:

(a) Exercisability. Stock Appreciation Rights shall be exercisable as shall be determined by the Committee and set forth in the Agreement, subject to the limitations, if any, imposed by the Code, with respect to related Incentive Stock Options.

(b) Termination. A Stock Appreciation Right shall terminate and shall no longer be exercisable upon the termination or exercise of the related Stock Option.

(c) Method of Exercise. Stock Appreciation Rights shall be exercisable upon such terms and conditions as shall be determined by the Committee and set forth in the Agreement and by surrendering the applicable portion of the related Stock Option. Upon such exercise and surrender, the Holder shall be entitled to receive a number of shares of Common Stock equal to the SAR Value divided by the Fair Market Value on the date the Stock Appreciation Right is exercised.

(d) Shares Affected Upon Plan. The granting of a Stock Appreciation Right shall not affect the number of shares of Common Stock available under for awards under the Plan. The number of shares available for awards under the Plan will, however, be reduced by the number of shares of Common Stock acquirable upon exercise of the Stock Option to which such Stock Appreciation Right relates.

Section 7. **Restricted Stock.**

7.1 Grant. Shares of Restricted Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom, and the time or times at which, grants of Restricted Stock will be awarded, the number of shares to be awarded, the price (if any) to be paid by the Holder, the time or times within which such awards may be subject to forfeiture ("Restriction Period"), the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the awards.

7.2 Terms and Conditions. Each Restricted Stock award shall be subject to the following terms and conditions:

(a) Certificates. Restricted Stock, when issued, will be represented by a stock certificate or certificates registered in the name of the Holder to whom such Restricted Stock shall have been awarded. During the Restriction Period, certificates representing the Restricted Stock and any securities constituting Retained Distributions (as defined below) shall bear a legend to the effect that ownership of the Restricted Stock (and such Retained Distributions), and the enjoyment of all

rights appurtenant thereto, are subject to the restrictions, terms and conditions provided in the Plan and the Agreement. Such certificates shall be deposited by the Holder with the Company, together with stock powers or other instruments of assignment, each endorsed in blank, which will permit transfer to the Company of all or any portion of the Restricted Stock and any securities constituting Retained Distributions that shall be forfeited or that shall not become vested in accordance with the Plan and the Agreement.

(b) Rights of Holder. Restricted Stock shall constitute issued and outstanding shares of Common Stock for all corporate purposes. The Holder will have the right to vote such Restricted Stock, to receive and retain all regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, pay or distribute on such Restricted Stock and to exercise all other rights, powers and privileges of a holder of Common Stock with respect to such Restricted Stock, with the exceptions that (i) the Holder will not be entitled to delivery of the stock certificate or certificates representing such Restricted Stock until the Restriction Period shall have expired and unless all other vesting requirements with respect thereto shall have been fulfilled; (ii) the Company will retain custody of the stock certificate or certificates representing the Restricted Stock during the Restriction Period; (iii) other than regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, pay or distribute, the Company will retain custody of all distributions ("Retained Distributions") made or declared with respect to the Restricted Stock (and such Retained Distributions will be subject to the same restrictions, terms and conditions as are applicable to the Restricted Stock) until such time, if ever, as the Restricted Stock with respect to which such Retained Distributions shall have been made, paid or declared shall have become vested and with respect to which the Restriction Period shall have expired; (iv) a breach of any of the restrictions, terms or conditions contained in this Plan or the Agreement or otherwise established by the Committee with respect to any Restricted Stock or Retained Distributions will cause a forfeiture of such Restricted Stock and any Retained Distributions with respect thereto.

(c) Vesting; Forfeiture. Upon the expiration of the Restriction Period with respect to each award of Restricted Stock and the satisfaction of any other applicable restrictions, terms and conditions (i) all or part of such Restricted Stock shall become vested in accordance with the terms of the Agreement, and (ii) any Retained Distributions with respect to such Restricted Stock shall become vested to the extent that the Restricted Stock related thereto shall have become vested. Any such Restricted Stock and Retained Distributions that do not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Restricted Stock and Retained Distributions that shall have been so forfeited.

Section 8. **Deferred Stock.**

8.1 Grant. Shares of Deferred Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom and the time or times at which grants of Deferred Stock will be awarded, the number of shares of Deferred Stock to be awarded to any person, the duration of the period ("Deferral Period") during which, and the conditions under which, receipt of the shares will be deferred, and all the other terms and conditions of the awards.

8.2 Terms and Conditions. Each Deferred Stock award shall be subject to the following terms and conditions:

(a) Certificates. At the expiration of the Deferral Period (or the Additional Deferral Period referred to in Section 8.2 (d) below, where applicable), share certificates shall be issued and

delivered to the Holder, or his legal representative, representing the number equal to the shares covered by the Deferred Stock award.

(b) Rights of Holder. A person entitled to receive Deferred Stock shall not have any rights of a Stockholder by virtue of such award until the expiration of the applicable Deferral Period and the issuance and delivery of the certificates representing such Common Stock. The shares of Common Stock issuable upon expiration of the Deferral Period shall not be deemed outstanding by the Company until the expiration of such Deferral Period and the issuance and delivery of such Common Stock to the Holder.

(c) Vesting; Forfeiture. Upon the expiration of the Deferral Period with respect to each award of Deferred Stock and the satisfaction of any other applicable restrictions, terms and conditions all or part of such Deferred Stock shall become vested in accordance with the terms of the Agreement. Any such Deferred Stock that does not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Deferred Stock.

(d) Additional Deferral Period. A Holder may request to, and the Committee may at any time, defer the receipt of an award (or an installment of an award) for an additional specified period or until a specified event ("Additional Deferral Period"). Subject to any exceptions adopted by the Committee, such request must generally be made at least one year prior to expiration of the Deferral Period for such Deferred Stock award (or such installment).

Section 9. **Other Stock-Based Awards.**

Other Stock-Based Awards may be awarded, subject to limitations under applicable law, that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of Common Stock, as deemed by the Committee to be consistent with the purposes of the Plan, including, without limitation, purchase rights, shares of Common Stock awarded which are not subject to any restrictions or conditions, convertible or exchangeable debentures, or other rights convertible into shares of Common Stock and awards valued by reference to the value of securities of or the performance of specified Subsidiaries. Other Stock-Based Awards may be awarded either alone or in addition to or in tandem with any other awards under this Plan or any other plan of the Company. Each other Stock-Based Award shall be subject to such terms and conditions as may be determined by the Committee.

Section 10. **Amendment and Termination.**

The Board may at any time, and from time to time, amend alter, suspend or discontinue any of the provisions of the Plan, but no amendment, alteration, suspension or discontinuance shall be made that would impair the rights of a Holder under any Agreement theretofore entered into hereunder, without the Holder's consent.

Section 11. **Term of Plan.**

11.1 Effective Date. The Plan shall be effective as of February 10, 2000, subject to the approval of the Plan by the Company's stockholders within one year after the Effective Date. Any awards granted under the Plan prior to such approval shall be effective when made (unless otherwise specified by the Committee at the time of grant), but shall be conditioned upon, and subject to, such approval of the Plan by the Company's stockholders and no awards shall vest or otherwise become free of restrictions prior to such approval.

11.2 Termination Date. Unless terminated by the Board, this Plan shall continue to remain effective until such time as no further awards may be granted and all awards granted under the Plan are no longer outstanding. Notwithstanding the foregoing, grants of Incentive Stock Options may be made only during the ten year period following the Effective Date.

Section 12. General Provisions.

12.1 Written Agreements. Each award granted under the Plan shall be confirmed by, and shall be subject to the terms, of the Agreement executed by the Company and the Holder. The Committee may terminate any award made under the Plan if the Agreement relating thereto is not executed and returned to the Company within 10 days after the Agreement has been delivered to the Holder for his or her execution.

12.2 Unfunded Status of Plan. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Holder by the Company, nothing contained herein shall give any such Holder any rights that are greater than those of a general creditor of the Company.

12.3 Employees.

(a) Engaging in Competition With the Company; Disclosure of Confidential Information. If a Holder's employment with the Company or a Subsidiary is terminated for any reason whatsoever, and within 18 months after the date thereof such Holder either (i) accepts employment with any competitor of, or otherwise engages in competition with, the Company or (ii) discloses to anyone outside the Company or uses any confidential information or material of the Company in violation of the Company's policies or any agreement between the Holder and the Company, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any award that was realized or obtained by such Holder at any time during the period beginning on that date that is six months prior to the date such Holder's employment with the Company is terminated.

(b) Termination for Cause. The Committee may, if a Holder's employment with the Company or a Subsidiary is terminated for cause, annul any award granted under this Plan to such employee and, in such event, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any award that was realized or obtained by such Holder at any time during the period beginning on that date that is six months prior to the date such Holder's employment with the Company is terminated.

(c) No Right of Employment. Nothing contained in the Plan or in any award hereunder shall be deemed to confer upon any Holder who is an employee of the Company or any Subsidiary any right to continued employment with the Company or any Subsidiary, nor shall it interfere in any way with the right of the Company or any Subsidiary to terminate the employment of any Holder who is an employee at any time.

12.4 Investment Representations; Company Policy. The Committee may require each person acquiring shares of Common Stock pursuant to a Stock Option or other award under the Plan to represent to and agree with the Company in writing that the Holder is acquiring the shares for investment without a view to distribution thereof. Each person acquiring shares of Common Stock pursuant to a Stock Option or other award under the Plan shall be required to abide by all policies of the Company in effect at the time of such acquisition and thereafter with respect to the ownership and trading of the Company's securities.

12.5 Additional Incentive Arrangements. Nothing contained in the Plan shall prevent the Board from adopting such other or additional incentive arrangements as it may deem desirable, including, but not limited to, the granting of Stock Options and the awarding of Common Stock and cash otherwise than under the Plan; and such arrangements may be either generally applicable or applicable only in specific cases.

12.6 Withholding Taxes. Not later than the date as of which an amount must first be included in the gross income of the Holder for Federal income tax purposes with respect to any option or other award under the Plan, the Holder shall pay to the Company, or make arrangements satisfactory to the Committee regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. If permitted by the Committee, tax withholding or payment obligations may be settled with Common Stock, including Common Stock that is part of the award that gives rise to the withholding requirement. The obligations of the Company under the Plan shall be conditioned upon such payment or arrangements and the Company or the Holder's employer (if not the Company) shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Holder from the Company or any Subsidiary.

12.7 Governing Law. The Plan and all awards made and actions taken thereunder shall be governed by and construed in accordance with the laws of the State of New York (without regard to choice of law provisions); *provided, however,* that all matters relating to or involving corporate law shall be governed by the laws of the State of Delaware.

12.8 Other Benefit Plans. Any award granted under the Plan shall not be deemed compensation for purposes of computing benefits under any retirement plan of the Company or any Subsidiary and shall not affect any benefits under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation (unless required by specific reference in any such other plan to awards under this Plan).

12.9 Non-Transferability. Except as otherwise expressly provided in the Plan or the Agreement, no right or benefit under the Plan may be alienated, sold, assigned, hypothecated, pledged, exchanged, transferred, encumbranced or charged, and any attempt to alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same shall be void.

12.10 Applicable Laws. The obligations of the Company with respect to all Stock Options and awards under the Plan shall be subject to (i) all applicable laws, rules and regulations and such approvals by any governmental agencies as may be required, including, without limitation, the Securities Act of 1933, as amended, and (ii) the rules and regulations of any securities exchange on which the Common Stock may be listed.

12.11 Conflicts. If any of the terms or provisions of the Plan or an Agreement conflict with the requirements of Section 422 of the Code, then such terms or provisions shall be deemed inoperative to the extent they so conflict with such requirements. Additionally, if this Plan or any Agreement does not contain any provision required to be included herein under Section 422 of the Code, such provision shall be deemed to be incorporated herein and therein with the same force and effect as if such provision had been set out at length herein and therein. If any of the terms or provisions of any Agreement conflict with any terms or provisions of the Plan, then such terms or provisions shall be deemed inoperative to the extent they so conflict with the requirements of the Plan. Additionally, if any Agreement does not contain any provision required

to be included therein under the Plan, such provision shall be deemed to be incorporated therein with the same force and effect as if such provision had been set out at length therein.

12.12 Non-Registered Stock. The shares of Common Stock to be distributed under this Plan have not been, as of the Effective Date, registered under the Securities Act of 1933, as amended, or any applicable state or foreign securities laws and the Company has no obligation to any Holder to register the Common Stock or to assist the Holder in obtaining an exemption from the various registration requirements, or to list the Common Stock on a national securities exchange or any other trading or quotation system, including the Nasdaq National Market and Nasdaq SmallCap Market.

Plan Amendments

Date Approved by Board	Date Approved by Stockholders, if necessary	Sections Amended	Description of Amendments	Initials of Attorney Effecting Amendment

Exhibit 10.8

Approved by Board of Directors on April 25, 2001

Individual Investor Group, Inc.

2001 Performance Equity Plan

Section 1. Purpose; Definitions.

1.1 Purpose. The purpose of the Individual Investor Group, Inc. 2001 Performance Equity Plan is to enable the Company to offer to its employees, officers, directors and consultants whose past, present and/or potential contributions to the Company and its Subsidiaries have been, are or will be important to the success of the Company, an opportunity to acquire a proprietary interest in the Company. The various types of long-term incentive awards that may be provided under the Plan will enable the Company to respond to changes in compensation practices, tax laws, accounting regulations and the size and diversity of its businesses.

1.2 Definitions. For purposes of the Plan, the following terms shall be defined as set forth below:

(a) "Agreement" means the agreement between the Company and the Holder setting forth the terms and conditions of an award under the Plan.

(b) "Board" means the Board of Directors of the Company.

(c) "Code" means the Internal Revenue Code of 1986, as amended from time to time.

(d) "Committee" means the Stock Option Committee of the Board or any other committee of the Board that the Board may designate to administer the Plan or any portion thereof. If no Committee is so designated, then all references in this Plan to "Committee" shall mean the Board.

(e) "common stock" means the common stock of the Company, $.01 par value per share.

(f) "Company" means Individual Investor Group, Inc., a corporation organized under the laws of the State of Delaware.

(g) "Deferred Stock" means common stock to be received, under an award made pursuant to Section 8, below, at the end of a specified deferral period.

(h) "Disability" means physical or mental impairment as determined under procedures established by the Committee for purposes of the Plan.

(i) "Effective Date" means the date set forth in Section 11.1, below.

(j) "Fair Market Value", unless otherwise required by any applicable provision of the Code or any regulations issued thereunder, means, as of any given date: (i) if the common stock is listed on a national securities exchange or quoted on the Nasdaq National Market or Nasdaq SmallCap Market, the last sale price of the common stock in the principal trading market for the common stock on the last trading day preceding the date of grant of an award hereunder, as reported by the exchange or Nasdaq, as the case may be; (ii) if the common stock is not listed on a national securities exchange or quoted on the Nasdaq National Market or Nasdaq SmallCap Market, but is traded in the over-the-counter market, the closing bid price for the common stock on the last trading day preceding the date of grant of an award hereunder for which such

quotations are reported by the OTC Bulletin Board or the National Quotation Bureau, Incorporated or similar publisher of such quotations; and (iii) if the fair market value of the common stock cannot be determined pursuant to clause (i) or (ii) above, such price as the Committee shall determine, in good faith.

(k) "Holder" means a person who has received an award under the Plan.

(l) "Incentive Stock Option" means any Stock Option intended to be and designated as an "incentive stock option" within the meaning of Section 422 of the Code.

(m) "Nonqualified Stock Option" means any Stock Option that is not an Incentive Stock Option.

(n) "Normal Retirement" means retirement from active employment with the Company or any Subsidiary on or after age 65.

(o) "Other Stock-Based Award" means an award under Section 9, below, that is valued in whole or in part by reference to, or is otherwise based upon, common stock.

(p) "Parent" means any present or future "parent corporation" of the Company, as such term is defined in Section 424(e) of the Code.

(q) "Plan" means the Individual Investor Group, Inc. 2001 Performance Equity Plan, as hereinafter amended from time to time.

(r) "Restricted Stock" means common stock, received under an award made pursuant to Section 7, below, that is subject to restrictions under said Section 7.

(s) "SAR Value" means the excess of the Fair Market Value (on the exercise date) over the exercise price that the participant would have otherwise had to pay to exercise the related Stock Option, multiplied by the number of shares for which the Stock Appreciation Right is exercised.

(t) "Stock Appreciation Right" means the right to receive from the Company, on surrender of all or part of the related Stock Option, without a cash payment to the Company, a number of shares of common stock equal to the SAR Value divided by the Fair Market Value (on the exercise date).

(u) "Stock Option" or "Option" means any option to purchase shares of common stock which is granted pursuant to the Plan.

(v) "Stock Reload Option" means any option granted under Section 5.3 of the Plan.

(w) "Subsidiary" means any present or future "subsidiary corporation" of the Company, as such term is defined in Section 424(f) of the Code.

Section 2. Administration.

2.1 Committee Membership. The Plan shall be administered by the Board or a Committee. Committee members shall serve for such term as the Board may in each case determine, and shall be subject to removal at any time by the Board.

2.2 Powers of Committee. The Committee shall have full authority to award, pursuant to the terms of the Plan: (i) Stock Options, (ii) Stock Appreciation Rights, (iii) Restricted Stock, (iv) Deferred Stock, (v) Stock Reload Options and/or (vi) Other Stock-Based Awards. For purposes of illustration and not of limitation, the Committee shall have the authority (subject to the express provisions of this Plan):

(a) to select the officers, employees, directors and consultants of the Company or any Subsidiary to whom Stock Options, Stock Appreciation Rights, Restricted Stock, Deferred Stock, Reload Stock Options and/or Other Stock-Based Awards may from time to time be awarded hereunder.

(b) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder (including, but not limited to, number of shares, share exercise price or types of consideration paid upon exercise of such options, such as other securities of the Company or other property, any restrictions or limitations, and any vesting, exchange, surrender, cancellation, acceleration, termination, exercise or forfeiture provisions, as the Committee shall determine);

(c) to determine any specified performance goals or such other factors or criteria which need to be attained for the vesting of an award granted hereunder;

(d) to determine the terms and conditions under which awards granted hereunder are to operate on a tandem basis and/or in conjunction with or apart from other equity awarded under this Plan and cash awards made by the Company or any Subsidiary outside of this Plan;

(e) to permit a Holder to elect to defer a payment under the Plan under such rules and procedures as the Committee may establish, including the crediting of interest on deferred amounts denominated in cash and of dividend equivalents on deferred amounts denominated in common stock;

(f) to determine the extent and circumstances under which common stock and other amounts payable with respect to an award hereunder shall be deferred that may be either automatic or at the election of the Holder; and

(g) to substitute (i) new Stock Options for previously granted Stock Options, which previously granted Stock Options have higher option exercise prices and/or contain other less favorable terms, and (ii) new awards of any other type for previously granted awards of the same type, which previously granted awards are upon less favorable terms.

2.3 Interpretation of Plan.

(a) Committee Authority. Subject to Section 10, below, the Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall, from time to time, deem advisable, to interpret the terms and provisions of the Plan and any award issued under the Plan (and to determine the form and substance of all Agreements relating thereto), and to otherwise supervise the administration of the Plan. Subject to Section 10, below, all decisions made by the Committee pursuant to the provisions of the Plan shall be made in the Committee's sole discretion and shall be final and binding upon all persons, including the Company, its Subsidiaries and Holders.

(b) Incentive Stock Options. Anything in the Plan to the contrary notwithstanding, no term or provision of the Plan relating to Incentive Stock Options (including but limited to Stock Reload Options or Stock Appreciation rights granted in conjunction with an Incentive Stock Option) or any Agreement providing for Incentive Stock Options shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code, or, without the consent of the Holder(s) affected, to disqualify any Incentive Stock Option under such Section 422.

Section 3. Stock Subject to Plan.

3.1 Number of Shares. The total number of shares of common stock reserved and available for issuance under the Plan shall be 1,000,000 shares. Shares of common stock under the Plan may consist, in whole or in part, of authorized and unissued shares or treasury shares. If any shares of common stock that have been granted pursuant to a Stock Option cease to be subject to a Stock Option, or if any shares of common stock that are subject to any Stock Appreciation Right, Restricted Stock, Deferred Stock award, Reload Stock Option or Other Stock-Based Award granted hereunder are forfeited or any such award otherwise terminates without a payment being made to the Holder in the form of common stock, such shares shall again be available for distribution in connection with future grants and awards under the Plan. Only net shares issued upon a stock-for-stock exercise (including stock used for withholding taxes) shall be counted against the number of shares available under the Plan.

3.2 Adjustment Upon Changes in Capitalization, Etc. In the event of any merger, reorganization, consolidation, dividend (other than a cash dividend) payable on shares of common stock, stock split, reverse stock split, combination or exchange of shares, or other extraordinary or unusual event occurring after the grant of an award which results in a change in the shares of common stock of the Company as a whole, the Committee shall determine, in its sole discretion, whether such change equitably requires an adjustment in the terms of any award or the aggregate number of shares reserved for issuance under the Plan. Any such adjustments will be made by the Committee, whose determination will be final, binding and conclusive.

Section 4. Eligibility.

Awards may be made or granted to employees, officers, directors and consultants who are deemed to have rendered or to be able to render significant services to the Company or its Subsidiaries and who are deemed to have contributed or to have the potential to contribute to the success of the Company. No Incentive Stock Option shall be granted to any person who is not an employee of the Company or a Subsidiary at the time of grant.

Section 5. Stock Options.

5.1 Grant and Exercise. Stock Options granted under the Plan may be of two types: (i) Incentive Stock Options and (ii) Nonqualified Stock Options. Any Stock Option granted under the Plan shall contain such terms, not inconsistent with this Plan, or with respect to Incentive Stock Options, not inconsistent with the Plan and the Code, as the Committee may from time to time approve. The Committee shall have the authority to grant Incentive Stock Options or Non-Qualified Stock Options, or both types of Stock Options which may be granted alone or in addition to other awards granted under the Plan. To the extent that any Stock Option intended to qualify as an Incentive Stock Option does not so qualify, it shall constitute a separate Nonqualified Stock Option.

5.2 Terms and Conditions. Stock Options granted under the Plan shall be subject to the following terms and conditions:

(a) Option Term. The term of each Stock Option shall be fixed by the Committee; provided, however, that an Incentive Stock Option may be granted only within the ten-year period commencing from the Effective Date and may only be exercised within ten years of the date of grant (or five years in the case of an Incentive Stock Option granted to an optionee who, at the time of grant, owns common stock possessing more than 10% of the total combined voting power of all classes of stock of the Company ("10% Stockholder").

(b) Exercise Price. The exercise price per share of common stock purchasable under a Stock Option shall be determined by the Committee at the time of grant and may be less than 100% of the Fair Market Value on the day of grant; provided, however, that the exercise price of an Incentive Stock Option shall not be less than 100% of the Fair Market Value on the day of grant and, if granted to a 10% Stockholder, shall not be less than 110% of the Fair Market Value on the day of grant.

(c) Exercisability. Stock Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee. If the Committee provides, in its discretion, that any Stock Option is exercisable only in installments, i.e., that it vests over time, the Committee may waive such installment exercise provisions at any time at or after the time of grant in whole or in part, based upon such factors as the Committee shall determine.

(d) Method of Exercise. Subject to whatever installment, exercise and waiting period provisions are applicable in a particular case, Stock Options may be exercised in whole or in part at any time during the term of the Option, by giving written notice of exercise to the Company specifying the number of shares of common stock to be purchased. Such notice shall be accompanied by payment in full of the purchase price, which shall be in cash or, if provided in the Agreement, either in shares of common stock (including Restricted Stock and other contingent awards under this Plan) or partly in cash and partly in such common stock, or such other means which the Committee determines are consistent with the Plan's purpose and applicable law. Cash payments shall be made by wire transfer, certified or bank check or personal check, in each case payable to the order of the Company; provided, however, that the Company shall not be required to deliver certificates for shares of common stock with respect to which an Option is exercised until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof. Payments in the form of common stock shall be valued at the Fair Market Value on the date prior to the date of exercise. Such payments shall be made by delivery of stock certificates in negotiable form that are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Subject to the terms of the Agreement, the Committee may, in its sole discretion, at the request of the Holder, deliver upon the exercise of a Nonqualified Stock Option a combination of shares of Deferred Stock and common stock; provided that, notwithstanding the provisions of Section 8 of the Plan, such Deferred Stock shall be fully vested and not subject to forfeiture. A Holder shall have none of the rights of a Stockholder with respect to the shares subject to the Option until such shares shall be transferred to the Holder upon the exercise of the Option.

(e) Transferability. Except as may be set forth in the Agreement, no Stock Option shall be transferable by the Holder other than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the Holder's lifetime, only by the Holder (or, to the extent of legal incapacity or incompetency, the Holder's guardian or legal representative).

(f) Termination by Reason of Death. If a Holder's employment by the Company or a Subsidiary terminates by reason of death, any Stock Option held by such Holder, unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, shall be fully vested and may thereafter be exercised by the legal representative of the estate or by the legatee of the Holder under the will of the Holder, for a period of one year (or such other greater or lesser period as the Committee may specify at grant) from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(g) Termination by Reason of Disability. If a Holder's employment by the Company or any Subsidiary terminates by reason of Disability, any Stock Option held by such Holder, unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, shall be fully vested and may thereafter be exercised by the Holder for a period of one year (or such other greater or lesser period as the Committee may specify at the time of grant) from the date of such termination of employment or until the expiration of the stated term of such Stock Option, whichever period is the shorter.

(h) Other Termination. Subject to the provisions of Section 12.3, below, and unless otherwise determined by the Committee at the time of grant and set forth in the Agreement, if a Holder is an employee of the Company or a Subsidiary at the time of grant and if such Holder's employment by the Company or any Subsidiary terminates for any reason other than death or Disability, the Stock Option shall thereupon automatically terminate, except that if the Holder's employment is terminated by the Company or a Subsidiary without cause or due to Normal Retirement, then the portion of such Stock Option that has vested on the date of termination of employment may be exercised for the lesser of three months after termination of employment or the balance of such Stock Option's term.

(i) Additional Incentive Stock Option Limitation. In the case of an Incentive Stock Option, the aggregate Fair Market Value (on the date of grant of the Option) with respect to which Incentive Stock Options become exercisable for the first time by a Holder during any calendar year (under all such plans of the Company and its Parent and Subsidiary) shall not exceed $100,000.

(j) Buyout and Settlement Provisions. The Committee may at any time, in its sole discretion, offer to repurchase a Stock Option previously granted, based upon such terms and conditions as the Committee shall establish and communicate to the Holder at the time that such offer is made.

5.3 Stock Reload Option. If a Holder tenders shares of common stock to pay the exercise price of a Stock Option ("Underlying Option"), and/or arranges to have a portion of the shares otherwise issuable upon exercise withheld to pay the applicable withholding taxes, the Holder may receive, at the discretion of the Committee, a new Stock Reload Option to purchase that number of shares of common stock equal to the number of shares tendered to pay the exercise price and the withholding taxes (but only if such shares were held by the Holder for at least six months). Stock Reload Options may be any type of option permitted under the Code and will be granted subject to such terms, conditions, restrictions and limitations as may be determined by the Committee, from time to time. Such Stock Reload Option shall have an exercise price equal to the Fair Market Value as of the date of exercise of the Underlying Option. Unless the Committee determines otherwise, a Stock Reload Option may be exercised commencing one year after it is granted and shall expire on the date of expiration of the Underlying Option to which the Reload Option is related.

Section 6. Stock Appreciation Rights.

6.1 Grant and Exercise. The Committee may grant Stock Appreciation Rights to participants who have been, or are being granted, Stock Options under the Plan as a means of allowing such participants to exercise their Stock Options without the need to pay the exercise price in cash. In the case of a Nonqualified Stock Option, a Stock Appreciation Right may be granted either at or after the time of the grant of such Nonqualified Stock Option. In the case of an Incentive Stock Option, a Stock Appreciation Right may be granted only at the time of the grant of such Incentive Stock Option.

6.2 Terms and Conditions. Stock Appreciation Rights shall be subject to the following terms and conditions:

(a) Exercisability. Stock Appreciation Rights shall be exercisable as shall be determined by the Committee and set forth in the Agreement, subject to the limitations, if any, imposed by the Code, with respect to related Incentive Stock Options.

(b) Termination. A Stock Appreciation Right shall terminate and shall no longer be exercisable upon the termination or exercise of the related Stock Option.

(c) Method of Exercise. Stock Appreciation Rights shall be exercisable upon such terms and conditions as shall be determined by the Committee and set forth in the Agreement and by surrendering the applicable portion of the related Stock Option. Upon such exercise and surrender, the Holder shall be entitled to receive a number of shares of common stock equal to the SAR Value divided by the Fair Market Value on the date the Stock Appreciation Right is exercised.

(d) Shares Affected Upon Plan. The granting of a Stock Appreciation Right shall not affect the number of shares of common stock available under for awards under the Plan. The number of shares available for awards under the Plan will, however, be reduced by the number of shares of common stock acquirable upon exercise of the Stock Option to which such Stock Appreciation Right relates.

Section 7. Restricted Stock.

7.1 Grant. Shares of Restricted Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom, and the time or times at which, grants of Restricted Stock will be awarded, the number of shares to be awarded, the price (if any) to be paid by the Holder, the time or times within which such awards may be subject to forfeiture ("Restriction Period"), the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the awards.

7.2 Terms and Conditions. Each Restricted Stock award shall be subject to the following terms and conditions:

(a) Certificates. Restricted Stock, when issued, will be represented by a stock certificate or certificates registered in the name of the Holder to whom such Restricted Stock shall have been awarded. During the Restriction Period, certificates representing the Restricted Stock and any securities constituting Retained Distributions (as defined below) shall bear a legend to the effect that ownership of the Restricted Stock (and such Retained Distributions), and the enjoyment of all rights appurtenant thereto, are subject to the restrictions, terms and conditions provided in the Plan and the Agreement. Such certificates shall be deposited by the Holder with the Company, together with stock powers or other instruments of assignment, each endorsed in blank, which will permit transfer to the Company of all or any portion of the Restricted Stock and any securities constituting Retained Distributions that shall be forfeited or that shall not become vested in accordance with the Plan and the Agreement.

(b) Rights of Holder. Restricted Stock shall constitute issued and outstanding shares of common stock for all corporate purposes. The Holder will have the right to vote such Restricted Stock, to receive and retain all regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, pay or distribute on such Restricted Stock and to exercise all other rights, powers and privileges of a holder of common stock with respect to such Restricted Stock, with the exceptions that (i) the Holder will not be entitled to delivery of the stock certificate or certificates representing such Restricted Stock until the Restriction Period shall have expired and unless all other vesting requirements with respect thereto shall have been fulfilled; (ii) the Company will retain custody of the stock certificate or certificates representing the Restricted Stock during the Restriction Period; (iii) other than regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, pay or distribute, the Company will retain custody of all distributions ("Retained Distributions") made or declared with respect to the Restricted Stock (and such Retained Distributions will be subject to the same restrictions, terms and conditions as are applicable to the Restricted Stock) until such time, if ever, as the Restricted Stock with respect to which such Retained Distributions shall have been made, paid or declared shall have become vested and with respect to which the Restriction Period shall have expired; (iv) a breach of any of the restrictions, terms or conditions contained in this Plan or the Agreement or otherwise established by the Committee with respect to any Restricted Stock or Retained Distributions will cause a forfeiture of such Restricted Stock and any Retained Distributions with respect thereto.

(c) Vesting; Forfeiture. Upon the expiration of the Restriction Period with respect to each award of Restricted Stock and the satisfaction of any other applicable restrictions, terms and conditions (i) all or part of such Restricted Stock shall become vested in accordance with the terms of the Agreement, and (ii) any Retained Distributions with respect to such Restricted Stock shall become vested to the extent that the Restricted Stock related thereto shall have become vested. Any such Restricted Stock and Retained Distributions that do not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Restricted Stock and Retained Distributions that shall have been so forfeited.

Section 8. Deferred Stock.

8.1 Grant. Shares of Deferred Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom and the time or times at which grants of Deferred Stock will be awarded, the number of shares of Deferred Stock to be awarded to any person, the duration of the period ("Deferral Period") during which, and the conditions under which, receipt of the shares will be deferred, and all the other terms and conditions of the awards.

8.2 Terms and Conditions. Each Deferred Stock award shall be subject to the following terms and conditions:

(a) Certificates. At the expiration of the Deferral Period (or the Additional Deferral Period referred to in Section 8.2(d) below, where applicable), share certificates shall be issued and delivered to the Holder, or his legal representative, representing the number equal to the shares covered by the Deferred Stock award.

(b) Rights of Holder. A person entitled to receive Deferred Stock shall not have any rights of a Stockholder by virtue of such award until the expiration of the applicable Deferral Period and the issuance and delivery of the certificates representing such common stock. The shares of common stock issuable upon expiration of the Deferral Period shall not be deemed outstanding by the Company until the expiration of such Deferral Period and the issuance and delivery of such common stock to the Holder.

(c) Vesting; Forfeiture. Upon the expiration of the Deferral Period with respect to each award of Deferred Stock and the satisfaction of any other applicable restrictions, terms and conditions all or part of such Deferred Stock shall become vested in accordance with the terms of the Agreement. Any such Deferred Stock that does not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Deferred Stock.

(d) Additional Deferral Period. A Holder may request to, and the Committee may at any time, defer the receipt of an award (or an installment of an award) for an additional specified period or until a specified event ("Additional Deferral Period"). Subject to any exceptions adopted by the Committee, such request must generally be made at least one year prior to expiration of the Deferral Period for such Deferred Stock award (or such installment).

Section 9. Other Stock-Based Awards.

Other Stock-Based Awards may be awarded, subject to limitations under applicable law, that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of common stock, as deemed by the Committee to be consistent with the purposes of the Plan, including, without limitation, purchase rights, shares of common stock awarded which are not subject to any restrictions or conditions, convertible or exchangeable debentures, or other rights convertible into shares of common stock and awards valued by reference to the value of securities of or the performance of specified Subsidiaries. Other Stock-Based Awards may be awarded either alone or in addition to or in tandem with any other awards under this Plan or any other plan of the Company. Each other Stock-Based Award shall be subject to such terms and conditions as may be determined by the Committee.

Section 10. Amendment and Termination.

The Board may at any time, and from time to time, amend alter, suspend or discontinue any of the provisions of the Plan, but no amendment, alteration, suspension or discontinuance shall be made that would impair the rights of a Holder under any Agreement theretofore entered into hereunder, without the Holder's consent.

Section 11. Term of Plan.

11.1 Effective Date. The Plan shall be effective as of April 25, 2001 ("Effective Date"), provided, however, that if the Plan is not approved by the Company's stockholders within one year after the Effective Date, any Incentive Stock Options awarded under the Plan prior to the one year anniversary shall no longer be deemed Incentive Stock Options, but shall otherwise remain in full force and effect.

11.2 Termination Date. Unless terminated by the Board, this Plan shall continue to remain effective until such time as no further awards may be granted and all awards granted under the Plan are no longer outstanding. Notwithstanding the foregoing, grants of Incentive Stock Options may be made only during the ten year period following the Effective Date.

Section 12. General Provisions.

12.1 Written Agreements. Each award granted under the Plan shall be confirmed by, and shall be subject to the terms, of the Agreement executed by the Company and the Holder. The Committee may terminate any award made under the Plan if the Agreement relating thereto is not executed and returned to the Company within 10 days after the Agreement has been delivered to the Holder for his or her execution.

12.2 Unfunded Status of Plan. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Holder by the Company, nothing contained herein shall give any such Holder any rights that are greater than those of a general creditor of the Company.

12.3 Employees.

(a) Engaging in Competition With the Company; Disclosure of Confidential Information. If a Holder's employment with the Company or a Subsidiary is terminated for any reason whatsoever, and within 18 months after the date thereof such Holder either (i) accepts employment with any competitor of, or otherwise engages in competition with, the Company or (ii) discloses to anyone outside the Company or uses any confidential information or material of the Company in violation of the Company's policies or any agreement between the Holder and the Company, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any award that was realized or obtained by such Holder at any

time during the period beginning on that date that is six months prior to the date such Holder's employment with the Company is terminated.

(b) Termination for Cause. The Committee may, if a Holder's employment with the Company or a Subsidiary is terminated for cause, annul any award granted under this Plan to such employee and, in such event, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any award that was realized or obtained by such Holder at any time during the period beginning on that date that is six months prior to the date such Holder's employment with the Company is terminated.

(c) No Right of Employment. Nothing contained in the Plan or in any award hereunder shall be deemed to confer upon any Holder who is an employee of the Company or any Subsidiary any right to continued employment with the Company or any Subsidiary, nor shall it interfere in any way with the right of the Company or any Subsidiary to terminate the employment of any Holder who is an employee at any time.

12.4 Investment Representations; Company Policy. The Committee may require each person acquiring shares of common stock pursuant to a Stock Option or other award under the Plan to represent to and agree with the Company in writing that the Holder is acquiring the shares for investment without a view to distribution thereof. Each person acquiring shares of common stock pursuant to a Stock Option or other award under the Plan shall be required to abide by all policies of the Company in effect at the time of such acquisition and thereafter with respect to the ownership and trading of the Company's securities.

12.5 Additional Incentive Arrangements. Nothing contained in the Plan shall prevent the Board from adopting such other or additional incentive arrangements as it may deem desirable, including, but not limited to, the granting of Stock Options and the awarding of common stock and cash otherwise than under the Plan; and such arrangements may be either generally applicable or applicable only in specific cases.

12.6 Withholding Taxes. Not later than the date as of which an amount must first be included in the gross income of the Holder for Federal income tax purposes with respect to any option or other award under the Plan, the Holder shall pay to the Company, or make arrangements satisfactory to the Committee regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. If permitted by the Committee, tax withholding or payment obligations may be settled with common stock, including common stock that is part of the award that gives rise to the withholding requirement. The obligations of the Company under the Plan shall be conditioned upon such payment or arrangements and the Company or the Holder's employer (if not the Company) shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Holder from the Company or any Subsidiary.

12.7 Governing Law. The Plan and all awards made and actions taken thereunder shall be governed by and construed in accordance with the laws of the State of New York (without regard to choice of law provisions); *provided, however,* that all matters relating to or involving corporate law shall be governed by the laws of the State of Delaware.

12.8 Other Benefit Plans. Any award granted under the Plan shall not be deemed compensation for purposes of computing benefits under any retirement plan of the Company or any Subsidiary and shall not affect any benefits under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation (unless required by specific reference in any such other plan to awards under this Plan).

12.9 Non-Transferability. Except as otherwise expressly provided in the Plan or the Agreement, no right or benefit under the Plan may be alienated, sold, assigned, hypothecated, pledged, exchanged, transferred, encumbranced or charged, and any attempt to alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same shall be void.

12.10 Applicable Laws. The obligations of the Company with respect to all Stock Options and awards under the Plan shall be subject to (i) all applicable laws, rules and regulations and such approvals by any governmental agencies as may be required, including, without limitation, the Securities Act of 1933, as amended, and (ii) the rules and regulations of any securities exchange on which the common stock may be listed.

12.11 Conflicts. If any of the terms or provisions of the Plan or an Agreement conflict with the requirements of Section 422 of the Code, then such terms or provisions shall be deemed inoperative to the extent they so conflict with such requirements. Additionally, if this Plan or any Agreement does not contain any provision required to be included herein under Section 422 of the Code, such provision shall be deemed to be incorporated herein and therein with the same force and effect as if such provision had been set out at length herein and therein. If any of the terms or provisions of any Agreement conflict with any terms or provisions of the Plan, then such terms or provisions shall be deemed inoperative to the extent they so conflict with the requirements of the Plan. Additionally, if any Agreement does not contain any provision required to be included therein under the Plan, such provision shall be deemed to be incorporated therein with the same force and effect as if such provision had been set out at length therein.

12.12 Non-Registered Stock. The shares of common stock to be distributed under this Plan have not been, as of the Effective Date, registered under the Securities Act of 1933, as amended, or any applicable state or foreign securities laws and the Company has no obligation to any Holder to register the common stock or to assist the Holder in obtaining an exemption from the various registration requirements, or to list the common stock on a national securities exchange or any other trading or quotation system, including the Nasdaq National Market and Nasdaq SmallCap Market.

Exhibit 10.9

Approved by Board of Directors on May 7, 2005
Approved by Stockholders on _____

Index Development Partners, Inc.

2005 Performance Equity Plan

Section 1. Purpose; Definitions.

1.1 Purpose. The purpose of the Index Development Partners, Inc. 2005 Performance Equity Plan is to enable the Company to offer to its employees, officers, directors and consultants whose past, present and/or potential contributions to the Company and its Subsidiaries have been, are or will be important to the success of the Company, an opportunity to acquire a proprietary interest in the Company. The various types of long-term incentive awards that may be provided under the Plan will enable the Company to respond to changes in compensation practices, tax laws, accounting regulations and the size and diversity of its businesses.

1.2 Definitions. For purposes of the Plan, the following terms shall be defined as set forth below:

(a) "Agreement" means the agreement between the Company and the Holder, or such other document as may be determined by the Committee, setting forth the terms and conditions of an award under the Plan.

(b) "Board" means the Board of Directors of the Company.

(c) "Cause" means the termination of employment of a Holder by the Company for a reason defined by the Committee as being for cause for purposes of this Plan. Notwithstanding the forgoing, if a Holder is a party to a written agreement embodying the material terms of his employment by the Company or a Subsidiary and "cause" has been defined thereunder, the definition of "cause" contained in such written agreement shall control.

(d) (i) an unauthorized use or disclosure of the Company's or a Subsidiary's confidential information or trade secrets by a Holder, which use or disclosure causes material harm to the Company of the Subsidiary, (ii) a material breach of any agreement between the Company or a Subsidiary and the Holder that relates to or was entered into in connection with the Holder's employment by, or consultancy with, the Company or a Subsidiary ("Employment/Consulting Agreement"), (iii) a material failure to comply with the written policies or rules of the Company or a Subsidiary, (iv) conviction of, or plea of "guilty" or "no contest" to, a felony under the laws of the United States or any state thereof, (v) a continued failure to perform assigned duties, consistent with any Employment/Consulting Agreement, after receiving written notification of such failure from the Board, (vi) repeated acts of insubordination, or (vii) irresponsible, unauthorized acts or any willful misconduct, gross negligence or willful failure to act which has, or can reasonably be expected to have, a material

adverse effect on the business, financial condition or performance, reputation or prospects of the Company

(e) “Code” means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto, and the regulations promulgated thereunder.

(f) “Committee” means the Compensation Committee of the Board or any other committee of the Board that the Board may designate to administer the Plan or any portion thereof. If no Committee is so designated, then all references in this Plan to “Committee” shall mean the Board.

(g) “Common Stock” means the Common Stock of the Company, $0.01 par value per share.

(h) “Company” means Index Development Partners, Inc., a corporation organized under the laws of the State of Delaware.

(i) “Deferred Stock” means Common Stock to be received under an award made pursuant to Section 8, below, at the end of a specified deferral period.

(j) “Disability” means physical or mental impairment as determined under procedures established by the Committee for purposes of the Plan. Notwithstanding the forgoing, if a Holder is a party to a written agreement embodying the material terms of his employment by the Company or a Subsidiary and “disability” has been defined thereunder, the definition of “disability” contained in such written agreement shall control.

(k) “Effective Date” means the date set forth in Section 12.1 below.

(l) “Fair Market Value”, unless otherwise required by any applicable provision of the Code or any regulations issued thereunder, means, as of any given date: (i) if the Common Stock is listed on a national securities exchange or quoted on the Nasdaq National Market, Nasdaq SmallCap Market or the NASD OTC Bulletin Board, the last sale price of the Common Stock in the principal trading market for the Common Stock on such date, as reported by the exchange, Nasdaq or the NASD, as the case may be, or if no sale was reported on that date, then on the last preceding date on which such sale took place; (ii) if the Common Stock is not listed on a national securities exchange or quoted on the Nasdaq National Market, Nasdaq SmallCap Market or the NASD OTC Bulletin Board, but is traded in the residual over-the-counter market, the last sale price of the Common Stock on such date, as reported by Pinksheets, LLC or similar publisher of such information, or if no sale was reported on that date, then on the last preceding date on which such sale took place; and (iii) if the fair market value of the Common Stock cannot be determined pursuant to clause (i) or (ii) above, such price as the Committee shall determine, in good faith. Notwithstanding the foregoing, the Committee may use any other definition of Fair Market Value consistent with applicable tax, accounting and other rules.

(m) “Holder” means a person who has received an award under the Plan.

(n) “Incentive Stock Option” means any Stock Option intended to be and designated as an “incentive stock option” within the meaning of Section 422 of the Code.

(o) “Nonqualified Stock Option” means any Stock Option that is not an Incentive Stock Option.

(p) “Normal Retirement” means retirement from active employment with the Company or any Subsidiary on or after such age which may be designated by the Committee as “retirement age” for any particular Holder. If no age is designated, it shall be 62.

(q) “Other Stock-Based Award” means an award under Section 9, below, that is valued in whole or in part by reference to, or is otherwise based upon, Common Stock.

(r) “Parent” means any present or future “parent corporation” of the Company, as such term is defined in Section 424(e) of the Code.

(s) “Plan” means the Index Development Partners, Inc. 2005 Performance Equity Plan, as hereinafter amended from time to time.

(t) “Repurchase Value” shall mean the Fair Market Value in the event the award to be settled under Section 2.2(h) or repurchased under Section 10.2 is comprised of shares of Common Stock and the difference between Fair Market Value and the Exercise Price (if lower than Fair Market Value) in the event the award is a Stock Option or Stock Appreciation Right; in each case, multiplied by the number of shares subject to the award.

(u) “Restricted Stock” means Common Stock received under an award made pursuant to Section 7, below, that is subject to restrictions under said Section 7.

(v) “SAR Value” means the excess of the Fair Market Value (on the exercise date) over the exercise price that the participant would have otherwise had to pay to exercise the related Stock Option, multiplied by the number of shares for which the Stock Appreciation Right is exercised.

(w) “Stock Appreciation Right” means the right to receive from the Company, on surrender of all or part of the related Stock Option, without a cash payment to the Company, a number of shares of Common Stock equal to the SAR Value divided by the Fair Market Value (on the exercise date).

(x) “Stock Option” or “Option” means any option to purchase shares of Common Stock which is granted pursuant to the Plan.

(y) “Stock Reload Option” means any option granted under Section 5.3 of the Plan.

(z) “Subsidiary” means any present or future “subsidiary corporation” of the Company, as such term is defined in Section 424(f) of the Code.

(aa) “Vest” means to become exercisable or to otherwise obtain ownership rights in an award.

Section 2. Administration.

2.1 Committee Membership. The Plan shall be administered by the Board or a Committee. Committee members shall serve for such term as the Board may in each case determine, and shall be subject to removal at any time by the Board. If the Common Stock is registered under Section 12 of the Exchange Act, then the Committee members, to the extent possible and deemed to be appropriate by the Board, shall be “non-employee directors” as defined in Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (“Exchange Act”), and “outside directors” within the meaning of Section 162(m) of the Code.

2.2 Powers of Committee. The Committee shall have full authority to award, pursuant to the terms of the Plan: (i) Stock Options, (ii) Stock Appreciation Rights, (iii) Restricted Stock, (iv) Deferred Stock, (v) Stock Reload Options and/or (vi) Other Stock-Based Awards. For purposes of illustration and not of limitation, the Committee shall have the authority (subject to the express provisions of this Plan):

(a) to select the officers, employees, directors and consultants of the Company or any Subsidiary to whom Stock Options, Stock Appreciation Rights, Restricted Stock, Deferred Stock, Reload Stock Options and/or Other Stock-Based Awards may from time to time be awarded hereunder.

(b) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder (including, but not limited to, number of shares, share exercise price or types of consideration paid upon exercise of such options, such as other securities of the Company or other property, any restrictions or limitations, and any vesting, exchange, surrender, cancellation, acceleration, termination, exercise or forfeiture provisions, as the Committee shall determine);

(c) to determine any specified performance goals or such other factors or criteria which need to be attained for the vesting of an award granted hereunder;

(d) to determine the terms and conditions under which awards granted hereunder are to operate on a tandem basis and/or in conjunction with or apart from other equity awarded under this Plan and cash and non-cash awards made by the Company or any Subsidiary outside of this Plan;

(e) to permit a Holder to elect to defer a payment under the Plan under such rules and procedures as the Committee may establish, including the payment or crediting of interest on deferred amounts denominated in cash and of dividend equivalents on deferred amounts denominated in Common Stock;

(f) to determine the extent and circumstances under which Common Stock and other amounts payable with respect to an award hereunder shall be deferred that may be either automatic or at the election of the Holder;

(g) to substitute (i) new Stock Options for previously granted Stock Options, which previously granted Stock Options have higher option exercise prices and/or contain other less favorable terms, and (ii) new awards of any other type for previously granted awards of the same type, which previously granted awards are upon less favorable terms; and

(h) to make payments and distributions with respect to awards (i.e., to "settle" awards) through cash payments in an amount equal to the Repurchase Value.

Notwithstanding anything contained herein to the contrary, the Committee shall not grant to any one Holder in any one calendar year awards for more than 5,000,000 shares in the aggregate.

2.3 Interpretation of Plan.

(a) *Committee Authority.* Subject to Section 11, below, the Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall from time to time deem advisable to interpret the terms and provisions of the Plan and any award issued under the Plan (and to determine the form and substance of all Agreements relating thereto), and to otherwise supervise the administration of the Plan. Subject to Section 11, below, all decisions made by the Committee pursuant to the provisions of the Plan shall be made in the Committee's sole discretion and shall be final and binding upon all persons, including the Company, its Subsidiaries and Holders.

(b) *Incentive Stock Options.* Anything in the Plan to the contrary notwithstanding, no term or provision of the Plan relating to Incentive Stock Options (including but not limited to Stock Reload Options or Stock Appreciation rights granted in conjunction with an Incentive Stock Option) or any Agreement providing for Incentive Stock Options shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code or, without the consent of the Holder(s) affected, to disqualify any Incentive Stock Option under such Section 422.

Section 3. Stock Subject to Plan.

3.1 Number of Shares. The total number of shares of Common Stock reserved and available for issuance under the Plan shall be 10,000,000 shares. Shares of Common Stock under the Plan ("Shares") may consist, in whole or in part, of authorized and unissued shares or treasury shares. If any shares of Common Stock that have been granted pursuant to a Stock Option cease to be subject to a Stock Option, or if any shares of Common Stock that are subject to any Stock Appreciation Right, Restricted Stock award, Deferred Stock award, Reload Stock Option or Other Stock-Based Award granted hereunder are forfeited or any such award otherwise terminates without a payment being made to the Holder in the form of Common Stock, such shares shall again be available for distribution in connection with future grants and awards under the Plan. If a Holder pays the exercise price of a Stock Option by surrendering any previously owned shares and/or arranges to have the appropriate number of shares otherwise issuable upon exercise withheld to cover the withholding tax liability associated with the Stock Option exercise, then the number of shares available under the Plan shall be increased by the

lesser of (i) the number of such surrendered shares and shares used to pay taxes; and (ii) the number of shares purchased under such Stock Option.

3.2 Adjustment Upon Changes in Capitalization, Etc. In the event of any merger, reorganization, consolidation, common stock dividend payable on shares of Common Stock, Common Stock split or reverse split, combination or exchange of shares of Common Stock, or other extraordinary or unusual event which results in a change in the shares of Common Stock of the Company as a whole, the Committee shall determine, in its sole discretion, whether such change equitably requires an adjustment in the terms of any award (including number of shares subject to the award and the exercise price) or the aggregate number of shares reserved for issuance under the Plan. Any such adjustments will be made by the Committee, whose determination will be final, binding and conclusive.

Section 4. Eligibility.

Awards may be made or granted to employees, officers, directors and consultants who are deemed to have rendered or to be able to render significant services to the Company or its Subsidiaries and who are deemed to have contributed or to have the potential to contribute to the success of the Company. No Incentive Stock Option shall be granted to any person who is not an employee of the Company or a Subsidiary at the time of grant. Notwithstanding the foregoing, an award may be made or granted to a person in connection with his hiring or retention, or at any time on or after the date he reaches an agreement (oral or written) with the Company with respect to such hiring or retention, even though it may be prior to the date the person first performs services for the Company or its Subsidiaries; provided, however, that no portion of any such award shall vest prior to the date the person first performs such services.

Section 5. Stock Options.

5.1 Grant and Exercise. Stock Options granted under the Plan may be of two types: (i) Incentive Stock Options and (ii) Nonqualified Stock Options. Any Stock Option granted under the Plan shall contain such terms, not inconsistent with this Plan, or with respect to Incentive Stock Options, not inconsistent with the Plan and the Code, as the Committee may from time to time approve. The maximum number of Shares that may be issuable upon the exercise of Incentive Stock Options awarded under the Plan shall be 10,000,000. The Committee shall have the authority to grant Incentive Stock Options or Non-Qualified Stock Options, or both types of Stock Options which may be granted alone or in addition to other awards granted under the Plan. To the extent that any Stock Option intended to qualify as an Incentive Stock Option does not so qualify, it shall constitute a separate Nonqualified Stock Option.

5.2 Terms and Conditions. Stock Options granted under the Plan shall be subject to the following terms and conditions:

(a) *Option Term.* The term of each Stock Option shall be fixed by the Committee; provided, however, that an Incentive Stock Option may be granted only within the ten-year period commencing from the Effective Date and may only be exercised within ten years of the date of grant (or five years in the case of an Incentive Stock Option granted to an

optionee who, at the time of grant, owns Common Stock possessing more than 10% of the total combined voting power of all classes of voting stock of the Company ("10% Stockholder").

(b) *Exercise Price*. The exercise price per share of Common Stock purchasable under a Stock Option shall be determined by the Committee at the time of grant and may not be less than 100% of the Fair Market Value on the date of grant (or, if greater, the par value of a share of Common Stock); provided, however, that (i) the exercise price of an Incentive Stock Option granted to a 10% Stockholder shall not be less than 110% of the Fair Market Value on the date of grant; and (ii) if the Stock Option is granted in connection with the recipient's hiring, retention, reaching an agreement (oral or written) with the Company with respect to such hiring or retention, promotion or similar event, the option exercise price may be not less than the Fair Market Value on the date on which the recipient is hired or retained, reached such agreement with respect to such hiring or retention, or is promoted (or similar event), if the grant of the Stock Option occurs not more than 120 days after the date of such hiring, retention, agreement, promotion or other event.

(c) *Exercisability*. Stock Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee and as set forth in Section 10, below. If the Committee provides, in its discretion, that any Stock Option is exercisable only in installments, i.e., that it vests over time, the Committee may waive such installment exercise provisions at any time at or after the time of grant in whole or in part, based upon such factors as the Committee shall determine.

(d) *Method of Exercise*. Subject to whatever installment, exercise and waiting period provisions are applicable in a particular case, Stock Options may be exercised in whole or in part at any time during the term of the Option by giving written notice of exercise to the Company specifying the number of shares of Common Stock to be purchased. Such notice shall be accompanied by payment in full of the purchase price, which shall be in cash or, if provided in the Agreement, either in shares of Common Stock (including Restricted Stock and other contingent awards under this Plan) or partly in cash and partly in such Common Stock, or such other means which the Committee determines are consistent with the Plan's purpose and applicable law, including, but not limited to, permitting payment by surrender of a portion of the Stock Option that has a "value" equal to the difference between the purchase price of the Common Stock issuable upon exercise of the Option and the Fair Market Value on the date prior to exercise, multiplied by the number of Shares underlying the portion of the Stock Option being surrendered, all as may be set forth in the Agreement representing such Stock Option. Cash payments shall be made by wire transfer, certified or bank check or personal check, in each case payable to the order of the Company; provided, however, that the Company shall not be required to deliver certificates for shares of Common Stock with respect to which an Option is exercised until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof (except that, in the case of an exercise arrangement approved by the Committee and described in the last sentence of this paragraph, payment may be made as soon as practicable after the exercise). Payments in the form of Common Stock shall be valued at the Fair Market Value on the date prior to the date of exercise. Such payments shall be made by delivery of stock certificates in negotiable form that are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Subject to the terms of the Agreement, the Committee may, in its sole

discretion, at the request of the Holder, deliver upon the exercise of a Nonqualified Stock Option a combination of shares of Deferred Stock and Common Stock; provided, however, that, notwithstanding the provisions of Section 8 of the Plan, such Deferred Stock shall be fully vested and not subject to forfeiture. A Holder shall have none of the rights of a Stockholder with respect to the shares subject to the Option until such shares shall be transferred to the Holder upon the exercise of the Option. The Committee may permit a Holder to elect to pay the Exercise Price upon the exercise of a Stock Option by irrevocably authorizing a third party to sell shares of Common Stock (or a sufficient portion of the shares) acquired upon exercise of the Stock Option and remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price and any tax withholding resulting from such exercise.

(e) *Transferability*. Except as may be set forth in the next sentence of this Section or in the Agreement, no Stock Option shall be transferable by the Holder other than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the Holder's lifetime, only by the Holder (or, to the extent of legal incapacity or incompetency, the Holder's guardian or legal representative). Notwithstanding the foregoing, a Holder, with the approval of the Committee, may transfer a Stock Option (i) (A) by gift, for no consideration, or (B) pursuant to a domestic relations order, in either case, to or for the benefit of the Holder's "Immediate Family" (as defined below), or (ii) to an entity in which the Holder and/or members of Holder's Immediate Family own more than fifty percent of the voting interest, in exchange for an interest in that entity, subject to such limits as the Committee may establish and the execution of such documents as the Committee may require. In such event, the transferee shall remain subject to all the terms and conditions applicable to the Stock Option prior to such transfer. The term "Immediate Family" shall mean any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, including adoptive relationships, any person sharing the Holder's household (other than a tenant or employee), a trust in which these persons have more than fifty percent beneficial interest, and a foundation in which these persons (or the Holder) control the management of the assets.

(f) *Termination by Reason of Death*. If a Holder's employment by the Company or a Subsidiary terminates by reason of death, any Stock Option held by such Holder, unless otherwise determined by the Committee and set forth in the Agreement, shall thereupon automatically terminate, except that the portion of such Stock Option that has vested on the date of death may thereafter be exercised by the legal representative of the estate or by the legatee of the Holder under the will of the Holder, for a period of one year (or such other greater or lesser period as the Committee may specify in the Agreement) from the date of such death or until the expiration of the stated term of such Stock Option, whichever period is shorter.

(g) *Termination by Reason of Disability*. If a Holder's employment by the Company or any Subsidiary terminates by reason of Disability, any Stock Option held by such Holder, unless otherwise determined by the Committee and set forth in the Agreement, shall thereupon automatically terminate, except that the portion of such Stock Option that has vested on the date of termination may thereafter be exercised by the Holder for a period of one year (or such other greater or lesser period as the Committee may specify in the Agreement) from

the date of such termination of employment or until the expiration of the stated term of such Stock Option, whichever period is shorter.

(h) *Other Termination.* Subject to the provisions of Section 13.3, below, and unless otherwise determined by the Committee and set forth in the Agreement, if such Holder's employment or retention by, or association with, the Company or any Subsidiary terminates for any reason other than death or Disability, the Stock Option shall thereupon automatically terminate, except that if the Holder's employment is terminated by the Company or a Subsidiary without cause or due to Normal Retirement, then the portion of such Stock Option that has vested on the date of termination of employment may be exercised for the lesser of three months after termination of employment or the balance of such Stock Option's term.

(i) *Additional Incentive Stock Option Limitation.* In the case of an Incentive Stock Option, the aggregate Fair Market Value (on the date of grant of the Option) with respect to which Incentive Stock Options become exercisable for the first time by a Holder during any calendar year (under all such plans of the Company and its Parent and Subsidiaries) shall not exceed $100,000.

(j) *Buyout and Settlement Provisions*. The Committee may at any time, in its sole discretion, offer to repurchase a Stock Option previously granted, based upon such terms and conditions as the Committee shall establish and communicate to the Holder at the time that such offer is made.

5.3 Stock Reload Option. If a Holder tenders shares of Common Stock to pay the exercise price of a Stock Option ("Underlying Option") and/or arranges to have a portion of the shares otherwise issuable upon exercise withheld to pay the applicable withholding taxes, then the Holder may receive, at the discretion of the Committee, a new Stock Reload Option to purchase that number of shares of Common Stock equal to the number of shares tendered to pay the exercise price and the withholding taxes (but only if such tendered shares were held by the Holder for at least six months). Stock Reload Options may be any type of option permitted under the Code and will be granted subject to such terms, conditions, restrictions and limitations as may be determined by the Committee from time to time. Such Stock Reload Option shall have an exercise price equal to the Fair Market Value as of the date of exercise of the Underlying Option. Unless the Committee determines otherwise, a Stock Reload Option may be exercised commencing one year after it is granted and shall expire on the date of expiration of the Underlying Option to which the Reload Option is related.

Section 6. Stock Appreciation Rights.

6.1 Grant and Exercise. The Committee may grant Stock Appreciation Rights to participants who have been or are being granted Stock Options under the Plan as a means of allowing such participants to exercise their Stock Options without the need to pay the exercise price in cash. In the case of a Nonqualified Stock Option, a Stock Appreciation Right may be granted either at or after the time of the grant of such Nonqualified Stock Option. In the case of an Incentive Stock Option, a Stock Appreciation Right may be granted only at the time of the grant of such Incentive Stock Option.

6.2 Terms and Conditions. Stock Appreciation Rights shall be subject to the following terms and conditions:

(a) *Exercisability*. Stock Appreciation Rights shall be exercisable as shall be determined by the Committee and set forth in the Agreement, subject to the limitations, if any, imposed by the Code with respect to related Incentive Stock Options.

(b) *Termination*. A Stock Appreciation Right shall terminate and shall no longer be exercisable upon the termination or exercise of the related Stock Option.

(c) *Method of Exercise*. Stock Appreciation Rights shall be exercisable upon such terms and conditions as shall be determined by the Committee and set forth in the Agreement and by surrendering the applicable portion of the related Stock Option. Upon such exercise and surrender, the Holder shall be entitled to receive a number of shares of Common Stock equal to the SAR Value divided by the Fair Market Value on the date the Stock Appreciation Right is exercised.

(d) *Shares Affected Upon Plan*. The granting of a Stock Appreciation Right shall not affect the number of shares of Common Stock available under for awards under the Plan. The number of shares available for awards under the Plan will, however, be reduced by the number of shares of Common Stock acquirable upon exercise of the Stock Option to which such Stock Appreciation Right relates.

Section 7. Restricted Stock.

7.1 Grant. Shares of Restricted Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom, and the time or times at which, grants of Restricted Stock will be awarded, the number of shares to be awarded, the price (if any) to be paid by the Holder, the time or times within which such awards may be subject to forfeiture ("Restriction Period"), the vesting schedule and rights to acceleration thereof and all other terms and conditions of the awards.

7.2 Terms and Conditions. Each Restricted Stock award shall be subject to the following terms and conditions:

(a) *Certificates*. Restricted Stock, when issued, will be represented by a stock certificate or certificates registered in the name of the Holder to whom such Restricted Stock shall have been awarded. During the Restriction Period, certificates representing the Restricted Stock and any securities constituting Retained Distributions (as defined below) shall bear a legend to the effect that ownership of the Restricted Stock (and such Retained Distributions) and the enjoyment of all rights appurtenant thereto are subject to the restrictions, terms and conditions provided in the Plan and the Agreement. Such certificates shall be deposited by the Holder with the Company, together with stock powers or other instruments of assignment, each endorsed in blank, which will permit transfer to the Company of all or any portion of the Restricted Stock and any securities constituting Retained Distributions that shall be forfeited or that shall not become vested in accordance with the Plan and the Agreement.

(b) *Rights of Holder*. Restricted Stock shall constitute issued and outstanding shares of Common Stock for all corporate purposes. The Holder will have the right to vote such Restricted Stock, to receive and retain all regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, pay or distribute on such Restricted Stock and to exercise all other rights, powers and privileges of a holder of Common Stock with respect to such Restricted Stock, with the exceptions that (i) the Holder will not be entitled to delivery of the stock certificate or certificates representing such Restricted Stock until the Restriction Period shall have expired and unless all other vesting requirements with respect thereto shall have been fulfilled; (ii) the Company will retain custody of the stock certificate or certificates representing the Restricted Stock during the Restriction Period; (iii) other than regular cash dividends and other cash equivalent distributions as the Board may in its sole discretion designate, pay or distribute, the Company will retain custody of all distributions ("Retained Distributions") made or declared with respect to the Restricted Stock (and such Retained Distributions will be subject to the same restrictions, terms and conditions as are applicable to the Restricted Stock) until such time, if ever, as the Restricted Stock with respect to which such Retained Distributions shall have been made, paid or declared shall have become vested and with respect to which the Restriction Period shall have expired; (iv) a breach of any of the restrictions, terms or conditions contained in this Plan or the Agreement or otherwise established by the Committee with respect to any Restricted Stock or Retained Distributions will cause a forfeiture of such Restricted Stock and any Retained Distributions with respect thereto.

(c) *Vesting; Forfeiture*. Upon the expiration of the Restriction Period with respect to each award of Restricted Stock and the satisfaction of any other applicable restrictions, terms and conditions (i) all or part of such Restricted Stock shall become vested in accordance with the terms of the Agreement, subject to Section 10, below, and (ii) any Retained Distributions with respect to such Restricted Stock shall become vested to the extent that the Restricted Stock related thereto shall have become vested, subject to Section 10, below. Any such Restricted Stock and Retained Distributions that do not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Restricted Stock and Retained Distributions that shall have been so forfeited.

Section 8. Deferred Stock.

8.1 Grant. Shares of Deferred Stock may be awarded either alone or in addition to other awards granted under the Plan. The Committee shall determine the eligible persons to whom and the time or times at which grants of Deferred Stock will be awarded, the number of shares of Deferred Stock to be awarded to any person, the duration of the period ("Deferral Period") during which, and the conditions under which, receipt of the shares will be deferred, and all the other terms and conditions of the awards.

8.2 Terms and Conditions. Each Deferred Stock award shall be subject to the following terms and conditions:

(a) *Certificates*. At the expiration of the Deferral Period (or the Additional Deferral Period referred to in Section 8.2 (d) below, where applicable), share certificates shall

be issued and delivered to the Holder, or his legal representative, representing the number equal to the shares covered by the Deferred Stock award.

(b) *Rights of Holder.* A person entitled to receive Deferred Stock shall not have any rights of a Stockholder by virtue of such award until the expiration of the applicable Deferral Period and the issuance and delivery of the certificates representing such Common Stock. The shares of Common Stock issuable upon expiration of the Deferral Period shall not be deemed outstanding by the Company until the expiration of such Deferral Period and the issuance and delivery of such Common Stock to the Holder.

(c) *Vesting; Forfeiture.* Upon the expiration of the Deferral Period with respect to each award of Deferred Stock and the satisfaction of any other applicable restrictions, terms and conditions all or part of such Deferred Stock shall become vested in accordance with the terms of the Agreement, subject to Section 10, below. Any such Deferred Stock that does not vest shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Deferred Stock.

(d) *Additional Deferral Period.* A Holder may request to, and the Committee may at any time, defer the receipt of an award (or an installment of an award) for an additional specified period or until a specified event ("Additional Deferral Period"). Subject to any exceptions adopted by the Committee, such request must generally be made at least one year prior to expiration of the Deferral Period for such Deferred Stock award (or such installment).

Section 9. Other Stock-Based Awards.

Other Stock-Based Awards may be awarded, subject to limitations under applicable law, that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, shares of Common Stock, as deemed by the Committee to be consistent with the purposes of the Plan, including, without limitation, purchase rights, shares of Common Stock awarded which are not subject to any restrictions or conditions, convertible or exchangeable debentures, or other rights convertible into shares of Common Stock and awards valued by reference to the value of securities of or the performance of specified Subsidiaries. Other Stock-Based Awards may be awarded either alone or in addition to or in tandem with any other awards under this Plan or any other plan of the Company. Each other Stock-Based Award shall be subject to such terms and conditions as may be determined by the Committee.

Section 10. [Intentionally Omitted]

Section 11. Amendment and Termination.

The Board may at any time, and from time to time, amend alter, suspend or discontinue any of the provisions of the Plan, but no amendment, alteration, suspension or discontinuance shall be made that would impair the rights of a Holder under any Agreement theretofore entered into hereunder, without the Holder's consent, except as set forth in this Plan.

Section 12. Term of Plan.

12.1 Effective Date. The Plan shall be effective as of May 7, 2005 ("Effective Date"), provided, however, that if the Plan is not approved by the Company's stockholders within one year after the Effective Date, any Incentive Stock Options awarded under the Plan prior to the one year anniversary shall no longer be deemed Incentive Stock Options, but shall otherwise remain in full force and effect.

12.2 Termination Date. Unless terminated by the Board, this Plan shall continue to remain effective until such time as no further awards may be granted and all awards granted under the Plan are no longer outstanding. Notwithstanding the foregoing, grants of Incentive Stock Options may be made only during the ten year period following the Effective Date.

Section 13. General Provisions.

13.1 Written Agreements. Each award granted under the Plan shall be confirmed by, and shall be subject to the terms of, the Agreement executed by the Company and the Holder, or such other document as may be determined by the Committee. The Committee may terminate any award made under the Plan if the Agreement relating thereto is not executed and returned to the Company within 10 days after the Agreement has been delivered to the Holder for his or her execution.

13.2 Unfunded Status of Plan. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Holder by the Company, nothing contained herein shall give any such Holder any rights that are greater than those of a general creditor of the Company.

13.3 Employees.

(a) *Termination for Cause.* The Committee may, if a Holder's employment with the Company or a Subsidiary is terminated for cause, annul any award granted under this Plan to such employee and, in such event, the Committee, in its sole discretion, may require such Holder to return to the Company the economic value of any Shares that was realized or obtained by such Holder at any time during the period beginning on that date that is six months prior to the date such Holder's employment with the Company is terminated. In such event, Holder agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value of the Shares on the date of termination (or the sales price of such Shares if the Shares were sold during such six month period) and the price the Holder paid the Company for such Shares.

(b) *No Right of Employment.* Nothing contained in the Plan or in any award hereunder shall be deemed to confer upon any Holder who is an employee of the Company or any Subsidiary any right to continued employment with the Company or any Subsidiary, nor shall it interfere in any way with the right of the Company or any Subsidiary to terminate the employment of any Holder who is an employee at any time.

13.4 Investment Representations; Company Policy. The Committee may require each person acquiring shares of Common Stock pursuant to a Stock Option or other award under the

Plan to represent to and agree with the Company in writing that the Holder is acquiring the shares for investment without a view to distribution thereof. Each person acquiring shares of Common Stock pursuant to a Stock Option or other award under the Plan shall be required to abide by all policies of the Company in effect at the time of such acquisition and thereafter with respect to the ownership and trading of the Company's securities.

13.5 Additional Incentive Arrangements. Nothing contained in the Plan shall prevent the Board from adopting such other or additional incentive arrangements as it may deem desirable, including, but not limited to, the granting of Stock Options and the awarding of Common Stock and cash otherwise than under the Plan; and such arrangements may be either generally applicable or applicable only in specific cases.

13.6 Withholding Taxes. Not later than the date as of which an amount must first be included in the gross income of the Holder for Federal income tax purposes with respect to any Stock Option or other award under the Plan, the Holder shall pay to the Company, or make arrangements satisfactory to the Committee regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. If permitted by the Committee, tax withholding or payment obligations may be settled with Common Stock, including Common Stock that is part of the award that gives rise to the withholding requirement. The obligations of the Company under the Plan shall be conditioned upon such payment or arrangements and the Company or the Holder's employer (if not the Company) shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Holder from the Company or any Subsidiary.

13.7 Governing Law. The Plan and all awards made and actions taken thereunder shall be governed by and construed in accordance with the laws of the State of New York (without regard to choice of law provisions); provided, however, that all matters relating to or involving corporate law shall be governed by the laws of the State of Delaware.

13.8 Other Benefit Plans. Any award granted under the Plan shall not be deemed compensation for purposes of computing benefits under any retirement plan of the Company or any Subsidiary and shall not affect any benefits under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation (unless required by specific reference in any such other plan to awards under this Plan).

13.9 Non-Transferability. Except as otherwise expressly provided in the Plan or the Agreement, no right or benefit under the Plan may be alienated, sold, assigned, hypothecated, pledged, exchanged, transferred, encumbranced or charged, and any attempt to alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same shall be void.

13.10 Applicable Laws. The obligations of the Company with respect to all Stock Options and awards under the Plan shall be subject to (i) all applicable laws, rules and regulations and such approvals by any governmental agencies as may be required, including, without limitation, the Securities Act of 1933 (the "Securities Act"), as amended, and (ii) the rules and regulations of any securities exchange on which the Common Stock may be listed.

13.11 Conflicts. If any of the terms or provisions of the Plan or an Agreement conflict with the requirements of Section 422 of the Code, then such terms or provisions shall be deemed inoperative to the extent they so conflict with such requirements. Additionally, if this Plan or any Agreement does not contain any provision required to be included herein under Section 422 of the Code, such provision shall be deemed to be incorporated herein and therein with the same force and effect as if such provision had been set out at length herein and therein. If any of the terms or provisions of any Agreement conflict with any terms or provisions of the Plan, then such terms or provisions shall be deemed inoperative to the extent they so conflict with the requirements of the Plan. Additionally, if any Agreement does not contain any provision required to be included therein under the Plan, such provision shall be deemed to be incorporated therein with the same force and effect as if such provision had been set out at length therein.

13.12 Non-Registered Stock. The shares of Common Stock to be distributed under this Plan have not been, as of the Effective Date, registered under the Securities Act of 1933, as amended, or any applicable state or foreign securities laws and the Company has no obligation to any Holder to register the Common Stock or to assist the Holder in obtaining an exemption from the various registration requirements, or to list the Common Stock on a national securities exchange or any other trading or quotation system, including the Nasdaq National Market and Nasdaq SmallCap Market.

Exhibit 10.10

Approved by Board of Directors on August 15, 2007
Approved by Stockholders on August 20, 2007

Amendment to

WisdomTree Investments, Inc.

(formerly Index Development Partners, Inc.)

2005 Performance Equity Plan

Section 3.1 of the WisdomTree Investments, Inc. 2005 Performance Equity Plan ("Plan") is hereby amended to increase the total number of shares of Common Stock reserved and available for issuance under the Plan from 10,000,000 shares to 15,000,000 shares.

Exhibit 10.11

Approved by Board of Directors on February 5, 2010
Approved by Stockholders on_____

Amendment to

WisdomTree Investments, Inc.

(formerly Index Development Partners, Inc.)

2005 Performance Equity Plan

Section 3.1 of the WisdomTree Investments, Inc. 2005 Performance Equity Plan ("Plan") is hereby amended to increase the total number of shares of Common Stock reserved and available for issuance under the Plan from 15,000,000 shares to 21,000,000 shares.

Exhibit 10.12

RESTRICTED STOCK AGREEMENT

RESTRICTED STOCK AGREEMENT (the "Agreement"), effective as of the Grant Date (as defined below), by and between WisdomTree Investments, Inc., a Delaware corporation (the "Company"), and the employee of WisdomTree Asset Management, Inc. ("WTAM"), a wholly-owned subsidiary of the Company, whose name is set forth on the signature page of this Agreement (the "Employee").

WHEREAS, the Board of Directors of the Company (the "Board") or the Compensation Committee of the Board ("Committee") has authorized the issuance to Employee of an aggregate number of shares of the authorized but unissued common stock of the Company, $.01 par value, as set forth on Schedule A included on the signature page of this Agreement (the "Shares"), pursuant to the terms and conditions of the Company's 2005 Performance Equity Plan (the "Plan") and conditioned upon the Employee's acceptance thereof upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan; and

WHEREAS, the Employee desires to acquire the Shares on the terms and conditions set forth in this Agreement and subject to the terms of the Plan;

IT IS AGREED:

1. Grant of Shares.

1.1 The Company has issued to the Employee, effective as of the Grant Date set forth on Schedule A, the Shares on the terms and conditions set forth herein. Subject to Section 1.6 hereof, the Shares shall be subject to forfeiture in the event Employee's employment by WTAM is terminated prior to the Vesting Date set forth on the signature page of this Agreement. The period prior to the Vesting Date is considered the "Restriction Period" for the Shares. The Shares shall be registered in the name of the Employee but shall remain uncertificated until the Vesting Date.

1.2 The Shares shall constitute issued and outstanding shares of common stock for all corporate purposes, and the Employee shall have the right to vote such Shares, to receive and retain all cash dividends as the Board may, in its sole discretion, pay on such Shares, and to exercise all of the rights, powers and privileges of a holder of common stock with respect to such Shares, except that (a) the Employee shall not be entitled to delivery of a Share Certificate until the Shares vest in accordance with Section 1.3; and (b) other than cash dividends as the Board, in its sole discretion, distributes, the Company will retain custody of all distributions ("Retained Distributions") made or declared with respect to the Shares (and such Retained Distributions will be subject to the same restrictions, terms and conditions as applicable to the Shares) until such time, if ever, as the Shares with respect to which such Retained Distributions shall have been distributed have become vested.

1.3 If the Employee is still an employee of WTAM at the end of the Restriction Period, all the Shares shall vest and shall no longer be subject to forfeiture by the Employee. After the date that the Shares become vested, upon the request of the Employee, the Company, in its discretion, shall either instruct its transfer agent to issue and deliver to the Employee a certificate for the Shares that have vested or otherwise permit the Shares to be transferred by the Employee. Subject to the provisions of Section 1.6, if, at any time prior to the vesting of the Shares in accordance with the first sentence of this Section 1.3, Employee's employment is terminated, then the Shares that have not then vested (and the Retained Distributions with respect thereto) shall be forfeited to the Company and the Employee shall not thereafter have any rights with respect to such Shares (and the Retained Distributions with respect thereto). In such event, the Company is authorized by the Employee to instruct the Company's transfer agent to

cancel and return the Shares (and, if applicable, the Retained Distributions with respect thereto) to the status of authorized but unissued shares of Common Stock.

1.4 "Employment". The Employee shall be considered to be employed by WTAM pursuant to Section 1 if the Employee is a full-time employee of WTAM (or of the Company or any parent, subsidiary or affiliate of the Company) or, if the Committee (or the Board in the absence of a decision by the Committee or in over-riding the decision of the Committee) determines in its sole and absolute discretion, the Employee is rendering substantial services to the Company (or of any parent, subsidiary or affiliate of the Company, including WTAM) as a part-time employee, consultant or contractor of the Company (or of any parent, subsidiary or affiliate of the Company, including WTAM). The Committee (or the Board in the absence of a decision by the Committee or in over-riding the decision of the Committee) shall have the sole and absolute discretion to determine whether the Employee has ceased to be employed by WTAM and the effective date on which such employment terminated.

1.5 No Right to Employment. Nothing in the Plan or in this Agreement shall confer on the Employee any right to continue in the employ of, or other relationship with, WTAM or the Company (or with any parent, subsidiary or affiliate of the Company) or limit in any way the right of the WTAM and Company (or of any parent, subsidiary or affiliate of the Company) to terminate the Employee's employment or other relationship with WTAM or the Company (or with any parent, subsidiary or affiliate of the Company) at any time, with or without cause.

1.6 Acceleration of Vesting.

1.6.1 Upon a Change of Control. Notwithstanding the provisions of Section 1.3, in the event of a "change of control" (as defined below) while the Employee is employed by WTAM, the vesting of the Shares shall accelerate and all Shares shall be vested simultaneously with such change of control. For the purposes of this Agreement, a change of control shall mean (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")), other than a stockholder of the Company that, as of the date of this Agreement, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 10% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company or (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions, where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company.

1.6.2 In Certain Other Circumstances. If the Employee's employment is terminated prior to the Vesting Date, by WTAM for any reason other than (i) death, (ii) Disability or (iii) for Cause by the Company (as defined in the then effective Employment Agreement between the Employee and WTAM), or by the Employee for "good reason" (as defined in the then effective Employment Agreement between the Employee and WTAM), then all of the Shares that would otherwise have vested within one year following such termination shall immediately vest upon such termination.

2. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Employee for Federal income tax purposes with respect to the Shares, the Employee shall pay to WTAM, or make arrangements satisfactory to WTAM regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under the Plan and pursuant to this Agreement shall be conditional upon such payment or arrangements

with WTAM and WTAM shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Employee from WTAM.

3. Nonassignability of Shares. The Shares shall not be assignable or transferable until they have vested.

4. Company Representations. The Company hereby represents and warrants to the Employee that:

(i) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(ii) the Shares, when issued and delivered by the Company to the Employee in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

5. Employee Representations. The Employee hereby represents and warrants to the Company that:

(i) he or she is acquiring the Shares for his or her own account and not with a view towards the distribution thereof;

(ii) the Company has made available to him or her a copy of the Company's current information made available to the public pursuant to Commission Rule 15c2-11, and a copy of the Plan in effect as of the Grant Date;

(iii) he or she understands that he or she must bear the economic risk of the investment in the Shares, which cannot be sold by him or her unless they are registered under the Securities Act of 1933, as amended (the "1933 Act"), or an exemption therefrom is available thereunder; and he or she understands that the Company is under no obligation to register the Shares for sale under the 1933 Act;

(iv) he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Shares in the absence of registration under the 1933 Act or an exemption therefrom;

(vi) he or she understands and agrees that if a stock certificate evidencing the Shares is issued prior to the Vesting Date, it shall bear the following legend if the issuance of the Shares by the Company is not registered on the appropriate registration statement filed under the 1933 Act:

"The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended (the "Act') and may not be sold, pledged, hypothecated or otherwise transferred in the absence of an effective registration statement or an exemption therefrom under the Act."

and

(vii) he or she understands and agrees that if a stock certificate evidencing the Shares is issued prior to the Vesting Date it shall also bear the following legend:

"The shares represented by this certificate have been acquired pursuant to a Restricted Stock Agreement, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

6. Restriction on Transfer of Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 3 of this Agreement, the Employee hereby agrees that he of she shall not sell, transfer by any means or otherwise dispose of the Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Employee has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

7. Miscellaneous.

7.1 Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the Company and WTAM at their principal executive offices and to the Employee at his or her's last known residence address as indicated in the employment records of the Company or WTAM, as the case may be, or to such other address as either shall have specified by notice in writing to the others. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third business day following deposit in the United States mail as set forth above.

7.2 Plan Paramount; Conflicts with Plan. This Agreement shall, in all respects, be subject to the terms and conditions of the Plan, whether or not stated herein. In the event of a conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of the Plan shall in all respects be controlling.

7.3 Amendments; Waiver. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by this Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

7.4 Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. This Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the WTAM or the Company apply to the Employee and are inconsistent with the terms of this Agreement, the provisions of the Agreement shall control.

7.5 Binding Effect; Successors. This Agreement shall inure to the benefit of and be binding upon the parties hereto and, to the extent not prohibited herein, their respective heirs, successors, assigns and representatives.

7.6 Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

7.7 Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

7.8 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

7.9 Agreement to Arbitrate. The Employee, the Company and WTAM recognize that differences may arise between them during or following the Employee's employment by WTAM, and that those differences may or may not be related to the issuance of the Shares herein or to the Employee's employment. The Employee understands and agrees that by entering into this Agreement, the Employee anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 7.9 and its subparts, "Company" shall refer to the Company and to WTAM and all successors and assigns of either of them.

7.9.1 Arbitrable Claims.

(i) ALL DISPUTES BETWEEN THE EMPLOYEE (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, SHAREHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO EMPLOYEE'S EMPLOYMENT BY THE COMPANY OR WTAM, AS THE CASE MAY BE, OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS") SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in

violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 7.9.1(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE COMPANY AND THE EMPLOYEE HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, HOWEVER, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

7.9.2 Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Employee waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name List unstricken by parties, Employee shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Employee strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Employee shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial the Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Employee and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for

production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 7.9.1(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Employee and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in Section 7.9, the Employee and the Company shall equally share the fees and costs of the arbitration and the Arbitrator. The reference to "the fees and costs of the arbitration and the Arbitrator" in the preceding sentence is not intended to include the fees and expenses of either party's legal counsel or other advisors, but merely the fees and costs imposed on the parties by the AAA in connection with an arbitration conducted under the auspices of the AAA.

7.9.3 Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

7.9.4 Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of Section 7.9.

7.10 Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of restricted stock and actions of the Board or the Committee. The Company and the Employee agree that, subject to the agreement to arbitrate disputes set forth in Section 7.9, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any

party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, relating in any manner whatsoever to Employee's employment by the Company or WTAM, as the case may be, or to the termination thereof, including without limitation all disputes arising under this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 7.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 7.9. As used in this Section 7.10, "Company" shall refer to the Company and to WTAM and all successors and assigns of either of them.

[Balance of page left blank intentionally. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have signed this Restricted Stock Agreement effective as of the Grant Date indicated below.

WISDOMTREE INVESTMENTS, INC.

By: _____
Jonathan L. Steinberg, Chief Executive Officer

* *

Schedule A

Name of Employee: _____

Grant Date: _____ Total Number of Shares: _____

Vesting Date:
Number of Shares Vested on First Anniversary: _____
Number of Additional Shares Vested on Second Anniversary: _____
Number of Additional Shares Vested on Third Anniversary: _____
Number of Additional Shares Vested on Fourth Anniversary: _____

* *

Confirmation

WisdomTree Asset Management, Inc. hereby executes this Agreement solely to confirm its agreement to be bound by the term and provisions of Sections 7.9 and 7.10 hereof.

WISDOMTREE ASSET MANAGEMENT, INC.

By: _____
Jonathan L. Steinberg, Chief Executive Officer

Acceptance

The Employee hereby acknowledges: I have received a copy of this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 7.09 CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations and promises other than those contained in this Agreement. The Employee accepts these Shares subject to all the terms and conditions of this Agreement.

_____
EMPLOYEE SIGNATURE

Exhibit 10.13

RESTRICTED STOCK AGREEMENT

RESTRICTED STOCK AGREEMENT (the "Agreement"), effective as of the Grant Date (as defined below), by and between WisdomTree Investments, Inc., a Delaware corporation (the "Company"), and the employee of WisdomTree Asset Management, Inc. ("WTAM"), a wholly-owned subsidiary of the Company, whose name is set forth on the signature page of this Agreement (the "Employee").

WHEREAS, the Board of Directors of the Company (the "Board") or the Compensation Committee of the Board ("Committee") has authorized the issuance to Employee of an aggregate number of shares of the authorized but unissued common stock of the Company, $.01 par value, as set forth on Schedule A included on the signature page of this Agreement (the "Shares"), pursuant to the terms and conditions of the Company's 2005 Performance Equity Plan (the "Plan") and conditioned upon the Employee's acceptance thereof upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan; and

WHEREAS, the Employee desires to acquire the Shares on the terms and conditions set forth in this Agreement and subject to the terms of the Plan;

IT IS AGREED:

1. Grant of Shares.

1.1 The Company has issued to the Employee, effective as of the Grant Date set forth on Schedule A, the Shares on the terms and conditions set forth herein. Subject to Section 1.6 hereof, the Shares shall be subject to forfeiture in the event Employee's employment by WTAM is terminated prior to the Vesting Date set forth on the signature page of this Agreement. The period prior to the Vesting Date is considered the "Restriction Period" for the Shares. The Shares shall be registered in the name of the Employee but shall remain uncertificated until the Vesting Date.

1.2 The Shares shall constitute issued and outstanding shares of common stock for all corporate purposes, and the Employee shall have the right to vote such Shares, to receive and retain all cash dividends as the Board may, in its sole discretion, pay on such Shares, and to exercise all of the rights, powers and privileges of a holder of common stock with respect to such Shares, except that (a) the Employee shall not be entitled to delivery of a Share Certificate until the Shares vest in accordance with Section 1.3; and (b) other than cash dividends as the Board, in its sole discretion, distributes, the Company will retain custody of all distributions ("Retained Distributions") made or declared with respect to the Shares (and such Retained Distributions will be subject to the same restrictions, terms and conditions as applicable to the Shares) until such time, if ever, as the Shares with respect to which such Retained Distributions shall have been distributed have become vested.

1.3 If the Employee is still an employee of WTAM at the end of the Restriction Period, all the Shares shall vest and shall no longer be subject to forfeiture by the Employee. After the date that the Shares become vested, upon the request of the Employee, the Company, in its discretion, shall either instruct its transfer agent to issue and deliver to the Employee a certificate for the Shares that have vested or otherwise permit the Shares to be transferred by the Employee. Subject to the provisions of Section 1.6, if, at any time prior to the vesting of the Shares in accordance with the first sentence of this Section 1.3, Employee's employment is terminated by WTAM "for cause" as defined in Section 1.6 or if the Employee shall voluntarily terminate his or her employment by WTAM, then the Shares that have not then vested (and the Retained Distributions with respect thereto) shall be forfeited to the Company and the Employee shall not thereafter have any rights with respect to such Shares (and the Retained Distributions with respect thereto). In such event, the Company is authorized by the Employee to instruct the

Company's transfer agent to cancel and return the Shares (and, if applicable, the Retained Distributions with respect thereto) to the status of authorized but unissued shares of Common Stock.

1.4 "Employment". The Employee shall be considered to be employed by WTAM pursuant to Section 1 if the Employee is a full-time employee of WTAM (or of the Company or any parent, subsidiary or affiliate of the Company) or, if the Committee (or the Board in the absence of a decision by the Committee or in over-riding the decision of the Committee) determines in its sole and absolute discretion, the Employee is rendering substantial services to the Company (or of any parent, subsidiary or affiliate of the Company, including WTAM) as a part-time employee, consultant or contractor of the Company (or of any parent, subsidiary or affiliate of the Company, including WTAM). The Committee (or the Board in the absence of a decision by the Committee or in over-riding the decision of the Committee) shall have the sole and absolute discretion to determine whether the Employee has ceased to be employed by WTAM and the effective date on which such employment terminated

1.5 No Right to Employment. Nothing in the Plan or in this Agreement shall confer on the Employee any right to continue in the employ of, or other relationship with, WTAM or the Company (or with any parent, subsidiary or affiliate of the Company) or limit in any way the right of the WTAM and Company (or of any parent, subsidiary or affiliate of the Company) to terminate the Employee's employment or other relationship with WTAM or the Company (or with any parent, subsidiary or affiliate of the Company) at any time, with or without cause.

1.6 Acceleration of Vesting.

1.6.1 [Intentional Omitted.]

1.6.2 In Certain Circumstances. If the Employee's employment by WTAM is terminated, prior to the Vesting Date, by WTAM for any reason other than for "cause" (as defined in the then effective Employment Agreement between the Employee and WTAM), including without limitation, termination by reason of death, disability, a general reduction in force or for any other reason, or, notwithstanding the provisions of Section 1.3, if the Employee shall terminate his employment by WTAM for "good reason" (as defined in the then effective Employment Agreement between the Employee and WTAM), then all of the Shares shall immediately vest upon such termination.

2. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Employee for Federal income tax purposes with respect to the Shares, the Employee shall pay to WTAM, or make arrangements satisfactory to WTAM regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under the Plan and pursuant to this Agreement shall be conditional upon such payment or arrangements with WTAM and WTAM shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Employee from WTAM.

3. Nonassignability of Shares. The Shares shall not be assignable or transferable until they have vested.

4. Company Representations. The Company hereby represents and warrants to the Employee that:

(i) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(ii) the Shares, when issued and delivered by the Company to the Employee in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

5. Employee Representations. The Employee hereby represents and warrants to the Company that:

(i) he or she is acquiring the Shares for his or her own account and not with a view towards the distribution thereof;

(ii) the Company has made available to him or her a copy of the Company's current information made available to the public pursuant to Commission Rule 15c2-11, and a copy of the Plan in effect as of the Grant Date;

(iii) he or she understands that he or she must bear the economic risk of the investment in the Shares, which cannot be sold by him or her unless they are registered under the Securities Act of 1933, as amended (the "1933 Act"), or an exemption therefrom is available thereunder; and he or she understands that the Company is under no obligation to register the Shares for sale under the 1933 Act;

(iv) he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Shares in the absence of registration under the 1933 Act or an exemption therefrom;

(vi) he or she understands and agrees that if a stock certificate evidencing the Shares is issued prior to the Vesting Date, it shall bear the following legend if the issuance of the Shares by the Company is not registered on the appropriate registration statement filed under the 1933 Act:

"The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended (the "Act') and may not be sold, pledged, hypothecated or otherwise transferred in the absence of an effective registration statement or an exemption therefrom under the Act."

and

(vii) he or she understands and agrees that if a stock certificate evidencing the Shares is issued prior to the Vesting Date it shall also bear the following legend:

"The shares represented by this certificate have been acquired pursuant to a Restricted Stock Agreement, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

6. Restriction on Transfer of Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 3 of this Agreement, the Employee hereby agrees that he of she shall not sell, transfer by any means or otherwise dispose of the Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Employee has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

7. Miscellaneous.

7.1 Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the Company and WTAM at their principal executive offices and to the Employee at his or her's last known residence address as indicated in the employment records of the Company or WTAM, as the case may be, or to such other address as either shall have specified by notice in writing to the others. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third business day following deposit in the United States mail as set forth above.

7.2 Plan Paramount; Conflicts with Plan. This Agreement shall, in all respects, be subject to the terms and conditions of the Plan, whether or not stated herein. In the event of a conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of the Plan shall in all respects be controlling.

7.3 Amendments; Waiver. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by this Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

7.4 Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. This Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the WTAM or the Company apply to the Employee and are inconsistent with the terms of this Agreement, the provisions of the Agreement shall control.

7.5 Binding Effect; Successors. This Agreement shall inure to the benefit of and be binding upon the parties hereto and, to the extent not prohibited herein, their respective heirs, successors, assigns and representatives.

7.6 Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

7.7 Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

7.8 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

7.9 Agreement to Arbitrate. The Employee, the Company and WTAM recognize that differences may arise between them during or following the Employee's employment by WTAM, and that those differences may or may not be related to the issuance of the Shares herein or to the Employee's employment. The Employee understands and agrees that by entering into this Agreement, the Employee anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 7.9 and its subparts, "Company" shall refer to the Company and to WTAM and all successors and assigns of either of them.

7.9.1 Arbitrable Claims.

(i) ALL DISPUTES BETWEEN THE EMPLOYEE (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, SHAREHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO EMPLOYEE'S EMPLOYMENT BY THE COMPANY OR WTAM, AS THE CASE MAY BE, OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS") SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 7.9.1(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE COMPANY AND THE EMPLOYEE HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, HOWEVER, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

7.9.2 Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration. Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Employee waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name List unstricken by parties, Employee shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Employee strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Employee shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial the Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Employee and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or

a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 7.9.1(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Employee and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in Section 7.9, the Employee and the Company shall equally share the fees and costs of the arbitration and the Arbitrator. The reference to "the fees and costs of the arbitration and the Arbitrator" in the preceding sentence is not intended to include the fees and expenses of either party's legal counsel or other advisors, but merely the fees and costs imposed on the parties by the AAA in connection with an arbitration conducted under the auspices of the AAA.

7.9.3 Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

7.9.4 Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of Section 7.9.

7.10 Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of restricted stock and actions of the Board or the Committee. The Company and the Employee agree that, subject to the agreement to arbitrate disputes set forth in Section 7.9, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, relating in any manner whatsoever to Employee's employment by the Company or WTAM, as the case may be, or to the termination thereof, including without limitation all disputes arising under this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any

Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 7.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 7.9. As used in this Section 7.10, "Company" shall refer to the Company and to WTAM and all successors and assigns of either of them.

[Balance of page left blank intentionally. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have signed this Restricted Stock Agreement effective as of the Grant Date indicated below.

WISDOMTREE INVESTMENTS, INC.

By: _____
Jonathan L. Steinberg, Chief Executive Officer

* *

Schedule A

Name of Employee: _____

Grant Date: _____ Total Number of Shares: _____

Vesting Date:
Number of Shares Vested on First Anniversary of Grant Date: _____

* *

Confirmation

WisdomTree Asset Management, Inc. hereby executes this Agreement solely to confirm its agreement to be bound by the term and provisions of Sections 7.9 and 7.10 hereof.

WISDOMTREE ASSET MANAGEMENT, INC.

By: _____
Jonathan L. Steinberg, Chief Executive Officer

Acceptance

The Employee hereby acknowledges: I have received a copy of this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 7.09 CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations and promises other than those contained in this Agreement. The Employee accepts these Shares subject to all the terms and conditions of this Agreement.

_____
EMPLOYEE SIGNATURE

Exhibit 10.14

STOCK OPTION AGREEMENT

STOCK OPTION AGREEMENT (the "Agreement"), effective as of the Grant Date (as defined below), by and between WisdomTree Investments, Inc., a Delaware corporation (the "Company"), and the employee of WisdomTree Asset Management, Inc. ("WTAM"), a wholly-owned subsidiary of the Company, whose name is set forth on the signature page of this Agreement (the "Employee").

WHEREAS, effective as of the Grant Date set forth on Schedule A included on the signature page of this Agreement (the "Grant Date"), the Board of Directors of the Company (the "Board") or the Compensation Committee of the Board (the "Committee") authorized the grant to the Employee of an option (the "Option") to purchase an aggregate of number of shares of the authorized but unissued common stock, $.01 par value, of the Company ("Common Stock") as set forth on Schedule A, pursuant to the terms and conditions of the Company's 2005 Performance Equity Plan (the "Plan"), conditioned upon the Employee's acceptance of the grant of the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan; and

WHEREAS, the Employee desires to acquire the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Employee the Option to purchase all or any part of an aggregate number of shares of Common Stock as set forth on Schedule A ("Option Shares") on the terms and conditions set forth herein and subject to the terms of the Plan.

2. Non-Qualified Stock Option. The Option represented hereby is not intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price per share of the Option is as set forth on Schedule A, subject to adjustment as hereinafter provided. The exercise price is at least 100% of the Fair Market Value (as defined in the Plan) of the Company's Common Stock on the Grant Date.

4. Exercisability. This Option shall be exercisable, subject to the terms and conditions of this Agreement, as set forth on Schedule A. After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on the day immediately preceding the tenth anniversary of the Grant Date ("Exercise Period"). Notwithstanding the forgoing vesting provisions of this Section 4, in the event of a "change of control" (as defined below) while the Employee is employed by WTAM, the vesting of this Option shall accelerate and all the Option Shares shall be purchasable by Employee simultaneous with such change of control. For the purposes of this Agreement, a change of control shall mean (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")), other than a stockholder of the Company that, as of the close of business on the date of this Agreement, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 10% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company or (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions,

where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company.

5. Effect of Termination of Employment.

5.1 Termination Due to Death. If Employee's employment by WTAM terminates by reason of death, the portion of the Option, if any, that was exercisable as of the date of death may thereafter be exercised by the legal representative of the estate or by the legatee of the Employee under the will of the Employee for a period of one (1) year from the date of such death or until the expiration of the Exercise Period, whichever period is shorter. The portion of the Option, if any, which was not exercisable as of the date of death, shall immediately expire upon death.

5.2 Termination Due to Disability. If Employee's employment by WTAM terminates by reason of Disability, the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by Employee for a period of one (1) year from the date of termination of employment or until the expiration of the Exercise Period, whichever period is shorter. The portion of the Option, if any, which was not exercisable as of the date of such termination of employment, shall immediately expire on the date of such termination of employment.

5.3 Other Termination.

(a) Termination by WTAM.

(i) Without Cause. Subject to Sections 5.1 and 5.2, if Employee's employment is terminated by WTAM for any reason other than for Cause, then the portion of the Option, if any, that was exercisable as of the date of termination of employment, as well as any portion that would have otherwise vested during the one (1) year period immediately following the date of termination of employment, may thereafter be exercised by the Employee for a period of three (3) years from the date of termination of employment or until the expiration of the Exercise Period, whichever is shorter. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment and which would not have otherwise vested during the one (1) year period immediately following the date of termination of employment, shall immediately expire on the date of such termination of employment.

(ii) For Cause. If the Employee's employment is terminated by WTAM for Cause, (i) this Option, whether or not exercisable, shall immediately expire and (ii) the Company may require the Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of such termination of employment. In such event, the Employee hereby agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value of the Option Shares on the date of such termination of employment (or the sales price of such shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such shares.

(b) Termination by Employee.

(i) For "good reason". If Employee's employment by WTAM is terminated by Employee for "good reason" (as defined in the then effective employment agreement between the Employee and WTAM), then the portion of the Option, if any, that was exercisable as of the date of termination of employment, as well as any portion that would have otherwise vested during the one (1) year period immediately following the date of termination of employment, may thereafter be exercised by the Employee for a period of three (3) years from the date of termination of employment or until the expiration of the Exercise Period, whichever is shorter. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment and which would not have otherwise vested during the one (1) year period immediately following the date of termination of employment, shall immediately expire on the date of such termination of employment.

(ii) For other then 'good reason". If Employee's employment by WTAM is terminated by Employee for any reason other than "good reason" (as defined in the then effective employment agreement between the Employee and WTAM), then the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee until ninety (90) days from the date of termination of employment or until the expiration of the Exercise Period, whichever is shorter. The portion of the Option, if any, which was not exercisable as of the date of such termination of employment, shall immediately expire on the date of such termination of employment.

5.4 "Employment". The Employee shall be considered to be employed by WTAM pursuant to this Section 5 if the Employee is an officer, director or full-time employee of the WTAM (or of the Company or any parent, subsidiary or affiliate of the Company) or if the Committee (or the Board in the absence of a decision by the Committee or in over-riding the decision of the Committee) determines in its sole and absolute discretion that the Employee is rendering substantial services to the Company as a part-time employee, consultant or contractor of the Company (or of any parent, subsidiary or affiliate of the Company, including WTAM). The Committee (or the Board in the absence of a decision by the Committee or in over-riding the decision of the Committee) shall have the sole and absolute discretion to determine whether the Employee has ceased to be employed by the WTAM and the effective date on which such employment terminated.

5.5 No Right to Employment. Nothing in this Agreement shall confer on the Employee any right to continue in the employ of, or other relationship with, WTAM or the Company (or with any parent, subsidiary or affiliate of the Company) or limit in any way the right of WTAM or the Company (or of any parent, subsidiary or affiliate of the Company) to terminate the Employee's employment or other relationship with WTAM or the Company (or with any parent, subsidiary or affiliate of the Company) at any time, with or without cause.

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Employee for Federal income tax purposes with respect to the Option, the Employee shall pay to WTAM, or make arrangements satisfactory to WTAM regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under the Plan and pursuant to this Agreement shall be conditional upon such payment or arrangements with WTAM and WTAM shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Employee from WTAM.

7. Adjustments. In the event of any merger, reorganization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or similar change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Employee's proportionate interest in the Company and Employee's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Method of Exercise.

8.1 Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

8.2 Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Employee (or, in the discretion of the Company, arrange for electronic credit of the Option Shares to an account maintained by Employee at a brokerage firm designated by the Employee) as soon as practicable after payment therefor.

8.3 Payment of Purchase Price. The Employee shall make payment for the Option Shares by any one or more of the following methods set forth in this Section 8.3.

8.3.1 Cash Payment. The Employee shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

8.3.2 Payment through Bank or Broker. The Employee may make arrangements satisfactory to the Company with a bank or a broker who is member of a national securities exchange or of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

8.3.3 Cashless Payment.

(a) The Employee may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Employee for more than six (6) months (and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission

("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Employee in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at Fair Market Value on the date of exercise.

(b) If, at the time the Employee desires to exercise all or a part of the Option, the Option Shares have not been registered under the Securities Act of 1933, as amended ("1933 Act"), and under the Securities Exchange Act of 1934, as amended ("Exchange Act"), then, at the election of the Employee, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total Fair Market Value of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option.

8.3.4 Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of "recapture" under Section 16(b) of the Exchange Act; or (ii) such shares of Common Stock may not be sold or transferred to the Company.

9. Market Standoff Agreement. The Employee agrees that, in connection with the first firm commitment underwritten public offering of the Company's securities after November 10, 2004 that raises at least $15,000,000 in gross proceeds, upon the request of the Company or the underwriters managing any public offering of the Company's securities, the Employee will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 8.3.2, but expressly excluding the use of Common Stock in connection with the exercise method set forth in Section 8.3.3.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration, not exceeding one hundred eighty (180) days, as the Company or the underwriters may specify for the Company's employee stockholders generally; provided, that all executive officers, directors and holders of more than 5% of the Company's then outstanding capital stock agree to the same restriction. The Employee understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

10. Notice of Disqualifying Disposition of Incentive Stock Option Shares. If the Option granted to the Employee herein is an Incentive Stock Option, and if the Employee sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second anniversary of the Grant Date, or (b) the first anniversary of the date of exercise of such Option Shares, the Employee shall immediately notify the Company in writing of such sale or disposition. The Employee acknowledges and agrees that the Employee may be subject to income and other tax withholding by the Company on the compensation income recognized by the Employee from any such sale or disposition. The Employee hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in Employee's account(s) with such broker(s), as the Company may request. The Employee agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Employee and the Company.

11. Nonassignability. The Option shall not be assignable or transferable except by will or by the laws of descent and distribution in the event of the death of the Employee. Notwithstanding the foregoing, the Employee, with the approval of the Committee, may transfer the Option (i) (A) by gift, for no consideration, or (B) pursuant to a domestic relations order, in either case, to or for the benefit of the Employee's Immediate Family (as defined in the Plan), or (ii) to an entity in which the Employee and/or members of the Employee's Immediate Family own more than fifty percent of the voting interest, in exchange for an interest in that entity, provided that such transfer is being made for estate, tax and/or personal planning purposes and will not have adverse tax consequences to the Company and subject to such limits as the Committee may establish and the execution of such documents as the Committee may require. In such event, the transferee shall remain subject to all the terms and conditions applicable to the Option prior to such transfer.

12. Company Representations. The Company hereby represents and warrants to the Employee that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Employee in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

13. Employee Representations. The Employee hereby represents and warrants to the Company that:

(a) he or she is acquiring the Option and shall acquire the Option Shares for his or her own account and not with a view towards the distribution thereof;

(b) the Company has made available to his or her a copy of the Company's current information made available to the public pursuant to Commission Rule 15c2-11, and a copy of the Plan in effect as of the Grant Date;

(c) he or she understands that he or she must bear the economic risk of the investment in the Option Shares, which cannot be sold by him or her unless they are registered under the

1933 Act or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) in his or her position with the Company, he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) he or she understands and agrees that the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have not been registered under the Securities Act of 1933, as amended (the "Act") and may not be sold, pledged, hypothecated or otherwise transferred in the absence of an effective registration statement or an exemption therefrom under the Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement between the Company and the holder, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

14. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Sections 9 and 11 of this Agreement, the Employee hereby agrees that he or she shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Employee has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

15. Miscellaneous.

15.1 Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the Company and WTAM at their principal executive offices and to the Employee at his or her last known residence address as indicated in the employment records of the Company or WTAM as the case may be, or to such other address as either shall have specified by notice in writing to the others. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third business day following deposit in the United States mail as set forth above.

15.2 Plan Paramount; Conflicts with Plan. This Agreement and the Option shall, in all respects, be subject to the terms and conditions of the Plan, whether or not stated therein. In the event of a conflict between the provision of the Plan and the provisions of this Agreement, the provisions of the Plan shall in all respects be controlling.

15.3 Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by this Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

15.4 Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. This Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of WTAM or the Company apply to the Employee and are inconsistent with the terms of the Agreement, the provisions of this Agreement shall control.

15.5 Binding Effect; Successors. This Agreement shall inure to the benefit of and be binding upon the parties hereto and, to the extent not prohibited herein, their respective heirs, successors, assigns and representatives.

15.6 Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

15.7 Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

15.8 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

15.9 No Duty to Disclose. The Employee acknowledges and agrees that, except for the information provided to the Employee by the Company pursuant to Sections 13(b) and 13(d) prior to execution of this Agreement, neither the Company nor any of the Company's officers, directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Employee any information whatsoever, including but not limited to information concerning the Company that might

if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to Plan to effect a merger or to acquire or dispose of a material amount of assets. The Employee acknowledges and understands that he or she (a) might exercise his or her Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise his or her Option (or a portion thereof) and sell, pledge or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Employee acknowledges and agrees that he or she will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Employee's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

15.10 Agreement to Arbitrate. The Employee, the Company and WTAM recognize that differences may arise between them during or following the Employee's employment by WTAM, and that those differences may or may not be related to the grant of the Option herein or to the Employee's employment. The Employee understands and agrees that by entering into this Agreement, the Employee anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 15.10 and its subparts, the "Company" shall refer to the Company and to WTAM and all successors and assigns of either of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE EMPLOYEE (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, STOCKHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO EMPLOYEE'S EMPLOYMENT BY THE COMPANY OR WTAM, AS THE CASE MAY BE, OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS"), SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 15.10(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE COMPANY AND THE EMPLOYEE HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) Notwithstanding anything herein to the contrary, the Company may enforce in court, without prior resort to arbitration, any claim concerning actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company and/or to enforce any restrictive covenant contained in the then effective employment agreement between WTAM and the Employee. The court shall determine whether

a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company and/or the enforcement of any restrictive covenant contained in the then effective employment agreement between WTAM and the Employee.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration. Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Employee waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name List unstricken by parties, Employee shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Employee strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Employee shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Employee and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to

dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 15.10(a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Employee and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 15.10, the Employee and the Company shall equally share the fees and costs of the arbitration and the Arbitrator. The reference to "the fees and costs of the arbitration and the Arbitrator" in the preceding sentence is not intended to included the fees and expense of either party's legal counsel or other advisors, but merely the fees and costs imposed on the parties by the AAA in connection with an arbitration conducted under the auspices of the AAA.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 15.10.

15.11 Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Board or Committee. The Company and the Employee agree that, subject to the agreement to arbitrate disputes set forth in Section 15.10, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party, relating in any manner whatsoever to Employee's employment by the Company or WTAM, as the case may be, or to the termination thereof, including without limitation all disputes arising this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York

in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 15.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 15.10. As used in this Section 15.11, the "Company" shall refer to the Company and to WTAM and all successors and assigns of either of them.

[Balance of page left blank intentionally. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have signed this Stock Option Agreement effective as of the Grant Date indicated below.

WISDOMTREE INVESTMENTS, INC.

By: _____
Jonathan L. Steinberg, Chief Executive Officer

* *

Schedule A

Name of Employee: _____ Grant Date: _____

Total Number of Option Shares: _____ Exercise Price: $_____

Number of Option Shares Exercisable on First Anniversary of Grant Date: _____
Number of Additional Option Shares Exercisable on Second Anniversary of Grant Date: _____
Number of Additional Option Shares Exercisable on Third Anniversary of Grant Date: _____
Number of Additional option Shares Exercisable on Fourth Anniversary of Grant Date: _____

* *

Confirmation

WisdomTree Asset Management, Inc. hereby executes this Agreement solely to confirm its agreement to be bound by the term and provisions of Sections 15.10 and 15.11 hereof.

WISDOMTREE ASSET MANAGEMENT, INC.

By: _____
Jonathan L. Steinberg, Chief Executive Officer

Acceptance

The Employee hereby acknowledges: I have received a copy of this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 15.10 CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations and promises other than those contained in this Agreement. The Employee accepts these Shares subject to all the terms and conditions of this Agreement.

_____
EMPLOYEE SIGNATURE

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

Insert Date: _____

WisdomTree Investments, Inc.
380 Madison Avenue, 21st Floor
New York, New York 10017

Attention: Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of _____ ("Agreement") with WisdomTree Investments, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase _____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check] payable to the order of "Individual Investor Group, Inc." in the sum of $_____;

( ) confirmation of wire transfer in the amount of $_____;

( ) certificate for _____ shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as such term is defined in the defined in the 2005 Performance Equity Plan) of $_____; and/or

( ) the surrender of that portion of the Option representing the right to purchase_____ Option Shares with a "value" as defined in Section 8.3.3 (b) of the Agreement.

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders, or a copy of the Company's current information made available to the public pursuant to Commission Rule 15c2-1;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) in my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of the this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement between the Company and the holder, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature)	(Address)
(Print Name)	(Address)
(Social Security Number)	

Exhibit 10.15

RESTRICTED STOCK AGREEMENT

RESTRICTED STOCK AGREEMENT (the "Agreement"), effective as of the Grant Date (as defined below), by and between WisdomTree Investments, Inc., a Delaware corporation (the "Company"), and _____, a member of the Board of Directors of the Company ("Holder').

WHEREAS, on _____ ("Grant Date"), the Board of Directors of the Company authorized the issuance to Holder of_____ shares of the authorized but unissued common stock of the Company, $.01 par value (the "Shares"), pursuant to the terms and conditions of the Company's 2005 Performance Equity Plan (the "Plan") and conditioned upon the Holder's acceptance thereof upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan; and

WHEREAS, the Holder desires to acquire the Shares on the terms and conditions set forth in this Agreement and subject to the terms of the Plan;

IT IS AGREED:

1. Grant of Shares.

1.1 The Company has issued to the Holder, effective as of the Grant Date set forth on Schedule A, the Shares on the terms and conditions set forth herein. Subject to Section 3 hereof, the Shares shall be subject to forfeiture in the event the Holder shall no longer serve as a member of the Board of Directors of the Company for any reason prior to the following dates: (i) prior to the first anniversary of the Grant Date, all of the Shares shall be forfeited, (ii) on or after the first anniversary of the Grant Date and prior to the second anniversary of the Grant Date, all of the Shares excepted for _____ shares shall be forfeited, (iii) on or after the second anniversary of the Grant Date and prior to the third anniversary of the Grant Date, all of the Shares except for _____ Shares shall be forfeited and (iv) on or after the third anniversary of the Grant Date, no Shares shall be forfeited (each period described in clauses (i) through (iii) is considered a "Restriction Period" with respect to the applicable number of Shares). The Shares shall be registered in the name of the Employee but shall remain uncertificated until the applicable Restriction Period has expired.

1.2 The Shares shall constitute issued and outstanding shares of common stock for all corporate purposes, and the Holder shall have the right to vote such Shares, to receive and retain all cash dividends as the Board may, in its sole discretion, pay on such Shares, and to exercise all of the rights, powers and privileges of a holder of common stock with respect to such Shares, except that (a) the Holder shall not be entitled to delivery of a Share Certificate until the Shares represented by such Share Certificate vest in accordance with Section 1.3; and (b) other than cash dividends as the Board, in its sole discretion, distributes, the Company will retain custody of all distributions ("Retained Distributions") made or declared with respect to the Shares (and such Retained Distributions will be subject to the same restrictions, terms and conditions as applicable to the Shares) until such time, if ever, as the Shares with respect to which such Retained Distributions shall have been distributed have become vested.

1.3 If the Holder is still a member of the Board of Directors of the Company the end of a Restriction Period, all the Shares that are no longer subject to forfeiture shall vest and shall no longer be subject to forfeiture by the Holder. After the date that any Shares become vested, upon the request of the Holder, the Company, in its discretion, shall either instruct its transfer agent to issue and deliver to the Holder a certificate for the Shares that have vested or otherwise permit the Shares that have vested to be transferred by the Holder. Subject to the provisions of Section 1.4, if, at any time prior to the vesting of the Shares in accordance with the first sentence of this Section 1.3, the Holder shall no longer be a member of

the Board of Directors of the Company, then the Shares that have not then vested (and the Retained Distributions with respect thereto) shall be forfeited to the Company and the Holder shall not thereafter have any rights with respect to such Shares (and the Retained Distributions with respect thereto). In such event, the Company is authorized by the Holder to instruct the Company's transfer agent to cancel and return the Shares (and, if applicable, the Retained Distributions with respect thereto) to the status of authorized but unissued shares of Common Stock.

1.4 Acceleration of Vesting Upon a Change of Control. Notwithstanding the provisions of Section 1.3, in the event of a "change of control" (as defined below) while the Holder is a member of the Board of Directors of the Company, the vesting of the Shares shall accelerate and all Shares shall be vested simultaneously with such change of control. For the purposes of this Agreement, a change of control shall mean (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")), other than a stockholder of the Company that, as of the date of this Agreement, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 10% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company or (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions, where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company.

2. Nonassignability of Shares. The Shares shall not be assignable or transferable until they have vested.

3. Company Representations. The Company hereby represents and warrants to the Holder that:

(i) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(ii) the Shares, when issued and delivered by the Company to the Holder in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

4. Holder Representations. The Holder hereby represents and warrants to the Company that:

(i) he or she is acquiring the Shares for his or her own account and not with a view towards the distribution thereof;

(ii) the Company has made available to him or her a copy of the Company's current information made available to the public pursuant to Commission Rule 15c2-11, and a copy of the Plan in effect as of the Grant Date;

(iii) he or she understands that he or she must bear the economic risk of the investment in the Shares, which cannot be sold by him or her unless they are registered under the Securities Act of 1933, as amended (the "1933 Act"), or an exemption therefrom is available thereunder; and he or she understands that the Company is under no obligation to register the Shares for sale under the 1933 Act;

(iv) he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Shares in the absence of registration under the 1933 Act or an exemption therefrom;

(vi) he or she understands and agrees that if a stock certificate evidencing the Shares is issued prior the expiration of an applicable Restriction Period, it shall bear the following legend if the issuance of the Shares is not registered on the appropriate registration statement filed under the 1933 Act:

> "The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended (the "Act') and may not be sold, pledged, hypothecated or otherwise transferred in the absence of an effective registration statement or an exemption therefrom under the Act."

and

(vii) he or she understands and agrees that if a stock certificate evidencing the Shares is issued prior to the expiration of an applicable Restriction Period it shall also bear the following legend:

> "The shares represented by this certificate have been acquired pursuant to a Restricted Stock Agreement, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

5. Restriction on Transfer of Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 2 of this Agreement, the Holder hereby agrees that he of she shall not sell, transfer by any means or otherwise dispose of the Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Holder has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

6. Miscellaneous.

6.1 Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the Company at its principal executive offices and to the Holder at his or her's last known residence address as indicated in the records of the Company, or to such other address as either shall have specified by notice in writing to the others. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third business day following deposit in the United States mail as set forth above.

6.2 Plan Paramount; Conflicts with Plan. This Agreement shall, in all respects, be subject to the terms and conditions of the Plan, whether or not stated herein. In the event of a conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of the Plan shall in all respects be controlling.

6.3 Amendments; Waiver. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by this Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

6.4 Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. This Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the Company apply to the Holder and are inconsistent with the terms of this Agreement, the provisions of the Agreement shall control.

6.5 Binding Effect; Successors. This Agreement shall inure to the benefit of and be binding upon the parties hereto and, to the extent not prohibited herein, their respective heirs, successors, assigns and representatives.

6.6 Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

6.7 Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

6.8 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

6.9 Agreement to Arbitrate. The Holder and the Company recognize that differences may arise between them during or following the Holder's tenure as a member of the Board of Directors of the Company, and that those differences may or may not be related to the issuance of the Shares herein or to the Holder's tenure as a director of the Company. The Holder understands and agrees that by entering into this Agreement, the Holder anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 6.9 and its subparts, "Company" shall also refer to all

benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

6.9.1 Arbitrable Claims.

(i) ALL DISPUTES BETWEEN THE HOLDER (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, SHAREHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO HOLDER'S EMPLOYMENT BY THE COMPANY OR WTAM, AS THE CASE MAY BE, OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS") SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 6.9.1(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE COMPANY AND THE HOLDER HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, HOWEVER, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

6.9.2 Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Holder waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than

one common name remains on the Name List unstricken by parties, Holder shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Holder strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Holder shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial the Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Holder and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 7.9.1(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Holder and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in Section 6.9, the Holder and the Company shall equally share the fees and costs of the arbitration and the Arbitrator. The reference to "the fees and costs of the arbitration and the Arbitrator" in the preceding sentence is not intended to include the fees and expenses of either party's legal counsel or other advisors, but merely the fees and costs imposed on the parties by the AAA in connection with an arbitration conducted under the auspices of the AAA.

6.9.3 Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with

the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

6.9.4 Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of Section 6.9.

6.10 Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of restricted stock and actions of the Board or the Committee. The Company and the Holder agree that, subject to the agreement to arbitrate disputes set forth in Section 6.9, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, related to this Agreement this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 6.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 6.9.

[Balance of page left blank intentionally. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have signed this Restricted Stock Agreement effective as of the Grant Date indicated below.

WISDOMTREE INVESTMENTS, INC.

By: _____

Jonathan L. Steinberg, Chief Executive Officer

Acceptance

The Holder hereby acknowledges: I have received a copy of this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 6.9 CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations and promises other than those contained in this Agreement. The Holder accepts these Shares subject to all the terms and conditions of this Agreement.

_____

HOLDER'S SIGNATURE

Exhibit 10.16

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Agreement") is entered into as of _____, by and between WISDOMTREE INVESTMENTS, INC, a Delaware corporation (the "Company"), and _____ (the "Optionholder").

WHEREAS, on _____ (the "Grant Date"), the Board of Directors of the Company (the "Board"), authorized the grant to Optionholder of an option (the "Option") to purchase an aggregate of ____ shares of the authorized but unissued Common Stock of the Company, $.01 par value (the "Common Stock"), pursuant to the terms and conditions of the Company's 2005 Performance Equity Plan (the "Plan"), conditioned upon the Optionholder's acceptance of the grant of the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan; and

WHEREAS, the Optionholder desires to acquire the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Optionholder the Option to purchase all or any part of an aggregate of____ shares of Common Stock (the "Option Shares") on the terms and conditions set forth herein and subject to the provisions of the Plan.

2. Non-Qualified Stock Option. The Option represented hereby is not intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price of the Option is $____ per share, subject to adjustment as hereinafter provided. The exercise price is at least 100% of the Fair Market Value (as defined in the Plan) of the Company's Common Stock as of the date of this Agreement.

4. Exercisability. This Option shall be exercisable as to____ shares on each of the first four anniversaries of the Grant Date. After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on the day immediately preceding the tenth anniversary of the Grant Date ("Exercise Period"). Notwithstanding the forgoing vesting provisions of this Section 4, in the event of a "change of control" (as defined below) while the Optionholder is a director of the Company, the vesting of this Option shall accelerate and all the Option Shares shall be purchasable by the Optionholder simultaneous with such change of control. For the purposes of this Agreement, a change of control shall mean (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Securities Exchange

Act of 1934, as amended ("Exchange Act")), other than a stockholder of the Company that, as of the close of business on the date of this Agreement, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 10% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company or (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions, where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company.

5. Effect of Termination of Directorship.

5.1. Termination Due to any Reason Other than Removal For Cause. If the Optionholder's status as a Director of the Company terminates due to any reason other than removal for cause, the portion of the Option, if any, that was exercisable as of the date of termination may thereafter be exercised by the Optionholder until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of termination shall immediately expire upon termination.

5.2. Termination Due to Removal for Cause. If the Optionholder's status as a Director of the Company terminates by reason of removal for cause, then (a) the Option shall immediately terminate and (b) the Company may require the Optionholder to return to the Company the economic value of any Option Shares purchased hereunder by the Optionholder within the six (6) month period prior to the date of such removal. In such event, the Optionholder hereby agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value (as defined in the Plan) the Option Shares on the date of such removal (or the sales price of such Shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such Shares, net of any taxes paid by the Optionholder in connection with the vesting, exercise or sale of the Option (or Option Shares). For purposes of this Agreement, "cause" shall be limited to: (i) any material breach of fiduciary duty by the Optionholder, but only if such material breach shall not have been corrected within ten business days of his receipt of written notice from the Company of the occurrence of such material breach; (ii) the Optionholder's being convicted of, or pleading guilty or nolo contendere to a felony, misdemeanor (other than, if applicable, minor traffic violations) or crime of moral turpitude; or (iii) the commission by the Optionholder of an act of dishonesty, fraud or embezzlement against the Company.

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Optionholder for Federal income tax purposes with respect to the Option, the Optionholder shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under the Plan and pursuant to this Agreement shall be conditional upon such payment or arrangements with the Company and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any

kind otherwise due to the Optionholder from the Company.

7. Adjustments. In the event of any merger, reorganization, consolidation, recapitalization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or other change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Optionholder's proportionate interest in the Company and Optionholder's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Method of Exercise.

8.1. Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

8.2. Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Optionholder as soon as practicable after payment therefor.

8.3. Payment of Purchase Price. The Optionholder shall make pay for the Option Shares by any one or more of the following methods set forth in this Section 8.3.

8.3.1. Cash Payment. The Optionholder shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

8.3.2. Payment through Bank or Broker. The Optionholder may make arrangements satisfactory to the Company with a bank or a broker who is member of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable

withholding taxes to the Company, immediately upon receipt of the Option Shares.

8.3.3. Cashless Payment.

(a) The Optionholder may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Optionholder for more than six (6) months (and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission ("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Optionholder in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at the Fair Market Value.

(b) At the election of the Optionholder, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total Fair Market of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option.

8.3.4. Payment of Withholding Tax. Any required withholding tax may be paid in cash, with Common Stock or by the surrender of an unexercised portion of the Option in accordance with Sections 8.3.1., 8.3.2 and 8.3.3.

8.3.5. Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of "recapture" under Section 16(b) of the Securities Exchange Act of 1934; as amended (the "Exchange Act"), or (ii) such shares of Common Stock may not be sold or transferred to the Company; or (iii) such transfer could create legal difficulties for the Company.

9. Market Standoff Agreement. The Optionholder agrees that, at any time that The Optionholder would be deemed to be an "affiliate" (as defined under the Exchange Act) of the Company, in connection with next firm commitment underwritten public of the Company's securities following the date of this Agreement that will raise at least $15,000,000 in gross proceeds, upon the request of the Company or the underwriters managing such public offering of the Company's securities, the Optionholder will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 8.3.2., but expressly excluding the use of Common Stock in connection with the exercise method set forth in Section 8.3.3.) or any other securities of the Company without the prior written consent of the

Company or such underwriters, as the case may be, for such period of time from the effective date of such registration not exceeding 180 days and otherwise as the Company or the underwriters may specify for the Company's Optionholder shareholders generally; provided, that all executive officers, directors and holders of more than 5% of the Company's then outstanding capital stock agree to the same restriction. The Optionholder understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

10. Notice of Disqualifying Disposition of ISO Shares. If the Option granted to the Optionholder herein is an ISO, and if the Optionholder sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second (2nd) anniversary of the Grant Date, or (b) the first (1st) anniversary of the date of exercise of such Option Shares, the Optionholder shall immediately notify the Company in writing of such sale or disposition. The Optionholder acknowledges and agrees that the Optionholder may be subject to income and other tax withholding by the Company on the compensation income recognized by the Optionholder from any such sale or disposition, by payment in cash (or in shares of Common Stock, to the extent permissible under Section 8.3.4.) or out of the current wages or other earnings payable to Optionholder. The Optionholder hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in Optionholder's account(s) with such broker(s), as the Company may request. The Optionholder agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Optionholder and the Company.

11. Nonassignability. The Option shall not be assignable or transferable without the consent of the Company and unless the Company shall have been furnished with written notice thereof and a copy of such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of the Option.

12. [Intentionally omitted.]

13. Company Representations. The Company hereby represents and warrants to the Director that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Director in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

14. Optionholder Representations. The Optionholder hereby represents and warrants to the

Company that:

(a) it is acquiring the Option and shall acquire the Option Shares for its own account and not with a view towards the distribution thereof;

(b) it has received a copy of all reports and documents required to be filed by the Company with the Commission pursuant to the Exchange Act within the last 24 months and all reports issued by the Company to its stockholders and a copy of the Plan in effect as of the date of this Agreement;

(c) it understands that it must bear the economic risk of the investment in the Option Shares, which cannot be sold by it unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) as a result of the Optionholder's position with the Company, Optionholder has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) it is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) The certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

15. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 12 of this Agreement, the Optionholder hereby agrees that it shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by it without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the it has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

16. [Intentionally omitted.]

17. Miscellaneous.

17.1. Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third (3rd) business day following deposit in the United States mail as set forth above.

17.2. Plan Paramount; Conflicts with Plan. This Agreement and the Option shall, in all respects, be subject to the terms and conditions of the Plan, whether or not stated therein. In the event of a conflict between the provision of the Plan and the provisions of this Agreement, the provisions of the Plan shall in all respects be controlling. Notwithstanding the foregoing, the Company hereby represents and warrants to the Optionholder that the provisions of this Agreement do not conflict with the provisions of the Plan.

17.3. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon the Optionholder and the Optionholder's heirs, executors, administrators, legal representatives, successors and assigns.

17.4. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto and supersede all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. The Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the Company apply to the Optionholder and are inconsistent with the terms of the Agreement, the provisions of the Agreement shall control.

17.5. Amendments; Waivers. The Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties (in the case of the Company, such instrument must be signed by the President or Chief Executive Officer of the Company to be effective). No failure to exercise and no delay in exercising any right, remedy, or power under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under the Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by the Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

17.6. Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

17.7. Attorneys' Fees. In the event of any arbitration or litigation between the parties arising under or related to this Agreement (a "Covered Dispute"), the substantially prevailing party in the Covered Dispute (the "Prevailing Party") shall be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged therefor by the persons providing the services, reasonable fees and/or allocated costs of staff (in-house) counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions therefrom, in addition to any other relief to which the Prevailing Party may be entitled. A party to a Covered Dispute shall be the Prevailing Party in such Covered Dispute if the claims against such party are dismissed at any stage in the arbitration or litigation.

17.8. Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Company's board of directors or any committee thereof. The parties agree that, subject to the agreement to arbitrate disputes set forth in Section 17.12, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, related to this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 17.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 17.12.

17.9. No Duty to Disclose. The Optionholder acknowledges and agrees that, except for the information provided to the Optionholder by the Company pursuant to Section 15(b) and 15(d) prior to execution of this Agreement, neither the Company nor any of the Company's officers, directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Optionholder any information whatsoever, including but not limited to information concerning the Company that might if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to plans to effect a merger or to acquire or dispose of a material amount of assets. The Optionholder acknowledges and understands that it (a) might exercise its Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise its Option (or a portion thereof) and sell, pledge or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Director acknowledges and agrees that it will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Optionholder's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

17.10. Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

17.11 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

17.12. Agreement to Arbitrate. The Optionholder and the Company recognize that differences may arise between them during or following the Optionholder's tenure as a director of the Company, and that those differences may or may not be related to the grant of the Option herein or to the Optionhodler's tenure as a director of the Company. The Optionholder understands and agrees that by entering into this Agreement, the Optionholder anticipate the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 17.12 and its subparts, the "Company" shall also refer to all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE OPTIONHOLDER (AND ITS PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES,

SHAREHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO THE OPTIONHOLDER'S TENURE AS A DIRECTOR OF THE COMPANY OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS") SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 17.12(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE PARTIES HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, HOWEVER, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within two (2) years of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Director waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA

gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name Lists unstricken by parties, Director shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Director strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Director shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial the Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Director and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 17.12(a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Director and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 17.12 and in Section 17.7, the Director and the Company shall equally share the fees and costs of the arbitration and the Arbitrator.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, None of the parties shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 17.12.

WISDOMTREE INVESTMENTS, INC.
380 Madison Avenue, 21st Floor,
New York, New York 10017

By: _____

Jonathan L. Steinberg
Chief Executive Officer

Acceptance

The Optionholder hereby acknowledges: I have received a copy of this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 17.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement, the Optionholder accept this Option subject to all the terms and conditions of this Agreement.

The Optionholder acknowledges that there may be adverse tax consequences upon exercise of this Option or disposition of the Option Shares and that the Optionholder should consult a tax adviser prior to such exercise or disposition.

Dated:

_____

Address: _____

_____

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

DATED: _____

WisdomTree Investments, Inc.
380 Madison Avenue, 21st Floor
New York, New York 10017

Attention: Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of August 25, 2008 ("Agreement") with WisdomTree Investments, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase ____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check] payable to the order of "WisdomTree Investments, Inc." in the sum of $____;

( ) confirmation of wire transfer in the amount of $____; and/or

( ) certificate for shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as defined in Section 5.2) of $____.

( ) the surrender of that portion of the Option representing the right to purchase_____ Option Shares with a "value" as defined in Section 8.3.3 (b) of the Agreement.

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders, or a copy of the Company's current information made available to the public pursuant to Commission Rule 15c2-1;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) As a result of my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to

clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature)	(Address)
(Print Name)	(Address)
(Social Security Number)	

Exhibit 10.17

AMENDMENT TO STOCK OPTION AGREEMENT(S)

This Amendment to one or more Stock Option Agreements (the "Amendment") is entered into effective as of January 26, 2009 (the "Restructure Date"), by and between WisdomTree Investments, Inc., a Delaware corporation (the "Company"), and the employee of WisdomTree Asset Management, Inc. ("WTAM"), a wholly-owned subsidiary of the Company, whose name is set forth on the signature page of this Amendment (the "Employee").

WHEREAS, the Company, WTAM and Employee have entered into one or more Stock Option Agreement prior to the date hereof (individually "Stock Option Agreement" and collectively "Stock Option Agreements") pursuant to which the Employee accepted one or more grants of an option (a singular grant an "Option" and multiple grants "Options") to purchase shares of common stock of the Company that vest and become exercisable in four annual installments of 25% each as reflected in the Stock Option Agreements; and

WHEREAS, the Options are exercisable at an exercise price per share higher than $1.07 per share; and

WHEREAS, on January 26, 2009, the Compensation Committee of the Board of Directors of the Company authorized Employee the opportunity to exercise the Options at an alternative exercise price per share of $1.07 subject to the terms and conditions set forth in this Amendment.

NOW, THEREFORE, IT IS AGREED:

1. Amendment to Section 3 of the Stock Option Agreements. The text of Section 3 of each of the Option Agreements is hereby amended by adding the following text at the end thereof:

"Subject to the terms of Section 4 but notwithstanding the exercise price per share set forth on Schedule A hereof (the "Initial Exercise Price"), commencing on January 26, 2009 (the "Option Restructure Date") the Employee shall be entitled to exercise all or a portion of the Option at an alternative exercise price per share equal to $1.07 (the "Alternative Exercise Price") in accordance with the following schedule (the "Alternate Vesting Schedule"):

- If the Employee remains employed by WTAM on the first anniversary of the Option Restructure Date, then the Employee may elect to exercise 25% of the Option at the Alternative Exercise Price.
- If the Employee remains employed by WTAM on the second anniversary of the Option Restructure Date, then the Employee may elect to exercise an additional 25% of the Option at the Alternative Exercise Price.
- If the Employee remains employed by WTAM on the third anniversary of the Option Restructure Date, then the Employee may elect to exercise an additional 25% of the Option at the Alternative Exercise Price.
- If the Employee remains employed by WTAM on the fourth anniversary of the Option Restructure Date, then the Employee may elect to exercise an additional 25% of the Option at the Alternative Exercise Price.

Once a portion of the Option has vested and has become exercisable as set forth in Schedule A at the Initial Exercise Price, the Employee shall be entitled to elect to exercise that portion of the Option at the Initial Exercise Price and once a portion of the Option has vested and has become exercisable as set forth in the Alternate Vesting Schedule above, the Employee shall be entitled to elect to exercise that portion of the Option at the Alternative Exercise Price. To the

extent an Option has vested and become exercisable as set forth in Schedule A at the Initial Exercise Price and as set forth in the Alternative Vesting Schedule at the Alternative Exercise Price, the Employee shall have the option to choose between the two alternatives. Once the Employee has exercised a portion of the Option at the Alternative Exercise Price, then the Employee no longer has the right to exercise that portion at the Initial Exercise Price. Alternatively, once the Employee has exercised a portion of the Option at the Initial Exercise Price, then the Employee no longer has the right to exercise that portion at the Alternative Exercise Price.

By way of example and explanation, if the Employee was awarded on January 1, 2007 an Option to purchase 40,000 shares of common stock with an Initial Exercise Price at $3.50 per share that vests in four equal annual installments of 25% per year, and at January 26, 2010, he desires to exercise a portion of his Vested Options (which equals 30,000 at January 26, 2010 because three years has passed since his original Grant Date), Employee can choose to exercise 10,000 shares at the Alternative Exercise Price of $1.07 since the Employee remains employed by WTAM on the first anniversary of the Option Restructure Date, and he can still choose to exercise 20,000 additional shares at the Initial Exercise Price."

2. Full Force and Effect. Except as expressly amended by this Amendment, each of the other terms and provisions of the Stock Option Agreements shall continue in full force and effect.

WISDOMTREE INVESTMENTS, INC.

By: _____
Jonathan L. Steinberg,
Chief Executive Officer

_____
Employee

WISDOMTREE ASSET MANAGEMENT, INC.

By: _____
Jonathan L. Steinberg,
Chief Executive Officer

Exhibit 10.18

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Agreement") is entered into as of April 3, 2002, by and between INDIVIDUAL INVESTOR GROUP, INC., a Delaware corporation with offices at 125 Broad Street, 14th Floor, New York, New York 10004 (the "Company"), and Jonathan Steinberg, an individual residing at [Redacted] (the "Employee").

WHEREAS, on April 3, 2002 (the "Grant Date"), the Stock Option Committee (the "Committee") of the Board of Directors of the Company (the "Board") authorized the grant to the Employee of an option (the "Option") to purchase an aggregate of 3,604,292 shares of the authorized but unissued Common Stock of the Company, $.01 par value (the "Common Stock"), of which (a) an option to purchase 82,673 is granted pursuant to the terms and conditions of the Company's 1993 Stock Option Plan (the "1993 Plan"), (b) an option to purchase 331,533 shares is granted pursuant to the terms and conditions of the Company's 1996 Performance Equity Plan (" 1996 Plan," which together with the 1993 Plan are referred to collectively as the "Plans") and (c) an option to purchase 3,189,086 shares is granted outside of the Plans, all conditioned upon the Employee's acceptance of the grant of the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plans; and

WHEREAS, the Employee desires to acquire the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plans;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Employee the Option to purchase all or any part of an aggregate of 3,604,292 shares of Common Stock (the "Option Shares") on the terms and conditions set forth herein and subject to the provisions of the Plans.

2. Incentive Stock Option. The Option represented hereby is intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended, to the maximum extent allowable by law.

3. Exercise Price. The exercise price of the Option is $0.05 per share, subject to adjustment as hereinafter provided.

4. Exercisability. This Option shall be exercisable as set forth below in this Section 4. After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on April 2, 2012 ("Exercise Period").

Date	Amount of Shares that Become Exercisable	Plans (if Any) from Which Granted	Cumulative Amount of Shares Exercisable
4/30/02	208,332	82,673 from 1993 Plan; 125,659 from 1996 Plan	208,332
5/15/02	208,777	205,874 from 1996 Plan; 2,903 from outside the Plans	417,109
5/31/02	209,256	From outside the Plans	626,365
6/15/02	209,705	From outside the Plans	836,070
6/30/02	210,155	From outside the Plans	1,046,225
7/15/02	210,603	From outside the Plans	1,256,828
7/31/02	211,086	From outside the Plans	1,467,914
8/15/02	211,538	From outside the Plans	1,679,452
8/31/02	212,024	From outside the Plans	1,891,476
9/15/02	212,476	From outside the Plans	2,103,952
9/30/02	212,934	From outside the Plans	2,316,886
10/15/02	213,389	From outside the Plans	2,530,275
10/31/02	213,879	From outside the Plans	2,744,154
11/15/02	214,338	From outside the Plans	2,958,492
11/30/02	214,795	From outside the Plans	3,173,287
12/15/02	215,258	From outside the Plans	3,388,545
12/31/02	215,747	From outside the Plans	3,604,292

5. Effect of Termination of Employment.

5.1. Termination Due to Death. If Employee's employment by the Company terminates by reason of death, the portion of the Option, if any, that was exercisable as of the date of death may thereafter be exercised by the legal representative of the estate or by the legatee of the Employee under the will of the Employee, for a period of one (1) year from the date of such death or until the expiration of the Exercise Period, whichever period is shorter. The portion of the Option, if any, that was not exercisable as of the date of death shall immediately expire upon death.

5.2. Termination Due to Disability. If Employee's employment by the Company terminates by reason of Disability (as such term is defined in the Plans), the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee for a period of one (1) year from the date of the termination of employment or until the expiration of the Exercise Period, whichever period is shorter. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

5.3. Other Termination.

(a) If Employee's employment is terminated by the Company or the Employee for any reason other than (i) death or (ii) Disability or (iii) for cause by the Company, then the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee for a period of thirty (30) days from termination of employment or until the expiration of the Exercise Period, whichever is shorter. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

(b) In the event the Employee's employment is terminated for cause, (i) this Option, whether or not exercisable, shall immediately expire and (ii) the Company may require the Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of such termination of employment. In such event, the Employee hereby agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value (as such term is defmed in the Plans) of the Option Shares on the date of such termination of employment (or the sales price of such Shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such Shares.

5.4. "Employment". The Employee shall be considered to be employed by the Company pursuant to this Section 5 if the Employee is an officer, director or full-time employee of the Company (or of any parent, subsidiary or affiliate of the Company) or if the Committee determines in its sole and absolute discretion that the Employee is rendering substantial services to the Company as a part-time employee, consultant or contractor of the Company (or of any parent, subsidiary or affiliate of the Company). The Committee shall have the sole and absolute discretion to determine whether the Employee has ceased to be employed by the Company and the effective date on which such employment terminated.

5.5. No Right to Employment. Nothing in the Plans or in this Agreement shall confer on the Employee any right to continue in the employ of, or other relationship with, the Company (or with any parent, subsidiary or affiliate of the Company) or limit in any way the right of the Company (or of any parent, subsidiary or affiliate of the Company) to terminate the Employee's employment or other relationship with the Company (or with any parent, subsidiary or affiliate of the Company) at any time, with or without cause.

5.6. [intentionally omitted]

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Employee for Federal income tax purposes with respect to the Option, the Employee shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under the Plans and pursuant to this Agreement shall be conditional upon such payment or arrangements with the Company and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Employee from the Company.

7. Adjustments. In the event of any merger, reorganization, consolidation, recapitalization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or other change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Employee's proportionate interest in the Company and Employee's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Method of Exercise.

8.1. Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

8.2. Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Employee as soon as practicable after payment therefor.

8.3. Payment of Purchase Price. The Employee shall make pay for the Option Shares by any one or more of the following methods set forth in this Section 8.3.

8.3.1. Cash Payment. The Employee shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

8.3.2. Payment through Bank or Broker. The Employee may make arrangements satisfactory to the Company with a bank or a broker who is member of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

8.3.3. Cashless Payment. The Employee may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Employee for more than six (6) months (and which have been paid for within the meaning of SEC Rule 144 and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Employee in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at the Fair Market Value.

8.3.4. Payment of Withholding Tax. Any required withholding tax may be paid in cash or with Common Stock in accordance with Sections 8.3.1., 8.3.2 and 8.3.3.

8.3.5. Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of "recapture" under Section 16(b) of the Securities Exchange Act of 1934; (ii) such shares of Common Stock may not be sold or transferred to the Company; or (iii) such transfer could create legal difficulties for the Company.

9. Security Interest in Option Shares Collateralizing Obligations Owed to the Company. Notwithstanding anything in this Agreement to the contrary, the Employee hereby grants the Company a security interest in the Option Shares as follows: in the event that the Employee owes the Company any sum (including without limitation amounts owed pursuant to a loan made by the Company to the Employee), and such sum is past due (the "Past Due Amount"), the Company shall have a security interest in the Option Shares. The Employee hereby agrees to execute, promptly upon request by the Company, such instruments and to take such action as may be useful for the Company to perfect and/or exercise such security interest, and hereby irrevocably grants the Company the right to retain, in full or partial payment of the Past Due Amount, up to the following number of Option Shares upon any whole or partial exercise of the Option: a fraction, the numerator of which is the Past Due Amount, and the denominator of which is the Fair Market Value of the Company's common stock (as defined in the Plans) as of the date of such exercise; provided that the fraction set forth in the preceding clause shall be rounded up to the nearest whole number. The security interest set forth herein shall be cumulative to all, and not in lieu of any, other remedies to available to the Company with respect to any Past Due Amount.

10. Market Standoff Agreement. The Employee agrees that, in connection with any registration of the Company's securities, upon the request of the Company or the underwriters managing any public offering of the Company's securities, the Employee will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 8.3.2.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration as the Company or the underwriters may specify for the Company's employee shareholders generally. The Employee understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

11. Notice of Disqualifying Disposition of ISO Shares. If the Option granted to the Employee herein is an ISO, and if the Employee sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second (2nd) anniversary of the Grant Date, or (b) the first (1st) anniversary of the date of exercise of such Option Shares, the Employee shall immediately notify the Company in writing of such sale or disposition. The Employee acknowledges and agrees that the Employee may be subject to income and other tax withholding by the Company on the compensation income recognized by the Employee from any such sale or disposition, by payment in cash (or in shares of Common Stock, to the extent permissible under Section 8.3.4.) or out of the current wages or other earnings payable to Employee. The Employee hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in Employee's account(s) with such broker(s), as the Company may request. The Employee agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Employee and the Company.

12. Nonassignability. The Option shall not be assignable or transferable except by will or by the laws of descent and distribution in the event of the death of the Employee. No transfer of the Option by the Employee by will or by the laws of descent and distribution shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of the will and such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of the Option.

13. [intentionally omitted]

14. Company Representations. The Company hereby represents and warrants to the Employee that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Employee in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and nonassessable.

15. Employee Representations. The Employee hereby represents and warrants to the Company that:

(a) he or she is acquiring the Option and shall acquire the Option Shares for his or her own account and not with a view towards the distribution thereof;

(b) he or she has received a copy of all reports and documents required to be filed by the Company with the Commission pursuant to the Exchange Act within the last 24 months and all reports issued by the Company to its stockholders and a copy of the Plans in effect as of the date of this Agreement;

(c) he or she understands that he or she must bear the economic risk of the investment in the Option Shares, which cannot be sold by him or her unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) in his or her position with the Company, he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) Unless the Option Shares have been registered under the Securities Act of 1933, as amended, the certificates evidencing the Option Shares shall bear the following legend:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

In addition, the certificates evidencing the Option Shares may bear the following legend:

> "The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of April 3, 2002, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

16. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 12 of this Agreement, the Employee hereby agrees that he or she shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Employee has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

17. Interpretation. Any dispute regarding the interpretation of this Agreement shall be submitted by the Employee or the Company to the Committee for review. The resolution of such a dispute by the Board or Committee shall be final and binding on the Company and on the Employee.

18. Miscellaneous.

18.1. Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier, e.g. Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third (3rd) business day following deposit in the United States mail as set forth above.

18.2. Plans Paramount; Conflicts with Plans. This Agreement and the Option shall, in all respects, be subject to the terms and conditions of the Plans, whether or not stated herein. In the event of a conflict between the provisions of the Plans and the provisions of this Agreement, the provisions of the Plans shall in all respects be controlling.

18.3. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon the Employee and the Employee's heirs, executors, administrators, legal representatives, successors and assigns.

18.4. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto and supersedes all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. The Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the Company apply to the Employee and are inconsistent with the terms of the Agreement, the provisions of the Agreement shall control.

18.5. Amendments; Waivers. The Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties (in the case of the Company, such instrument must be signed by the President or Chief

Executive Officer of the Company to be effective). No failure to exercise and no delay in exercising any right, remedy, or power under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under the Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by the Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

18.6. Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

18.7. Attorneys' Fees. In the event of any arbitration or litigation between the parties arising under or related to this Agreement (a "Covered Dispute"), the substantially prevailing party in the Covered Dispute (the "Prevailing Party") shall be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged therefor by the persons providing the services, reasonable fees and/or allocated costs of staff (in-house) counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions therefrom, in addition to any other relief to which the Prevailing Party may be entitled. A party to a Covered Dispute shall be the Prevailing Party in such Covered Dispute if the claims against such party are dismissed at any stage in the arbitration or litigation.

18.8. Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Company's board of directors or any committee thereof. The parties agree that, subject to the agreement to arbitrate disputes set forth in Section 18.12, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, related to this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service ofprocess in any Proceeding may be effected upon such party in the manner set forth in Section 18.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 18.12.

18.9. No Duty to Disclose. The Employee acknowledges and agrees that, except for the information provided to the Employee by the Company pursuant to Section 15(b) and 15(d) prior to execution of this Agreement, neither the Company nor any of the Company's officers, directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Employee any information whatsoever, including but not limited to information concerning the Company that might ifmade public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to plans to effect a merger or to acquire or dispose of a material amount of assets. The Employee acknowledges and understands that he or she (a) might exercise his or her Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise his or her Option (or a portion thereof) and sell, pledge or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Employee acknowledges and agrees that he or she will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Employee's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

18.10. Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

18.11 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

18.12. Agreement to Arbitrate. The Employee and the Company recognize that differences may arise between them during or following the Employee's employment with the Company, and that those differences mayor may not be related to the grant of the Option herein or to the Employee's employment. The Employee understands and agrees that by entering into this Agreement, the Employee anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 18.12 and its subparts, the "Company" shall also refer to all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE EMPLOYEE (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, SHAREHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO EMPLOYEE'S EMPLOYMENT OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS") SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section l8.l2(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE PARTIES HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, HOWEVER, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration. Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be

initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Employee waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name Lists unstricken by parties, Employee shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Employee strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Employee shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial the Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Employee and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 18(a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is

void or voidable and any assertion that a dispute between the Employee and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. Ifthe Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 18.12 and in Section 18.7, the Employee and the Company shall equally share the fees and costs of the arbitration and the Arbitrator.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement ofthis Section 18.12.

INDIVIDUAL INVESTOR GROUP, INC.
125 Broad, 14th Floor
New York, New York 10004

By: /s/ Jonathan Steinberg
Jonathan Steinberg
Chief Executive Officer

Acceptance

The Employee hereby acknowledges: I have received a copy of the Plans and this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself ofthat opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 18.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement. The Employee accepts this Option subject to all the terms and conditions of the Plans and this Agreement.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be

confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 18.12.

INDIVIDUAL INVESTOR GROUP, INC.
125 Broad, 14th Floor
New York, New York 10004

By: /s/ Gregory Barton
Gregory Barton
President

Acceptance

The Employee hereby acknowledges: I have received a copy of the Plans and this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 18.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement. The Employee accepts this Option subject to all the terms and conditions of the Plans and this Agreement.

The Employee acknowledges that there may be adverse tax consequences upon exercise of this Option or disposition of the Option Shares and that the Employee should consult a tax adviser prior to such exercise or disposition.

	/s/ Jonathan Steinberg
Date	Print: Jonathan Steinberg
	Address:

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

DATE

Individual Investor Group, Inc.

125 Broad Street, 14th Floor

New York, New York 10004

Attention: Stock Option Connnittee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of April 3, 2002 ("Agreement") with Individual Investor Group, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check] payable to the order of "Individual Investor Group, Inc." in the sum of $_____;

( ) confirmation of wire transfer in the amount of $_____; and/or

( ) certificate for _____ shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as such term is defined in the Company's 1993 Stock Option Plan and 1996 Performance Equity Plans (collectively, the "Plans")) of $_____.

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) in my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of the Plans and this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of April 3, 2002, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature) (Address)

(Print Name) (Address)

(Social Security Number)

Exhibit 10.19

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Agreement") is entered into as of the 17th day of March, 2004, by and between INDEX DEVELOPMENT PARTNERS, INC., a Delaware corporation (the "Company"), and Jonathan Steinberg (the "Employee").

WHEREAS, on March 17, 2004 (the "Grant Date"), the Board of Directors of the Company (the "Board") authorized the grant to the Employee of an option (the "Option") to purchase an aggregate of 3,000,000 shares of the authorized but unissued common stock, $.01 par value, of the Company ("Common Stock"), conditioned upon the Employee's acceptance of the grant of the Option upon the terms and conditions set forth in this Agreement; and

WHEREAS, the Employee desires to acquire the Option upon the terms and conditions set forth in this Agreement;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Employee the Option to purchase all or any part of an aggregate of 3,000,000 shares of Common Stock ("Option Shares") on the terms and conditions set forth herein.

2. Non-Qualified Stock Option. The Option represented hereby is not intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price of the Option is $0.03 per share, subject to adjustment as hereinafter provided.

4. Exercisability. This Option shall be exercisable, subject to the terms and conditions of this Agreement, as follows:

(a) (i) the right to purchase 300,000 of the Option Shares shall be exercisable on or after March 17, 2005, (ii) the right to purchase an additional 300,000 of the Option Shares shall be exercisable on or after March 17, 2006, (iii) the right to purchase an additional 300,000 of the Option Shares shall be exercisable on or after March 17, 2007, (iv) the right to purchase an additional 300,000 of the Option Shares shall be exercisable on or after March 17, 2008, and (v) the right to purchase an additional 300,000 of the Option Shares shall be exercisable on or after March 17, 2009. In addition, the right to purchase an additional 1,500,0000 of the Option Shares shall be conditioned upon and subject to the Company achieving net income of at least $1.00 (determined in accordance with generally accepted accounting principles, consistently applied) in two consecutive fiscal quarters. If the Company in the future shall become required to file periodic reports with the Securities and Exchange Commission, then the date of the filing by the Company of a periodic report (e.g., a Quarterly Report on Form 10-Q or 10-QSB) that discloses this achievement shall be the date that these additional 1,500,000 shares shall become exercisable.

After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on March 16, 2014 ("Exercise Period").

5. Effect of Termination of Employment.

5.1. Termination Due to Death. If Employee's employment by the Company terminates by reason of death, the portion of the Option, if any, that was exercisable as of the date of death may thereafter be exercised by the legal representative of the estate or by the legatee of the Employee under the will of the Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of death shall immediately

expire upon death.

5.2. Termination Due to Disability. If Employee's employment by the Company terminates by reason of disability, the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

5.3. Other Termination.

(a) If Employee's employment is terminated by the Company or the Employee for any reason other than (i) death, (ii) Disability or (iii) for cause by the Company, then the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

(b) In the event the Employee's employment is terminated for cause, (i) this Option, whether or not exercisable, shall immediately expire and (ii) the Company may require the Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of such termination of employment. In such event, the Employee hereby agrees to remit to the Company, in cash, an amount equal to the difference between the "Fair Market Value" of the Option Shares on the date of such termination of employment (or the sales price of such shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such shares. For purposes of this Agreement, the "Fair Market Value" of the Option Shares on a given date (the "Date of Determination") shall mean shall be deemed to be the last reported sale price of the Common Stock on such date, or, in case no such reported sale takes place on such day, the average of the last reported sale prices for the immediately preceding three trading days, in either case as officially reported by the principal securities exchange on which the Common Stock is listed or admitted to trading, or, if the Common Stock is not listed or admitted to trading on any national securities exchange or if any such exchange on which the Common Stock is listed is not its principal trading market, the last reported sale price as furnished by the National Association of Securities Dealers, Inc. ("NASD") through the Nasdaq National Market or SmallCap Market, or, if applicable, the OTC Bulletin Board or the residual over-the-counter market, or if the Common Stock is not listed or admitted to trading on any of the foregoing markets, or similar organization, as determined in good faith by resolution of the Board of Directors of the Company, based on the best information available to it.

5.4. "Employment". The Employee shall be considered to be employed by the Company pursuant to this Section 5 if the Employee is an officer, director or full-time employee of the Company (or of any parent, subsidiary or affiliate of the Company) or if the Committee determines in its sole and absolute discretion that the Employee is rendering substantial services to the Company as a part-time employee, consultant or contractor of the Company (or of any parent, subsidiary or affiliate of the Company). The Committee shall have the sole and absolute discretion to determine whether the Employee has ceased to be employed by the Company and the effective date on which such employment terminated.

5.5. No Right to Employment. Nothing in this Agreement shall confer on the Employee any right to continue in the employ of, or other relationship with, the Company (or with any parent, subsidiary or affiliate of the Company) or limit

in any way the right of the Company (or of any parent, subsidiary or affiliate of the Company) to terminate the Employee's employment or other relationship with the Company (or with any parent, subsidiary or affiliate of the Company) at any time, with or without cause.

5.6. Competing With the Company. In the event that, within eighteen (18) months after the date of termination of Employee's employment with the Company, Employee accepts employment with any competitor of, or otherwise competes with, the Company, the Committee, in its sole discretion, may require Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of termination or after the date of termination. In such event, Employee agrees to remit the economic value to the Company in accordance with Section 5.3(b).

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Employee for Federal income tax purposes with respect to the Option, the Employee shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company pursuant to this Agreement shall be conditional upon such payment or arrangements with the Company and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Employee from the Company.

7. Adjustments. In the event of any merger, reorganization, consolidation, recapitalization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or other change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Employee's proportionate interest in the Company and Employee's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Acceleration of Vesting on Change of Control. Notwithstanding the provisions of Section 4, in the event of a "change of control" (as defined below) while the Employee is employed by the Company, the vesting of this Option shall accelerate and all the Option Shares shall be purchasable by Employee simultaneous with such change of control. For the purposes of this Agreement, a change of control shall mean (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")), other than a stockholder of the Company that, as of the date of this Agreement, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 10% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company or (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions, where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company.

9. Method of Exercise.

9.1. Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

9.2. Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Employee as soon as practicable after payment therefor.

9.3. Payment of Purchase Price. The Employee shall make payment for the Option Shares by any one or more of the following methods set forth in this Section 9.3.

9.3.1. Cash Payment. The Employee shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

9.3.2. Payment through Bank or Broker. The Employee may make arrangements satisfactory to the Company with a bank or a broker who is member of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

9.3.3. Cashless Payment.

(a) The Employee may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Employee for more than six (6) months (and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission ("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Employee in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at the Fair Market Value as defined in Section 5.3(b).

(b) At the election of the Employee, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total Fair Market Value (as defined in Section 5.3(b)) of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option.

9.3.4. Payment of Withholding Tax. Any required withholding tax may be paid in cash, with Common Stock or by the surrender of an unexercised portion of the Option in accordance with Sections 9.3.1, 9.3.2 and 9.3.3.

9.3.5. Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of

"recapture" under Section 16(b) of the Exchange Act; (ii) such shares of Common Stock may not be sold or transferred to the Company; or (iii) such transfer could create legal difficulties for the Company.

10. Security Interest in Option Shares Collateralizing Obligations Owed to the Company. Notwithstanding anything in this Agreement to the contrary, the Employee hereby grants the Company a security interest in the Option Shares as follows: in the event that the Employee owes the Company any sum (including without limitation amounts owed pursuant to a loan made by the Company to the Employee), and such sum is past due (the "Past Due Amount"), the Company shall have a security interest in the Option Shares. The Employee hereby agrees to execute, promptly upon request by the Company, such instruments and to take such action as may be useful for the Company to perfect and/or exercise such security interest, and hereby irrevocably grants the Company the right to retain, in full or partial payment of the Past Due Amount, up to the following number of Option Shares upon any whole or partial exercise of the Option: a fraction, the numerator of which is the Past Due Amount, and the denominator of which is the Fair Market Value (as defined in Section 5.3(b)) the Company's Common Stock as of the date of such exercise; provided that the fraction set forth in the preceding clause shall be rounded up to the nearest whole number. The security interest set forth herein shall be cumulative to all, and not in lieu of any, other remedies to available to the Company with respect to any Past Due Amount.

11. Market Standoff Agreement. The Employee agrees that, in connection with any registration of the Company's securities, upon the request of the Company or the underwriters managing any public offering of the Company's securities, the Employee will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 9.3.2.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration as the Company or the underwriters may specify for the Company's employee shareholders generally. The Employee understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

12. Notice of Disqualifying Disposition of Incentive Stock Option Shares. If the Option granted to the Employee herein is an Incentive Stock Option, and if the Employee sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second (2nd) anniversary of the Grant Date, or (b) the first (1st)anniversary of the date of exercise of such Option Shares, the Employee shall immediately notify the Company in writing of such sale or disposition. The Employee acknowledges and agrees that the Employee may be subject to income and other tax withholding by the Company on the compensation income recognized by the Employee from any such sale or disposition, by payment in cash (or in shares of Common Stock, to the extent permissible under Section 9.3.4.) or out of the current wages or other earnings payable to Employee. The Employee hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in Employee's account(s) with such broker(s), as the Company may request. The Employee agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Employee and the Company.

13. Nonassignability. The Option shall not be assignable or transferable except by will or by the laws of descent and distribution in the event of the death of the Employee. No transfer of the Option by the Employee by will or by the laws of descent and distribution shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of the will and such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of the Option.

14. Required Holding Period. This Option and any Common Stock acquired upon its exercise may not be sold, assigned or otherwise transferred prior to the six (6) month anniversary of the Grant Date.

15. Company Representations. The Company hereby represents and warrants to the Employee that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Employee in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

16. Employee Representations. The Employee hereby represents and warrants to the Company that:

(a) he or she is acquiring the Option and shall acquire the Option Shares for his or her own account and not with a view towards the distribution thereof;

(b) he or she has received a copy of all reports and documents required to be filed by the Company with the Commission pursuant to the Exchange Act within the last 24 months and all reports issued by the Company to its stockholders;

(c) he or she understands that he or she must bear the economic risk of the investment in the Option Shares, which cannot be sold by him or her unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) in his or her position with the Company, he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) The certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of March 17, 2004, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

17. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 13 of this Agreement, the Employee hereby agrees that he or she shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Employee has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

18. Interpretation. Any dispute regarding the interpretation of this Agreement shall be submitted by the Employee or the Company to the Committee for review. The resolution of such a dispute by the Board or Committee shall be final and binding on the Company and on the Employee.

19. Miscellaneous.

19.1. Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third (3rd) business day following deposit in the United States mail as set forth above.

19.2. [Intentionally omitted.]

19.3. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon the Employee and the Employee's heirs, executors, administrators, legal representatives, successors and assigns.

19.4. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto and supersede all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. The Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the Company apply to the Employee and are inconsistent with the terms of the Agreement, the provisions of the Agreement shall control.

19.5. Amendments; Waivers. The Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties (in the case of the Company, such instrument must be signed by the President or Chief Executive Officer of the Company to be effective). No failure to exercise and no delay in exercising any right, remedy, or power under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under the Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in

equity. All rights and remedies, whether conferred by the Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

19.6. Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

19.7. Attorneys' Fees. In the event of any arbitration or litigation between the parties arising under or related to this Agreement (a "Covered Dispute"), the substantially prevailing party in the Covered Dispute (the "Prevailing Party") shall be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged therefor by the persons providing the services, reasonable fees and/or allocated costs of staff (in-house) counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions therefrom, in addition to any other relief to which the Prevailing Party may be entitled. A party to a Covered Dispute shall be the Prevailing Party in such Covered Dispute if the claims against such party are dismissed at any stage in the arbitration or litigation.

19.8. Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Company's board of directors or any committee thereof. The parties agree that, subject to the agreement to arbitrate disputes set forth in Section 19.12, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, related to this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 19.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 19.12.

19.9. No Duty to Disclose. The Employee acknowledges and agrees that, except for the information provided to the Employee by the Company pursuant to Sections l6(b) and 16(d) prior to execution of this Agreement, neither the Company nor any of the Company's officers, directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Employee any information whatsoever, including but not limited to information concerning the Company that might if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to Plan to effect a merger or to acquire or dispose of a material amount of assets. The Employee acknowledges and understands that he or she (a) might exercise his or her Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise his or her Option (or a portion thereof) and sell, pledge or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Employee acknowledges and agrees that he or she will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Employee's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

19.10. Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

19.11 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

19.12. Agreement to Arbitrate. The Employee and the Company recognize that differences may arise between them during or following the Employee's employment with the Company, and that those differences may or may not be related to the grant of the Option herein or to the Employee's employment. The Employee understands and agrees that by entering into this Agreement, the Employee anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 19.12 and its subparts, the "Company" shall also refer to all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE EMPLOYEE (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, STOCKHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO EMPLOYEE'S EMPLOYMENT OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS"), SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 19.12(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE PARTIES HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration. Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Employee waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name List unstricken by parties, Employee shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Employee strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Employee shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Employee and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all

exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 19(a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Employee and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 19.12 and in Section 19.7, the Employee and the Company shall equally share the fees and costs of the arbitration and the Arbitrator.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 19.12.

INDEX DEVELOPMENT PARTNERS, INC.
125 Broad Street, 14th Floor
New York, New York

BY: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg
Chief Executive Officer

Acceptance

The Employee hereby acknowledges: I have received a copy of each this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THE EFFECT OF SECTION 19.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement. The Employee accepts this Option subject to all the terms and conditions of this Agreement.

The Employee acknowledges that there may be adverse tax consequences upon exercise of this Option or disposition of the Option Shares and that the Employee should consult a tax adviser prior to such exercise or disposition.

3/17/04
Date

/s/ Jonathan L. Steinberg
Date
Jonathan L. Steinberg

Address: _____
_____

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

DATE

Individual Investor Group, Inc.
125 Broad Street, 14th Floor
New York, New York 10004

Attention: Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of March 17, 2004 ("Agreement") with Individual Investor Group, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase _____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check]
payable to the order of "Individual Investor Group, Inc." in the sum of $_____;

( ) confirmation of wire transfer in the amount of $_____; and/or

( ) certificate for _____ shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as such term is defined in Section 5.3(b)) of $_____.

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) in my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of the this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of March 17, 2004, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature)	(Address)
(Print Name)	(Address)

(Social Security Number)

Exhibit 10.20

AMENDMENT TO STOCK OPTION AGREEMENTS

This AMENDMENT TO STOCK OPTION AGREEMENTS (the "Amendment") is entered into as of the 10th day of November, 2004, by and between INDEX DEVELOPMENT PARTNERS, INC., a Delaware corporation (the "Company"), and Jonathan Steinberg (the "Employee").

WHEREAS, the Company and Employee have entered into Stock Option Agreements dated (i) January 3, 2001, with respect to options to purchase 420,000 shares of the authorized but unissued common stock, $.01 par value, of the Company ("Common Stock") (the "2001 Option Agreement"), (ii) April 3, 2002, with respect to options to purchase 3,604,292 shares of Common Stock (the "2002 Option Agreement"), and (iii) March 17, 2004, with respect to options to purchase 3,000,0000 shares of Common Stock (the "2004 Option Agreement" and, together with the 2001 Option Agreement and the 2002 Option Agreement, the "Option Agreements"); and

WHEREAS, the Company and certain investors are concurrently herewith entering into a Securities Purchase Agreement pursuant to which the Company will issue shares of Common Stock to such investors in consideration of $9,000,000; and

WHEREAS, it is a condition to the closing of the transactions contemplated by the Securities Purchase Agreement that, among other things, (i) Employee must join in the representations and warranties made by the Company in the Securities Purchase Agreement and in certain circumstances must indemnify the investors for a breach of such representations and warranties, (ii) Employee must deposit all of the shares of Common Stock owned by him, including shares issuable upon exercise of the options represented by the Option Agreements, into escrow and transfer to the investors all or some of such shares if a valid indemnification claim is made against Employee, (iii) Employee must enter into a Stockholders' Agreement with the investors that, among other things, restricts Employee's ability to transfer all shares of Common Stock owned by him, and (iv) Employee must enter into an Employment Agreement with the Company that obligates him to be employed by the Company for a three-year period ("Employment Agreement"); and

WHEREAS, the Company and Employee desire to amend certain provisions of the Option Agreements to make certain provisions of the Option Agreements consistent with the provisions of the Employment Agreement, to recognize that the options granted under the 2002 Option Agreement and the 2004 Option Agreements were granted in lieu of Employee receiving cash compensation for his services to the Company and to otherwise provide certain benefits to the Employee as set forth herein;

IT IS AGREED:

1. Amendment to Sections 5.1, 5.2 and 5.3 of the 2002 Option Agreement. The text of Sections 5.1, 5.2 and 5.3 of the 2002 Agreement is hereby amended to read as follows:

"[Intentionally omitted.]"

2. Amendment to Section 5.1 of 2001 Option Agreement. The text of Section 5.1 of the 2001 Option Agreement is hereby amended to read as follows:

"If Employee's employment by the Company terminates by reason of death, the portion of the Option, if any, that was exercisable as of the date of death may thereafter be exercised by the legal representative of the estate or by the legatee of the Employee under the will of the Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of death shall immediately expire upon death."

3. Amendment to Section 5.2 of 2001 Option Agreement and 2004 Option Agreement. The text of Section 5.2 of the 2001 Option Agreement and of the 2004 Option Agreement is hereby amended to read as follows:

"If Employee's employment by the Company terminates by reason of disability (as defined herein), the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment. For purposes of this Agreement, the term "disability" shall have the meaning set forth in the Employment Agreement."

4. Amendment to Section 5.3(a) of the 2001 Option Agreement and 2004 Option Agreement. The text of Section 5.3(a) of the 2001 Option Agreement and of the 2004 Option Agreement is hereby amended to read as follows:

"If Employee's employment is terminated by the Employee for any reason other than "good reason," then the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment. For purposes of this Agreement, "good reason" shall have the meaning set forth in the Employment Agreement."

5. Addition of New Section 5.3(c) to 2001 Option Agreement and to 2004 Option Agreement. A new Section 5.3(c) is hereby added to the 2001 Option Agreement and to the 2004 Option Agreement to read as follows:

"(c) If Employee's employment is terminated by the Company for any reason other than (i) death, (ii) disability or (iii) for cause (as defined herein); of if Employee's employment is terminated by Employee for good reason, then the portion of the Option, if any, that would have become exercisable during the term of Employee's employment as provided for in the Employment Agreement, as it may be extended by agreement between the Company and Employee from time to time, if such termination had not occurred, shall immediately thereafter become exercisable and this portion, as well the portion, if any that was already exercisable as of the date of termination of employment, may thereafter be exercised by the Employee until the exercise of the Exercise Period. For purposes of this Agreement, "cause" shall have the meaning set forth in the Employment Agreement."

6. Amendment to Section 9.3.3 of the 2001 Option Agreement and to Section 8.3.3 of the 2002 Option Agreement The text of Section 9.3.3 of the 2001 Option Agreement and Section 8.3.3 of the 2002 Option Agreement is hereby amended to read as follows:

"(a) The Employee may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Employee for more than six (6) months (and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission ("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Employee in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at the Fair Market Value as defined in each of the respective Plans.

"(b) At the election of the Employee, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total "Market Value" (as defined

below) of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option. For purposes of this Agreement, the "Market Value" of the Option Shares on a given date (the "Date of Determination") shall mean shall be deemed to be the last reported sale price of the Common Stock on such date, or, in case no such reported sale takes place on such day, the average of the last reported sale prices for the immediately preceding three trading days, in either case as officially reported by the principal securities exchange on which the Common Stock is listed or admitted to trading, or, if the Common Stock is not listed or admitted to trading on any national securities exchange or if any such exchange on which the Common Stock is listed is not its principal trading market, the last reported sale price as furnished by the National Association of Securities Dealers, Inc. ("NASD") through the Nasdaq National Market or SmallCap Market, or, if applicable, the OTC Bulletin Board or the residual over-the-counter market, or if the Common Stock is not listed or admitted to trading on any of the foregoing markets, or similar organization, as determined in good faith by resolution of the Board of Directors of the Company, based on the best information available to it."

7. Amendment to Section 9.3.4 of 2001 Option Agreement. Section 9.3.4 of the 2001 Option Agreement is hereby amended to read as follows:

"Any required withholding tax may be paid in cash, with Common Stock or by the surrender of an unexercised portion of the Option in accordance with Sections 9.3.1, 9.3.2 and 9.3.3."

8. Amendment to Section 8.3.4 of 2002 Option Agreement. Section 8.3.4 of the 2001 Option Agreement is hereby amended to read as follows:

"Any required withholding tax may be paid in cash, with Common Stock or by the surrender of an unexercised portion of the Option in accordance with Sections 8.3.1, 8.3.2 and 8.3.3."

9. Full Force and Effect. Except as expressly amended by this Amendment, each of the other terms and provisions of the Option Agreements shall continue in full force and effect.

INDEX DEVELOPMENT PARTNERS, INC.

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg,
Chief Executive Officer

/s/ Jonathan L. Steinberg
Jonathan L Steinberg

Exhibit 10.21

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Agreement") is entered into as of November 10, 2004, by and between INDEX DEVELOPMENT PARTNERS, INC., a Delaware corporation (the "Company"), and Jonathan Steinberg (the "Optionholder").

WHEREAS, on November 3, 2004 (the "Grant Date"), the Board of Directors of the Company (the "Board"), in consideration for service as a director of the Company, authorized the grant to the Optionholder of an option (the "Option") to purchase an aggregate of 835,000 shares of the authorized but unissued Common Stock of the Company, $.01 par value (the "Common Stock"); and

WHEREAS, the desires to acquire the Option upon the terms and conditions set forth in this Agreement;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Optionholder the Option to purchase all or any part of an aggregate of 835,000 shares of Common Stock (the "Option Shares") on the terms and conditions set forth herein.

2. Non-Qualified Stock Option. The Option represented hereby is not intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price of the Option is $0.16 per share, subject to adjustment as hereinafter provided. The exercise price is at least 100% of the Fair Market Value (defined below) of the Company's Common Stock as of the date of this Agreement.

4. Exercisability. This Option shall be exercisable as to 417,500 shares on the Grant Date and as to an additional 417,500 shares on November 10, 2005. After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on November 9, 2014 ("Exercise Period").

5. Effect of Termination of Directorship.

5.1. Termination Due to any Reason Other than Removal For Cause. If the Optionholder's status as a Director of the Company terminates due to any reason other than removal for cause, the portion of the Option, if any, that was exercisable as of the date of termination may thereafter be exercised by the

Optionholder until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of termination shall immediately expire upon termination.

5.2. Termination Due to Removal for Cause. If the Optionholder's status as a Director of the Company terminates by reason of removal for cause, then (a) the Option shall immediately terminate and (b) the Company may require the Optionholder to return to the Company the economic value of any Option Shares purchased hereunder by the Optionholder within the six (6) month period prior to the date of such removal. In such event, the Optionholder hereby agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value of the Option Shares on the date of such removal (or the sales price of such Shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such Shares, net of any taxes paid by the Optionholder in connection with the vesting, exercise or sale of the Option (or Option Shares). For purposes of this Agreement, "cause" shall be limited to: (i) any material breach of fiduciary duty by the Optionholder, but only if such material breach shall not have been corrected within ten business days of his receipt of written notice from the Company of the occurrence of such material breach; (ii) being convicted of, or pleading guilty or nolo contendere to a felony, misdemeanor (other than, if applicable, minor traffic violations) or crime of moral turpitude; or (iii) the commission by the Optionholder of an act of dishonesty, fraud or embezzlement against the Company. For purposes of this Agreement, the "Fair Market Value" of the Option Shares on a given date (the "Date of Determination") shall mean shall be deemed to be the last reported sale price of the Common Stock on such date, or, in case no such reported sale takes place on such day, the average of the last reported sale prices for the immediately preceding three trading days, in either case as officially reported by the principal securities exchange on which the Common Stock is listed or admitted to trading, or, if the Common Stock is not listed or admitted to trading on any national securities exchange or if any such exchange on which the Common Stock is listed is not its principal trading market, the last reported sale price as furnished by the National Association of Securities Dealers, Inc. ("NASD") through the Nasdaq National Market or SmallCap Market, or, if applicable, the OTC Bulletin Board or the residual over-the-counter market, or if the Common Stock is not listed or admitted to trading on any of the foregoing markets, or similar organization, as determined in good faith by resolution of the Board of Directors of the Company, based on the best information available to it. Nothing in the this Agreement shall limit in an manner the power of the Board or the Company's stockholders to remove Director at any time, for any reason or no reason, provided that such removal is effected in accordance with applicable law, the Company's then-current certificate of incorporation, as amended and the Company's then-current by-laws.

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Optionholder for Federal income tax purposes with respect to the Option, the Optionholder shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under this Agreement shall be conditional upon such payment or arrangements with the Company and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Optionholder from the Company.

7. Adjustments. In the event of any merger, reorganization, consolidation, recapitalization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or other change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Optionholder's proportionate interest in the Company and the Optionholder's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Method of Exercise.

8.1. Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

8.2. Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Optionholder as soon as practicable after payment therefor.

8.3. Payment of Purchase Price. The Optionholder shall make pay for the Option Shares by any one or more of the following methods set forth in this Section 8.3.

8.3.1. Cash Payment. The Optionholder shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

8.3.2. Payment through Bank or Broker. The Optionholder may make arrangements satisfactory to the Company with a bank or a broker who is member of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the

number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

8.3.3. Cashless Payment.

(a) The Optionholder may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Optionholder for more than six (6) months (and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission ("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Optionholder in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at the Fair Market Value (as defined in Section 5.2).

(b) At the election of the Optionholder, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total Fair Market Value (as defined in Section 5.2) of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option.

8.3.4. Payment of Withholding Tax. Any required withholding tax may be paid in cash, with Common Stock or by the surrender of an unexercised portion of the Option in accordance with Sections 8.3.1., 8.3.2 and 8.3.3.

8.3.5. Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of "recapture" under Section 16(b) of the Securities Exchange Act of 1934; as amended (the "Exchange Act"), or (ii) such shares of Common Stock may not be sold or transferred to the Company; or (iii) such transfer could create legal difficulties for the Company.

9. Market Standoff Agreement. The Optionholder agrees that, at any time that the Optionholder would be deemed to be an "affiliate" (as defined under the Exchange Act) of the Company, in connection with next firm commitment underwritten public of the Company's securities following the date of this Agreement that will raise at least $15,000,000 in gross proceeds, upon the request of the Company or the underwriters managing such public offering of the Company's securities, the Optionholder will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 8.3.2., but expressly excluding the use of Common Stock in connection with the exercise method set forth in Section 8.3.3.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration not exceeding 180 days and otherwise as the Company or the underwriters may specify for the Company's director shareholders generally; provided, that all executive officers, directors and holders of more than 5% of the Company's then outstanding capital stock agree to the same restriction. The Optionholder understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

10. Notice of Disqualifying Disposition of ISO Shares. If the Option granted to the Optionholder herein is an ISO, and if the Optionholder sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second (2nd) anniversary of the Grant Date, or (b) the first (1st) anniversary of the date of exercise of such Option Shares, the Optionholder shall immediately notify the Company in writing of such sale or disposition. The Optionholder acknowledges and agrees that the Optionholder may be subject to income and other tax withholding by the Company on the compensation income recognized by the Optionholder from any such sale or disposition, by payment in cash (or in shares of Common Stock, to the extent permissible under Section 8.3.4.) or out of the current wages or other earnings payable to the Optionholder. The Optionholder hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in the Optionholder's account(s) with such broker(s), as the Company may request. The Optionholder agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Optionholder and the Company.

11. Nonassignability. The Option shall not be assignable or transferable without the consent of the Company and unless the Company shall have been furnished with written notice thereof and a copy of such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of the Option.

12. Required Holding Period. This Option and any Common Stock acquired upon its exercise may not be sold, assigned or otherwise transferred (other than to the Optionholder) prior to the six (6) month anniversary of the Grant Date.

13. Company Representations. The Company hereby represents and warrants to the Director that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Director in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

14. Optionholder Representations. The Optionholder hereby represents and warrants to the Company that:

(a) it is acquiring the Option and shall acquire the Option Shares for its own account and not with a view towards the distribution thereof;

(b) it has received a copy of all reports and documents required to be filed by the Company with the Commission pursuant to the Exchange Act within the last 24 months and all reports issued by the Company to its stockholders as of the date of this Agreement;

(c) it understands that it must bear the economic risk of the investment in the Option Shares, which cannot be sold by it unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) as a result of the Optionholder's position with the Company, the Optionholder has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) it is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) The certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may

not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of November 10, 2004, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

15. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 12 of this Agreement, the Optionholder hereby agrees that it shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by it without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the it has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

16. [Intentionally omitted.]

17. Miscellaneous.

17.1. Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third (3rd) business day following deposit in the United States mail as set forth above.

17.2. [Intentionally omitted.]

17.3. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon the Optionholder and the Optionholder's heirs, executors, administrators, legal representatives, successors and assigns.

17.4. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto and supersede all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. The Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the Company apply to the Optionholder and are inconsistent with the terms of the Agreement, the provisions of the Agreement shall control.

17.5. Amendments; Waivers. The Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties (in the case of the Company, such instrument must be signed by the President or Chief Executive Officer of the Company to be effective). No failure to exercise and no delay in exercising any right, remedy, or power under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under the Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by the Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

17.6. Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

17.7. Attorneys' Fees. In the event of any arbitration or litigation between the parties arising under or related to this Agreement (a "Covered Dispute"), the substantially prevailing party in the Covered Dispute (the "Prevailing Party") shall be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged therefor by the persons providing the services, reasonable fees and/or allocated costs of staff (in-house) counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions therefrom, in addition to any other relief to which the Prevailing Party may be entitled. A party to a Covered Dispute shall be the Prevailing Party in such Covered Dispute if the claims against such party are dismissed at any stage in the arbitration or litigation.

17.8. Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Company's board of directors or any committee thereof. The parties agree that, subject to the agreement to arbitrate disputes set forth in Section 17.12, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, related to this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory

jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 17.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 17.12.

17.9. No Duty to Disclose. The Optionholder acknowledges and agrees that, except for the information provided to the Optionholder by the Company pursuant to Section 15(b) and 15(d) prior to execution of this Agreement, neither the Company nor any of the Company's officers, directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Optionholder any information whatsoever, including but not limited to information concerning the Company that might if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to plans to effect a merger or to acquire or dispose of a material amount of assets. The Optionholder acknowledges and understands that it (a) might exercise its Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise its Option (or a portion thereof) and sell, pledge or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Director acknowledges and agrees that it will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Optionholder's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

17.10. Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

17.11 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

17.12. Agreement to Arbitrate. The Optionholder and the Company recognize that differences may arise between them during or following the Optionholder's tenure as a director of the Company, and that those differences may or may not be related to the grant of the Option herein or to the Optionholder's tenure as a director of the Company. The Optionholder understands and agrees that by entering into this Agreement, the Optionholder anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 17.12 and its subparts, the "Company" shall also refer to all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE OPTIONHOLDER (AND ITS PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, SHAREHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO THE OPTIONHOLDER'S TENURE AS A DIRECTOR OF THE COMPANY OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS") SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 17.12(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE PARTIES HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, HOWEVER, THE COMPANY MAYENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/ORUNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted,

the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within two (2) years of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Director waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name Lists unstricken by parties, Director shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Director strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Director shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial the Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Director and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by

applicable law. Except as provided in Section 17.12(a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Director and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 17.12 and in Section 17.7, the Director and the Company shall equally share the fees and costs of the arbitration and the Arbitrator.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, None of the parties shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 17.12.

INDEX DEVELOPMENT PARTNERS, INC.
48 Wall Street, Suite 1100
New York, New York 10005

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg
Chief Executive Officer

Acceptance

The Optionholder hereby acknowledge: I have received a copy of this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 18.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement. The Optionholder accepts this Option subject to all the terms and conditions of this Agreement.

The Optionholder acknowledges that there may be adverse tax consequences upon exercise of this Option or disposition of the Option Shares and that the Optionholder should consult a tax adviser prior to such exercise or disposition.

Dated: As of November 10, 2005

/s/ Jonathan L. Steinberg
Jonathan Steinberg

Address: _____

_____

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

DATED _____

Index Development Partners, Inc.
48 Wall Street, Suite 1100
New York, New York 10005

Attention: Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of November 10, 2004 ("Agreement") with Index Development Partners, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase _____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check]
payable to the order of "Index Development Partners, Inc." in the sum of $_____;

( ) confirmation of wire transfer in the amount of $_____; and/or

( ) certificate for _____ shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as defined in Section 5.2) of $_____.

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) As a result of the Optionholder's my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of November 10, 2004, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature)	(Address)
(Print Name)	(Address)
(Social Security Number)	

Exhibit 10.22

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Agreement") is entered into as of November 6, 2002, by and between INDEX DEVELOPMENT PARTNERS, INC, a Delaware corporation (the "Company"), and LUCIANO SIRACUSANO (the "Employee").

WHEREAS, on November 6, 2002 (the "Grant Date"), the Stock Option Committee (the "Committee") of the Board of Directors of the Company (the "Board") authorized the grant to the Employee of an option (the "Option") to purchase an aggregate of 100,000 shares of the authorized but unissued Common Stock of the Company, $.01 par value (the "Common Stock"), pursuant to the terms and conditions of the Company's 1996 Performance Equity Plan (the "Plan"), conditioned upon the Employee's acceptance of the grant of the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan; and

WHEREAS, the Employee desires to acquire the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Employee the Option to purchase all or any part of an aggregate of 100,000 shares of Common Stock (the "Option Shares") on the terms and conditions set forth herein and subject to the provisions of the Plan.

2. Incentive Stock Option. The Option represented hereby is intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price of the Option is $0.07 per share, subject to adjustment as hereinafter provided,

4. Exercisability. This Option shall be exercisable as to 33,333 shares on November 6, 2003, as to an additional 33,333 shares on November 6, 2004 and as to an additional 33,334 shares on November 6, 2005. After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on November 6, 2012 ("Exercise Period").

5. Effect of Termination of Employment.

5.1. Termination Due to Death. If Employee's employment by the Company terminates by reason of death, the portion of the Option, if any, that was exercisable as of the date of death may thereafter be exercised by the legal representative

of the estate or by the legatee of the Employee under the will of the Employee, for a period of one (1) year from the date of such death or until the expiration of the Exercise Period, whichever period is shorter. The portion of the Option, if any, that was not exercisable as of the date of death shall immediately expire upon death.

5.2. Termination Due to Disability. If Employee's employment by the Company terminates by reason of Disability (as such term is defined in the Plan), the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee for a period of one (1) year from the date of the termination of employment or until the expiration of the Exercise Period, whichever period is shorter. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

5.3. Other Termination.

(a) If Employee's employment is terminated by the Company or the Employee for any reason other than (i) death or (ii) Disability or (iii) for cause by the Company, then the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee for a period of thirty (30) days from termination of employment or until the expiration of the Exercise Period, whichever is shorter. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

(b) In the event the Employee's employment is terminated for cause, (i) this Option, whether or not exercisable, shall immediately expire and (ii) the Company may require the Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of such termination of employment. In such event, the Employee hereby agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value (as such term is defined in the Plan) of the Option Shares on the date of such termination of employment (or the sales price of such Shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such Shares.

5.4. "Employment". The Employee shall be considered to be employed by the Company pursuant to this Section 5 if the Employee is an officer, director or full-time employee of the Company (or of any parent, subsidiary or affiliate of the Company) or if the Committee determines in its sole and absolute discretion that the Employee is rendering substantial services to the Company as a part-time employee, consultant or contractor of the Company (or of any parent, subsidiary or affiliate of the Company). The Committee shall have the sole and absolute discretion to determine whether the Employee has ceased to be employed by the Company and the effective date on which such employment terminated.

5.5. No Right to Employment. Nothing in the Plan or in this Agreement shall confer on the Employee any right to continue in the employ of, or other relationship with, the Company (or with any parent, subsidiary or affiliate of the Company) or limit in any way the right of the Company (or of any parent, subsidiary or affiliate of the Company) to terminate the Employee's employment or other relationship with the Company (or with any parent, subsidiary or affiliate of the Company) at any time, with or without cause.

5.6. Competing With the Company. In the event that, within eighteen (18) months after the date of termination of Employee's employment with the Company, Employee accepts employment with any competitor of, or otherwise competes with, the Company, the Committee, in its sole discretion, may require Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of termination or after the date of termination. In such event**,** Employee agrees to remit the economic value to the Company in accordance with Section 5.3(b).

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Employee for Federal income tax purposes with respect to the Option, the Employee shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under the Plan and pursuant to this Agreement shall be conditional upon such payment or arrangements with the Company and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Employee from the Company.

7. Adjustments. In the event of any merger, reorganization, consolidation, recapitalization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or other change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Employee's proportionate interest in the Company and Employee's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Method of Exercise.

8.1. Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

8.2. Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Employee as soon as practicable after payment therefore.

8.3. Payment of Purchase Price. The Employee shall make pay for the Option Shares by any one or more of the following methods set forth in this Section 8.3.

8.3.1. Cash Payment. The Employee shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

8.3.2. Payment through Bank or Broker. The Employee may make arrangements satisfactory to the Company with a bank or a broker who is member of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

8.3.3. Cashless Payment. The Employee may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Employee for more than six (6) months (and which have been paid for within the meaning of SEC Rule 144 and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Employee in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at the Fair Market Value.

8.3.4. Payment of Withholding Tax. Any required withholding tax may be paid in cash or with Common Stock in accordance with Sections 8.3.1., 8.3.2 and 8.3.3.

8.3.5. Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of "recapture" under Section 16(b) of the Securities Exchange Act of 1934; (ii) such shares of Common Stock may not be sold or transferred to the Company; or (iii) such transfer could create legal difficulties for the Company.

9. Security Interest in Option Shares Collateralizing Obligations Owed to the Company. Notwithstanding anything in this Agreement to the contrary, the Employee hereby grants the Company a security interest in the Option Shares as follows: in the event that the Employee owes the Company any sum (including without limitation amounts owed pursuant to a loan made by the Company to the Employee), and such sum is past due (the "Past Due Amount"), the Company shall have a security interest in the Option Shares. The Employee hereby agrees to execute, promptly upon request by the Company, such instruments and to take such action as may be useful for the Company to perfect and/or exercise such security interest, and hereby irrevocably grants the Company the right to retain, in full or partial payment of the Past Due Amount, up to the following number of Option Shares upon any whole or partial exercise of the Option: a fraction, the numerator of which is the Past Due Amount, and the denominator of which is the Fair Market Value of the Company's common stock (as defined in the Plan) as of the date of such exercise; provided that the fraction set forth in the preceding clause shall be rounded up to the nearest whole number. The security interest set forth herein shall be cumulative to all, and not in lieu of any, other remedies to available to the Company with respect to any Past Due Amount.

10. Market Standoff Agreement. The Employee agrees that, in connection with any registration of the Company's securities, upon the request of the Company or the underwriters managing any public offering of the Company's securities, the Employee will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 8.3.2.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration as the Company or the underwriters may specify for the Company's employee shareholders generally. The Employee understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

11. Notice of Disqualifying Disposition of ISO Shares. If the Option granted to the Employee herein is an ISO, and if the Employee sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second (2nd) anniversary of the Grant Date, or (b) the first (1st) anniversary of the date of exercise of such Option Shares, the Employee shall immediately notify the Company in writing of such sale or disposition. The Employee acknowledges and agrees that the Employee may be subject to income and other tax withholding by the Company on the compensation income recognized by the Employee from any such sale or disposition, by payment in cash (or in shares of Common Stock, to the extent permissible under Section 8.3.4.) or out of the current wages or other earnings payable to Employee. The Employee hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in Employee's account(s) with such broker(s), as the Company may request. The Employee agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Employee and the Company.

12. Nonassignability. The Option shall not be assignable or transferable except by will or by the laws of descent and distribution in the event of the death of the Employee. No transfer of the Option by the Employee by will or by the laws of descent and distribution shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of the will and such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of the Option.

13. Required Holding Period. This Option and any Common Stock acquired upon its exercise may not be sold, assigned or otherwise transferred prior to the six (6) month anniversary of the Grant Date.

14. Company Representations. The Company hereby represents and warrants to the Employee that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Employee in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

15. Employee Representations. The Employee hereby represents and warrants to the Company that:

(a) he or she is acquiring the Option and shall acquire the Option Shares for his or her own account and not with a view towards the distribution thereof;

(b) he or she has received a copy of all reports and documents required to be filed by the Company with the Commission pursuant to the Exchange Act within the last 24 months and all reports issued by the Company to its stockholders and a copy or the Plan in effect as of the date of this Agreement;

(c) he or she understands that he or she must bear the economic risk of the investment in the Option Shares, which cannot be sold by him or her unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) in his or her position with the Company, he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort

or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) The certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of November 6, 2002, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

16. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 12 of this Agreement, the Employee hereby agrees that he or she shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Employee has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

17. Interpretation. Any dispute regarding the interpretation of this Agreement shall be submitted by the Employee or the Company to the Committee for review. The resolution of such a dispute by the Board or Committee shall be final and binding on the Company and on the Employee.

18. Miscellaneous.

18.1. Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g. Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third (3rd) business day following deposit in the United States mail as set forth above.

18.2. Plan Paramount; Conflicts with Plan. This Agreement and the Option shall, in all respects, be subject to the terms and conditions of the Plan, whether or not stated herein. In the event of a conflict between the provisions of the Plan and the

provisions of this Agreement, the provisions of the Plan shall in all respects be controlling.

18.3. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon the Employee and the Employee's heirs, executors, administrators, legal representatives, successors and assigns.

18.4. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto and supersede all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. The Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the Company apply to the Employee and are inconsistent with the terms of the Agreement, the provisions of the Agreement shall control.

18.5. Amendments; Waivers. The Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties (in the case of the Company, such instrument must be signed by the President or Chief Executive Officer of the Company to be effective). No failure to exercise and no delay in exercising any right, remedy, or power under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under the Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by the Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

18.6. Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

18.7. Attorneys' Fees. In the event of any arbitration or litigation between the parties arising under or related to this Agreement (a "Covered Dispute"), the substantially prevailing party in the Covered Dispute (the "Prevailing Party") shall be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged therefore by the persons providing the services, reasonable fees and/or allocated costs of staff (in-house) counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions therefrom, in addition to any other relief to which the Prevailing Party may be entitled. A party to a

Covered Dispute shall be the Prevailing Party in such Covered Dispute if the claims against such party are dismissed at any stage in the arbitration or litigation.

18.8. Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Company's board of directors or any committee thereof. The parties agree that, subject to the agreement to arbitrate disputes set forth in Section 18.12, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director**,** employee, agent or permitted successor or assign of any party, related to this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 18.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 18.12.

18.9. No Duty to Disclose. The Employee acknowledges and agrees that, except for the information provided to the Employee by the Company pursuant to Section 15(b) and 15(d) prior to execution of this Agreement, neither the Company nor any or the Company's officers, directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Employee any information whatsoever, including but not limited to information concerning the Company that might if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to plans to effect a merger or to acquire or dispose of a material amount of assets. The Employee acknowledges and understands that he or she (a) might exercise his or her Option (or a portion thereof prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information**,** or (b) might exercise his or her Option (or a portion thereof and sell, pledge or encumber the Option Shares (or a portion thereof prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Employee acknowledges and agrees that he or she will not bring or participate in any claim

whatsoever against the Company or against any or the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Employee's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

18.10. Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

18.11 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

18.12. Agreement to Arbitrate. The Employee and the Company recognize that differences may arise between them during or following the Employee's employment with the Company, and that those differences may or may not be related to the grant of the Option herein or to the Employee's employment. The Employee understands and agrees that by entering into this Agreement, the Employee anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 18.12 and its subparts, the "Company" shall also refer to all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE EMPLOYEE (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, SHAREHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO EMPLOYEE'S EMPLOYMENT OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS") SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 18.12(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE PARTIES HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, HOWEVER, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration. Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Employee waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name Lists unstricken by parties, Employee shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Employee strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Employee shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial the Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Employee and the Company shall be entitled, at their own expense, to learn about the facts of a

claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 18(a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Employee and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 18.12 and in Section 18.7, the Employee and the Company shall equally share the fees and costs of the arbitration and the Arbitrator.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator**,** and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 18.12.

INDEX DEVELOPMENT PARTNERS, INC.
125 Broad Street, 14th Floor

New York 10004

By /s/ Jonathan L. Steinberg
Jonathan L. Steinberg
Chief Executive Officer

Acceptance

The Employee hereby acknowledges: I have received a copy of the Plan and this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 18.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement. The Employee accepts this Option subject to all the terms and conditions of the Plan and this Agreement.

The Employee acknowledges that there may be adverse tax consequences upon exercise of this Option or disposition of the Option Shares and that the Employee should consult a tax adviser prior to such exercise or disposition.

/s/ Luciano Siracusano III
The Employee

11/07/02
Date

Print Name: Luciano Siracusano III
Address:

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

DATE

Index Development Partners, Inc.
125 Broad Street, 14th Floor
New York, New York 10004

Attention: Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of November 6, 2002 ("Agreement") with Individual Investor Group, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase _____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check] payable to the order of "Individual Investor Group, Inc." in the sum of $_____;

( ) confirmation of wire transfer in the amount of $; and/or

( ) certificate for _____ shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as such term is defined in the Company's 1996 Performance Equity Plan (the "Plan")) of $ _____

I hereby represent, warrant to, and agree will, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) in my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein**;**

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of the Plan and this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of November 6, 2002, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature)	(Address)
(Print Name)	(Address)
	(Social Security Number)

Exhibit 10.23

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Agreement") is entered into as of the 30th day of July, 2003, by and between INDEX DEVELOPMENT PARTNERS, INC., a Delaware corporation (the "Company"), and Luciano Siracusano (the "Employee").

WHEREAS, on July 30, 2003 (the "Grant Date"), the Board of Directors of the Company (the "Board") authorized the grant to the Employee of an option (the "Option") to purchase an aggregate of 400,000 shares of the authorized but unissued common stock, $.01 par value ("Common Stock") of the Company, including 300,000 shares pursuant to the terms and conditions of the Company's 1996 Performance Equity Plan ("1996 Plan) and 100,000 shares pursuant to the Company's 2000 Performance Equity Plan ("2000 Plan" and with the 1996 Plan, individually a "Plan" and collectively, the "Plans")), conditioned upon the Employee's acceptance of the grant of the Option upon the terms and conditions set forth in this Agreement and subject to the terms of each of the respective Plans; and

WHEREAS, the Employee desires to acquire the Option upon the terms and conditions set forth in this Agreement and subject to the terms of each of the respective Plans;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Employee the Option to purchase all or any part of an aggregate of 400,000 shares of Common Stock ("Option Shares") on the terms and conditions set forth herein and subject to the provisions of each of the respective Plans.

2. Incentive Stock Option. The Option represented hereby is intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price of the Option is $0.10 per share, subject to adjustment as hereinafter provided.

4. Exercisability. This Option shall be exercisable, subject to the terms and conditions of this Agreement, as follows:

(a) (i) the right to purchase 100,000 of the Option Shares shall be exercisable on or after July 30, 2004, (ii) the right to purchase an additional 100,000 of the Option Shares shall be exercisable on or after July 30, 2005, (iii) the right to purchase an additional 100,000 of the Option Shares shall be exercisable on or after July 30, 2006 and (iv) the right to purchase an additional 100,000 of the Option Shares shall be exercisable on or after July 30, 2007.

(b) After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on July 29, 2013 ("Exercise Period").

5. Effect of Termination of Employment.

5.1. Termination Due to Death. If Employee's employment by the Company terminates by reason of death, the portion of the Option, if any, that was exercisable as of the date of death may thereafter be exercised by the legal representative of the estate or by the legatee of the Employee under the will of the Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of death shall immediately expire upon death.

5.2. Termination Due to Disability. If Employee's employment by the Company terminates by reason of Disability (as such term is defined in each of the respective Plans), the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by Employee until the expiration of the Exercise Period. The portion

of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

5.3. Other Termination.

(a) If Employee's employment is terminated by the Company or the Employee for any reason other than (i) death, (ii) Disability or (iii) for cause by the Company, then the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

(b) In the event the Employee's employment is terminated for cause, (i) this Option, whether or not exercisable, shall immediately expire and (ii) the Company may require the Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of such termination of employment. In such event, the Employee hereby agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value (as such term is defined in each of the respective Plans) of the Option Shares on the date of such termination of employment (or the sales price of such shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such shares.

5.4. "Employment". The Employee shall be considered to be employed by the Company pursuant to this Section 5 if the Employee is an officer, director or full-time employee of the Company (or of any parent, subsidiary or affiliate of the Company) or if the Committee determines in its sole and absolute discretion that the Employee is rendering substantial services to the Company as a part-time employee, consultant or contractor of the Company (or of any parent, subsidiary or affiliate of the Company). The Committee shall have the sole and absolute discretion to determine whether the Employee has ceased to be employed by the Company and the effective date on which such employment terminated.

5.5. No Right to Employment. Nothing in the Plans or in this Agreement shall confer on the Employee any right to continue in the employ of, or other relationship with, the Company (or with any parent, subsidiary or affiliate of the Company) or limit in any way the right of the Company (or of any parent, subsidiary or affiliate of the Company) to terminate the Employee's employment or other relationship with the Company (or with any parent, subsidiary or affiliate of the Company) at any time, with or without cause.

5.6. Competing With the Company. In the event that, within eighteen (18) months after the date of termination of Employee's employment with the Company, Employee accepts employment with any competitor of, or otherwise competes with, the Company, the Committee, in its sole discretion, may require Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of termination or after the date of termination. In such event, Employee agrees to remit the economic value to the Company in accordance with Section 5.3(b).

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Employee for Federal income tax purposes with respect to the Option, the Employee shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under each of the respective Plans and pursuant to this Agreement shall be conditional upon such payment or arrangements with the Company and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Employee from the Company.

7. Adjustments. In the event of any merger, reorganization. consolidation, recapitalization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or other change in

corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Employee's proportionate interest in the Company and Employee's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Acceleration of Vesting on Change of Control. Notwithstanding the provisions of Section 4, in the event of a "change of control" (as defined below) while the Employee is employed by the Company, the vesting of this Option shall accelerate and all the Option Shares shall be purchasable by Employee simultaneous with such change of control. For the purposes of this Agreement, a change of control shall mean (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")), other than a stockholder of the Company that, as of the date of this Agreement, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 10% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company or (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions, where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company.

9. Method of Exercise.

9.1. Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

9.2. Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Employee as soon as practicable after payment therefor.

9.3. Payment of Purchase Price. The Employee shall make payment for the Option Shares by anyone or more of the following methods set forth in this Section 9.3.

9.3.1. Cash Payment. The Employee shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

9.3.2. Payment through Bank or Broker. The Employee may make arrangements satisfactory to the Company with a bank or a broker who is member of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise. plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

9.3.3. Cashless Payment.

(a) The Employee may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Employee for more than six (6) months (and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission ("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Employee in the open public market, to pay the purchase price for the Option Shares by delivery

of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at the Fair Market Value (as such term is defined in each of the respective Plans).

(b) At the election of the Employee, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total fair Market Value of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option. As used in this Section 9.3.3(b), the term "Fair Market Value" at any date shall be deemed to be the last reported sale price of the Common Stock on such date. or, in case no such reported sale takes place on such day, the average of the last reported sale prices for the immediately preceding three trading days, in either case as officially reported by the principal securities exchange on which the Common Stock is listed or admitted to trading, or, if the Common Stock is not listed or admitted to trading on any national securities exchange or if any such exchange on which the Common Stock is listed is not its principal trading market, the last reported sale price as furnished by the National Association of Securities Dealers, Inc. ("NASD") through the Nasdaq National Market or SmallCap Market, or, if applicable, the OTC Bulletin Board or the residual over-the-counter market, or if the Common Stock is not listed or admitted to trading on any of the foregoing markets, or similar organization, as determined in good faith by resolution of the Board of Directors of the Company, based on the best information available to it.

9.3.4. Payment of Withholding Tax. Any required withholding tax may be paid in cash, with Common Stock or by the surrender of an unexercised portion of the Option in accordance with Sections 9.3.1, 9.3.2 and 9.3.3.

9.3.5. Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of "recapture" under Section 16(b) of the Exchange Act; (ii) such shares of Common Stock may not be sold or transferred to the Company; or (iii) such transfer could create legal difficulties for the Company.

10. Security Interest in Option Shares Collateralizing Obligations Owed to the Company. Notwithstanding anything in this Agreement to the contrary, the Employee hereby grants the Company a security interest in the Option Shares as follows: in the event that the Employee owes the Company any sum (including without limitation amounts owed pursuant to a loan made by the Company to the Employee), and such sum is past due (the "Past Due Amount"), the Company shall have a security interest in the Option Shares. The Employee hereby agrees to execute, promptly upon request by the Company, such instruments and to take such action as may be useful for the Company to perfect and/or exercise such security interest, and hereby irrevocably grants the Company the right to retain, in full or partial payment of the Past Due Amount, up to the following number of Option Shares upon any whole or partial exercise of the Option: a fraction, the numerator of which is the Past Due Amount, and the denominator of which is the Fair Market Value (as such term is defined in each of the respective Plans) of the Company's Common Stock as of the date of such exercise; provided that the fraction set forth in the preceding clause shall be rounded up to the nearest whole number. The security interest set forth herein shall be cumulative to all, and not in lieu of any, other remedies to available to the Company with respect to any Past Due Amount.

11. Market Standoff Agreement. The Employee agrees that, in connection with any registration of the Company's securities, upon the request of the Company or the underwriters managing any public offering of the Company's securities, the Employee will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 9.3.2.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such

registration as the Company or the underwriters may specify for the Company's employee shareholders generally. The Employee understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

12. Notice of Disqualifying Disposition of Incentive Stock Option Shares. If the Option granted to the Employee herein is an Incentive Stock Option, and if the Employee sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second (2nd) anniversary of the Grant Date, or (b) the first (1st) anniversary of the date of exercise of such Option Shares, the Employee shall immediately notify the Company in writing of such sale or disposition. The Employee acknowledges and agrees that the Employee may be subject to income and other tax withholding by the Company on the compensation income recognized by the Employee from any such sale or disposition. by payment in cash (or in shares of Common Stock, to the extent permissible under Section 9.3.4.) or out of the current wages or other earnings payable to Employee. The Employee hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in Employee's account(s) with such broker(s), as the Company may request. The Employee agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Employee and the Company.

13. Nonassignability. The Option shall not be assignable or transferable except by will or by the laws of descent and distribution in the event of the death of the Employee. No transfer of the Option by the Employee by will or by the laws of descent and distribution shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of the will and such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of the Option.

14. Required Holding Period. This Option and any Common Stock acquired upon its exercise may not be sold, assigned or otherwise transferred prior to the six (6) month anniversary of the Grant Date.

15. Company Representations. The Company hereby represents and warrants to the Employee that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Employee in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

16. Employee Representations. The Employee hereby represents and warrants to the Company that:

(a) he or she is acquiring the Option and shall acquire the Option Shares for his or her own account and not with a view towards the distribution thereof;

(b) he or she has received a copy of all reports and documents required to be filed by the Company with the Commission pursuant to the Exchange Act within the last 24 months and all reports issued by the Company to its stockholders and a copy of each Plan in effect as of the date of this Agreement;

(c) he or she understands that he or she must bear the economic risk of the investment in the Option Shares, which cannot be sold by him or her unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) in his or her position with the Company, he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without

unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) The certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of July 30, 2003, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

17. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 13 of this Agreement, the Employee hereby agrees that he or she shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Employee has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

18. Interpretation. Any dispute regarding the interpretation of this Agreement shall be submitted by the Employee or the Company to the Committee for review. The resolution of such a dispute by the Board or Committee shall be final and binding on the Company and on the Employee.

19. Miscellaneous.

19.1. Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g. Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third (3rd) business day following deposit in the United States mail as set forth above.

19.2. Plans Paramount: Conflicts with Plans. This Agreement and the Option shall, in all respects, be subject to the terms and conditions of each of the respective Plans, whether or not stated herein. In the event of a conflict between the provisions of a Plan and the provisions of this Agreement, the provisions of the Plan shall in all respects be controlling.

19.3. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon the Employee and the Employee's heirs, executors, administrators, legal representatives, successors and assigns.

19.4. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto and supersede all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. The Agreement may not be contradicted by evidence of any prior or contemporaneous

agreement. To the extent that the policies and procedures of the Company apply to the Employee and are inconsistent with the terms of the Agreement, the provisions of the Agreement shall control.

19.5. Amendments; Waivers. The Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties (in the case of the Company, such instrument must be signed by the President or Chief Executive Officer of the Company to be effective). No failure to exercise and no delay in exercising any right, remedy, or power under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under the Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by the Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

19.6. Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

19.7. Attorneys' Fees. In the event of any arbitration or litigation between the parties arising under or related to this Agreement (a "Covered Dispute"), the substantially prevailing party in the Covered Dispute (the "Prevailing Party") shall be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged therefor by the persons providing the services, reasonable fees and/or allocated costs of staff (in-house) counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions therefrom, in addition to any other relief to which the Prevailing Party may be entitled. A party to a Covered Dispute shall be the Prevailing Party in such Covered Dispute if the claims against such party are dismissed at any stage in the arbitration or litigation.

19.8. Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Company's board of directors or any committee thereof. The parties agree that, subject to the agreement to arbitrate disputes set forth in Section 19.12, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, related to this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 19.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 19.12.

19.9. No Duty to Disclose. The Employee acknowledges and agrees that, except for

the information provided to the Employee by the Company pursuant to Sections 16(b) and 16(d) prior to execution of this Agreement, neither the Company nor any of the Company's officers) directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Employee any information whatsoever, including but not limited to information concerning the Company that might if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to Plan to effect a merger or to acquire or dispose of a material amount of assets. The Employee acknowledges and understands that he or she (a) might exercise his or her Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise his or her Option (or a portion thereof) and sell, pledge or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Employee acknowledges and agrees that he or she will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Employee's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

19.10. Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

19.11 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

19.12. Agreement to Arbitrate. The Employee and the Company recognize that differences may arise between them during or following the Employee's employment with the Company, and that those differences may or may not be related to the grant of the Option herein or to the Employee's employment. The Employee understands and agrees that by entering into this Agreement, the Employee anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 19.12 and its subparts, the "Company' shall also refer to all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE EMPLOYEE (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, STOCKHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO EMPLOYEE'S EMPLOYMENT OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS"), SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 19.12(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE PARTIES HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim

concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules: Initiation of Arbitration: Location of Arbitration. Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispule Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Employee waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name List unstricken by parties, Employee shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Employee strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Employee shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Employee and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 19(a)(ii),

the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Employee and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 19.12 and in Section 19.7, the Employee and the Company shall equally share the fees and costs of the arbitration and the Arbitrator.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 19.12.

INDEX DEVELOPMENT PARTNERS, INC.
125 Broad Street, 14th Floor
New York, New York 10004

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg
Chief Executive Officer

Acceptance

The Employee hereby acknowledges: I have received a copy of each Plan and this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THE EFFECT OF SECTION 19.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement.

The Employee accepts this Option subject to all the terms and conditions of the Plan and this Agreement. The Employee acknowledges that there may be adverse tax consequences upon exercise of this Option or disposition of the Option Shares and that the Employee should consult a tax adviser prior to such exercise or disposition.

Date

/s/ Luciano Siracusano

Signature

Address:
[Redacted]

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

DATE

Individual Investor Group, Inc.
125 Broad Street, 14th Floor
New York, New York 10004

Attention:Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of July 30, 2003 ("Agreement") with Individual Investor Group, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase _____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check]
payable to the order of "Individual Investor Group, Inc." in the sum of $_____;

( ) confirmation of wire transfer in the amount of $_____; and/or

( ) certificate for _____ shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as such term is defined in the Plan of $_____.

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) in my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the otTer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of the Plan and this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of July 30, 2003, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

_____ _____

(Signature) (Address)

_____ _____

(Print Name) (Address)

_____

(Social Security Number)

Exhibit 10.24

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Agreement") is entered into as of the 17th day of March, 2004, by and between INDEX DEVELOPMENT PARTNERS, INC., a Delaware corporation (the "Company"), and Luciano Siracusano (the "Employee").

WHEREAS, on March 17, 2004 (the "Grant Date"), the Board of Directors of the Company (the "Board") authorized the grant to the Employee of an option (the "Option") to purchase an aggregate of 750,000 shares of the authorized but unissued common stock, $.01 par value, of the Company ("Common Stock"), conditioned upon the Employee's acceptance of the grant of the Option upon the terms and conditions set forth in this Agreement; and

WHEREAS, the Employee desires to acquire the Option upon the terms and conditions set forth in this Agreement;

IT IS AGREED:

I. Grant of Stock Option. The Company hereby grants the Employee the Option to purchase all or any part of an aggregate of 750,000 shares of Common Stock ("Option Shares") on the terms and conditions set forth herein.

2. Non-Qualified Stock Option. The Option represented hereby is not intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price of the Option is $0.03 per share, subject to adjustment as hereinafter provided.

4. Exercisability. This Option shall be exercisable, subject to the terms and conditions of this Agreement, as follows:

(a) (i) the right to purchase 75,000 of the Option Shares shall be exercisable on or after March 17, 2005, (ii) the right to purchase an additional 75,000 of the Option Shares shall be exercisable on or after March 17, 2006, (iii) the right to purchase an additional 75,000 of the Option Shares shall be exercisable on or after March 17, 2007, (iv) the right to purchase an additional 75,000 of the Option Shares shall be exercisable on or after March 17, 2008, and (v) the right to purchase an additional 75,000 of the Option Shares shall be exercisable on or after March 17, 2009. In addition, the right to purchase an additional 375,0000 of the Option Shares shall be conditioned upon and subject to the Company achieving net income of at least $1.00 (determined in accordance with generally accepted accounting principles, consistently applied) in two consecutive fiscal quarters. If the Company in the future shall become required to file periodic reports with the Securities and Exchange Commission, then the date of the filing by the Company of a periodic report (e.g., a Quarterly Report on Form 10-Q or 10-QSB) that discloses this achievement shall be the date that these additional 375,000 shares shall become exercisable. After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on March 16, 2014 ("Exercise Period").

5. Effect of Termination of Employment.

5.1. Termination Due to Death. If Employee's employment by the Company terminates by reason of death, the portion of the Option, if any, that was exercisable as of the date of death may thereafter be exercised by the legal representative of the estate or by the legatee of the Employee under the will of the Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of death shall immediately expire upon death.

5.2. Termination Due to Disability. If Employee's employment by the Company terminates by reason of disability, the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

5.3. Other Termination.

(a) If Employee's employment is terminated by the Company or the Employee for any reason other than (i) death, (ii) Disability or (iii) for cause by the Company, then the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

(b) In the event the Employee's employment is terminated for cause (i) this Option, whether or not exercisable, shall immediately expire and (ii) the Company may require the Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of such termination of employment. In such event, the Employee hereby agrees to remit to the Company, in cash, an amount equal to the difference between the "Fair Market Value" of the Option Shares on the date of such termination of employment (or the sales price of such shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such shares. For purposes of this Agreement, the "Fair Market Value" of the Option Shares on a given date (the "Date of Determination") shall mean shall be deemed to be the last reported sale price of the Common Stock on such date, or, in case no such reported sale takes place on such day, the average of the last reported sale prices for the immediately preceding three trading days, in either case as

officially reported by the principal securities exchange on which the Common Stock is listed or admitted to trading, or, if the Common Stock is not listed or admitted to trading on any national securities exchange or if any such exchange on which the Common Stock *is* listed is not its principal trading market, the last reported sale price as furnished by the National Association of Securities Dealers, Inc. ("NASD") through the Nasdaq National Market or SmallCap Market, or, if applicable, the OTC Bulletin Board or the residual over-the-counter market, or if the Common Stock is not listed or admitted to trading on any of the foregoing markets, or similar organization, as determined in good faith by resolution of the Board of Directors of the Company, based on the best information available to it.

5.4. "Employment". The Employee shall be considered to be employed by the Company pursuant to this Section 5 if the Employee is an officer, director or full-time employee of the Company (or of any parent, subsidiary or affiliate of the Company) or if the Committee determines in its sole and absolute discretion that the Employee is rendering substantial services to the Company as a part-time employee, consultant or contractor of the Company (or of any parent, subsidiary or affiliate of the Company). The Committee shall have the sole and absolute discretion to determine whether the Employee has ceased to be employed by the Company and the effective date on which such employment terminated.

5.5. No Right to Employment. Nothing in this Agreement shall confer on the Employee any right to continue in the employ of, or other relationship with, the Company (or with any parent, subsidiary or affiliate of the Company) or limit in any way the right of the Company (or of any parent, subsidiary or affiliate of the Company) to terminate the Employee's employment or other relationship with the Company (or with any parent, subsidiary or affiliate of the Company) at any time, with or without cause.

5.6. Competing With the Company. In the event that, within eighteen (18) months after the date of termination of Employee's employment with the Company, Employee accepts employment with any competitor of, or otherwise competes with, the Company, the Committee, in its sole discretion, may require Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of termination or after the date of termination. In such event, Employee agrees to remit the economic value to the Company in accordance with Section 5.3(b).

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Employee for Federal income tax purposes with respect to the Option, the Employee shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of

the Company pursuant to this Agreement shall be conditional upon such payment or arrangements with the Company and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Employee from the Company.

7. Adjustments. In the event of any merger, reorganization, consolidation, recapitalization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or other change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Employee's proportionate interest in the Company and Employee's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Acceleration of Vesting on Change of Control. Notwithstanding the provisions of Section 4, in the event of a "change of control" (as defined below) while the Employee is employed by the Company, the vesting of this Option shall accelerate and all the Option Shares shall be purchasable by Employee simultaneous with such change of control. For the purposes of this Agreement, a change of control shall mean (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")), other than a stockholder of the Company that, as of the date of this Agreement, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 10% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company or (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions, where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company.

9. Method of Exercise.

9.1. Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

9.2. Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Employee as soon as practicable after payment therefore

9.3. Payment of Purchase Price. The Employee shall make payment for the Option Shares by anyone or more of the following methods set forth in this Section 9.3.

9.3.1. Cash Payment. The Employee shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the

Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

9.3.2. Payment through Bank or Broker. The Employee may make arrangements satisfactory to the Company with a bank or a broker who is member of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

9.3.3. Cashless Payment.

(a) The Employee may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Employee for more than six (6) months (and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission ("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Employee in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at the Fair Market Value as defined in Section 5.3(b).

(b) At the election of the Employee, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total Fair Market Value (as defined in Section 5.3(b)) of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option.

9.3.4. Payment of Withholding Tax. Any required withholding tax may be paid in cash, with Common Stock or by the surrender of an unexercised portion of the Option in accordance with Sections 9.3.1, 9.3.2 and 9.3.3.

9.3.5. Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of "recapture" under Section 16(b) of the Exchange Act; (ii) such shares of Common Stock may not be sold or transferred to the Company; or (iii) such transfer could create legal difficulties for the Company.

10. Security Interest in Option Shares Collateralizing Obligations Owed to the Company. Notwithstanding anything in this Agreement to the contrary, the Employee hereby grants the Company a security interest in the Option Shares as follows: in the event that the Employee owes the Company any sum (including without limitation amounts owed pursuant to a loan made by the Company to the Employee), and such sum is past due (the "Past Due Amount"), the Company shall have a security interest in the Option Shares. The Employee hereby agrees to execute, promptly upon request by the Company, such instruments and to take such action as may be useful for the Company to perfect and/or exercise such security interest, and hereby irrevocably grants the Company the right to retain, in full or partial payment of the Past Due Amount up to the following number of Option Shares upon any whole or partial exercise of the Option: a fraction, the numerator of which is the Past Due Amount, and the denominator of which is the Fair Market Value (as defined in Section 5.3(b)) the Company's Common Stock as of the date of such exercise; provided that the fraction set forth in the preceding clause shall be rounded up to the nearest whole number. The security interest set forth herein shall be cumulative to all, and not in lieu of any, other remedies to available to the Company with respect to any Past Due Amount.

11. Market Standoff Agreement. The Employee agrees that, in connection with any registration of the Company's securities, upon the request of the Company or the underwriters managing any public offering of the Company's securities, the Employee will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 9.3.2.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration as the Company or the underwriters may specify for the Company's employee shareholders generally. The Employee understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

12. Notice of Disqualifying Disposition of Incentive Stock Option Shares. If the Option granted to the Employee herein is an Incentive Stock Option, and if the Employee sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second (2nd) anniversary of the Grant Date, or (b) the first (1st) anniversary of the date of exercise of such Option Shares, the Employee shall immediately notify the Company in writing of such sale or disposition. The Employee acknowledges and agrees that the Employee may be subject to income and other tax withholding by the Company on the compensation income recognized by the Employee from any such sale or disposition, by payment in cash (or in shares of Common Stock, to the extent permissible under Section 9.3.4.) or out of the current wages or other earnings payable to Employee. The Employee hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in Employee's account(s) with such broker(s), as the Company may request. The Employee agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Employee and the Company.

13. Nonassignability. The Option shall not be assignable or transferable except by will or by the laws of descent and distribution in the event of the death of the Employee. No transfer of the Option by the Employee by will or by the laws of descent and distribution shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of the will and such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of the Option.

14. Required Holding Period. This Option and any Common Stock acquired upon its exercise may not be sold, assigned or otherwise transferred prior to the six (6) month anniversary of the Grant Date.

15. Company Representations. The Company hereby represents and warrants to the Employee that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Employee in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

16. Employee Representations. The Employee hereby represents and warrants to the Company that:

(a) he or she is acquiring the Option and shall acquire the Option Shares for his or her own account and not with a view towards the distribution thereof;

(b) he or she has received a copy of all reports and documents required to be filed by the Company with the Commission pursuant to the Exchange Act within the last 24 months and all reports issued by the Company to its stockholders;

(c) he or she understands that he or she must bear the economic risk of the investment in the Option Shares, which cannot be sold by him or her unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the

Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) in his or her position with the Company, he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption there from as provided herein; and

(f) The certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of March 17, 2004, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

17. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 13 of this Agreement, the Employee hereby agrees that he or she shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Employee has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

18. Interpretation. Any dispute regarding the interpretation of this Agreement shall be submitted by the Employee or the Company to the Committee for review. The resolution of such a dispute by the Board or Committee shall be final and binding on the Company and on the Employee.

19. Miscellaneous.

19.1. Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g. Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth herein, or to such other

address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third (3rd) business day following deposit in the United States mail as set forth above.

19.2. [Intentionally omitted.]

19.3. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon the Employee and the Employee's heirs, executors, administrators, legal representatives, successors and assigns.

19.4. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto and supersede all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. The Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the Company apply to the Employee and are inconsistent with the terms of the Agreement, the provisions of the Agreement shall control.

19.5. Amendments; Waivers. The Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties (in the case of the Company, such instrument must be signed by the President or Chief Executive Officer of the Company to be effective). No failure to exercise and no delay in exercising any right, remedy, or power under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under the Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or inn equity. All rights and remedies, whether conferred by the Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

19.6. Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

19.7. Attorneys' Fees. In the event of any arbitration or litigation between the parties arising under or related to this Agreement (a "Covered Dispute"), the substantially prevailing party in the Covered Dispute (the "Prevailing Party") shall be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged therefore by

the persons providing the services, reasonable fees and/or allocated costs of staff (in-house) counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions there from, in addition to any other relief to which the Prevailing Party may be entitled. A party to a Covered Dispute shall be the Prevailing Party in such Covered Dispute if the claims against such party are dismissed at any stage in the arbitration or litigation.

19.8. Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Company's board of directors or any committee thereof. The parties agree that, subject to the agreement to arbitrate disputes set forth in Section 19.12, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, related to this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 19.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 19.12.

19.9. No Duty to Disclose. The Employee acknowledges and agrees that, except for the information provided to the Employee by the Company pursuant to Sections 16(b) and 16(d) prior to execution of this Agreement, neither the Company nor any of the Company's officers, directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Employee any information whatsoever, including but not limited to information concerning the Company that might if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to Plan to effect a merger or to acquire or dispose of a material amount of assets. The Employee acknowledges and understands that he or she (a) might exercise his or her Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise his or her Option (or a portion thereof) and sell, pledge

or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Employee acknowledges and agrees that he or she will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Employee's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

19.10. Rights of Third Parties. Nothing in this Agreement express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

19.11 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

19.12. Agreement to Arbitrate. The Employee and the Company recognize that differences may arise between them during or following the Employee's employment with the Company, and that those differences may or may not be related to the grant of the Option herein or to the Employee's employment. The Employee understands and agrees that by entering into this Agreement, the Employee anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 19.12 and its subparts, the "Company" shall also refer to all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE EMPLOYEE (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, STOCKHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO EMPLOYEE'S EMPLOYMENT OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ON ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS"), SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 19.12(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an

Arbitrable Claim. THE PARTIES HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration. Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Employee waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA Name List. If only one common name on the Name List remains unstricken by the parties, that gave notice of the individual shall be designated as the Arbitrator. If more than one common name remains on the Name List unstricken by parties, Employee shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Employee strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Employee shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Employee and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the c1aim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 19(a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Employee and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 19.12 and in Section 19.7, the Employee and the Company shall equally share the fees and costs of the arbitration and the Arbitrator.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 19.12.

INDEX DEVELOPMENT PARTNERS, INC.
125 Broad Street, 14th Floor
New York, New York 1004

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg
Chief Executive Officer

Acceptance

The Employee hereby acknowledges: I have received a copy of each this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THE EFFECT OF SECTION 19.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement. The Employee accepts this Option subject to all the terms and conditions of this Agreement.

The Employee acknowledges that there may be adverse tax consequences upon exercise of this Option or disposition of the Option Shares and that the Employee should consult a tax adviser prior to such exercise or disposition**.**

March 17, 2004
Date

/s/ Luciano Siracusano
Signature

Address; _____

_____

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

DATE

Individual Investor Group, Inc.
125 Broad Street, 14th Floor
New York, New York 10004

Attention: Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of March 17, 2004 ("Agreement") with Individual Investor Group, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase _____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check]
payable to the order of "Individual Investor Group, Inc." in the sum of $_____

( ) confirmation of wire transfer in the amount of $_____; and/or

( ) certificate for shares _____ of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as such term is defined in the defined in Section 5.3(b)) of $_____

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the

Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) in my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of the this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of March 17, 2004, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof**."**

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature)	(Address)
(Print Name)	(Address)
	(Social Security Number)

Exhibit 10.25

AMENDMENT TO STOCK OPTION AGREEMENT

This AMENDMENT TO STOCK OPTION AGREEMENT (the "Amendment") is entered into as of the 7th day of October, 2004, by and between INDEX DEVELOPMENT PARTNERS, INC., a Delaware corporation (the "Company"), and Luciano Siracusano (the "Employee").

WHEREAS, the Company and Employee have entered into a Stock Option Agreement dated April 3, 2002 ("Stock Option Agreement") pursuant to which the Employee accepted a salary reduction in exchange for the grant of options ("Options") reflected in the Stock Option Agreement; and

WHEREAS, it was the intent of the Company and the Employee that the Options once vested would remain exercisable until the expiration of the Exercise Period, but the Stock Option Agreement provides otherwise in the event of death, disability or termination of employment; and

WHEREAS, it is the desire of the Company and the Employee to correct this inconsistency;;

IT IS AGREED:

1. Amendment to Sections 5.1, 5.2 and 5.3 of the Stock Option Agreement. The text of Sections 5.1, 5.2 and 5.3 of the 2002 Agreement is hereby amended to read as follows:

"[Intentionally omitted.]"

2. Full Force and Effect. Except as expressly amended by this Amendment, each of the other terms and provisions of the Stock Option Agreements shall continue in full force and effect.

INDEX DEVELOPMENT PARTNERS, INC.

By: _____
Jonathan L. Steinberg,
Chief Executive Officer

_____
Luciano Siracusano

Exhibit 10.26

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Agreement") is entered into as of the 10th day of November, 2004, by and between INDEX DEVELOPMENT PARTNERS, INC., a Delaware corporation (the "Company"), and Luciano Siracusano (the "Employee").

WHEREAS, effective as of November 10, 2004, (the "Grant Date"), the Board of Directors of the Company (the "Board") authorized the grant to the Employee of an option (the "Option") to purchase an aggregate of 336,953 shares of the authorized but unissued Common stock, $.01 par value, of the Company ("Common Stock") pursuant to the terms and conditions of the Company's 2000 Performance Equity Plan (the "Plan"), conditioned upon the Employee's acceptance of the grant of the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan; and

WHEREAS, the Employee desires to acquire the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Employee the Option to purchase all or any part of an aggregate of 336,953 shares of Common Stock ("Option Shares") on the terms and conditions set forth herein and subject to the terms of the Plan.

2. Qualified Stock Option. The Option represented hereby is intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price of the Option is $0.16 per share, subject to adjustment as hereinafter provided. The exercise price is at least 100% of the Fair Market Value (as defined in the Plan) of the Company's Common Stock as of the date of this Agreement.

4. Exercisability. This Option shall be exercisable, subject to the terms and conditions of this Agreement, as follows:

(a) (i) the right to purchase 67,390 of the Option Shares shall be exercisable on or after November 10, 2005, (ii) the right to purchase an additional 67,391 of the Option Shares shall be exercisable on or after November 10, 2006, (iii) the right to purchase an additional 67,390 of the Option Shares shall be exercisable on or after November 10, 2007, (iv) the right to purchase an additional 67,391 of the Option Shares shall be exercisable on or after November 10, 2008, and (v) the right to purchase an additional 67,391 of the Option Shares shall be exercisable on or after November 10, 2009. After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on November 9, 2014 ("Exercise Period").

5. Effect of Termination of Employment.

5.1. Termination Due to Death. If Employee's employment by the Company terminates by reason of death, the portion of the Option, if any, that was exercisable as of the date of death may thereafter be exercised by the legal representative of the estate or by the legatee of the Employee under the will of the Employee for a period of one (1) year from the date of such death or until the expiration of the Exercise Period, whichever period is shorter. The portion of the Option, if any, that was not exercisable as of the date of death shall immediately expire upon death.

5.2. Termination Due to Disability. If Employee's employment by the Company terminates by reason of Disability (as defined by the Board or the committee of the Board designated to administer the Plan (hereinafter referred to as the "Committee")), the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be

exercised by Employee for a period of one (1) year from the date of termination of employment or until the expiration of the Exercise Period, whichever period is shorter. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

5.3. Other Termination.

(a) If Employee's employment is terminated by the Company or the Employee for any reason other than (i) death, (ii) Disability or (iii) for Cause (as defined by the Board or the Committee), by the Company, then the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee until ninety (90) days from the date of termination of employment or until the expiration of the Exercise Period, whichever is shorter. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment shall immediately expire on the date of such termination of employment.

(b) In the event the Employees employment is terminated for Cause, (i) this Option, whether or not exercisable, shall immediately expire and (ii) the Company may require the Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of such termination of employment. In such event, the Employee hereby agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value of the Option Shares on the date of such termination of employment (or the sales price of such shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such shares.

5.4. "Employment". The Employee shall be considered to be employed by the Company pursuant to this Section 5 if the Employee is an officer, director or full-time employee of the Company (or of any parent, subsidiary or affiliate of the Company) or if the Committee determines in its sole and absolute discretion that the Employee is rendering substantial services to the Company as a part-time employee, consultant or contractor of the Company (or of any parent, subsidiary or affiliate of the Company). The Committee shall have the sole and absolute discretion to determine whether the Employee has ceased to be employed by the Company and the effective date on which such employment terminated.

5.5. No Right to Employment. Nothing in this Agreement shall confer on the Employee any right to continue in the employ of, or other relationship with, the Company (or with any parent, subsidiary or affiliate of the Company) or limit in any way the right of the Company (or of any parent, subsidiary or affiliate of the Company) to terminate the Employee's employment or other relationship with the Company (or with any parent, subsidiary or affiliate of the Company) at any time, with or without cause.

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Employee for Federal income tax purposes with respect to the Option, the Employee shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under the Plan and pursuant to this Agreement shall be conditional upon such payment or arrangements with the Company and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Employee from the Company.

7. Adjustments. In the event of any merger, reorganization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or similar change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the

Employee's proportionate interest in the Company and Employee's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Acceleration of Vesting on Change of Control. Notwithstanding the provisions of Section 4, in the event of a "change of control" (as defined below) while the Employee is employed by the Company, the vesting of this Option shall accelerate and all the Option Shares shall be purchasable by Employee simultaneous with such change of control. For the purposes of this Agreement, a change of control shall mean (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")), other than a stockholder of the Company that, as of the close of business on the date of this Agreement, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 10% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company or (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions. where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company.

9. Method of Exercise.

9.1. Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

9.2. Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Employee as soon as practicable after payment therefor.

9.3. Payment of Purchase Price. The Employee shall make payment for the Option Shares by any one or more of the following methods set forth in this Section 9.3.

9.3.1. Cash Payment. The Employee shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

9.3.2. Payment through Bank or Broker. The Employee may make arrangements satisfactory to the Company with a bank or a broker who is member of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise. plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

9.3.3. Cashless Payment.

(a) The Employee may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Employee for more than six (6) months

(and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission ("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Employee in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at Fair Market Value on the date of exercise.

(b) If, at the time the Employee desires to exercise all or a part of the Option, the Option Shares have not been registered under the Securities Act of 1933, as amended ("1933 Act"), and under the Securities Exchange Act of 1934, as amended ("Exchange Act"), then, at the election of the Employee, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total Fair Market Value of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option.

9.3.4. Payment of Withholding Tax. Any required withholding tax may be paid in cash, with Common Stock or by the surrender of an unexercised portion of the Option in accordance with Sections 9.3.1, 9.3.2 and 9.3.3.

9.3.5. Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event or "recapture" under Section 16(b) of the Exchange Act; or (ii) such shares of Common Stock may not be sold or transferred to the Company.

10. Market Standoff Agreement. The Employee agrees that, in connection with the first firm commitment underwritten public offering of the Company's securities after November l0, 2004 that raises at least $15,000,000 in gross proceeds, upon the request of the Company or the underwriters managing any public offering of the Company's securities, the Employee will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 9.3.2, but expressly excluding the use of Common Stock in connection with the exercise method set forth in Section 9.3.3.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration, not exceeding 180 days, as the Company or the underwriters may specify for the Company's employee stockholders generally; provided, that all executive officers, directors and holders of more than 5% of the Company's then outstanding capital stock agree to the same restriction. The Employee understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

11. Notice of Disqualifying Disposition of Incentive Stock Option Shares. If the Option granted to the Employee herein is an Incentive Stock Option, and if the Employee sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second anniversary of the Grant Date, or (b) the first anniversary of the date of exercise of such Option Shares, the Employee shall immediately notify the Company in writing of such sale or disposition. The Employee acknowledges and agrees that the Employee may be subject to income and other tax withholding by the Company on the compensation income recognized by the Employee from any such sale or disposition, by payment in cash (or in shares of Common Stock, to the extent permissible under Section 9.3.4.) or out of the current wages or other earnings payable to Employee. The Employee hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in Employee's account(s) with such broker(s), as the

Company may request. The Employee agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Employee and the Company.

12. Nonassignability. The Option shall not be assignable or transferable except by will or by the laws of descent and distribution in the event of the death of the Employee. No transfer of the Option by the Employee by will or by the laws of descent and distribution shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of such evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of the Option.

13. Required Holding Period. This Option and any Common Stock acquired upon its exercise may not be sold, assigned or otherwise transferred prior to the six (6) month anniversary of the Grant Date.

14. Company Representations. The Company hereby represents and warrants to the Employee that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Employee in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

15. Employee Representations. The Employee hereby represents and warrants to the Company that:

(a) he or she is acquiring the Option and shall acquire the Option Shares for his or her own account and not with a view towards the distribution thereof;

(b) he or she has received a copy of all reports and documents required to be filed by the Company with the Commission pursuant to the Exchange Act within the last 24 months and all reports issued by the Company to its stockholders and a copy of the Plan in effect as of the date of this Agreement;

(c) he or she understands that he or she must bear the economic risk of the investment in the Option Shares, which cannot be sold by him or her unless they are registered under the 1933 Act or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) in his or her position with the Company, he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) The certificates evidencing the Option Shares may bear the following legends:

> “The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act.”

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of November 10, 2004, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

16. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 13 of this Agreement, the Employee hereby agrees that he or she shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Employee has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

17. Miscellaneous.

17.1. Notices. All notices, requests, deliveries, payments, demands and other communications which arc required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third business day following deposit in the United States mail as set forth above.

17.2. Plan Paramount: Conflicts with Plan. This Agreement and the Option shall, in all respects, be subject to the terms and conditions of the Plan, whether or not stated therein. In the event of a conflict between the provision of the Plan and the provisions of this Agreement, the provisions of the Plan shall in all respects be controlling.

17.3. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon the Employee and the Employee's heirs, executors, administrators, legal representatives, successors and assigns.

17.4. Entire Agreement. This Agreement constitutes the entire agreement or the parties hereto and supersede all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. The Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the Company apply to the Employee and are inconsistent with the terms of the Agreement, the provisions of the Agreement shall control.

17.5. Amendments: Waivers. The Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties (in the case of the Company, such instrument must be signed by the President or Chief Executive Officer of the Company to be effective). No failure to exercise and no delay in exercising any right, remedy, or power under the Agreement shall operate as a waiver thereof: nor shall any single or partial exercise of any right, remedy, or power under the Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by the Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

17.6. Severability: Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"). (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to

substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

17.7. Attorneys' Fees. In the event of any arbitration or litigation between the parties arising under or related to this Agreement (a "Covered Dispute"), the substantially prevailing party in the Covered Dispute (the "Prevailing Party") shall be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged therefor by the persons providing the services, reasonable fees and/or allocated costs of staff (in-house) counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions therefrom, in addition to any other relief to which the Prevailing Party may be entitled. A party to a Covered Dispute shall be the Prevailing Party in such Covered Dispute if the claims against such party are dismissed at any stage in the arbitration or litigation.

17.8. Governing law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law or the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Company's board of directors or any committee thereof. The parties agree that, subject to the agreement to arbitrate disputes set forth in Section 17.12, the sale and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, related to this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 17.1 (as well as in any other manner prescribed by law): and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 17.12.

17.9. No Duty to Disclose. The Employee acknowledges and agrees that, except for the information provided to the Employee by the Company pursuant to Sections 15(b) and 15(d) prior to execution of this Agreement, neither the Company nor any or the Company's officers, directors. shareholders, employees, agents or representatives has any duty or obligation to disclose to the Employee any information whatsoever, including but not limited to information concerning the Company that might if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to Plan to effect a merger or to acquire or dispose of a material amount of assets. The Employee acknowledges and understands that he or she (a) might exercise his or her Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise his or her Option (or a portion thereof) and sell, pledge or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Employee acknowledges and agrees that he or she will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Employee's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

17.10. Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any

rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

17.11. Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

17.12. Agreement to Arbitrate. The Employee and the Company recognize that differences may arise between them during or following the Employee's employment with the Company, and that those differences may or may not be related to the grant of the Option herein or to the Employee's employment. The Employee understands and agrees that by entering into this Agreement, the Employee anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 17.12 and its subparts, the "Company" shall also refer to all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE EMPLOYEE (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, STOCKHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO EMPLOYEE'S EMPLOYMENT OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS"), SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 17.12(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE PARTIES HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules: Initiation of Arbitration: Location of Arbitration. Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Employee waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days or the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name List unstricken by parties, Employee shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Employee strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Employee shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Employee and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 17.12 (a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any or the Agreement is void or voidable and any assertion that a dispute between the Employee and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 17.12 and in Section 17.7, the Employee and the Company shall equally share the fees and costs of the arbitration and the Arbitrator.

(c) Confidentiality. All proceedings and documents prepared in connection with any

Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 17.12.

INDEX DEVELOPMENT PARTNERS, INC.
48 Wall Street, Suite 1100
New York, New York 10005

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg
Chief Executive Officer

Acceptance

The Employee hereby acknowledges: I have received a copy of each this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement: I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THE EFFECT OF SECTION 17.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement. The Employee accepts this Option subject to all the terms and conditions of this Agreement.

The Employee acknowledges that there may be adverse tax consequences upon exercise of this Option or disposition of the Option Shares and that the Employee should consult a tax adviser prior to such exercise or disposition.

As of November 10, 2004

/s/ Luciano Siracusano
Signature

Address:
[Redacted]

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

DATE

Index Development Partners, Inc.
48 Wall Street, Suite 1100
New York, New York 10005

Attention: Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of November 10. 2004 ("Agreement") with Individual Investor Group, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase _____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which arc being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check]
payable to the order of "Individual Investor Group, Inc." in the sum of $_____;

( ) confirmation of wire transfer in the amount of $_____; and/or

( ) certificate for _____ shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as such term is defined in the 2000 Performance Equity Plan) of $_____.

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) in my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of the this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of November 10, 2004 a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature) (Address)

(Print Name) (Address)

(Social Security Number)

Exhibit 10.27

STOCK OPTION AGREEMENT

STOCK OPTION AGREEMENT (the "Agreement"), effective as of the Grant Date (as defined below), by and between WisdomTree Investments, Inc., a Delaware corporation (the "Company"), and the employee of WisdomTree Asset Management, Inc. ("WTAM"), a wholly-owned subsidiary of the Company, whose name is set forth on the signature page of this Agreement (the "Employee").

WHEREAS, effective as of the Grant Date set forth on Schedule A included on the signature page of this Agreement (the "Grant Date"), the Board of Directors of the Company (the "Board") or the Compensation Committee of the Board (the "Committee") authorized the grant to the Employee of an option (the "Option") to purchase an aggregate of number of shares of the authorized but unissued common stock, $.01 par value, of the Company ("Common Stock") as set forth on Schedule A, pursuant to the terms and conditions of the Company's 2005 Performance Equity Plan (the "Plan"), conditioned upon the Employee's acceptance of the grant of the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan; and

WHEREAS, the Employee desires to acquire the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Employee the Option to purchase all or any part of an aggregate number of shares of Common Stock as set forth on Schedule A ("Option Shares") on the terms and conditions set forth herein and subject to the terms of the Plan.

2. Non-Qualified Stock Option. The Option represented hereby is not intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price per share of the Option is as set forth on Schedule A, subject to adjustment as hereinafter provided. The exercise price is at least 100% of the Fair Market Value (as defined in the Plan) of the Company's Common Stock on the Grant Date.

4. Exercisability. This Option shall be exercisable, subject to the terms and conditions of this Agreement, as set forth on Schedule A. After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on the day immediately preceding the tenth anniversary of the Grant Date ("Exercise Period).

5. Effect of Termination of Employment.

5.1 Termination Due to Death. If Employee's employment by WTAM terminates by reason of death, the portion of the Option, if any, that was exercisable as of the date of death may thereafter be exercised by the legal representative of the estate or by the legatee of the Employee under the will of the Employee for a period of one (1) year from the date of such death or until the expiration of the Exercise Period, whichever period is shorter. The portion of the Option, if any, which was not exercisable as of the date of death, shall immediately expire upon death.

5.2 Termination Due to Disability. If Employee's employment by WTAM terminates by reason of Disability, the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by Employee for a period of one (1) year from the date of termination of employment or until the expiration of the Exercise Period, whichever period is shorter. The portion of the Option, if any, which was not exercisable as of the date of such termination of employment, shall immediately expire on the date of such termination of employment.

5.3 Other Termination.

(a) Termination by WTAM.

(i) Without Cause. Subject to Sections 5.1 and 5.2, if Employee's employment is terminated by WTAM for any reason other than for Cause, then the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee for a period of ninety (90) days from the date of termination of employment or until the expiration of the Exercise Period, whichever is shorter. The portion of the Option, if any, that was not exercisable as of the date of such termination of employment, shall immediately expire on the date of such termination of employment.

(ii) For Cause. If the Employee's employment is terminated by WTAM for Cause, (i) this Option, whether or not exercisable, shall immediately expire and (ii) the Company may require the Employee to return to the Company the economic value of any Option Shares purchased hereunder by the Employee within the six (6) month period prior to the date of such termination of employment. In such event, the Employee hereby agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value of the Option Shares on the date of such termination of employment (or the sales price of such shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such shares.

(b) Termination by Employee.

If Employee's employment by WTAM is terminated by Employee for any reason then the portion of the Option, if any, that was exercisable as of the date of termination of employment may thereafter be exercised by the Employee until ninety (90) days from the date of termination of employment or until the expiration of the Exercise Period, whichever is shorter. The portion of the Option, if any, which was not exercisable as of the date of such termination of employment, shall immediately expire on the date of such termination of employment.

5.4 "Employment". The Employee shall be considered to be employed by WTAM pursuant to this Section 5 if the Employee is an officer, director or full-time employee of the WTAM (or of the Company or any parent, subsidiary or affiliate of the Company) or if the Committee (or the Board in the absence of a decision by the Committee or in over-riding the decision of the Committee) determines in its sole and absolute discretion that the Employee is rendering substantial services to the Company as a part-time employee, consultant or contractor of the Company (or of any parent, subsidiary or affiliate of the Company, including WTAM). The Committee (or the Board in the absence of a decision by the Committee or in over-riding the decision of the Committee) shall have the sole and absolute discretion to determine whether the Employee has ceased to be employed by the WTAM and the effective date on which such employment terminated.

5.5 No Right to Employment. Nothing in this Agreement shall confer on the Employee any right to continue in the employ of, or other relationship with, WTAM or the Company (or with any parent, subsidiary or affiliate of the Company) or limit in any way the right of WTAM or the Company (or of any parent, subsidiary or affiliate of the Company) to terminate the Employee's employment or other relationship with WTAM or the Company (or with any parent, subsidiary or affiliate of the Company) at any time, with or without cause.

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Employee for Federal income tax purposes with respect to the Option, the Employee shall pay to WTAM, or make arrangements satisfactory to WTAM regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under the Plan and pursuant to this Agreement shall be conditional upon such payment or arrangements with WTAM and WTAM shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Employee from WTAM.

7. Adjustments. In the event of any merger, reorganization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or similar change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Employee's proportionate interest in the Company and Employee's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Method of Exercise.

8.1 Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

8.2 Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Employee (or, in the discretion of the Company, arrange for electronic credit of the Option Shares to an account maintained by Employee at a brokerage firm designated by the Employee) as soon as practicable after payment therefor.

8.3 Payment of Purchase Price. The Employee shall make payment for the Option Shares by any one or more of the following methods set forth in this Section 8.3.

8.3.1 Cash Payment. The Employee shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

8.3.2 Payment through Bank or Broker. The Employee may make arrangements satisfactory to the Company with a bank or a broker who is member of a national securities exchange or of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction

will at least equal the Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

8.3.3 Cashless Payment.

(a) The Employee may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Employee for more than six (6) months (and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission ("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Employee in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at Fair Market Value on the date of exercise.

(b) If, at the time the Employee desires to exercise all or a part of the Option, the Option Shares have not been registered under the Securities Act of 1933, as amended ("1933 Act"), and under the Securities Exchange Act of 1934, as amended ("Exchange Act"), then, at the election of the Employee, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total Fair Market Value of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option.

8.3.4 Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of "recapture" under Section 16(b) of the Exchange Act; or (ii) such shares of Common Stock may not be sold or transferred to the Company.

9. Market Standoff Agreement. The Employee agrees that, in connection with the first firm commitment underwritten public offering of the Company's securities after November 10, 2004 that raises at least $15,000,000 in gross proceeds, upon the request of the Company or the underwriters managing any public offering of the Company's securities, the Employee will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 8.3.2, but expressly excluding the use of Common Stock in connection with the exercise method set forth in Section 8.3.3.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration, not exceeding one hundred eighty (180) days, as the Company or the underwriters may specify for the Company's employee stockholders generally;

provided, that all executive officers, directors and holders of more than 5% of the Company's then outstanding capital stock agree to the same restriction. The Employee understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

10. Notice of Disqualifying Disposition of Incentive Stock Option Shares. If the Option granted to the Employee herein is an Incentive Stock Option, and if the Employee sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second anniversary of the Grant Date, or (b) the first anniversary of the date of exercise of such Option Shares, the Employee shall immediately notify the Company in writing of such sale or disposition. The Employee acknowledges and agrees that the Employee may be subject to income and other tax withholding by the Company on the compensation income recognized by the Employee from any such sale or disposition. The Employee hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in Employee's account(s) with such broker(s), as the Company may request. The Employee agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Employee and the Company.

11. Nonassignability. The Option shall not be assignable or transferable except by will or by the laws of descent and distribution in the event of the death of the Employee. Notwithstanding the foregoing, the Employee, with the approval of the Committee, may transfer the Option (i) (A) by gift, for no consideration, or (B) pursuant to a domestic relations order, in either case, to or for the benefit of the Employee's Immediate Family (as defined in the Plan), or (ii) to an entity in which the Employee and/or members of the Employee's Immediate Family own more than fifty percent of the voting interest, in exchange for an interest in that entity, provided that such transfer is being made for estate, tax and/or personal planning purposes and will not have adverse tax consequences to the Company and subject to such limits as the Committee may establish and the execution of such documents as the Committee may require. In such event, the transferee shall remain subject to all the terms and conditions applicable to the Option prior to such transfer.

12. Company Representations. The Company hereby represents and warrants to the Employee that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Employee in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

13. Employee Representations. The Employee hereby represents and warrants to the Company that:

(a) he or she is acquiring the Option and shall acquire the Option Shares for his or her own account and not with a view towards the distribution thereof;

(b) the Company has made available to his or her a copy of the Company's current information made available to the public pursuant to Commission Rule 15c2-11, and a copy of the Plan in effect as of the Grant Date;

(c) he or she understands that he or she must bear the economic risk of the investment in the Option Shares, which cannot be sold by him or her unless they are registered under the 1933 Act or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) in his or her position with the Company, he or she has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) he or she is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) he or she understands and agrees that the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have not been registered under the Securities Act of 1933, as amended (the "Act") and may not be sold, pledged, hypothecated or otherwise transferred in the absence of an effective registration statement or an exemption therefrom under the Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement between the Company and the holder, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

14. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Sections 9 and 11 of this Agreement, the Employee hereby agrees that he or she shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by him or her without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the Employee has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

15. Miscellaneous.

15.1 Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or

certified mail, return receipt requested, postage prepaid, to the Company and WTAM at their principal executive offices and to the Employee at his or her last known residence address as indicated in the employment records of the Company or WTAM as the case may be, or to such other address as either shall have specified by notice in writing to the others. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third business day following deposit in the United States mail as set forth above.

15.2 Plan Paramount; Conflicts with Plan. This Agreement and the Option shall, in all respects, be subject to the terms and conditions of the Plan, whether or not stated therein. In the event of a conflict between the provision of the Plan and the provisions of this Agreement, the provisions of the Plan shall in all respects be controlling.

15.3 Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by this Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

15.4 Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. This Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of WTAM or the Company apply to the Employee and are inconsistent with the terms of the Agreement, the provisions of this Agreement shall control.

15.5 Binding Effect; Successors. This Agreement shall inure to the benefit of and be binding upon the parties hereto and, to the extent not prohibited herein, their respective heirs, successors, assigns and representatives.

15.6 Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

15.7 Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

15.8 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

15.9 No Duty to Disclose. The Employee acknowledges and agrees that, except for the information provided to the Employee by the Company pursuant to Sections 13(b) and 13(d) prior to execution of this Agreement, neither the Company nor any of the Company's officers, directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Employee any information whatsoever, including but not limited to information concerning the Company that might if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to Plan to effect a merger or to acquire or dispose of a material amount of assets. The Employee acknowledges and understands that he or she (a) might exercise his or her Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise his or her Option (or a portion thereof) and sell, pledge or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Employee acknowledges and agrees that he or she will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Employee's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

15.10 Agreement to Arbitrate. The Employee, the Company and WTAM recognize that differences may arise between them during or following the Employee's employment by WTAM, and that those differences may or may not be related to the grant of the Option herein or to the Employee's employment. The Employee understands and agrees that by entering into this Agreement, the Employee anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 15.10 and its subparts, the "Company" shall refer to the Company and to WTAM and all successors and assigns of either of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE EMPLOYEE (AND HIS OR HER PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, STOCKHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO EMPLOYEE'S EMPLOYMENT BY THE COMPANY OR WTAM, AS THE CASE MAY BE, OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS"), SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 15.10(a)(ii), the Arbitrator (as defined

below) shall decide whether a claim is an Arbitrable Claim. THE COMPANY AND THE EMPLOYEE HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) Notwithstanding anything herein to the contrary, the Company may enforce in court, without prior resort to arbitration, any claim concerning actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company and/or to enforce any restrictive covenant contained in the then effective employment agreement between WTAM and the Employee. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company and/or the enforcement of any restrictive covenant contained in the then effective employment agreement between WTAM and the Employee.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within six (6) months of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Employee waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name List unstricken by parties, Employee shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Employee strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Employee shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Employee and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual

and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 15.10(a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Employee and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 15.10, the Employee and the Company shall equally share the fees and costs of the arbitration and the Arbitrator. The reference to "the fees and costs of the arbitration and the Arbitrator" in the preceding sentence is not intended to included the fees and expense of either party's legal counsel or other advisors, but merely the fees and costs imposed on the parties by the AAA in connection with an arbitration conducted under the auspices of the AAA.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 15.10.

15.11 Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of

Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Board or Committee. The Company and the Employee agree that, subject to the agreement to arbitrate disputes set forth in Section 15.10, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party, relating in any manner whatsoever to Employee's employment by the Company or WTAM, as the case may be, or to the termination thereof, including without limitation all disputes arising this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 15.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 15.10. As used in this Section 15.11, the "Company" shall refer to the Company and to WTAM and all successors and assigns of either of them.

[Balance of page left blank intentionally. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have signed this Stock Option Agreement effective as of the Grant Date indicated below.

WISDOMTREE INVESTMENTS, INC.

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg, Chief Executive Officer

* *

Schedule A

Name of Employee: Luciano Siracusano Grant Date: January 26, 2009

Total Number of Option Shares: 200,000 Exercise Price: $0.70

Number of Option Shares Exercisable on First Anniversary of Grant Date:	50,000
Number of Additional Option Shares Exercisable on Second Anniversary of Grant Date:	50,000
Number of Additional Option Shares Exercisable on Third Anniversary of Grant Date:	50,000
Number of Additional option Shares Exercisable on Fourth Anniversary of Grant Date:	50,000

* *

Confirmation

WisdomTree Asset Management, Inc. hereby executes this Agreement solely to confirm its agreement to be bound by the term and provisions of Sections 15.10 and 15.11 hereof.

WISDOMTREE ASSET MANAGEMENT, INC.

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg, Chief Executive Officer

Acceptance

The Employee hereby acknowledges: I have received a copy of this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 15.10 CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations and promises other than those contained in this Agreement. The Employee accepts these Shares subject to all the terms and conditions of this Agreement.

/s/ Luciano Siracusano
EMPLOYEE SIGNATURE

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

Insert Date: _____

WisdomTree Investments, Inc.
380 Madison Avenue, 21st Floor
New York, New York 10017

Attention: Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of _____ ("Agreement") with WisdomTree Investments, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase _____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check] payable to the order of "Individual Investor Group, Inc." in the sum of $_____;

( ) confirmation of wire transfer in the amount of $_____;

( ) certificate for shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as such term is defined in the defined in the 2005 Performance Equity Plan) of $_____; and/or

( ) the surrender of that portion of the Option representing the right to purchase_____ Option Shares with a "value" as defined in Section 8.3.3 (b) of the Agreement.

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders, or a copy of the Company's current information made available to the public pursuant to Commission Rule 15c2-1;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) in my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of the this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement between the Company and the holder, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature)	(Address)
(Print Name)	(Address)
(Social Security Number)	

Exhibit 10.28

AMENDMENT TO STOCK OPTION AGREEMENT

This Amendment to Stock Option Agreement (the "Amendment") is entered into as of the 30th day of March, 2011, by and between WisdomTree Investments, Inc., a Delaware corporation (the "Company"), and Luciano Siracusano (the "Employee").

WHEREAS, the Company and Employee have entered into a Stock Option Agreement dated as of January 26, 2009 ("Stock Option Agreement") pursuant to which the Employee accepted a grant of an option ("Option") to purchase 200,000 shares of common stock of the Company that vest and become exercisable in four annual installments of 25% each as reflected in the Stock Option Agreement; and

WHEREAS, the Compensation Committee of the Board of Directors of the Company has authorized the acceleration of the vesting of the options in the event of a change in control of the Company;

NOW, THEREFORE, IT IS AGREED:

1. Amendment to Section 4 of the Stock Option Agreement. The text of Section 4 of the Stock Option Agreement is hereby amended by adding the following text at the end thereof:

"Notwithstanding the forgoing vesting provisions of this Section 4, in the event of a "change of control" (as defined below) while the Employee is employed by WTAM, the vesting of this Option shall accelerate and all the Option Shares shall be purchasable by Employee simultaneous with such change of control. For the purposes of this Agreement, a change of control shall mean (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")), other than a stockholder of the Company that, as of the close of business on January 26, 2009, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 10% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company or (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions, where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company."

2. Full Force and Effect. Except as expressly amended by this Amendment, each of the other terms and provisions of the Stock Option Agreements shall continue in full force and effect.

WISDOMTREE INVESTMENTS, INC.

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg,
Chief Executive Officer

/s/ Luciano Siracusano
Luciano Siracusano

WISDOMTREE ASSET MANAGEMENT, INC.

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg,
Chief Executive Officer

Exhibit 10.29

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Agreement") is entered into as of November 10, 2004, by and between INDEX DEVELOPMENT PARTNERS, INC., a Delaware corporation (the "Company"), and Michael Steinhardt (the "Optionholder").

WHEREAS, on November 3, 2004 (the "Grant Date"), the Board of Directors of the Company (the "Board"), in consideration for service as a director of the Company, authorized the grant to the Optionholder of an option (the "Option") to purchase an aggregate of 835,000 shares of the authorized but unissued Common Stock of the Company, $.01 par value (the "Common Stock"); and

WHEREAS, the desires to acquire the Option upon the terms and conditions set forth in this Agreement;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Optionholder the Option to purchase all or any part of an aggregate of 835,000 shares of Common Stock (the "Option Shares") on the terms and conditions set forth herein.

2. Non-Qualified Stock Option. The Option represented hereby is not intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price of the Option is $0.16 per share, subject to adjustment as hereinafter provided. The exercise price is at least 100% of the Fair Market Value (defined below) of the Company's Common Stock as of the date of this Agreement.

4. Exercisability. This Option shall be exercisable as to 417,500 shares on the Grant Date and as to an additional 417,500 shares on November 10, 2005. After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on November 9, 2014 ("Exercise Period").

5. Effect of Termination of Directorship.

5.1. Termination Due to any Reason Other than Removal For Cause. If the Optionholder's status as a Director of the Company terminates due to any reason other than removal for cause, the portion of the Option, if any, that was exercisable as of the date of termination may thereafter be exercised by the

Optionholder until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of termination shall immediately expire upon termination.

5.2. Termination Due to Removal for Cause. If the Optionholder's status as a Director of the Company terminates by reason of removal for cause, then (a) the Option shall immediately terminate and (b) the Company may require the Optionholder to return to the Company the economic value of any Option Shares purchased hereunder by the Optionholder within the six (6) month period prior to the date of such removal. In such event, the Optionholder hereby agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value of the Option Shares on the date of such removal (or the sales price of such Shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such Shares, net of any taxes paid by the Optionholder in connection with the vesting, exercise or sale of the Option (or Option Shares). For purposes of this Agreement, "cause" shall be limited to: (i) any material breach of fiduciary duty by the Optionholder, but only if such material breach shall not have been corrected within ten business days of his receipt of written notice from the Company of the occurrence of such material breach; (ii) being convicted of, or pleading guilty or nolo contendere to a felony, misdemeanor (other than, if applicable, minor traffic violations) or crime of moral turpitude; or (iii) the commission by the Optionholder of an act of dishonesty, fraud or embezzlement against the Company. For purposes of this Agreement, the "Fair Market Value" of the Option Shares on a given date (the "Date of Determination") shall mean shall be deemed to be the last reported sale price of the Common Stock on such date, or, in case no such reported sale takes place on such day, the average of the last reported sale prices for the immediately preceding three trading days, in either case as officially reported by the principal securities exchange on which the Common Stock is listed or admitted to trading, or, if the Common Stock is not listed or admitted to trading on any national securities exchange or if any such exchange on which the Common Stock is listed is not its principal trading market, the last reported sale price as furnished by the National Association of Securities Dealers, Inc. ("NASD") through the Nasdaq National Market or SmallCap Market, or, if applicable, the OTC Bulletin Board or the residual over-the-counter market, or if the Common Stock is not listed or admitted to trading on any of the foregoing markets, or similar organization, as determined in good faith by resolution of the Board of Directors of the Company, based on the best information available to it. Nothing in the this Agreement shall limit in an manner the power of the Board or the Company's stockholders to remove Director at any time, for any reason or no reason, provided that such removal is effected in accordance with applicable law, the Company's then-current certificate of incorporation, as amended and the Company's then-current by-laws.

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Optionholder for Federal income tax purposes with respect to the Option, the Optionholder shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under this Agreement shall be conditional upon such payment or arrangements with the Company and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Optionholder from the Company.

7. Adjustments. In the event of any merger, reorganization, consolidation, recapitalization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or other change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Optionholder's proportionate interest in the Company and the Optionholder's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Method of Exercise.

8.1. Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

8.2. Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Optionholder as soon as practicable after payment therefor.

8.3. Payment of Purchase Price. The Optionholder shall make pay for the Option Shares by any one or more of the following methods set forth in this Section 8.3.

8.3.1. Cash Payment. The Optionholder shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

8.3.2. Payment through Bank or Broker. The Optionholder may make arrangements satisfactory to the Company with a bank or a broker who is member of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the

number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

8.3.3. Cashless Payment.

(a) The Optionholder may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Optionholder for more than six (6) months (and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission ("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Optionholder in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at the Fair Market Value (as defined in Section 5.2).

(b) At the election of the Optionholder, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total Fair Market Value (as defined in Section 5.2) of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option.

8.3.4. Payment of Withholding Tax. Any required withholding tax may be paid in cash, with Common Stock or by the surrender of an unexercised portion of the Option in accordance with Sections 8.3.1., 8.3.2 and 8.3.3.

8.3.5. Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of "recapture" under Section 16(b) of the Securities Exchange Act of 1934; as amended (the "Exchange Act"), or (ii) such shares of Common Stock may not be sold or transferred to the Company; or (iii) such transfer could create legal difficulties for the Company.

9. Market Standoff Agreement. The Optionholder agrees that, at any time that the Optionholder would be deemed to be an "affiliate" (as defined under the Exchange Act) of the Company, in connection with next firm commitment underwritten public of the Company's securities following the date of this Agreement that will raise at least $15,000,000 in gross proceeds, upon the request of the Company or the underwriters managing such public offering of the Company's securities, the Optionholder will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 8.3.2., but expressly excluding the use of Common Stock in connection with the exercise method set forth in Section 8.3.3.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration not exceeding 180 days and otherwise as the Company or the underwriters may specify for the Company's director shareholders generally; provided, that all executive officers, directors and holders of more than 5% of the Company's then outstanding capital stock agree to the same restriction. The Optionholder understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

10. Notice of Disqualifying Disposition of ISO Shares. If the Option granted to the Optionholder herein is an ISO, and if the Optionholder sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second (2nd) anniversary of the Grant Date, or (b) the first (1st) anniversary of the date of exercise of such Option Shares, the Optionholder shall immediately notify the Company in writing of such sale or disposition. The Optionholder acknowledges and agrees that the Optionholder may be subject to income and other tax withholding by the Company on the compensation income recognized by the Optionholder from any such sale or disposition, by payment in cash (or in shares of Common Stock, to the extent permissible under Section 8.3.4.) or out of the current wages or other earnings payable to the Optionholder. The Optionholder hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in the Optionholder's account(s) with such broker(s), as the Company may request. The Optionholder agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Optionholder and the Company.

11. Nonassignability. The Option shall not be assignable or transferable without the consent of the Company and unless the Company shall have been furnished with written notice thereof and a copy of such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of the Option.

12. Required Holding Period. This Option and any Common Stock acquired upon its exercise may not be sold, assigned or otherwise transferred (other than to the Optionholder) prior to the six (6) month anniversary of the Grant Date.

13. Company Representations. The Company hereby represents and warrants to the Director that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Director in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

14. Optionholder Representations. The Optionholder hereby represents and warrants to the Company that:

(a) it is acquiring the Option and shall acquire the Option Shares for its own account and not with a view towards the distribution thereof;

(b) it has received a copy of all reports and documents required to be filed by the Company with the Commission pursuant to the Exchange Act within the last 24 months and all reports issued by the Company to its stockholders as of the date of this Agreement;

(c) it understands that it must bear the economic risk of the investment in the Option Shares, which cannot be sold by it unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) as a result of the Optionholder's position with the Company, the Optionholder has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) it is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) The certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may

not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of November 10, 2004, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

15. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 12 of this Agreement, the Optionholder hereby agrees that it shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by it without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the it has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

16. [Intentionally omitted.]

17. Miscellaneous.

17.1. Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third (3rd) business day following deposit in the United States mail as set forth above.

17.2. [Intentionally omitted.]

17.3. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon the Optionholder and the Optionholder's heirs, executors, administrators, legal representatives, successors and assigns.

17.4. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto and supersede all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. The Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the Company apply to the Optionholder and are inconsistent with the terms of the Agreement, the provisions of the Agreement shall control.

17.5. Amendments; Waivers. The Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties (in the case of the Company, such instrument must be signed by the President or Chief Executive Officer of the Company to be effective). No failure to exercise and no delay in exercising any right, remedy, or power under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under the Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by the Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

17.6. Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

17.7. Attorneys' Fees. In the event of any arbitration or litigation between the parties arising under or related to this Agreement (a "Covered Dispute"), the substantially prevailing party in the Covered Dispute (the "Prevailing Party") shall be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged therefor by the persons providing the services, reasonable fees and/or allocated costs of staff (in-house) counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions therefrom, in addition to any other relief to which the Prevailing Party may be entitled. A party to a Covered Dispute shall be the Prevailing Party in such Covered Dispute if the claims against such party are dismissed at any stage in the arbitration or litigation.

17.8. Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of stock options and actions of the Company's board of directors or any committee thereof. The parties agree that, subject to the agreement to arbitrate disputes set forth in Section 17.12, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, related to this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory

jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 17.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 17.12.

17.9. No Duty to Disclose. The Optionholder acknowledges and agrees that, except for the information provided to the Optionholder by the Company pursuant to Section 15(b) and 15(d) prior to execution of this Agreement, neither the Company nor any of the Company's officers, directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Optionholder any information whatsoever, including but not limited to information concerning the Company that might if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to plans to effect a merger or to acquire or dispose of a material amount of assets. The Optionholder acknowledges and understands that it (a) might exercise its Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise its Option (or a portion thereof) and sell, pledge or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Director acknowledges and agrees that it will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Optionholder's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

17.10. Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

17.11 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

17.12. Agreement to Arbitrate. The Optionholder and the Company recognize that differences may arise between them during or following the Optionholder's tenure as a director of the Company, and that those differences may or may not be related to the grant of the Option herein or to the Optionholder's tenure as a director of the Company. The Optionholder understands and agrees that by entering into this Agreement, the Optionholder anticipates the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 17.12 and its subparts, the "Company" shall also refer to all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE OPTIONHOLDER (AND ITS PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, SHAREHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO THE OPTIONHOLDER'S TENURE AS A DIRECTOR OF THE COMPANY OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS") SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 17.12(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE PARTIES HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, HOWEVER, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration. Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted,

the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within two (2) years of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Director waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name Lists unstricken by parties, Director shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Director strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Director shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial the Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Director and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by

applicable law. Except as provided in Section 17.12(a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Director and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 17.12 and in Section 17.7, the Director and the Company shall equally share the fees and costs of the arbitration and the Arbitrator.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, None of the parties shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 17.12.

INDEX DEVELOPMENT PARTNERS, INC.
48 Wall Street, Suite 1100
New York, New York 10005

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg
Chief Executive Officer

Acceptance

The Optionholder hereby acknowledge: I have received a copy of this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 18.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement. The Optionholder accepts this Option subject to all the terms and conditions of this Agreement.

The Optionholder acknowledges that there may be adverse tax consequences upon exercise of this Option or disposition of the Option Shares and that the Optionholder should consult a tax adviser prior to such exercise or disposition.

Dated: As of November 10, 2004

/s/ Michael Steinhardt
Michael Steinhardt

Address: _____

_____

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

DATED _____

Index Development Partners, Inc.
48 Wall Street, Suite 1100
New York, New York 10005

Attention: Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of November 10, 2004 ("Agreement") with Index Development Partners, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase _____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check] payable to the order of "Index Development Partners, Inc." in the sum of $_____;

( ) confirmation of wire transfer in the amount of $_____; and/or

( ) certificate for _____ shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as defined in Section 5.2) of $_____.

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) As a result of the Optionholder's my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of November 10, 2004, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature) (Address)

(Print Name) (Address)

(Social Security Number)

Exhibit 10.30

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Agreement") is entered into as of July 22, 2005, by and between INDEX DEVELOPMENT PARTNERS, INC., a Delaware corporation (the "Company"), and Frank J. Salerno (the "Optionholder").

WHEREAS, effective as of July 22, 2005 (the "Grant Date"), the Board of Directors of the Company (the "Board"), authorized the grant to Optionholder of an option (the "Option") to purchase an aggregate of 450,000 shares of the authorized but unissued Common Stock of the Company, $.01 par value (the "Common Stock"), pursuant to the terms and conditions of the Company's 2005 Performance Equity Plan (the "Plan"), conditioned upon the Optionholder's acceptance of the grant of the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan; and

WHEREAS, the Optionholder desires to acquire the Option upon the terms and conditions set forth in this Agreement and subject to the terms of the Plan;

IT IS AGREED:

1. Grant of Stock Option. The Company hereby grants the Optionholder the Option to purchase all or any part of an aggregate of 450,000 shares of Common Stock (the "Option Shares") on the terms and conditions set forth herein and subject to the provisions of the Plan.

2. Non-Qualified Stock Option. The Option represented hereby is not intended to be an Option which qualifies as an "Incentive Stock Option" under Section 422 of the Internal Revenue Code of 1986, as amended.

3. Exercise Price. The exercise price of the Option is $2.03 per share, subject to adjustment as hereinafter provided. The exercise price is at least 100% of the Fair Market Value (as defined in the Plan) of the Company's Common Stock as of the date of this Agreement.

4. Exercisability. This Option shall be exercisable as to 150,000 shares on each of July 22, 2006, July 22, 2007 and July 22, 2008. After a portion of the Option becomes exercisable, such portion shall remain exercisable, except as otherwise provided herein, until the close of business on July 21, 2015 ("Exercise Period").

5. Effect of Termination of Directorship.

5.1. Termination Due to any Reason Other than Removal For Cause. If the Optionholder's status as a Director of the Company terminates due to any reason other than removal for cause, the portion of the Option, if any, that was exercisable as of the date of termination may thereafter be exercised by the Optionholder until the expiration of the Exercise Period. The portion of the Option, if any, that was not exercisable as of the date of termination shall immediately expire upon termination.

5.2. Termination Due to Removal for Cause. If the Optionholder's status as a Director of the Company terminates by reason of removal for cause, then (a) the Option shall immediately terminate and (b) the Company may require the Optionholder to return to the Company the economic value of any Option Shares purchased hereunder by the Optionholder within the six (6) month period prior to the date of such removal. In such event, the Optionholder hereby agrees to remit to the Company, in cash, an amount equal to the difference between the Fair Market Value of the Option Shares on the date of such removal (or the sales price of such Shares if the Option Shares were sold during such six (6) month period) and the Exercise Price of such Shares, net of any taxes paid by the Optionholder in connection with the vesting, exercise or sale of the Option (or Option Shares). For purposes of this Agreement, "cause" shall be limited to: (i) any material breach of fiduciary duty by the Optionholder, but only if such material breach shall not have been corrected within ten business days of his receipt of written notice from the Company of the occurrence of such material breach; (ii) the Optionholder's being convicted of, or pleading guilty or nolo contendere to a felony, misdemeanor (other than, if applicable, minor traffic violations) or crime of moral turpitude; or (iii) the commission by the Optionholder of an act of dishonesty, fraud or embezzlement against the Company. For purposes of this Agreement, the "Fair Market Value" of the Option Shares on a given date (the "Date of Determination") shall mean shall be deemed to be the last reported sale price of the Common Stock on such date, or, in case no such reported sale takes place on such day, the average of the last reported sale prices for the immediately preceding three trading days, in either case as officially reported by the principal securities exchange on which the Common Stock is listed or admitted to trading, or, if the Common Stock is not listed or admitted to trading on any national securities exchange or if any such exchange on which the Common Stock is listed is not its principal trading market, the last reported sale price as furnished by the National Association of Securities Dealers, Inc. ("NASD") through the Nasdaq National Market or SmallCap Market, or, if applicable, the OTC Bulletin Board or the residual over-the-counter market, or if the Common Stock is not listed or admitted to trading on any of the foregoing markets, or similar organization, as determined in good faith by resolution of the Board of Directors of the Company, based on the best information available to it. Nothing in the this Agreement shall limit in an manner the power of the Board or the Company's stockholders to remove Director at any time, for any reason or no reason, provided that such removal is effected in accordance with applicable law, the Company's then-current certificate of incorporation, as amended and the Company's then-current by-laws.

6. Withholding Tax. Not later than the date as of which an amount first becomes includible in the gross income of the Optionholder for Federal income tax purposes with respect to the Option, the

Optionholder shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state and local taxes of any kind required by law to be withheld or paid with respect to such amount. Notwithstanding anything in this Agreement to the contrary, the obligations of the Company under the Plan and pursuant to this Agreement shall be conditional upon such payment or arrangements with the Company and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Optionholder from the Company.

7. Adjustments. In the event of any merger, reorganization, consolidation, recapitalization, consolidation, dividend (other than cash dividend), stock split, reverse stock split, or other change in corporate structure affecting the number of issued shares of Common Stock, the Company shall proportionally adjust the number and kind of Option Shares and the exercise price of the Option in order to prevent the dilution or enlargement of the Optionholder's proportionate interest in the Company and Optionholder's rights hereunder, provided that the number of Option Shares shall always be a whole number.

8. Method of Exercise.

8.1. Notice to the Company. The Option shall be exercised in whole or in part by written notice in substantially the form attached hereto as Exhibit A directed to the Company at its principal place of business accompanied by full payment as hereinafter provided of the exercise price for the number of Option Shares specified in the notice.

8.2. Delivery of Option Shares. The Company shall deliver a certificate for the Option Shares to the Optionholder as soon as practicable after payment therefor.

8.3. Payment of Purchase Price. The Optionholder shall make pay for the Option Shares by any one or more of the following methods set forth in this Section 8.3.

8.3.1. Cash Payment. The Optionholder shall make cash payments by wire transfer, certified check or bank check, in each case payable to the order of the Company; the Company shall not be required to deliver certificates for Option Shares until the Company has confirmed the receipt of good and available funds in payment of the purchase price thereof.

8.3.2. Payment through Bank or Broker. The Optionholder may make arrangements satisfactory to the Company with a bank or a broker who is member of the National Association of Securities Dealers, Inc. to either (a) sell on the exercise date a sufficient number of the Option Shares being purchased so that the net proceeds of the sale transaction will at least equal the Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes and pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied

by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company on a date satisfactory to the Company, but no later than the date on which the sale transaction would settle in the ordinary course of business or (b) obtain a "margin commitment" from the bank or broker pursuant to which the bank or broker undertakes irrevocably to deliver the full Exercise Price multiplied by the number of Option Shares being purchased pursuant to such exercise, plus the amount of any applicable withholding taxes to the Company, immediately upon receipt of the Option Shares.

8.3.3. Cashless Payment.

(a) The Optionholder may, in his or her sole discretion, use shares of Common Stock of the Company that were owned by the Optionholder for more than six (6) months (and which have been paid for within the meaning of Rule 144 promulgated by the Securities and Exchange Commission ("Commission") and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares), or that were obtained by the Optionholder in the open public market, to pay the purchase price for the Option Shares by delivery of one or more stock certificates in negotiable form which are effective to transfer good and valid title thereto to the Company, free of any liens or encumbrances. Shares of Common Stock used for this purpose shall be valued at the Fair Market Value (as defined in Section 5.2).

(b) At the election of the Optionholder, the Exercise Price for any or all of the Option Shares to be acquired may be paid by the surrender of any unexercised portion of the Option having a "value" equal to the Exercise Price multiplied by the number of Option Shares to be purchased. The "value" of a surrendered portion of the Option means, as of the exercise date, an amount equal to the excess of the total Fair Market Value (as defined in Section 5.2) of the shares of Common Stock underlying the surrendered portion of the Option over the total Exercise Price of such shares of Common Stock underlying the surrendered portion of the Option.

8.3.4. Payment of Withholding Tax. Any required withholding tax may be paid in cash, with Common Stock or by the surrender of an unexercised portion of the Option in accordance with Sections 8.3.1., 8.3.2 and 8.3.3.

8.3.5. Exchange Act Compliance. Notwithstanding the foregoing, the Company shall have the right to reject payment in the form of Common Stock if in the opinion of counsel for the Company, (i) it could result in an event of "recapture" under Section 16(b) of the Securities Exchange Act of 1934; as amended (the "Exchange Act"), or (ii) such shares of Common Stock may not be sold or transferred to the Company; or (iii) such transfer could create legal difficulties for the Company.

9. Market Standoff Agreement. The Optionholder agrees that, at any time that The Optionholder would be deemed to be an "affiliate" (as defined under the Exchange Act) of the Company, in

connection with next firm commitment underwritten public of the Company's securities following the date of this Agreement that will raise at least $15,000,000 in gross proceeds, upon the request of the Company or the underwriters managing such public offering of the Company's securities, the Optionholder will not sell or otherwise dispose of any Option Shares (including without limitation sale of Option Shares in connection with the exercise method set forth in Section 8.3.2., but expressly excluding the use of Common Stock in connection with the exercise method set forth in Section 8.3.3.) or any other securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration not exceeding 180 days and otherwise as the Company or the underwriters may specify for the Company's Optionholder shareholders generally; provided, that all executive officers, directors and holders of more than 5% of the Company's then outstanding capital stock agree to the same restriction. The Optionholder understands and agrees that, in order to ensure compliance with the market standoff agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent.

10. Notice of Disqualifying Disposition of ISO Shares. If the Option granted to the Optionholder herein is an ISO, and if the Optionholder sells or otherwise disposes of any of the Option Shares acquired pursuant to a whole or partial exercise the Option prior to the later of (a) the second (2nd) anniversary of the Grant Date, or (b) the first (1st) anniversary of the date of exercise of such Option Shares, the Optionholder shall immediately notify the Company in writing of such sale or disposition. The Optionholder acknowledges and agrees that the Optionholder may be subject to income and other tax withholding by the Company on the compensation income recognized by the Optionholder from any such sale or disposition, by payment in cash (or in shares of Common Stock, to the extent permissible under Section 8.3.4.) or out of the current wages or other earnings payable to Optionholder. The Optionholder hereby authorizes his/her broker(s) to provide the Company, promptly at the Company's request, with any information concerning the Option Shares, now or previously in Optionholder's account(s) with such broker(s), as the Company may request. The Optionholder agrees that this authorization may not be revoked or modified in any manner except pursuant to a writing signed by both the Optionholder and the Company.

11. Nonassignability. The Option shall not be assignable or transferable without the consent of the Company and unless the Company shall have been furnished with written notice thereof and a copy of such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of the Option.

12. [Intentionally omitted.]

13. Company Representations. The Company hereby represents and warrants to the Director that:

(a) the Company, by appropriate and all required action, is duly authorized to enter into this Agreement and consummate all of the transactions contemplated hereunder; and

(b) the Option Shares, when issued and delivered by the Company to the Director in accordance with the terms and conditions hereof, will be duly and validly issued and fully paid and non-assessable.

14. Optionholder Representations. The Optionholder hereby represents and warrants to the Company that:

(a) it is acquiring the Option and shall acquire the Option Shares for its own account and not with a view towards the distribution thereof;

(b) it has received a copy of all reports and documents required to be filed by the Company with the Commission pursuant to the Exchange Act within the last 24 months and all reports issued by the Company to its stockholders and a copy of the Plan in effect as of the date of this Agreement;

(c) it understands that it must bear the economic risk of the investment in the Option Shares, which cannot be sold by it unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(d) as a result of the Optionholder's position with the Company, Optionholder has had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (b) above;

(e) it is aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an exemption therefrom as provided herein; and

(f) The certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of November 10, 2004, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

15. Restriction on Transfer of Stock Option Agreement and Option Shares. Notwithstanding anything in this Agreement to the contrary, and in addition to the provisions of Section 12 of this Agreement, the Optionholder hereby agrees that it shall not sell, transfer by any means or otherwise dispose of the Option Shares acquired by it without registration under the 1933 Act, or in the event that they are not so registered, unless (a) an exemption from the 1933 Act registration requirements is available thereunder, and (b) the it has furnished the Company with notice of such proposed transfer and the Company's legal counsel, in its reasonable opinion, shall deem such proposed transfer to be so exempt.

16. [Intentionally omitted.]

17. Miscellaneous.

17.1. Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be either delivered personally or by private courier (e.g., Federal Express), or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered in person or by private courier, or on the third (3rd) business day following deposit in the United States mail as set forth above.

17.2. Plan Paramount; Conflicts with Plan. This Agreement and the Option shall, in all respects, be subject to the terms and conditions of the Plan, whether or not stated therein. In the event of a conflict between the provision of the Plan and the provisions of this Agreement, the provisions of the Plan shall in all respects be controlling. Notwithstanding the foregoing, the Company hereby represents and warrants to the Optionholder that the provisions of this Agreement do not conflict with the provisions of the Plan.

17.3. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon the Optionholder and the Optionholder's heirs, executors, administrators, legal representatives, successors and assigns.

17.4. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto and supersede all prior undertakings and agreements, oral or written, with respect to the subject matter hereof. The Agreement may not be contradicted by evidence of any prior or contemporaneous agreement. To the extent that the policies and procedures of the Company apply to the Optionholder and are inconsistent with the terms of the Agreement, the provisions of the Agreement shall control.

17.5. Amendments; Waivers. The Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties (in the case of the Company, such instrument must be signed by the President or Chief Executive Officer of the Company to be effective). No failure to exercise and no delay in exercising any right, remedy, or power under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under the Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity. All rights and remedies, whether conferred by the Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

17.6. Severability; Enforcement. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

17.7. Attorneys' Fees. In the event of any arbitration or litigation between the parties arising under or related to this Agreement (a "Covered Dispute"), the substantially prevailing party in the Covered Dispute (the "Prevailing Party") shall be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged therefor by the persons providing the services, reasonable fees and/or allocated costs of staff (in-house) counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions therefrom, in addition to any other relief to which the Prevailing Party may be entitled. A party to a Covered Dispute shall be the Prevailing Party in such Covered Dispute if the claims against such party are dismissed at any stage in the arbitration or litigation.

17.8. Governing Law; Jurisdiction. The Agreement shall be governed by and construed in accordance with the law of the State of New York, without reference to that body of law concerning choice of law or conflicts of law, except that the General Corporation Law of the State of Delaware ("GCL") shall apply to all matters governed by the GCL, including without limitation matters concerning the validity of grants of

stock options and actions of the Company's board of directors or any committee thereof. The parties agree that, subject to the agreement to arbitrate disputes set forth in Section 17.12, the sole and exclusive judicial venues for any dispute, difference, cause of action or legal action of any kind that any party, or any officer, director, employee, agent or permitted successor or assign of any party may bring against any other party, or against any officer, director, employee, agent or permitted successor or assign of any party, related to this Agreement (a "Proceeding"), shall be (a) the United States District Court for the Southern District of New York, if such court has statutory jurisdiction over the Proceeding and (b) the Supreme Court of the State of New York in the County of New York (collectively, the "New York Courts"). Each of the parties hereby expressly (i) consents to the personal jurisdiction of each of the New York Courts with respect to any Proceeding; (ii) agrees that service of process in any Proceeding may be effected upon such party in the manner set forth in Section 17.1 (as well as in any other manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to any Proceeding brought in either of the New York Courts. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Section 17.12.

17.9. No Duty to Disclose. The Optionholder acknowledges and agrees that, except for the information provided to the Optionholder by the Company pursuant to Section 15(b) and 15(d) prior to execution of this Agreement, neither the Company nor any of the Company's officers, directors, shareholders, employees, agents or representatives has any duty or obligation to disclose to the Optionholder any information whatsoever, including but not limited to information concerning the Company that might if made public affect the value of the Option Shares. Such information includes without limitation any information concerning the Company's actual or potential financial performance, actual or potential material contracts to which the Company is or may become a party, or actual or potential material transactions that involve or may involve the Company, including but not limited to plans to effect a merger or to acquire or dispose of a material amount of assets. The Optionholder acknowledges and understands that it (a) might exercise its Option (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may decrease after the public dissemination of such information, or (b) might exercise its Option (or a portion thereof) and sell, pledge or encumber the Option Shares (or a portion thereof) prior to the public dissemination of such information, and that the value of the Option Shares may increase after the public dissemination of such information; and the Director acknowledges and agrees that it will not bring or participate in any claim whatsoever against the Company or against any of the Company's officers, directors, shareholders, employees, agents or representatives related to the failure to have disclosed such information prior to the Optionholder's exercise of the Option and/or sale, pledge or encumbrance of the Option Shares.

17.10. Rights of Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

17.11 Headings. The Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Section numbers refer to Sections of this Agreement, unless otherwise indicated.

17.12. Agreement to Arbitrate. The Optionholder and the Company recognize that differences may arise between them during or following the Optionholder's tenure as a director of the Company, and that those differences may or may not be related to the grant of the Option herein or to the Optionhodler's tenure as a director of the Company. The Optionholder understands and agrees that by entering into this Agreement, the Optionholder anticipate the benefits of a speedy, impartial dispute-resolution procedure of any such differences. As used in this Section 17.12 and its subparts, the "Company" shall also refer to all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, affiliates, and all successors and assigns of any of them.

(a) Arbitrable Claims. (i) ALL DISPUTES BETWEEN THE OPTIONHOLDER (AND ITS PERMITTED SUCCESSORS AND ASSIGNS) AND THE COMPANY (AND ITS AFFILIATES, SHAREHOLDERS, DIRECTORS, OFFICERS, AGENTS AND PERMITTED SUCCESSORS AND ASSIGNS) RELATING IN ANY MANNER WHATSOEVER TO THE OPTIONHOLDER'S TENURE AS A DIRECTOR OF THE COMPANY OR TO THE TERMINATION THEREOF, INCLUDING WITHOUT LIMITATION ALL DISPUTES ARISING UNDER THIS AGREEMENT (COLLECTIVELY, "ARBITRABLE CLAIMS") SHALL BE RESOLVED EXCLUSIVELY BY BINDING ARBITRATION. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation (including but not limited to claims alleging unlawful harassment or discrimination in violation of Title VII and/or Title IX of the U.S. Code, of the Age Discrimination in Employment Act, of the Americans with Disabilities Act, of state statute, or otherwise), excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Except as provided in Section 17.12(a)(ii), the Arbitrator (as defined below) shall decide whether a claim is an Arbitrable Claim. THE PARTIES HEREBY WAIVE ANY RIGHTS THAT THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS.

(ii) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, HOWEVER, THE COMPANY MAY ENFORCE IN COURT, WITHOUT PRIOR RESORT TO ARBITRATION, ANY CLAIM CONCERNING ACTUAL OR THREATENED UNFAIR COMPETITION AND/OR THE ACTUAL OR THREATENED USE AND/OR UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL OR PROPRIETARY INFORMATION OF THE COMPANY. The court shall determine whether a claim concerns actual or threatened unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of the Company.

(b) Arbitration Procedure.

(i) American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration Arbitration of Arbitrable Claims shall be in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. This notice shall be provided to the other party within two (2) years of the acts or omissions complained of. Any claim not initiated within this limitations period shall be null and void, and the Company and the Director waive all rights under statutes of limitation of different duration. The arbitration shall take place in New York, New York.

(ii) Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a single arbitrator (the "Arbitrator"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of employment arbitrators (the "Name List"). Each party may strike up to six (6) names on the Name List it deems unacceptable, and shall notify the other party of the names it has stricken, within fourteen (14) calendar days of the date the AAA gave notice of the Name List. If only one common name on the Name List remains unstricken by the parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the Name Lists unstricken by parties, Director shall strike one of the remaining names and notify the Company, within seven (7) calendar days of notification of the list of unstricken names. If, after Director strikes a name as set forth in the preceding sentence, there is still two or more unstricken names, the Company and the Director shall alternately strike names (with the Company having the next strike) and notify the other party of the stricken name within seven (7) calendar days, until only one remains. If no common name on the initial the Name List remains unstricken by the parties, the AAA shall furnish an additional list or lists, and the parties shall proceed as set forth above, until an Arbitrator is selected.

(iii) Conduct of the Arbitration.

(A) Discovery. To help prepare for the arbitration, the Director and the Company shall be entitled, at their own expense, to learn about the facts of a claim before the arbitration begins. Each party shall have the right to take the deposition of one (1) individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrator so orders, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

(B) Authority. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrator deems necessary. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for

summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. The arbitrator shall not have the power to award remedies or relief that a New York court could not have awarded. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. Except as provided in Section 17.12(a)(ii), the Arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of the Agreement, including but not limited to any claim that all or any part of any of the Agreement is void or voidable and any assertion that a dispute between the Director and the Company is not an Arbitrable Claim. The arbitration shall be final and binding upon the parties.

(C) Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrator orders a stenographic record, the parties shall split the cost. Except as otherwise provided in this Section 17.12 and in Section 17.7, the Director and the Company shall equally share the fees and costs of the arbitration and the Arbitrator.

(c) Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrator, and, if involved, the court and court staff. All documents filed with the Arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

(d) Enforceability. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award. Except as provided above, None of the parties shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. The Federal Arbitration Act shall govern the interpretation and enforcement of this Section 17.12.

INDEX DEVELOPMENT PARTNERS, INC.
48 Wall Street, Suite 1100
New York, New York 10005

By: /s/ Jonathan L. Steinberg
Jonathan L. Steinberg
Chief Executive Officer

Acceptance

The Optionholder hereby acknowledges: I have received a copy of this Agreement; I have had the opportunity to consult legal counsel in regard to this Agreement, and have availed myself of that opportunity to the extent I wish to do so (I understand the Company's attorneys represent the Company and not myself, and I have not relied on any advice from the Company's attorneys); I have read and understand this Agreement; I AM FULLY AWARE OF LEGAL EFFECT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EFFECT OF SECTION 18.12 HEREOF CONCERNING ARBITRATION; and I have entered into this Agreement freely and voluntarily and based on my own judgment and not on any representations or promises other than those contained in this Agreement, the Optionholder accept this Option subject to all the terms and conditions of this Agreement.

The Optionholder acknowledges that there may be adverse tax consequences upon exercise of this Option or disposition of the Option Shares and that the Optionholder should consult a tax adviser prior to such exercise or disposition.

Dated: As of July 22, 2005

/s/ Frank Salerno
Frank Salerno

Address: _____

_____

EXHIBIT A

FORM OF NOTICE OF EXERCISE OF OPTION

DATED: _____

Index Development Partners, Inc.
48 Wall Street, Suite 1100
New York, New York 10005

Attention: Stock Option Committee of the Board of Directors

Re: Purchase of Option Shares

Gentlemen:

In accordance with my Stock Option Agreement dated as of July 22, 2005 ("Agreement") with Index Development Partners, Inc. (the "Company"), I hereby irrevocably elect to exercise the right to purchase _____ shares of the Company's common stock, par value $.01 per share ("Common Stock"), which are being purchased for investment and not for resale.

As payment for my shares, enclosed is (check and complete applicable box[es]):

( ) a [personal check] [certified check] [bank check] payable to the order of "Index Development Partners, Inc." in the sum of $_____;

( ) confirmation of wire transfer in the amount of $_____; and/or

( ) certificate for shares of the Company's Common Stock, free and clear of any encumbrances, duly endorsed, having a Fair Market Value (as defined in Section 5.2) of $_____.

I hereby represent, warrant to, and agree with, the Company that:

(i) I have acquired the Option and shall acquire the Option Shares for my own account and not with a view towards the distribution thereof;

(ii) I have received a copy of all reports and documents required to be filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, within the last twenty-four (24) months and all reports issued by the Company to its stockholders;

(iii) I understand that I must bear the economic risk of the investment in the Option Shares, which cannot be sold by me unless they are registered under the Securities Act of 1933 (the "1933 Act") or an exemption therefrom is available thereunder and that the Company is under no obligation to register the Option Shares for sale under the 1933 Act;

(iv) As a result of my position with the Company, I have had both the opportunity to ask questions and receive answers from the officers and directors of the Company and all persons acting on its behalf concerning the terms and conditions of the offer made hereunder and to obtain any additional information to the extent the Company possesses or may possess such information or can acquire it without unreasonable effort or expense necessary to verify the accuracy of the information obtained pursuant to clause (ii) above;

(v) I am aware that the Company shall place stop transfer orders with its transfer agent against the transfer of the Option Shares in the absence of registration under the 1933 Act or an

exemption therefrom as provided herein;

(vi) my rights with respect to the Option Shares shall, in all respects, be subject to the terms and conditions of this Agreement; and

(vii) the certificates evidencing the Option Shares may bear the following legends:

"The shares represented by this certificate have been acquired for investment and have not been registered under the Securities Act of 1933. The shares may not be sold or transferred in the absence of such registration or an exemption therefrom under said Act."

"The shares represented by this certificate have been acquired pursuant to a Stock Option Agreement, dated as of July 22, 2005, a copy of which is on file with the Company, and may not be transferred, pledged or disposed of except in accordance with the terms and conditions thereof."

Kindly forward to me my certificate at your earliest convenience.

Very truly yours,

(Signature) (Address)

(Print Name) (Address)

(Social Security Number)

CONFIDENTIAL

INDEX DEVELOPMENT PARTNERS, INC.

Proprietary Rights and Confidentiality Agreement

I, the undersigned, recognize that Index Development Partners, Inc., a Delaware corporation, together with its subsidiaries and parent(s) (hereinafter collectively referred to as "IDPI"), is engaged in a continuous program of research, development, production and marketing respecting its business, present and future. I also understand that:

A. IDPI possesses and will continue to possess certain valuable information constituting IDPI's trade secrets, as that term is defined in the Uniform Trade Secrets Act or that otherwise constitutes information, including a formula, pattern, compilation, program, device, method, technique, or process, that: (1) derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. By way of illustration, but not limitation, trade secrets include not only technical information, such as designs, software and parts lists, but also business information, such as plans, forecasts, strategies, lists of personnel, customers and suppliers, unpublished financial data and statements, budgets and terms of contracts and the methodology of constructing stock indexes.

B. My employment by IDPI creates a relationship of trust and confidence with respect to the trade secrets of IDPI, and of every client, customer, supplier or other third party which are to be held in confidence by IDPI and its personnel, which may be made known to me by IDPI or by such a third party, or learned or developed by me, during the period of my employment ("Confidential Information").

C. As part of my employment by IDPI I may be expected to make new contributions and inventions of value to IDPI.

In consideration of my employment or continued employment, as the case may be, and the compensation received by me from IDPI from time to time, I hereby agree as follows:

1. All trade secrets of IDPI shall be the sole property of IDPI and its assigns, and, as provided in Paragraphs 6 and 7 below, IDPI and its assigns shall be the sole owner of all patents, copyrights and other rights in connection therewith and I hereby assign to IDPI any right, title or interest I may have or acquire therein.

2. At all times, both during my employment by IDPI and after its termination, I will keep in strictest confidence and trust and maintain the secrecy of all Confidential Information, and I will not use or disclose any Confidential Information without the written consent of IDPI, except as may be necessary in the ordinary course of performing my duties as a employee to IDPI.

3. In the event of the termination of my employment by me or by IDPI for any reason, I will deliver to IDPI all documents, notes, drawings, specifications, programs, data and other materials of any nature pertaining to my work with IDPI and I will not take with me any of the foregoing or any Confidential Information that is embodied in a tangible medium of expression.

4. I will promptly disclose to IDPI (or any persons designated by it) all discoveries, developments, designs, improvements, concepts, ideas, inventions, formulas, algorithms, processes, techniques, software, programs, know-how and data whether or not patentable or registrable under copyright or similar statutes, made or conceived or reduced to practice or learned by me, either alone or jointly with others that (a) was developed using any trade secret or Confidential Information of IDPI, (b) results from any work performed by me for IDPI or (c) was developed during my employment with IDPI and/or for six (6) months after termination of my employment with IDPI and is useful to IDPI or relates at the time of conception or reduction to practice to IDPI's business or its actual or demonstrably anticipated research or development. All such information or materials are collectively referred to in this Proprietary Rights and Confidentiality Agreement as "Inventions". In the event any Invention relating in any manner to the actual business of IDPI or its subsidiaries is disclosed by me within six (6) months after the termination of my employment with IDPI, it is to be presumed that such Invention was conceived or resulted from developments made during the period of my employment by IDPI, and I agree that any such Invention will belong to IDPI. I will also promptly disclose to IDPI, and IDPI hereby agrees to receive all such disclosures in confidence, all other discoveries, developments, designs, improvements, concepts, ideas, inventions, formulas, processes, techniques, software, programs, strategies, know-how and data, whether or not patentable or registrable under copyright or similar statutes, made or conceived or reduced to practice or learned by me, either alone or jointly with others, during the period of my employment with IDPI for the purpose of determining whether they constitute "Inventions," as defined above.

5. I agree to keep and maintain adequate and current written records of all such Inventions made by me (in the form of notes, sketches, drawings and as may be specified by IDPI), which records shall be available to and remain the property of IDPI at all times.

6. I agree that all Inventions shall be the sole property of IDPI and its assigns, and IDPI and its assigns shall be the sole owner of all patents, copyrights and other rights in connection therewith. I hereby assign to IDPI and its assigns any right, title and interest I may have or acquire in such Inventions. I agree that all copyrightable works made by me or under the direction of IDPI in connection with IDPI's business shall be works made for hire. To the extent any such work is not a work made for hire, I hereby assign all copyrights to IDPI without any further compensation. I further agree as to all such Inventions to assist IDPI and its assigns in every proper way (but at the expense of IDPI or its assigns) to obtain and from time to time enforce patents, copyrights and other rights and protections relating to said Inventions in any and all countries, and to that end, I will execute all documents requested by IDPI and its assigns for use in applying for, obtaining and enforcing such patents, copyrights and other rights and protections, together with any assignments thereof to IDPI or its assigns. My obligation to assist IDPI and its assigns in obtaining and enforcing patents, copyrights and other rights and

protections relating to such Inventions in any and all countries shall continue beyond the termination of my employment, but IDPI or its assigns shall compensate me at a reasonable rate after my termination for time actually spent by me on such assistance at the request of IDPI or its assigns.

7. In the event IDPI or its assigns is unable, after reasonable effort, to secure my signature on any document or documents needed to apply for or prosecute any patent, copyright, or other right or protection relating to an Invention, whether because of my physical or mental incapacity or for any other reason whatsoever, I hereby irrevocably designate and appoint IDPI and its assigns, and their duly authorized officers and agents, and each of them, as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution and issuance of patents, copyrights or other rights or protections thereon with the same legal force and effect as if executed by me. I acknowledge that the foregoing special power of attorney is coupled with an interest of IDPI and its assigns in the subject thereof.

8. As a matter of record, I have identified on Item 1 of Exhibit B.l attached hereto all inventions or improvements relevant to the subject matter of my employment by IDPI that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my employment by IDPI and that I desire to remove from the operation of this Proprietary Rights and Confidentiality Agreement. I represent and warrant that such list is complete. If there is no such list on Exhibit B.l, I represent and warrant that I have made no such inventions and improvements at the time of signing this Proprietary Rights and Confidentiality Agreement.

9. I represent that my performance of all the terms of this Proprietary Rights and Confidentiality Agreement and as an employee of IDPI does not and will not breach any agreement or obligation to keep in confidence trade secrets or other proprietary information acquired by me in confidence or in trust prior to my employment by IDPI. I have not entered into, and I agree I will not enter into, any agreement, either written or oral, in conflict herewith.

10. (a) I represent, as part of the consideration to induce IDPI to offer to engage my services, and for IDPI continuing to so engage my services, that I have not brought and will not bring with me to IDPI or use in the performance of my responsibilities at IDPI, any materials or documents of a former employer that are not generally available to the public, unless I have obtained express written authorization from the former employer for their possession and use.

(b) Accordingly, this is to advise IDPI that the only materials or documents of a former employer that are not generally available to the public that I will bring to IDPI or use in my employment are identified on Item 2 of Exhibit B.l attached hereto, and as to each such item, I represent that I have obtained express written authorization for their possession and use in my employment with IDPI.

(c) I also understand that, in my employment with IDPI, I may not breach any obligation of confidentiality that I have to former employers, and I agree that I shall fulfill all such obligations during my employment with IDPI.

11. I acknowledge that IDPI, from time to time, may have agreements with other persons or governmental agencies which impose obligations or restrictions on IDPI regarding inventions made during the course of work there under or regarding the confidential nature of such work. I agree to be bound by all such obligations and restrictions and to take all action necessary by me to discharge the obligations of IDPI thereunder.

12. I agree that it would be difficult to measure the damage to IDPI from any breach by me of the covenants set forth herein, that injury to IDPI from any such breach would be impossible to calculate, and that money damages would therefore be an inadequate remedy for any such breach. Accordingly, I agree that if I breach this agreement, or threaten to do so, in addition to all other remedies IDPI may have under the Uniform Trade Secrets Act or otherwise (including without limitation any right to damages, including exemplary damages, or recovery of unjust enrichment or attorneys' fees), IDPI shall be entitled to injunctions (or extensions of injunctions) or other appropriate orders to restrain any such breach without showing or proving any actual damage to IDPI, and without the necessity of posting bond. Without limiting the generality of the foregoing, I agree that any misappropriation of a trade secret by me shall be actionable under the Uniform Trade Secrets Act.

13. In the event that I become legally compelled to disclose any of the Confidential Information of IDPI, I will provide IDPI with prompt and timely notice thereof so that IDPI may contest such compulsion or seek a protective order or other appropriate remedy. I shall use my reasonable best efforts to assist IDPI in its efforts. In the event that disclosure is required, I shall furnish only that portion of the Confidential Information which is legally required, and redact or otherwise withhold from disclosure any portion of the Confidential Information the disclosure of which is not legally required.

14. This Agreement may not be assigned by me without the written prior consent of IDPI, and any attempt to do so shall be null and void. IDPI may assign some or all of its rights and obligations hereunder to any company it controls, is controlled by or is under common control with, or in connection with a merger or sale of all or substantially all of IDPI's assets. Subject to the preceding sentences of this Section, this Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns.

15. This Agreement is made under, and shall be governed by and construed under the laws of the State of New York, without giving effect to its laws, rules and principles concerning choice of law or conflicts of law, and excluding the United Nations Convention on Contracts for the International Sale of Goods. With respect to any dispute, difference, question arising from the terms of this Agreement, cause of action or legal action of any kind that any party, or any officer, director, employee or agent of any party to and/or any third party beneficiary of this Agreement may bring against any other party, or any officer, director, employee or agent of any party to and/or any third party beneficiary of this Agreement, either during the term of this Agreement or thereafter (a "Proceeding"), where only the federal courts have jurisdiction over the subject matter of such Proceeding, it is agreed and understood that such Proceeding shall only be and must be brought in the United States District Court for the Southern District of New York

and that such court shall be deemed to be the court of sole and exclusive venue and jurisdiction for the bringing of any such Proceeding (a "Federal Proceeding"). As to any other Proceeding (a "State Proceeding"), it is understood and agreed that such proceeding shall only be and must be brought in the Supreme Court of the State of New York in the County of New York and that such court shall be deemed to be the court of sole and exclusive venue and jurisdiction for the bringing of any such Proceeding. Notwithstanding the foregoing, nothing in this paragraph alters the parties' agreement to arbitrate disputes as set forth in Paragraph 24 herein. Each of the parties hereby expressly (i) consents to the personal jurisdiction of (A) the United States District Court for the Southern District of New York, in the case of a Federal Proceeding and (B) the Supreme Court of the State of New York in the County of New York, in the case of a State Proceeding; (ii) agrees that service of process in any Federal Proceeding or State Proceeding may be effected upon such party in the manner set forth in Paragraph 16 below (as well as in any manner prescribed by law); and (iii) waives any objection, whether on the grounds of venue, residence or domicile or on the ground that the Proceeding has been brought in an inconvenient forum, to (A) any Federal Proceeding brought in the United States District Court for the Southern District of New York and (B) any State Proceeding brought in the Supreme Court of the State of New York in the County of New York.

16. Any notice or communication required or permitted to be given under this Agreement shall be given in writing in the English language, and deemed delivered if sent by: (i) personal delivery, with proof of delivery; (ii) expedited delivery service (e.g.; Federal Express, DHL), with proof of delivery; (iii) registered or certified U.S. mail, return receipt requested; or (iv) facsimile or telex transmission, provided each transmission is confirmed. Each such notice shall be deemed delivered if addressed as provided below (or to such different addresses or to the attention of such other persons as may be designated from time to time by such party by written notice to the other parties in accordance with this Section). Any such notice or communication shall be deemed to have been delivered: (a) immediately if personally served; (b) three (3) days after deposit, delivery charge pre-paid, with an expedited delivery service; (c) upon receipt of a transmission confirmation if sent by facsimile or telex; or (d) in the case of US. mail, five (5) days after deposit, postage pre-paid, in the mails of the US.

If to IDPI:	If to the Undersigned
Index Development Partners, Inc.	_____
125 Broad Street, 14th Floor	_____
New York, New York 10004	_____
Attn: President	Tel: _____
Tel: (212) 742-2200	Fax: _____
Fax: (212) 742-0742	

17. This Agreement, together with any exhibits hereto (which exhibits are an integral part hereof), constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements, understandings, negotiations, representations and proposals, written or oral, with respect to such subject matter. Each party represents that it is not

relying on any representations, whether written or oral, not set forth in this Agreement, in determining to execute this Agreement.

18. No supplement, modification or amendment of any term, provision or condition of this Agreement shall be binding or enforceable unless evidenced in writing executed by the parties hereto.

19. The failure of any party hereto to enforce, or the delay by any party in enforcing, any of its rights under this Agreement shall not be deemed a waiver or a continuing waiver of such rights or a modification of this Agreement, and such party may, within the time provided by applicable law, commence appropriate legal proceedings to enforce any or all such rights. No waiver of a particular breach or default of this Agreement shall be deemed a waiver of any other breach or default of this Agreement. All rights and remedies, whether conferred by this Agreement, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

20. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

21. In the event of any arbitration or litigation between the parties arising under this Agreement, the substantially prevailing party (the "Prevailing Party") will be entitled to receive from the other party the Prevailing Party's reasonable attorneys' fees and costs, including, without limitation, the cost at the hourly charges routinely charged there for by the persons providing the services, reasonable fees and/or allocated costs of staff counsel, and fees and expenses of experts retained by counsel in connection with such arbitration or litigation and with any and all appeals or petitions there from, in addition to any other relief to which the Prevailing Party may be entitled.

22. Each party hereby expressly represents and warrants that it is free to enter into this Agreement and that such party has not made and will not hereafter make any agreement or commitment in conflict with the provisions hereof, or which interferes or might interfere with the full and complete performance of such party's obligations hereunder. Each party further represents and warrants that this Agreement, the instruments and documents contemplated hereby, the performance of the respective obligations of the parties hereto, and the consummation of the transactions provided herein have been duly authorized and approved by all necessary action, and all necessary consents or permits have been obtained, and neither the execution of this Agreement nor the performance of the parties' respective obligations hereunder will violate any term or provision of any valid contract or agreement to which such party is subject or by which such party is bound. No further actions or consents are necessary to make this Agreement

a valid binding contract, enforceable against the respective parties in accordance with the terms hereof.

23. The parties acknowledge that they are entering into this Agreement after consulting with counsel and based upon equal bargaining power, with all parties participating in its preparation. The parties acknowledge and agree that the attorneys for each party have had an equal opportunity to participate in the negotiation and preparation of this Agreement. The terms of this Agreement shall not be interpreted in favor of or against any party on account of the draftsperson, but shall be interpreted solely for the purpose of fairly effectuating the intent of the parties hereto.

24. Any dispute arising out of or relating to this Agreement or to the breach, termination or validity thereof ("Arbitrable Claims"), shall be finally settled by binding arbitration. Arbitrable Claims shall include, but are not limited to, contract (express or implied) and tort claims of all kinds, as well as all claims based on any federal, state, or local law, statute, or regulation, excepting only claims under applicable workers' compensation law and unemployment insurance claims. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Notwithstanding the foregoing, IDPI may enforce in court, without prior resort to arbitration, any claim concerning unfair competition and/or the actual or threatened use and/or unauthorized disclosure of confidential or proprietary information of IDPI. Except as provided in the preceding sentence, each of the parties hereby waive any rights that such party may have to trial by jury in regard to Arbitrable Claims.

a. Arbitration Procedure.

1. American Arbitration Association Rules; Initiation of Arbitration; Location of Arbitration Arbitration of Arbitrable Claims shall be in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA Rules"), except as provided otherwise in this Agreement. Arbitration shall be initiated by providing written notice to the other party with a statement of the claim(s) asserted, the facts upon which the claim(s) are based, and the remedy sought. The arbitration shall take place in New York, New York.

2. Selection of Arbitrator. All disputes involving Arbitrable Claims shall be decided by a panel of three arbitrators (the "Arbitrators"), who shall be selected as follows. The American Arbitration Association ("AAA") shall give each party a list of eleven (11) arbitrators drawn from its panel of commercial arbitrators; each proposed arbitrator shall have technical and legal expertise pertinent to the issues in dispute. Each party shall choose one such arbitrator, and the two arbitrators chosen by the parties shall choose the third.

b. Conduct of the Arbitration.

1. Discovery. To help prepare for the arbitration, each party shall be entitled, at such party's own expense, to learn about the facts of a claim before the arbitration

begins. Each party shall have the right to take the deposition of one individual and any expert witness designated by another party. Each party also shall have the right to make requests for production of documents to any party. Additional discovery may be had only where the Arbitrators so order, upon a showing of substantial need. At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert witnesses, and copies of all exhibits intended to be used at the arbitration.

2. Authority. The Arbitrators shall have jurisdiction to hear and rule on prehearing disputes and is authorized to hold pre-hearing conferences by telephone or in person as the Arbitrators deem necessary. The Arbitrators shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The Arbitrators shall apply the substantive law (and the law of remedies, if applicable) of New York, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrators shall have the authority to award equitable relief, damages, costs and fees as provided by the law for the particular claim(s) asserted. Notwithstanding anything to the contrary in this Agreement, the Arbitrators shall not have the authority to award punitive damages. The Federal Rules of Evidence shall apply. The burden of proof shall be allocated as provided by applicable law. The Arbitrators, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Agreement, including but not limited to any claim that all or any part of this Agreement is void or voidable. The arbitration shall be final and binding upon the parties.

3. Time to Render an Award. The final arbitration award must be rendered not later than fourteen (14) calendar days following the completion of the arbitration proceeding.

4. Costs. Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of the proceedings. If the Arbitrators order a stenographic record, the parties shall split the cost. Except as otherwise provided in this Agreement, IDPI and I shall equally share the fees and costs of the arbitration and the Arbitrators. No arbitrator shall be paid for more than ten days of service on this matter. The Arbitrators shall be paid at the agreed-upon daily rate.

c. Confidentiality. All proceedings and documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceeding, their counsel, witnesses and experts, the Arbitrators, and, if involved, the court and court staff. All documents filed with the Arbitrators or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this subparagraph concerning confidentiality.

d. Enforceability. Any resulting arbitration award shall be final, binding and non-appealable, and may be entered in any court of competent jurisdiction to enforce it. The

arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. §§ 1-16. Except as provided above, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim.

25. [intentionally omitted]

26. The parties shall comply with all applicable governmental laws, ordinances and regulations. Each party will be solely responsible for its own individual violations of any such laws, ordinances, and regulations.

27. The paragraph headings in this Agreement are for convenience only and do not define, limit or construe the contents of such paragraphs.

28. The terms, rights and obligations set forth in Paragraphs 1-7 and 11-27 shall survive the expiration or termination of this Agreement.

29. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original for all purposes, and all of which together shall constitute one and the same instrument.

Dated: 7/26/02

By: /s/ Jonathan Steinberg
(signature)

Printed Name Jonathan Steinberg

ACCEPTED AND AGREED TO:

INDEX DEVELOPMENT PARTNERS, INC.

By: /s/ Gregory Barton
(signature)

Gregory Barton
(name-printed or typed)

President
(title)

CONFIDENTIAL

EXHIBITB.1

1. List of Prior Inventions/Improvements and Original Works of Authorship (Paragraph 8 of the Proprietary Rights and Confidentiality Agreement).

2. List of Materials and Documents of Former Employers (Paragraph 10.1 of the Proprietary Rights and Confidentiality Agreement).

Exhibit 21.1

1. WisdomTree Asset Management, Inc.
   Incorporated in Delaware
   100% owned
2. WisdomTree Retirement Services, Inc.
   Incorporated in Delaware
   100% owned