As filed with the Securities and Exchange Commission on June 12, 2007

Registration No. 333-141740

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 3
to
FORM S-1
REGISTRATION STATEMENT
Under
The Securities Act of 1933

COMSCORE, INC.
(Exact name of Registrant as specified in its charter)

Delaware	7389	54-19555550
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

11465 Sunset Hills Road
Suite 200
Reston, Virginia 20190
(703) 438-2000
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Magid M. Abraham, Ph.D.
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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Stock, par value $0.001 per share	5,750,000	$16.00	$92,000,000	$2,825

(1) Includes 750,000 shares the underwriters have an option to purchase to cover over-allotments, if any.

(2) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457 under the Securities Act of 1933, as amended.

(3) $2,648 previously paid by the Registrant.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JUNE 12, 2007

PRELIMINARY PROSPECTUS

5,000,000 Shares

comScore

Common Stock

We are selling 5,000,000 shares of common stock. Prior to this offering, there has been no public market for our common stock. The initial public offering price of the common stock is expected to be between $14.00 and $16.00 per share. We have applied to list our common stock on The NASDAQ Global Market under the symbol "SCOR."

The underwriters have an option to purchase a maximum of 750,000 additional shares from us and the selling stockholders to cover over-allotments of shares. The underwriters can exercise this right at any time within 30 days from the date of this prospectus. We will not receive any of the proceeds from the shares of common stock sold by the selling stockholders.

Investing in our common stock involves risks. See "Risk Factors" on page 9.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to comScore
Per Share	$	$	$
Total	$	$	$

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Delivery of the shares of common stock will be made on or about , 2007.

Credit Suisse **Deutsche Bank Securities**

William Blair & Company

Friedman Billings Ramsey

Jefferies & Company

The date of this prospectus is , 2007

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You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

Dealer Prospectus Delivery Obligation

Until , 2007 (25 days after the commencement of this offering) all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

"comScore", "Media Metrix" and "MyMetrix" are registered trademarks in the U.S. and several other countries. Our unregistered trademarks and service marks include: "Ad Metrix", "Campaign R/F", "Campaign Metrix", "comScore Marketing Solutions", "Marketing Solutions", "Plan Metrix", "qSearch", "Video Metrix" and "World Metrix".

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary does not contain all of the information you should consider before buying shares in this offering. Therefore, you should read this entire prospectus carefully, including the "Risk Factors" section beginning on page 9 and our consolidated financial statements and the related notes. Unless the context requires otherwise, the words "we," "us," "our" and "comScore" refer to comScore, Inc. and its consolidated subsidiaries.

comScore, Inc.

We provide a leading digital marketing intelligence platform that helps our customers make better-informed business decisions and implement more effective digital business strategies. Our products and solutions offer our customers deep insights into consumer behavior, including objective, detailed information regarding usage of their online properties and those of their competitors, coupled with information on consumer demographic characteristics, attitudes, lifestyles and offline behavior.

Our digital marketing intelligence platform is comprised of proprietary databases and a computational infrastructure that measures, analyzes and reports on digital activity. The foundation of our platform is data collected from our comScore panel of more than two million Internet users worldwide who have granted us explicit permission to confidentially measure their Internet usage patterns, online and certain offline buying behavior and other activities. By applying advanced statistical methodologies to our panel data, we project consumers' online behavior for the total online population and a wide variety of user categories.

We deliver our digital marketing intelligence through our comScore Media Metrix product family and through comScore Marketing Solutions. Media Metrix delivers digital media intelligence by providing an independent, third-party measurement of the size, behavior and characteristics of Web site and online advertising network audiences among home, work and university Internet users as well as insights into the effectiveness of online advertising. Our Marketing Solutions products combine the proprietary information gathered from the comScore panel with the vertical industry expertise of comScore analysts to deliver digital marketing intelligence, including the measurement of online advertising effectiveness, customized for specific industries. We typically deliver our Media Metrix products electronically in the form of weekly, monthly or quarterly reports. Customers can access current and historical Media Metrix data and analyze these data anytime online. Our Marketing Solutions products are typically delivered on a monthly, quarterly or ad hoc basis through electronic reports and analyses.

In 2006, we generated revenues of $66.3 million and had cash flow from operations of $10.9 million. For the three months ended March 31, 2007, we generated revenues of $18.7 million and had cash flow from operations of $3.2 million. We derive our revenues primarily from the fees that we charge for subscription-based products and customized projects. A significant characteristic of our business model is our large percentage of subscription-based contracts. Subscription-based revenues have grown to 77% of our total revenues in the first quarter of 2007. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in this prospectus for a discussion of how we determine subscription-based revenues.

Our Industry

The Internet is a global digital medium for commerce, content, advertising and communications. According to International Data Corporation, or IDC, the number of global Internet users is projected to grow from approximately 968 million in 2005 to over 1.7 billion in 2010. As the online population continues to grow, the Internet is increasingly becoming a tool for research and commerce and for distributing and consuming media.

The interactive nature of digital media on the Internet enables businesses to access a wealth of user information that was virtually unavailable through offline audience measurement and marketing intelligence techniques. Digital media provide businesses with the opportunity to measure detailed user activity, such as how users interact with Web page content; to assess how users respond to online marketing, such as which online ads users click on to pursue a transaction; and to analyze how audiences and user behavior compare across various Web sites. This type of detailed user data can be combined with demographic, attitudinal and transactional information to develop a deeper understanding of user behavior, attributes and preferences.

We believe that the growth in the online and digital media markets for digital commerce, content, advertising and communications creates an unprecedented opportunity for businesses to acquire a deeper understanding of both their customers and their competitive market position. Businesses can use accurate, relevant and objective digital marketing intelligence to develop and validate key strategies and improve performance.

The comScore Digital Marketing Intelligence Platform

We provide a leading digital marketing intelligence platform that enables our customers to devise and implement more effective digital business strategies.

Key attributes of our platform include:

Panel of global Internet users. Our ability to provide digital marketing intelligence is based on information continuously gathered from a broad cross-section of more than two million Internet users worldwide who have granted us explicit permission to confidentially measure their Internet usage patterns, online and certain offline buying behavior and other activities.

Scalable technology infrastructure. We developed our databases and computational infrastructure to support the growth in online activity among our global Internet panel and the increasing complexity of digital content formats, advertising channels and communication applications. The design of our technology infrastructure is based on distributed processing and data capture environments that allow for the collection and organization of vast amounts of data on online activity.

Benefits of our platform include:

Advanced digital marketing intelligence. We use our proprietary technology to compile vast amounts of data on Internet user activity and to organize that data into discrete, measurable elements that can be used to provide actionable insights to our customers.

Objective third-party resource for digital marketing intelligence. We are an independent company that is not affiliated with the digital businesses we measure and analyze, allowing us to serve as an objective third-party provider of digital marketing intelligence.

Vertical industry expertise. We have developed expertise across a variety of industries to provide digital marketing intelligence specifically tailored to the needs of our customers operating in specific industry sectors. We have dedicated personnel to address the automotive, consumer packaged goods, entertainment, financial services, media, pharmaceutical, retail, technology, telecommunications and travel industries.

Ease of use and functionality. The comScore digital marketing intelligence platform is designed to be easy to use by our customers. Our products are primarily available through the Internet using a standard browser; our customers do not need to install additional hardware or software to access our products.

Our Strategy

Our objective is to be the leading provider of global digital marketing intelligence products. We plan to pursue our objective through internal initiatives and, potentially, through acquisitions and other investments. The principal elements of our strategy are to:

- deepen relationships with current customers;
- grow our customer base;
- expand our digital marketing intelligence platform;

- address emerging digital media;
- extend technology leadership;
- build brand awareness through media exposure; and
- grow internationally.

Risks Related to Our Business

Our business is subject to a number of risks that you should be aware of before making an investment decision. These risks are discussed more fully in the section entitled “Risk Factors” immediately following this prospectus summary. We have a limited operating history, and we must continue to retain and attract customers. We must be able to maintain an Internet user panel of sufficient size in order to provide the quality of marketing intelligence demanded by our customers. Although we were profitable in each quarter of 2006 and the first quarter of 2007, we were not profitable in 2005, and we had, at March 31, 2007, an accumulated deficit of $98.6 million.

Company Information

We incorporated in August 1999 in Delaware. Our principal offices are located at 11465 Sunset Hills Road, Suite 200, Reston, Virginia 20190. Our telephone number is (703) 438-2000. You can access our Web site at www.comscore.com. Information contained on our Web site is not part of this prospectus and is not incorporated in this prospectus by reference.

comScore, Media Metrix and MyMetrix are registered trademarks in the U.S. and several other countries. Our unregistered trademarks and service marks include: Ad Metrix, Campaign R/F, Campaign Metrix, comScore Marketing Solutions, Marketing Solutions, Plan Metrix, qSearch, Video Metrix and World Metrix.

The Offering

Common stock offered by us	5,000,000 shares
Common stock outstanding after this offering	27,385,274 shares
Use of proceeds	We intend to use the net proceeds from this offering for working capital, for capital expenditures and for other general corporate purposes. We may also use a portion of our net proceeds to fund potential acquisitions. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders, including for sales of their shares in the event that the underwriters exercise their option to purchase an additional 750,000 shares of our common stock from us and the selling stockholders. See “Use of Proceeds.”
Proposed NASDAQ Global Market symbol	SCOR
Risk factors	See “Risk Factors” and other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in shares of our common stock.

The number of shares of common stock that will be outstanding after this offering is based on the number of shares outstanding as of March 31, 2007 and assumes the conversion of our preferred stock into an aggregate of 17,257,362 shares of our common stock. This number excludes:

- 2,497,424 shares of common stock issuable upon exercise of options outstanding at a weighted-average exercise price of $2.07 per share;
- 52,850 shares of our common stock issuable upon the settlement of outstanding restricted stock unit awards;
- 456,754 shares of common stock reserved for future issuance under our 1999 Stock Plan;
- 1,400,000 shares of common stock reserved for future issuance under our 2007 Equity Incentive Plan, which will be effective upon completion of this offering; and
- 175,186 shares of common stock issuable upon the exercise of warrants, which total includes warrants for our preferred stock that will become exercisable for common stock after this offering, at a weighted-average exercise price of $4.87 per share.

Unless otherwise indicated, all information in this prospectus assumes:

- a 1-for-5 reverse split of our common stock that will occur prior to the consummation of this offering;
- the conversion, in accordance with our certificate of incorporation, of all our shares of outstanding preferred stock into an aggregate of 17,257,362 shares of our common stock;
- no exercise by the underwriters of their option to purchase up to 750,000 additional shares to cover over-allotments, consisting of 63,030 shares to be issued directly by us and 686,970 shares to be purchased from the selling stockholders; and
- the adoption of our amended and restated certificate of incorporation and bylaws that will occur immediately prior to the consummation of this offering.

Summary Historical Financial Data

You should read the summary historical financial data set forth below in conjunction with our consolidated financial statements, the notes to our consolidated financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained elsewhere in this prospectus. The consolidated statements of operations data and the consolidated statements of cash flows data for each of the three years ended December 31, 2004, 2005 and 2006 as well as the consolidated balance sheet data as of December 31, 2005 and 2006 are derived from our audited consolidated financial statements that are included elsewhere in this prospectus. The consolidated statements of operations data for the three months ended March 31, 2006 and 2007 and the consolidated balance sheet data as of March 31, 2007 have been derived from our unaudited consolidated financial statements that are included elsewhere in this prospectus. We have prepared this unaudited financial information on the same basis as the audited consolidated financial statements and have included all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair presentation of our financial position and operating results for such period. Our historical results are not necessarily indicative of results to be expected for future periods. Results for the three months ended March 31, 2007 are not necessarily indicative of results expected for the full year.

	Year Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
				(Unaudited)	
			(In thousands)		
Consolidated Statement of Operations Data:					
Revenues	$ 34,894	$ 50,267	$ 66,293	$ 14,985	$ 18,681
Cost of revenues(1)	13,153	18,218	20,560	5,148	5,388
Selling and marketing(1)	13,890	18,953	21,473	5,345	6,451
Research and development(1)	5,493	7,416	9,009	2,137	2,556
General and administrative(1)	4,982	7,089	8,293	1,918	2,507
Amortization	356	2,437	1,371	371	293
Total expenses from operations	37,874	54,113	60,706	14,919	17,195
(Loss) income from operations	(2,980)	(3,846)	5,587	66	1,486
Interest (expense) income, net	(246)	(208)	231	11	97
(Loss) gain from foreign currency	—	(96)	125	6	(8)
Revaluation of preferred stock warrant liabilities	—	(14)	(224)	2	11
(Loss) income before income taxes and cumulative effect of change in accounting principle	(3,226)	(4,164)	5,719	85	1,586
(Benefit) provision for income taxes	—	(182)	50	—	46
Net (loss) income before cumulative effect of change in accounting principle	(3,226)	(3,982)	5,669	85	1,540
Cumulative effect of change in accounting principle	—	(440)	—	—	—
Net (loss) income	(3,226)	(4,422)	5,669	85	1,540
Accretion of redeemable preferred stock	(2,141)	(2,638)	(3,179)	(742)	(885)
Net (loss) income attributable to common stockholders	$ (5,367)	$ (7,060)	$ 2,490	$ (657)	$ 655

(1) Amortization of stock-based compensation is included in the line items above as follows:

	Year Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
				(Unaudited)	
			(In thousands)		
Cost of revenues	$ —	$ —	$ 12	$ —	$ 9
Selling and marketing	—	—	82	6	39
Research and development	—	—	13	—	8
General and administrative	14	3	91	1	51

The following table presents consolidated balance sheet data as of March 31, 2007:

- on an actual basis without any adjustments to reflect subsequent or anticipated events;
- on a pro forma basis reflecting (i) the conversion of all outstanding shares of our Series A, Series B, Series C, Series C-1, Series D and Series E preferred stock into an aggregate of 17,257,362 shares of our common stock effective immediately prior to the completion of this offering, for a total of 22,385,274 shares of common stock, which amount includes 347,635 shares subject to put rights and (ii) the reclassification of our preferred stock warrant liabilities from current liabilities to additional paid in capital effective upon the completion of this offering; and
- on a pro forma as adjusted basis reflecting the conversion and reclassification described above and the receipt by us of the net proceeds from the sale of 5,000,000 shares of common stock in this offering at an assumed initial public offering price of $15.00 per share, the mid-point of the range on the front cover of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	As of March 31, 2007		
	Actual	Pro Forma	Pro Forma as Adjusted
		(Unaudited) (In thousands)	
Consolidated Balance Sheet Data:			
Cash, cash equivalents and short-term investments	$ 18,181	$ 18,181	$ 84,931
Total current assets	34,520	34,520	101,270
Total assets	45,479	45,479	112,229
Total current liabilities	34,897	33,902	33,902
Capital lease obligations, long-term	1,896	1,896	1,896
Common stock subject to put	4,392	4,392	4,392
Redeemable preferred stock	102,580	—	—
Stockholders' equity (deficit)	(98,683)	4,892	71,642

	Year Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
			(In thousands)	(Unaudited)	
Consolidated Statement of Cash Flows Data:					
Net cash provided by operating activities	$ 1,907	$ 4,253	$ 10,905	$ 2,824	$ 3,156
Depreciation and amortization	2,745	5,123	4,259	1,059	1,154
Capital expenditures	1,208	1,071	2,314	292	494

	Year Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
				(Unaudited)	
			(In thousands)		
Other Financial and Operating Data (unaudited):					
Adjusted EBITDA(2)	$ (221)	$ 730	$ 9,945	$ 1,140	$ 2,750

(2) We define Adjusted EBITDA as net income plus the (benefit) provision for income taxes, depreciation, amortization of purchased intangible assets and stock-based compensation; plus interest expense (income) and other income. Adjusted EBITDA is not a measure of liquidity calculated in accordance with GAAP, and should be viewed as a supplement to — not a substitute for — our results of operations presented on the basis of GAAP. Adjusted EBITDA does not purport to represent cash flow provided by, or used in, operating activities as defined by GAAP. Our statement of cash flows presents our cash flow activity in accordance with GAAP. Furthermore, Adjusted EBITDA is not necessarily comparable to similarly-titled measures reported by other companies.

We prepare Adjusted EBITDA to eliminate the impact of items that we do not consider indicative of our core operating performance. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. Our presentation of Adjusted EBITDA should not be construed as an implication that our future results will be unaffected by unusual or non-recurring items.

We believe Adjusted EBITDA is useful to an investor in evaluating our operating performance for the following reasons:

- Adjusted EBITDA is widely used by investors to measure a company’s operating performance without regard to items such as interest expense, taxes, depreciation and amortization, and stock-based compensation, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired;
- analysts and investors use Adjusted EBITDA as a supplemental measure to evaluate the overall operating performance of companies in our industry;
- we believe Adjusted EBITDA is an important indicator of our operational strength and the performance of our business because it provides a link between profitability and operating cash flow. Although our cash flow from operations presented is a similar measure, Adjusted EBITDA is a better measure of our true operating results because it adjusts for the effects of collections of receivables, disbursements of payables, and other factors that are influenced by seasonal conditions; and
- prior to January 1, 2006, we accounted for stock-based compensation plans under the recognition and measurement provisions of Accounting Principles Board (APB) Opinion No. 25, *Accounting for Stock Issued to Employees*, and related interpretations, as permitted by Statement of Financial Accounting Standards (SFAS) No. 123, *Accounting for Stock-Based Compensation.* In December 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 123 (revised 2004), *Share-Based Payment* (SFAS 123R), which is a revision of SFAS No. 123. SFAS 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their estimated fair values. Pro forma disclosure is no longer an alternative permitted under SFAS 123R. We adopted the provisions of SFAS 123R on January 1, 2006, using the prospective method. Unvested stock-based awards issued to employees prior to January 1, 2006, the date that we adopted the provisions of SFAS 123R, were accounted for at the date of adoption using the intrinsic value method originally applied to those awards. We recorded approximately $198,000 in stock-based compensation expense subsequent to the adoption of SFAS 123R for the fiscal year ended December 31, 2006 as compared with approximately $14,000 and $3,000 for the years ended December 31, 2004 and 2005, respectively, prior to the adoption of SFAS 123R. By comparing our Adjusted EBITDA our investors can evaluate our operating results without the additional variations of stock compensation expense, which is not necessarily

comparable from year to year due to the change in accounting treatment and is a non-cash expense that is not a primary measure of our operations.

Our management uses Adjusted EBITDA:

- as a measure of operating performance, because it does not include the impact of items not directly resulting from our core operations;
- for planning purposes, including the preparation of our annual operating budget;
- to allocate resources to enhance the financial performance of our business;
- as a metric for evaluating the performance of Dr. Magid M. Abraham, our Chief Executive Officer, and Mr. Gian M. Fulgoni, our Executive Chairman of the Board of Directors. The Company uses Adjusted EBITDA as a quantitative metric for setting both Dr. Abraham and Mr. Fulgoni's respective salaries and bonuses. In addition, option grants held by both Dr. Abraham and Mr. Fulgoni include vesting which can be accelerated upon achieving certain targets tied to EBITDA;
- to evaluate the effectiveness of our business strategies; and
- in communications with our board of directors, stockholders, analysts and investors concerning our financial performance.

We understand that although Adjusted EBITDA is frequently used by securities analysts, lenders and others in their evaluation of companies, Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of, our results of operations as reported under GAAP. Some of these limitations are:

- Adjusted EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or other contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, related to our debts;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- Other companies in our industry may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

A reconciliation of Adjusted EBITDA to net income, the most directly comparable GAAP measure, for each of the fiscal periods indicated is as follows:

	Year Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
			(In thousands)	(Unaudited)	
Net (loss) income	$ (3,226)	$ (4,422)	$ 5,669	$ 85	$ 1,540
(Benefit) provision for income taxes	—	(182)	50	—	46
Amortization	356	2,437	1,371	371	293
Depreciation	2,389	2,686	2,888	688	861
Stock-based compensation	14	3	198	7	107
Interest expense (income), net	246	208	(231)	(11)	(97)
Adjusted EBITDA	$ (221)	$ 730	$ 9,945	$ 1,140	$ 2,750

RISK FACTORS

An investment in our common stock offered by this prospectus involves a substantial risk of loss. You should carefully consider these risk factors, together with all of the other information included in this prospectus, before you decide to purchase shares of our common stock. The occurrence of any of the following risks could materially adversely affect our business, financial condition or operating results. In that case, the trading price of our common stock could decline, and you may lose part or all of your investment.

Risks Related to Our Business and Our Technologies

If we are not able to maintain a panel of sufficient size and scope, or if the costs of maintaining our panel materially increase, our business would be harmed.

We believe that the quality, size and scope of our Internet user panel are critical to our business. There can be no assurance, however, that we will be able to maintain a panel of sufficient size and scope to provide the quality of marketing intelligence that our customers demand from our products. If we fail to maintain a panel of sufficient size and scope, customers might decline to purchase our products or renew their subscriptions, our reputation could be damaged and our business could be materially and adversely affected. We expect that our panel costs may increase and may comprise a greater portion of our cost of revenues in the future. The costs associated with maintaining and improving the quality, size and scope of our panel are dependent on many factors, many of which are beyond our control, including the participation rate of potential panel members, the turnover among existing panel members and requirements for active participation of panel members, such as completing survey questionnaires. Concerns over the potential unauthorized disclosure of personal information or the classification of our software as "spyware" or "adware" may cause existing panel members to uninstall our software or may discourage potential panel members from installing our software. To the extent we experience greater turnover, or churn, in our panel than we have historically experienced, these costs would increase more rapidly. In addition, publishing content on the Internet and purchasing advertising space on Web sites may become more expensive or restrictive in the future, which could decrease the availability and increase the cost of advertising the incentives we offer to panel members. To the extent that such additional expenses are not accompanied by increased revenues, our operating margins would be reduced and our financial results would be adversely affected.

Our quarterly results of operations may fluctuate in the future. As a result, we may fail to meet or exceed the expectations of securities analysts or investors, which could cause our stock price to decline.

Our quarterly results of operations may fluctuate as a result of a variety of factors, many of which are outside of our control. If our quarterly revenues or results of operations do not meet or exceed the expectations of securities analysts or investors, the price of our common stock could decline substantially. In addition to the other risk factors set forth in this "Risk Factors" section, factors that may cause fluctuations in our quarterly revenues or results of operations include:

- our ability to increase sales to existing customers and attract new customers;
- our failure to accurately estimate or control costs;
- our revenue recognition policies related to the timing of contract renewals, delivery of products and duration of contracts and the corresponding timing of revenue recognition;
- the mix of subscription-based versus project-based revenues;
- the impact on our contract renewal rates, in particular for our subscription-based products, caused by our customers' budgetary constraints, competition, customer dissatisfaction or our customers' actual or perceived lack of need for our products;
- the potential loss of significant customers;
- the effect of revenues generated from significant one-time projects;
- the amount and timing of capital expenditures and operating costs related to the maintenance and expansion of our operations and infrastructure;
- the timing and success of new product introductions by us or our competitors;

- variations in the demand for our products and the implementation cycles of our products by our customers;
- changes in our pricing and discounting policies or those of our competitors;
- service outages, other technical difficulties or security breaches;
- limitations relating to the capacity of our networks, systems and processes;
- maintaining appropriate staffing levels and capabilities relative to projected growth;
- adverse judgments or settlements in legal disputes;
- the timing of costs related to the development or acquisition of technologies, services or businesses to support our existing customer base and potential growth opportunities; and
- general economic, industry and market conditions and those conditions specific to Internet usage and online businesses.

We believe that our quarterly revenues and results of operations on a year-over-year and sequential quarter-over-quarter basis may vary significantly in the future and that period-to-period comparisons of our operating results may not be meaningful. You should not rely on the results of prior quarters as an indication of future performance.

The market for digital marketing intelligence is at an early stage of development, and if it does not develop, or develops more slowly than expected, our business will be harmed.

The market for digital marketing intelligence products is at a relatively early stage of development, and it is uncertain whether these products will achieve high levels of demand and increased market acceptance. Our success will depend to a substantial extent on the willingness of companies to increase their use of such products. Factors that may affect market acceptance include:

- the reliability of digital marketing intelligence products;
- public concern regarding privacy and data security;
- decisions of our customers and potential customers to develop digital marketing intelligence capabilities internally rather than purchasing such products from third-party suppliers like us;
- decisions by industry associations in the United States or in other countries that result in association-directed awards, on behalf of their members, of digital measurement contracts to one or a limited number of competitive vendors;
- the ability to maintain high levels of customer satisfaction; and
- the rate of growth in eCommerce, online advertising and digital media.

The market for our products may not develop further, or may develop more slowly than we expect, either of which could adversely affect our business and operating results.

We have a limited operating history and may not be able to achieve financial or operational success.

We were incorporated in 1999 and introduced our first syndicated Internet audience measurement product in 2000. Many of our other products were first introduced during the past few years. Accordingly, we are still in the early stages of development and have only a limited operating history upon which our business can be evaluated. You should evaluate our likelihood of financial and operational success in light of the risks, uncertainties, expenses, delays and difficulties associated with an early-stage business in an evolving market, some of which may be beyond our control, including:

- our ability to successfully manage any growth we may achieve in the future;
- the risks associated with operating a business in international markets, including China; and
- our ability to successfully integrate acquired businesses, technologies or services.

We have a history of significant net losses, may incur significant net losses in the future and may not maintain profitability.

We have incurred significant losses in recent periods, including net losses of $3.2 million and $4.4 million in 2004 and 2005, respectively. Although we achieved net income of $5.7 million in 2006 and $1.5 million for the three months ended March 31, 2007, we cannot assure you that we will continue to sustain or increase profitability in the future. As of March 31, 2007, we had an accumulated deficit of $98.6 million. Because a large portion of our costs are fixed, we may not be able to reduce or maintain our expenses in response to any decrease in our revenues, which would adversely affect our operating results. In addition, we expect operating expenses to increase as we implement certain growth initiatives, which include, among other things, the development of new products, expansion of our infrastructure, plans for international expansion and general and administrative expenses associated with being a public company. If our revenues do not increase to offset these expected increases in costs and operating expenses, our operating results would be materially and adversely affected. You should not consider our revenue growth in recent periods as indicative of our future performance, as our operating results for future periods are subject to numerous uncertainties.

Material defects or errors in our data collection and analysis systems could damage our reputation, result in significant costs to us and impair our ability to sell our products.

Our data collection and analysis systems are complex and may contain material defects or errors. In addition, the large amount of data that we collect may cause errors in our data collection and analysis systems. Any defect in our panelist data collection software, network systems, statistical projections or other methodologies could result in:

- loss of customers;
- damage to our brand;
- lost or delayed market acceptance and sales of our products;
- interruptions in the availability of our products;
- the incurrence of substantial costs to correct any material defect or error;
- sales credits, refunds or liability to our customers;
- diversion of development resources; and
- increased warranty and insurance costs.

Any material defect or error in our data collection systems could adversely affect our reputation and operating results.

Our business may be harmed if we deliver, or are perceived to deliver, inaccurate information to our customers or to the media.

If the information that we provide to our customers or the media is inaccurate, or perceived to be inaccurate, our brand may be harmed. The information that we collect or that is included in our databases and the statistical projections that we provide to our customers may contain inaccuracies. Any dissatisfaction by our customers or the media with our digital marketing intelligence, measurement or data collection and statistical projection methodologies could have an adverse effect on our ability to retain existing customers and attract new customers and could harm our brand. Additionally, we could be contractually required to pay damages, which could be substantial, to certain of our customers if the information we provide to them is found to be inaccurate. Any liability that we incur or any harm to our brand that we suffer because of actual or perceived irregularities or inaccuracies in the data we deliver to our customers could harm our business.

Our business may be harmed if we change our methodologies or the scope of information we collect.

We have in the past and may in the future change our methodologies or the scope of information we collect. Such changes may result from identified deficiencies in current methodologies, development of more advanced methodologies, changes in our business plans or expressed or perceived needs of our customers or potential customers. Any such changes or perceived changes, or our inability to accurately or adequately communicate to our customers and the media such changes and the potential implications of such changes on the data we have published or will publish in the future, may result in customer dissatisfaction, particularly if certain information is no longer collected or information collected in future periods is not comparable with information collected in prior periods. For example, in 2002, we integrated our existing methodologies with those of Jupiter Media Metrix, which we had recently acquired. As part of this process, we discontinued reporting certain metrics. Some customers were dissatisfied and either terminated their subscriptions or failed to renew their subscriptions because of these changes. Future changes to our methodologies or the information we collect may cause similar customer dissatisfaction and result in loss of customers.

We may lose customers or be liable to certain customers if we provide poor service or if our products do not comply with our customer agreements.

Errors in our systems resulting from the large amount of data that we collect, store and manage could cause the information that we collect to be incomplete or to contain inaccuracies that our customers regard as significant. The failure or inability of our systems, networks and processes to adequately handle the data in a high quality and consistent manner could result in the loss of customers. In addition, we may be liable to certain of our customers for damages they may incur resulting from these events, such as loss of business, loss of future revenues, breach of contract or loss of goodwill to their business.

Our insurance policies may not cover any claim against us for loss of data, inaccuracies in data or other indirect or consequential damages and defending a lawsuit, regardless of its merit, could be costly and divert management's attention. Adequate insurance coverage may not be available in the future on acceptable terms, or at all. Any such developments could adversely affect our business and results of operations.

The market for digital marketing intelligence is highly competitive, and if we cannot compete effectively, our revenues will decline and our business will be harmed.

The market for digital marketing intelligence is highly competitive and is evolving rapidly. We compete primarily with providers of digital media intelligence and related analytical products and services. We also compete with providers of marketing services and solutions, with full-service survey providers and with internal solutions developed by customers and potential customers. Our principal competitors include:

- large and small companies that provide data and analysis of consumers' online behavior, including Compete Inc., Hitwise Pty. Ltd and NetRatings, Inc.;
- online advertising companies that provide measurement of online ad effectiveness, including aQuantive, Inc., DoubleClick Inc., ValueClick, Inc. and WPP Group plc;
- companies that provide audience ratings for TV, radio and other media that have extended or may extend their current services, particularly in certain international markets, to the measurement of digital media, including Arbitron Inc., Nielsen Media Research, Inc. and Taylor Nelson Sofres plc;
- analytical services companies that provide customers with detailed information of behavior on their own Web sites, including Omniture, Inc., WebSideStory, Inc. and WebTrends Corporation;
- full-service market research firms and survey providers that may measure online behavior and attitudes, including Harris Interactive Inc., Ipsos Group, Taylor Nelson Sofres plc and The Nielsen Company; and
- specialty information providers for certain industries that we serve, including IMS Health Incorporated (healthcare) and Telephia, Inc. (telecommunications).

Some of our current competitors have longer operating histories, access to larger customer bases and substantially greater resources than we do. As a result, these competitors may be able to devote greater resources to marketing and promotional campaigns, panel retention, panel development or development of systems and technologies than we can. In addition, some of our competitors may adopt more aggressive pricing policies. Furthermore, large software companies, Internet portals and database management companies may enter our market or enhance their current offerings, either by developing competing services or by acquiring our competitors, and could leverage their significant resources and pre-existing relationships with our current and potential customers.

If we are unable to compete successfully against our current and future competitors, we may not be able to retain and acquire customers, and we may consequently experience a decline in revenues, reduced operating margins, loss of market share and diminished value from our products.

Concern over spyware and privacy, including any violations of privacy laws or perceived misuse of personal information, could cause public relations problems and could impair our ability to recruit panelists or maintain a panel of sufficient size and scope, which in turn could adversely affect our ability to provide our products.

Any perception of our practices as an invasion of privacy, whether legal or illegal, may subject us to public criticism. Existing and future privacy laws and increasing sensitivity of consumers to unauthorized disclosures and use of personal information may create negative public reaction related to our business practices. Public concern has increased recently regarding certain kinds of downloadable software known as “spyware” and “adware.” These concerns might cause users to refrain from downloading software from the Internet, including our proprietary technology, which could make it difficult to recruit additional panelists or maintain a panel of sufficient size and scope to provide meaningful marketing intelligence. In response to spyware and adware concerns, numerous programs are available, many of which are available for free, that claim to identify and remove spyware and adware from users’ computers. Some of these anti-spyware programs have in the past identified, and may in the future identify, our software as spyware or as a potential spyware application. We actively seek to prevent the inclusion of our software on lists of spyware applications or potential spyware applications, to apply best industry practices for obtaining appropriate consent from panelists and protecting the privacy and confidentiality of our panelist data and to comply with existing privacy laws. However, to the extent that we are not successful, or to the extent that new anti-spyware programs classify our software as spyware or as a potential spyware application, our brand may be harmed and users of these programs may uninstall our software. Any resulting reputational harm or decrease in the size or scope of our panel could reduce the demand for our products, increase the cost of recruiting panelists and adversely affect our ability to provide our products to our customers. Any of these effects could harm our business.

Any unauthorized disclosure or theft of private information we gather could harm our business.

Unauthorized disclosure of personally identifiable information regarding Web site visitors, whether through breach of our secure network by an unauthorized party, employee theft or misuse, or otherwise, could harm our business. If there were an inadvertent disclosure of personally identifiable information, or if a third party were to gain unauthorized access to the personally identifiable information we possess, our operations could be seriously disrupted and we could be subject to claims or litigation arising from damages suffered by panel members or pursuant to the agreements with our customers. In addition, we could incur significant costs in complying with the multitude of state, federal and foreign laws regarding the unauthorized disclosure of personal information. For example, California law requires companies that maintain data on California residents to inform individuals of any security breaches that result in their personal information being stolen. Finally, any perceived or actual unauthorized disclosure of the information we collect could harm our reputation, substantially impair our ability to attract and retain panelists and have an adverse impact on our business.

We may encounter difficulties managing our growth, which could adversely affect our results of operations.

We have experienced significant growth in recent periods. We have substantially expanded our overall business, customer base, headcount, data collection and processing infrastructure and operating procedures as our business has grown. We increased our total number of full time employees from 176 employees as of December 31, 2003 to 386 employees as of March 31, 2007, and we expect to continue to expand our workforce to meet our strategic objectives. In addition, during this same period, we made substantial investments in our network infrastructure operations as a result of our growth. We believe that we will need to continue to effectively manage and expand our organization, operations and facilities in order to accommodate our expected future growth. If we continue to grow, our current systems and facilities may not be adequate. Our need to effectively manage our operations and growth requires that we continue to assess and improve our operational, financial and management controls, reporting systems and procedures. If we are not able to efficiently and effectively manage our growth, our business may be impaired.

If the Internet advertising and eCommerce markets develop slower than we expect, our business will suffer.

Our future success will depend on continued growth in the use of the Internet as an advertising medium, a continued increase in eCommerce spending and the proliferation of the Internet as a platform for a wide variety of consumer activities. These markets are evolving rapidly, and it is not certain that their current growth trends will continue.

The adoption of Internet advertising, particularly by advertisers that have historically relied on traditional offline media, requires the acceptance of new approaches to conducting business. Advertisers may perceive Internet advertising to be less effective than traditional advertising for marketing their products. They may also be unwilling to pay premium rates for online advertising that is targeted at specific segments of users based on their demographic profile or Internet behavior. The online advertising and eCommerce markets may also be adversely affected by privacy issues relating to such targeted advertising, including that which makes use of personalized information. Furthermore, online merchants may not be able to establish online commerce models that are cost effective and may not learn how to effectively compete with other Web sites or offline merchants. In addition, consumers may not continue to shift their spending on goods and services from offline outlets to the Internet. As a result, growth in the use of the Internet for eCommerce may not continue at a rapid rate, or the Internet may not be adopted as a medium of commerce by a broad base of customers or companies worldwide. Because of the foregoing factors, among others, the market for Internet advertising and eCommerce may not continue to grow at significant rates. If these markets do not continue to develop, or if they develop slower than expected, our business will suffer.

Our growth depends upon our ability to retain existing large customers and add new large customers; however, to the extent we are successful in doing so, our ability to maintain profitability and positive cash flow may be impaired.

Our success depends in part on our ability to sell our products to large customers and on the renewal of the subscriptions of those customers in subsequent years. For the years ended December 31, 2004, 2005 and 2006 and the three months ended March 31, 2007, we derived over 38%, 41%, 39% and 39%, respectively, of our total revenues from our top 10 customers. The loss of any one or more of those customers could decrease our revenues and harm our current and future operating results. The addition of new large customers or increases in sales to existing large customers may require particularly long implementation periods and other costs, which may adversely affect our profitability. To compete effectively, we have in the past been, and may in the future be, forced to offer significant discounts to maintain existing customers or acquire other large customers. In addition, we may be forced to reduce or withdraw from our relationships with certain existing customers or refrain from acquiring certain new customers in order to acquire or maintain relationships with important large customers. As a result, new large customers or increased usage of our products by large customers may cause our profits to decline and our ability to sell our products to other customers could be adversely affected.

We derive a significant portion of our revenues from a single customer, Microsoft Corporation. For the years ended December 31, 2004, 2005 and 2006 and the three months ended March 31, 2007, we derived approximately 5%, 14%, 12% and 12%, respectively, of our total revenues from Microsoft. If Microsoft were to cease or substantially reduce its use of our products, our revenues and earnings might decline.

If we fail to develop our brand, our business may suffer.

We believe that building and maintaining awareness of comScore and our portfolio of products in a cost-effective manner is critical to achieving widespread acceptance of our current and future products and is an important element in attracting new customers. We rely on our relationships with the media and the exposure we receive from numerous citations of our data by media outlets to build brand awareness and credibility among our customers and the marketplace. Furthermore, we believe that brand recognition will become more important for us as competition in our market increases. Our brand's success will depend on the effectiveness of our marketing efforts and on our ability to provide reliable and valuable products to our customers at competitive prices. Our brand marketing activities may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses we incur in attempting to build our brand. If we fail to successfully market our brand, we may fail to attract new customers, retain existing customers or attract media coverage to the extent necessary to realize a sufficient return on our brand-building efforts, and our business and results of operations could suffer.

Failure to effectively expand our sales and marketing capabilities could harm our ability to increase our customer base and achieve broader market acceptance of our products.

Increasing our customer base and achieving broader market acceptance of our products will depend to a significant extent on our ability to expand our sales and marketing operations. We expect to continue to rely on our direct sales force to obtain new customers. We plan to continue to expand our direct sales force both domestically and internationally. We believe that there is significant competition for direct sales personnel with the sales skills and technical knowledge that we require. Our ability to achieve significant growth in revenues in the future will depend, in large part, on our success in recruiting, training and retaining sufficient numbers of direct sales personnel. In general, new hires require significant training and substantial experience before becoming productive. Our recent hires and planned hires may not become as productive as we require, and we may be unable to hire or retain sufficient numbers of qualified individuals in the future in the markets where we currently operate or where we seek to conduct business. Our business will be seriously harmed if the efforts to expand our sales and marketing capabilities are not successful or if they do not generate a sufficient increase in revenues.

We have limited experience with respect to our pricing model, and if the prices we charge for our products are unacceptable to our customers, our revenues and operating results will be harmed.

We have limited experience in determining the prices for our products that our existing and potential customers will find acceptable. As the market for our products matures, or as new competitors introduce new products or services that compete with ours, we may be unable to renew our agreements with existing customers or attract new customers at the prices we have historically charged. As a result, it is possible that future competitive dynamics in our market may require us to reduce our prices, which could have an adverse effect on our revenues, profitability and operating results.

We derive a significant portion of our revenues from sales of our subscription-based digital marketing intelligence products. If our customers terminate or fail to renew their subscriptions, our business could suffer.

We currently derive a significant portion of our revenues from our subscription-based digital marketing intelligence products. Subscription-based products accounted for 70%, 75% and 77% of our revenues in 2005, 2006 and the first quarter of 2007, respectively. However, if our customers terminate their subscriptions for our products, do not renew their subscriptions, delay renewals of their subscriptions or renew on terms less favorable to us, our revenues could decline and our business could suffer.

Our customers have no obligation to renew after the expiration of their initial subscription period, which is typically one year, and we cannot assure you that current subscriptions will be renewed at the same or higher price levels, if at all. Some of our customers have elected not to renew their subscription agreements with us in the past. If we experience a change of control, as defined in such agreements, some of our customers have the right to terminate their subscriptions. Moreover, some of our major customers have the right to cancel their subscription agreements without cause at any time. We have limited historical data with respect to rates of customer subscription renewals, so we cannot accurately predict future customer renewal rates. Our customer renewal rates may decline or fluctuate as a result of a number of factors, including customer satisfaction or dissatisfaction with our products, the prices or functionality of our products, the prices or functionality of products offered by our competitors, mergers and acquisitions affecting our customer base or reductions in our customers' spending levels.

If we are unable to sell additional products to our existing customers or attract new customers, our revenue growth will be adversely affected.

To increase our revenues, we believe we must sell additional products to existing customers and regularly add new customers. If our existing and prospective customers do not perceive our products to be of sufficient value and quality, we may not be able to increase sales to existing customers and attract new customers, and our operating results will be adversely affected.

We depend on third parties for data that is critical to our business, and our business could suffer if we cannot continue to obtain data from these suppliers.

We rely on third-party data sources for information regarding certain offline activities of our panelists. The availability and accuracy of these data is important to the continuation and development of our products that link online activity to offline purchases. If this information is not available to us at commercially reasonable terms, or is found to be inaccurate, it could harm our reputation, business and financial performance.

System failures or delays in the operation of our computer and communications systems may harm our business.

Our success depends on the efficient and uninterrupted operation of our computer and communications systems and the third-party data centers we use. Our ability to collect and report accurate data may be interrupted by a number of factors, including our inability to access the Internet, the failure of our network or software systems, computer viruses, security breaches or variability in user traffic on customer Web sites. A failure of our network or data gathering procedures could impede the processing of data, cause the corruption or loss of data or prevent the timely delivery of our products.

In the future, we may need to expand our network and systems at a more rapid pace than we have in the past. Our network or systems may not be capable of meeting the demand for increased capacity, or we may incur additional unanticipated expenses to accommodate these capacity demands. In addition, we may lose valuable data, be unable to obtain or provide data on a timely basis or our network may temporarily shut down if we fail to adequately expand or maintain our network capabilities to meet future requirements. Any lapse in our ability to collect or transmit data may decrease the value of our products and prevent us from providing the data requested by our customers. Any disruption in our network processing or loss of Internet user data may damage our reputation and result in the loss of customers, and our business and results of operations could be adversely affected.

We rely on a small number of third-party service providers to host and deliver our products, and any interruptions or delays in services from these third parties could impair the delivery of our products and harm our business.

We host our products and serve all of our customers from two third-party data center facilities located in Virginia and Illinois. While we operate our equipment inside these facilities, we do not control the operation of either of these facilities, and, depending on service level requirements, we may not continue to operate or maintain redundant data center facilities for all of our products or for all of our data, which could increase our vulnerability. These facilities are vulnerable to damage or interruption from earthquakes, hurricanes, floods, fires, power loss, telecommunications failures and similar events. They are also subject to break-ins, computer viruses, sabotage, intentional acts of vandalism and other misconduct. A natural disaster or an act of terrorism, a decision to close the facilities without adequate notice or other unanticipated problems could result in lengthy interruptions in availability of our products. We may also encounter capacity limitations at our third-party data centers. Additionally, our data center facility agreements are of limited durations, and our data center facilities have no obligation to renew their agreements with us on commercially reasonable terms, if at all. Our agreement for our data center facility located in Virginia expires on October 3, 2008, if not renewed, and our agreement for our data center facility located in Illinois expires on April 28, 2008, if not renewed. Although we are not substantially dependent on either data center facility because of planned redundancies, and although we currently are able to migrate to alternative data centers, such a migration may result in an interruption or delay in service. If we are unable to renew our agreements with the owners of the facilities on commercially reasonable terms, or if we migrate to a new data center, we may experience delays in delivering our products until an agreement with another data center facility can be arranged or the migration to a new facility is completed.

Further, we depend on access to the Internet through third-party bandwidth providers to operate our business. If we lose the services of one or more of our bandwidth providers for any reason, we could experience disruption in the delivery of our products or be required to retain the services of a replacement bandwidth provider. It may be difficult for us to replace any lost bandwidth on commercially reasonable terms, or at all, due to the large amount of bandwidth our operations require.

Our operations also rely heavily on the availability of electrical power and cooling capacity, which are also supplied by third-party providers. If we or the third-party data center operators that we use to deliver our products were to experience a major power outage or if the cost of electrical power increases significantly, our operations and profitability would be harmed. If we or the third-party data centers that we use were to experience a major power outage, we would have to rely on back-up generators, which may not function properly, and their supply may be inadequate. Such a power outage could result in the disruption of our business. Additionally, if our current facilities fail to have sufficient cooling capacity or availability of electrical power, we would need to find alternative facilities.

Any errors, defects, disruptions or other performance problems with our products caused by third parties could harm our reputation and may damage our business. Interruptions in the availability of our products may reduce our revenues due to increased turnaround time to complete projects, cause us to issue credits to customers, cause customers to terminate their subscription and project agreements or adversely affect our renewal rates. Our business would be harmed if our customers or potential customers believe our products are unreliable.

Because our long-term success depends, in part, on our ability to expand the sales of our products to customers located outside of the United States, our business will become increasingly susceptible to risks associated with international operations.

We have very limited experience operating in markets outside of the United States. Our inexperience in operating our business outside of the United States may increase the risk that the international expansion efforts we have begun to undertake will not be successful. In addition, conducting international operations subjects us to new risks that we have not generally faced in the United States. These risks include:

- recruitment and maintenance of a sufficiently large and representative panel both globally and in certain countries;
- different customer needs and buying behavior than we are accustomed to in the United States;
- difficulties and expenses associated with tailoring our products to local markets, including their translation into foreign languages;
- difficulties in staffing and managing international operations;
- longer accounts receivable payment cycles and difficulties in collecting accounts receivable;

- potentially adverse tax consequences, including the complexities of foreign value-added taxes and restrictions on the repatriation of earnings;
- reduced or varied protection for intellectual property rights in some countries;
- the burdens of complying with a wide variety of foreign laws and regulations;
- fluctuations in currency exchange rates;
- increased accounting and reporting burdens and complexities; and
- political, social and economic instability abroad, terrorist attacks and security concerns.

Additionally, operating in international markets requires significant management attention and financial resources. We cannot be certain that the investments and additional resources required to establish and maintain operations in other countries will hold their value or produce desired levels of revenues or profitability. We cannot be certain that we will be able to maintain and increase the size of the Internet user panel that we currently have in various countries or that we will be able to recruit a representative sample for our audience measurement products. In addition, there can be no assurance that Internet usage and eCommerce will continue to grow in international markets. In addition, governmental authorities in various countries have different views regarding regulatory oversight of the Internet. For example, the Chinese government has recently taken steps to restrict the content available to Internet users in China.

The impact of any one or more of these risks could negatively affect or delay our plans to expand our international business and, consequently, our future operating results.

If we fail to respond to technological developments, our products may become obsolete or less competitive.

Our future success will depend in part on our ability to modify or enhance our products to meet customer needs, to add functionality and to address technological advancements. For example, online publishers and advertisers have recently started to use Asynchronous JavaScript and XML, or AJAX, a development technique that allows Web applications to quickly make incremental updates without having to refresh the entire Web page. AJAX may make page views a less useful metric for measuring the usage and effectiveness of online media. If our products are not effective at addressing evolving customer needs that result from increased AJAX usage, our business may be harmed. Similarly, technological advances in the handheld device industry may lead to changes in our customers' requirements. For example, if certain handheld devices become the primary mode of receiving content and conducting transactions on the Internet, and we are unable to adapt our software to collect information from such devices, then we would not be able to report on online activity. To remain competitive, we will need to develop new products that address these evolving technologies and standards. However, we may be unsuccessful in identifying new product opportunities or in developing or marketing new products in a timely or cost-effective manner. In addition, our product innovations may not achieve the market penetration or price levels necessary for profitability. If we are unable to develop enhancements to, and new features for, our existing products or if we are unable to develop new products that keep pace with rapid technological developments or changing industry standards, our products may become obsolete, less marketable and less competitive, and our business will be harmed.

The success of our business depends in large part on our ability to protect and enforce our intellectual property rights.

We rely on a combination of patent, copyright, service mark, trademark and trade secret laws, as well as confidentiality procedures and contractual restrictions, to establish and protect our proprietary rights, all of which provide only limited protection. While we have filed a number of patent applications and own one issued patent, we cannot assure you that any additional patents will be issued with respect to any of our pending or future patent applications, nor can we assure you that any patent issued to us will provide adequate protection, or that any patents issued to us will not be challenged, invalidated, circumvented, or held to be unenforceable in actions against alleged infringers. Also, we cannot assure you that any future trademark or service mark registrations will be issued with respect to pending or future applications or that any of our registered trademarks and service marks will be enforceable or provide adequate protection of our proprietary rights. Furthermore, adequate (or any) patent, trademark, service mark, copyright and trade secret protection may not be available in every country in which our services are available.

We endeavor to enter into agreements with our employees and contractors and with parties with whom we do business in order to limit access to and disclosure of our proprietary information. We cannot be certain that the steps we have taken will prevent unauthorized use of our technology or the reverse engineering of our technology. Moreover, third parties might independently develop technologies that are competitive to ours or that infringe upon our intellectual property. In addition, the legal standards relating to the validity, enforceability and scope of protection of intellectual property rights in Internet-related industries are uncertain and still evolving, both in the United States and in other countries. The protection of our intellectual property rights may depend on our legal actions against any infringers being successful. We cannot be sure any such actions will be successful.

An assertion from a third party that we are infringing its intellectual property, whether such assertions are valid or not, could subject us to costly and time-consuming litigation or expensive licenses.

The Internet, software and technology industries are characterized by the existence of a large number of patents, copyrights, trademarks and trade secrets and by frequent litigation based on allegations of infringement or other violations of intellectual property rights, domestically or internationally. As we grow and face increasing competition, the probability that one or more third parties will make intellectual property rights claims against us increases. In such cases, our technologies may be found to infringe on the intellectual property rights of others. Additionally, many of our subscription agreements may require us to indemnify our customers for third-party intellectual property infringement claims, which would increase our costs if we have to defend such claims and may require that we pay damages and provide alternative services if there were an adverse ruling in any such claims. Intellectual property claims could harm our relationships with our customers, deter future customers from subscribing to our products or expose us to litigation. Even if we are not a party to any litigation between a customer and a third party, an adverse outcome in any such litigation could make it more difficult for us to defend against intellectual property claims by the third party in any subsequent litigation in which we are a named party. Any of these results could adversely affect our brand, business and results of operations.

One of our competitors has filed patent infringement lawsuits against others, demonstrating this party’s propensity for patent litigation. It is possible that this third party, or some other third party, may bring an action against us, and thus cause us to incur the substantial costs and risks of litigation. Any intellectual property rights claim against us or our customers, with or without merit, could be time-consuming and expensive to litigate or settle and could divert management resources and attention. An adverse determination also could prevent us from offering our products to our customers and may require that we procure or develop substitute products that do not infringe on other parties’ rights.

With respect to any intellectual property rights claim against us or our customers, we may have to pay damages or stop using technology found to be in violation of a third party’s rights. We may have to seek a license for the technology, which may not be available on reasonable terms or at all, may significantly increase our operating expenses or may significantly restrict our business activities in one or more respects. We may also be required to develop alternative non-infringing technology, which could require significant effort and expense. Any of these outcomes could adversely affect our business and results of operations.

Domestic or foreign laws, regulations or enforcement actions may limit our ability to collect and use information about Internet users or restrict or prohibit our product offerings, causing a decrease in the value of our products and an adverse impact on the sales of our products.

Our business could be adversely impacted by existing or future laws or regulations of, or actions by, domestic or foreign regulatory agencies. For example, privacy concerns could lead to legislative, judicial and regulatory limitations on our ability to collect, maintain and use information about Internet users in the United States and abroad. Various state legislatures, including those of Utah and California, have enacted legislation designed to protect Internet users’ privacy, for example by prohibiting spyware. In recent years, similar legislation has been proposed in other states and at the federal level and has been enacted in foreign countries, most notably by the European Union, which adopted a privacy directive regulating the collection of personally identifiable information online. These laws and regulations, if drafted or interpreted broadly, could be deemed to apply to the technology we use, and could restrict our information collection methods or decrease the amount and utility of the information that we would be permitted to collect. In addition, our ability to conduct business in certain foreign jurisdictions, including China, is restricted by the laws, regulations and agency actions of those jurisdictions. The costs of compliance with, and the other burdens imposed by, these and other laws or regulatory actions may prevent us from selling our products or increase the costs associated with selling our products, and may affect our ability to invest in or jointly develop products in the United States and in foreign jurisdictions.

In addition, failure to comply with these and other laws and regulations may result in, among other things, administrative enforcement actions and fines, class action lawsuits and civil and criminal liability. State attorneys general, governmental and non-governmental entities and private persons may bring legal actions asserting that our methods of collecting, using and distributing Web site visitor information are illegal or improper, which could require us to spend significant time and resources defending these claims. For example, some companies that collect, use and distribute Web site visitor information have been the subject of governmental investigations and class-action lawsuits. Any such regulatory or civil action that is brought against us, even if unsuccessful, may distract our management's attention, divert our resources, negatively affect our public image or reputation among our panelists and customers and harm our business.

The impact of any of these current or future laws or regulations could make it more difficult or expensive to attract or maintain panelists, particularly in affected jurisdictions, and could adversely affect our business and results of operations.

Laws related to the regulation of the Internet could adversely affect our business.

Laws and regulations that apply to communications and commerce over the Internet are becoming more prevalent. In particular, the growth and development of the market for eCommerce has prompted calls for more stringent tax, consumer protection and privacy laws in the United States and abroad that may impose additional burdens on companies conducting business online. The adoption, modification or interpretation of laws or regulations relating to the Internet or our customers' digital operations could negatively affect the businesses of our customers and reduce their demand for our products.

If we fail to respond to evolving industry standards, our products may become obsolete or less competitive.

The market for our products is characterized by rapid technological advances, changes in customer requirements, changes in protocols and evolving industry standards. For example, industry associations such as the Advertising Research Foundation, the Council of American Survey Research Organizations, the Internet Advertising Bureau, or IAB, and the Media Ratings Council have independently initiated efforts to either review online market research methodologies or to develop minimum standards for online market research. On April 19, 2007, we received a letter from the IAB, citing discrepancies between our audience measurement data, those of our competitors and those provided by the server logs of IAB's member organizations. In its letter, the IAB asked us to submit to an independent audit and accreditation process of our audience measurement systems and processes. On May 16, 2007, we attended a meeting hosted by the IAB in which we indicated a commitment to finalizing a timeline for a full audit and accreditation by the Media Ratings Council within the 90 days of the meeting.

Any standards adopted by the IAB or similar organizations may lead to costly changes to our procedures and methodologies. As a result, the cost of developing our digital marketing intelligence products could increase. If we do not adhere to standards prescribed by the IAB or other industry associations, our customers could choose to purchase products from competing companies that meet such standards. Furthermore, industry associations based in countries outside of the United States often endorse certain vendors or methodologies. If our methodologies fail to receive an endorsement from an important industry association located in a foreign country, advertising agencies, media companies and advertisers in that country may not purchase our products. As a result, our efforts to further expand internationally could be adversely affected.

The success of our business depends on the continued growth of the Internet as a medium for commerce, content, advertising and communications.

Expansion in the sales of our products depends on the continued acceptance of the Internet as a platform for commerce, content, advertising and communications. The use of the Internet as a medium for commerce, content, advertising and communications could be adversely impacted by delays in the development or adoption of new standards and protocols to handle increased demands of Internet activity, security, reliability, cost, ease-of-use, accessibility and quality-of-service. The performance of the Internet and its acceptance as a medium for commerce, content commerce, content, advertising and communications has been harmed by viruses, worms, and similar malicious programs, and the Internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. If for any reason the Internet does not remain a medium for widespread commerce, content, advertising and communications, the demand for our products would be significantly reduced, which would harm our business.

We rely on our management team and need additional personnel to grow our business, and the loss of one or more key employees or the inability to attract and retain qualified personnel could harm our business.

Our success and future growth depends to a significant degree on the skills and continued services of our management team, including our founders, Magid M. Abraham, Ph.D. and Gian M. Fulgoni. Our future success also depends on our ability to retain, attract and motivate highly skilled technical, managerial, marketing and customer service personnel, including members of our management team. All of our employees work for us on an at-will basis. We plan to hire additional personnel in all areas of our business, particularly for our sales, marketing and technology development areas, both domestically and internationally, which will likely increase our recruiting and hiring costs. Competition for these types of personnel is intense, particularly in the Internet and software industries. As a result, we may be unable to successfully attract or retain qualified personnel. Our inability to retain and attract the necessary personnel could adversely affect our business.

We may expand through investments in, or acquisitions of, other companies, any of which may not be successful and may divert our management's attention.

Our business strategy may include acquiring complementary products, technologies or businesses. We also may enter into relationships with other businesses in order to expand our product offerings, which could involve preferred or exclusive licenses, discount pricing or investments in other companies.

Negotiating any such transactions could be time-consuming, difficult and expensive, and our ability to close these transactions may be subject to regulatory or other approvals and other conditions which are beyond our control. Consequently, we can make no assurances that any such transactions, if undertaken and announced, would be completed.

An acquisition, investment or business relationship may result in unforeseen operating difficulties and expenditures. In particular, we may encounter difficulties assimilating or integrating the businesses, technologies, products, personnel or operations of the acquired companies, particularly if the key personnel of the acquired company choose not to be employed by us, and we may have difficulty retaining the customers of any acquired business due to changes in management and ownership. Acquisitions may also disrupt our ongoing business, divert our resources and require significant management attention that would otherwise be available for ongoing development of our business. Moreover, we cannot assure you that the anticipated benefits of any acquisition, investment or business relationship would be realized or that we would not be exposed to unknown liabilities. In connection with any such transaction, we may:

- encounter difficulties retaining key employees of the acquired company or integrating diverse business cultures;
- issue additional equity securities that would dilute the common stock held by existing stockholders;
- incur large charges or substantial liabilities;
- become subject to adverse tax consequences, substantial depreciation or deferred compensation charges;

- use cash that we may need in the future to operate our business; and
- incur debt on terms unfavorable to us or that we are unable to repay.

The impact of any one or more of these factors could adversely affect our business or results of operations or cause the price of our common stock to decline substantially.

Changes in, or interpretations of, accounting rules and regulations, including recent rules and regulations regarding expensing of stock options, could result in unfavorable accounting charges or cause us to change our compensation policies.

Accounting methods and policies, including policies governing revenue recognition, expenses and accounting for stock options are continually subject to review, interpretation, and guidance from relevant accounting authorities, including the Financial Accounting Standards Board, or FASB, and the SEC. Changes to, or interpretations of, accounting methods or policies in the future may require us to reclassify, restate or otherwise change or revise our financial statements, including those contained in this prospectus.

On December 16, 2004, the FASB issued SFAS No. 123R (revised 2004), *Share-Based Payment*, which is a revision of SFAS No. 123, *Accounting for Stock-Based Compensation* (SFAS No. 123R). SFAS No. 123R supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees*, and amends SFAS No. 95, *Statement of Cash Flows*. Generally, the approach in SFAS No. 123R is similar to the approach described in SFAS No. 123. However, SFAS No. 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. We were required to adopt SFAS No. 123R on January 1, 2006, and have adopted it as of that date.

As permitted by SFAS No. 123, we accounted for share-based payments to employees through December 31, 2005 using APB Opinion No. 25's intrinsic value method and, as such, generally recognized no compensation cost for employee stock options. Accordingly, the adoption of SFAS No. 123R's fair value method has had a significant impact on the presentation of our results of operations, although it has not impacted our overall financial position. The long-term impact of adoption of SFAS No. 123R cannot be predicted at this time because it will depend on levels of share-based payments granted in the future and the assumptions for the variables which impact the computation of the fair value of any such grants.

Historically, we have used stock options as part of our compensation programs to motivate and retain existing employees and to attract new employees. Because we are now required to expense stock options, we may choose to reduce our reliance on stock options as part of our compensation packages. If we reduce our use of stock options, it may be more difficult for us to retain and attract qualified employees. If we do not reduce our use of stock options, our expenses in future periods may increase. Beginning in 2007, we issued restricted stock awards and restricted stock units, and we expect to reduce our use of stock options as a form of stock-based compensation, but we cannot be certain whether or how our stock-based compensation policy will change in the future.

Investors could lose confidence in our financial reports, and our business and stock price may be adversely affected, if our internal control over financial reporting is found by management or by our independent registered public accounting firm to not be adequate or if we disclose significant existing or potential deficiencies or material weaknesses in those controls.

Section 404 of the Sarbanes-Oxley Act of 2002 requires us to include a report on our internal control over financial reporting in our Annual Report on Form 10-K for each year beginning with the year ending December 31, 2008. That report must include management's assessment of the effectiveness of our internal control over financial reporting as of the end of that and each subsequent fiscal year. Additionally, our independent registered public accounting firm will be required to issue a report on management's assessment of our internal control over financial reporting and on their evaluation of the operating effectiveness of our internal control over financial reporting.

We continue to evaluate our existing internal controls against the standards adopted by the Public Company Accounting Oversight Board, or PCAOB. During the course of our ongoing evaluation of our internal controls, we have in the past identified, and may in the future identify, areas requiring improvement, and may have to design enhanced processes and controls to address issues identified through this review. Remedying any significant deficiencies or material weaknesses that we or our independent registered public accounting firm may identify could require us to incur significant costs and expend significant time and management resources. We cannot assure you that any of the measures we may implement to remedy any such deficiencies will effectively mitigate or remedy such deficiencies. In addition, we cannot assure you that we will be able to complete the work necessary for our management to issue its management report in a timely manner, or that we will be able to complete any work required for our management to be able to conclude that our internal control over financial reporting is operating effectively. If we are not able to complete the assessment under Section 404 in a timely manner or to remedy any identified material weaknesses, we and our independent registered public accounting firm would be unable to conclude that our internal control over financial reporting is effective as of December 31, 2008. If our internal control over financial reporting is found by management or by our independent registered public accountant to not be adequate or if we disclose significant existing or potential deficiencies or material weaknesses in those controls, investors could lose confidence in our financial reports, we could be subject to sanctions or investigations by The NASDAQ Global Market, the Securities and Exchange Commission or other regulatory authorities and our stock price could be adversely affected.

A determination that there is a significant deficiency or material weakness in the effectiveness of our internal control over financial reporting could also reduce our ability to obtain financing or could increase the cost of any financing we obtain and require additional expenditures to comply with applicable requirements.

Our net operating loss carryforwards may expire unutilized or underutilized, which could prevent us from offsetting future taxable income.

We have experienced “changes in control” that have triggered the limitations of Section 382 of the Internal Revenue Code on our net operating loss carryforwards. As a result, we may be limited in the portion of net operating loss carryforwards that we can use in the future to offset taxable income for U.S. Federal income tax purposes.

At December 31, 2006, we had both federal and state net operating loss carryforwards of approximately $81.2 million, which are available to offset future taxable income. The federal net operating loss carryforwards will begin to expire in 2020. The state net operating loss carryforwards begin to expire in 2010.

In addition, at December 31, 2005 and 2006, we had net operating loss carryforwards for tax purposes related to our foreign subsidiaries of $966,000 and $703,000, respectively, which begin to expire in 2010.

In 2006, deferred tax assets, before valuation allowance, decreased approximately $2.4 million due to our use of net operating loss carryforwards to offset taxable income.

We periodically assess the likelihood that we will be able to recover our deferred tax assets. We consider all available evidence, both positive and negative, including historical levels of income, expectations and risks associated with estimates of future taxable income and ongoing prudent and feasible profits. As a result of this analysis of all available evidence, both positive and negative, we concluded that a full valuation allowance against deferred tax assets should be applied as of December 31, 2006. To the extent we determine that all or a portion of our valuation allowance is no longer necessary, we will recognize an income tax benefit in the period such determination is made for the reversal of the valuation allowance. Once the valuation allowance is eliminated or reduced, its reversal will no longer be available to offset our current tax provision. These events could have a material impact on our reported results of operations.

We may require additional capital to support business growth, and this capital may not be available on acceptable terms or at all.

We intend to continue to make investments to support our business growth and may require additional funds to respond to business challenges, including the need to develop new products or enhance our existing products, enhance our operating infrastructure and acquire complementary businesses and technologies.

Accordingly, we may need to engage in equity or debt financings to secure additional funds. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. Any debt financing secured by us in the future could include restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, we may not be able to obtain additional financing on terms favorable to us or at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly limited. In addition, the terms of any additional equity or debt issuances may adversely affect the value and price of our common stock.

Risks Related to this Offering

We cannot assure you that a market will develop for our common stock or what the market price of our common stock will be.

Before this offering, there was no public trading market for our common stock, and we cannot assure you that one will develop or be sustained after this offering. If a market does not develop or is not sustained, it may be difficult for you to sell your shares of common stock at an attractive price or at all. We cannot predict the prices at which our common stock will trade.

The initial public offering price for our common stock will be determined through our negotiations with the underwriters, and may not bear any relationship to the market price at which our common stock will trade after this offering or to any other established criteria of the value of our business. The price of our common stock that will prevail in the market after this offering may be higher or lower than the price you pay, depending on many factors, some of which are beyond our control and may not be related to our operating performance. It is possible that, in future quarters, our operating results may be below the expectations of securities analysts or investors. As a result of these and other factors, the price of our common stock may decline, possibly materially. These fluctuations could cause you to lose all or part of your investment in our common stock. The public trading price for our common stock after this offering will be affected by a number of factors, including:

- price and volume fluctuations in the overall stock market from time to time;
- volatility in the market price and trading volume of technology companies and of companies in our industry;
- actual or anticipated changes or fluctuations in our operating results;
- actual or anticipated changes in expectations regarding our performance by investors or securities analysts;
- the failure of securities analysts to cover our common stock after this offering or changes in financial estimates by analysts;
- actual or anticipated developments in our competitors’ businesses or the competitive landscape;
- actual or perceived inaccuracies in information we provide to our customers or the media;
- litigation involving us, our industry or both;
- regulatory developments;
- privacy and security concerns, including public perception of our practices as an invasion of privacy;
- general economic conditions and trends;
- major catastrophic events;
- sales of large blocks of our stock;

- the timing and success of new product introductions or upgrades by us or our competitors;
- changes in our pricing policies or payment terms or those of our competitors;
- concerns relating to the security of our network and systems;
- our ability to expand our operations, domestically and internationally, and the amount and timing of expenditures related to this expansion; or
- departures of key personnel.

In addition, the stock prices of many technology companies have experienced wide fluctuations that have often been unrelated to the operating performance of those companies.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. If our stock price is volatile, we may become the target of securities litigation, which could result in substantial costs and divert our management's attention and resources from our business.

Our stock price could decline due to the large number of outstanding shares of our common stock eligible for future sale.

Sales of substantial amounts of our common stock in the public market following this offering, or the perception that these sales could occur, could cause the market price of our common stock to decline. These sales could also make it more difficult for us to sell equity or equity-related securities in the future at a time and price that we deem appropriate.

Upon completion of this offering, we will have 27,385,274 outstanding shares of common stock based on the number of shares outstanding on March 31, 2007 and assuming no exercise of the underwriters' over-allotment option and no exercise of outstanding options or warrants after March 31, 2007. The 5,000,000 shares sold pursuant to this offering will be immediately tradable without restriction. Of the remaining shares:

- 1,174,021 shares will be eligible for sale immediately upon completion of this offering, subject in some cases to volume and other restrictions of Rule 144 and Rule 701 under the Securities Act; and
- an additional 21,211,253 shares will be eligible for sale upon the expiration of lock-up agreements, subject in some cases to volume and other restrictions of Rule 144 and Rule 701 under the Securities Act.

The lock-up agreements expire 180 days after the date of this prospectus, provided that the 180-day period may be extended in certain cases for up to 34 additional days under certain circumstances where we announce or pre-announce earnings or a material event within approximately 17 days prior to, or approximately 16 days after, the termination of the 180-day period. Credit Suisse Securities (USA) LLC may, in its sole discretion and at any time without notice, release all or any portion of the securities subject to lock-up agreement. Credit Suisse Securities (USA) LLC has agreed that certain existing and former employees designated by us may sell an amount of shares valued at approximately $2.1 million based on the initial public offering price during the 180-day lock-up period following the offering. Based on an assumed offering price of $15.00 per share, the mid-point of the range on the front cover of this prospectus, such designated existing and former employees would be permitted to sell up to 140,000 shares of common stock during the 180-day lock-up period following the offering. The totals indicated above do not reflect this exception to the lock-up agreements. After the closing of this offering, we intend to register approximately 4,500,000 shares of common stock that have been reserved for future issuance under our stock incentive plans.

Insiders will continue to have substantial control over us after this offering, which could limit your ability to influence the outcome of key transactions, including a change of control.

Our directors, executive officers and each of our stockholders who own greater than 5% of our outstanding common stock and their affiliates, in the aggregate, will beneficially own approximately 71% of the outstanding shares of our common stock after this offering. As a result, these stockholders, if acting together, would be able to influence or control matters requiring approval by our stockholders, including the election of directors and the approval of mergers, acquisitions or other extraordinary transactions. They may have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. This concentration of ownership may have the effect of delaying, preventing or deterring a change of control of our company, could deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of our company and might affect the market price of our common stock.

Our management will have broad discretion over the use of the proceeds from this offering and may not apply the proceeds of this offering in ways that increase the value of your investment.

Our management will have broad discretion to use the net proceeds we receive from this offering, and you will be relying on its judgment regarding the application of these proceeds. We expect to use the net proceeds from this offering for general corporate purposes, which may include working capital, capital expenditures, other corporate expenses and potential acquisitions of complementary products, technologies or businesses. We have not allocated these net proceeds for any specific purposes. However, management may not apply the net proceeds of this offering in ways that increase the value of your investment.

If you purchase shares of our common stock in this offering, you will experience substantial and immediate dilution.

If you purchase shares of our common stock in this offering, you will experience substantial and immediate dilution of $12.30 per share based on an assumed initial public offering price of $15.00 per share, the mid-point of the range shown on the cover of this prospectus, because the price that you pay will be substantially greater than the net tangible book value per share of the common stock that you acquire. This dilution is due in large part to the fact that our earlier investors paid substantially less than the initial public offering price when they purchased their shares of our capital stock. You will experience additional dilution upon the exercise of options to purchase common stock under our equity incentive plans, if we issue restricted stock to our employees under these plans or if we otherwise issue additional shares of our common stock. See “Dilution.”

We will incur increased costs and demands upon management as a result of complying with the laws and regulations affecting a public company, which could adversely affect our operating results.

As a public company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. In addition, the Sarbanes-Oxley Act of 2002, as well as rules implemented by the Securities and Exchange Commission and The NASDAQ Stock Market, requires certain corporate governance practices for public companies. Our management and other personnel will need to devote a substantial amount of time to public reporting requirements and corporate governance. We expect these rules and regulations to significantly increase our legal and financial compliance costs and to make some activities more time-consuming and costly. We will also incur additional costs associated with our public company reporting requirements. We are unable to currently estimate these costs with any degree of certainty. If these costs are not offset by increased revenues and improved financial performance, our operating results would be adversely affected. We also expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified people to serve on our board of directors or as executive officers.

Provisions in our certificate of incorporation and bylaws and under Delaware law might discourage, delay or prevent a change of control of our company or changes in our management and, therefore, depress the trading price of our common stock.

Our certificate of incorporation and bylaws contain provisions that could depress the trading price of our common stock by acting to discourage, delay or prevent a change of control of our company or changes in our management that the stockholders of our company may deem advantageous. These provisions:

- establish a classified board of directors so that not all members of our board of directors are elected at one time;
- authorize "blank check" preferred stock that our board of directors could issue to increase the number of outstanding shares to discourage a takeover attempt;
- prohibit stockholder action by written consent, which means that all stockholder actions must be taken at a meeting of our stockholders;
- prohibit stockholders from calling a special meeting of our stockholders;
- provide that the board of directors is expressly authorized to make, alter or repeal our bylaws; and
- establish advance notice requirements for nominations for elections to our board of directors or for proposing matters that can be acted upon by stockholders at stockholder meetings.

Additionally, we are subject to Section 203 of the Delaware General Corporation Law, which prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any "interested" stockholder for a period of three years following the date on which the stockholder became an "interested" stockholder and which may discourage, delay or prevent a change of control of our company.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA

This prospectus, including the sections entitled "Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business," contains forward-looking statements. These statements may relate to, but are not limited to, expectations of future operating results or financial performance, capital expenditures, introduction of new products, regulatory compliance, plans for growth and future operations, as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. These risks and other factors include, but are not limited to, those listed under "Risk Factors." In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "predict," "intend," "potential," "might," "would," "continue" or the negative of these terms or other comparable terminology. These statements are only predictions. Actual events or results may differ materially.

We believe that it is important to communicate our future expectations to our investors. However, there may be events in the future that we are not able to accurately predict or control and that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the SEC, we do not plan to publicly update or revise any forward-looking statements after we distribute this prospectus, whether as a result of any new information, future events or otherwise. Potential investors should not place undue reliance on our forward-looking statements. Before you invest in our common stock, you should be aware that the occurrence of any of the events described in the "Risk Factors" section and elsewhere in this prospectus could harm our business, prospects, operating results and financial condition. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

This prospectus also contains estimates and other information concerning our industry, including market size and growth rates of the markets in which we participate, that are based on industry publications, surveys and forecasts, including those generated by Forrester Research, IDC, JupiterResearch, Infonetics, the Internet Advertising Bureau and PricewaterhouseCoopers. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these estimates. These industry publications, surveys and forecasts generally indicate that their information has been obtained from sources believed to be reliable. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors." These and other factors could cause actual results to differ materially from those expressed in these publications, surveys and forecasts.

USE OF PROCEEDS

We estimate that the net proceeds from the sale of the 5,000,000 shares of our common stock that we are selling in this offering will be approximately $66.8 million, based on an assumed initial public offering price of $15.00 per share, the mid-point of the range on the front cover of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses. If the underwriters' over-allotment option is exercised in full, we estimate that we will receive additional net proceeds of approximately $0.9 million. We will not receive any proceeds from any sale of shares of our common stock by the selling stockholders pursuant to the exercise of the underwriters' over-allotment option.

The principal purposes of this offering are to create a public market for our common stock and to facilitate our future access to the public equity markets, as well as to obtain additional capital.

Except as discussed below, we currently have no specific plans for the use of a significant portion of the net proceeds of this offering. However, we anticipate that we will use the net proceeds from this offering for general corporate purposes, which may include working capital, capital expenditures, other corporate expenses and acquisitions of complementary products, technologies or businesses. We expect to use approximately $4 million of the net proceeds for capital expenditures related to computer hardware and equipment as well as office improvements. We currently have no agreements or commitments with respect to acquisitions of complementary products, technologies or businesses. The timing and amount of our actual expenditures will be based on many factors, including cash flows from operations and the anticipated growth of our business. Pending these uses, we intend to invest the net proceeds of this offering primarily in short-term, investment-grade, interest-bearing instruments.

If we were to price the offering at $14.00 per share, the low end of the range on the cover of this prospectus, we estimate that we would receive net proceeds of $62.1 million, assuming the total number of shares offered by us remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. If we were to price the offering at $16.00 per share, the high end of the range on the cover of this prospectus, then we estimate that we would receive net proceeds of $71.4 million, assuming the total number of shares offered by us remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

DIVIDEND POLICY

We have never declared or paid any dividends on our capital stock. We anticipate that we will retain any earnings to support operations and to finance the growth and development of our business. Accordingly, we do not expect to pay cash dividends on our common stock in the foreseeable future.

CAPITALIZATION

The following table sets forth our capitalization as of March 31, 2007:

- on an actual basis without any adjustments to reflect subsequent or anticipated events;
- on a pro forma basis reflecting (i) the conversion of all outstanding shares of our Series A, Series B, Series C, Series C-1, Series D and Series E preferred stock into an aggregate of 17,257,362 shares of our common stock effective immediately prior to the completion of this offering, for a total of 22,385,274 shares of common stock, which amount includes 347,635 shares subject to put rights and (ii) the reclassification of our preferred stock warrant liabilities from current liabilities to additional paid in capital effective upon the completion of this offering; and
- on a pro forma as adjusted basis reflecting the conversion and reclassification described above and the receipt by us of the net proceeds from the sale of 5,000,000 shares of common stock in this offering at an assumed initial public offering price of $15.00 per share, the mid-point of the range on the front cover of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this table in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and related notes included elsewhere in this prospectus.

	As of March 31, 2007		
	Actual	Pro Forma	Pro Forma as Adjusted
	(In thousands, except share data)		
Preferred stock warrant liabilities	995	—	—
Redeemable preferred stock, $0.001 par value, 73,673,224 shares authorized; 14,365,936 shares issued and outstanding actual; no shares issued or outstanding pro forma and pro forma as adjusted	102,580	—	—
Common stock subject to put right, 347,635 shares outstanding	4,392	4,392	4,392
Stockholders’ equity (deficit):			
Preferred stock, $0.001 par value; no shares authorized, issued or outstanding on an actual and pro forma basis; 5,000,000 shares authorized, no shares issued and outstanding on a pro forma as adjusted basis	—	—	—
Common stock, $0.001 par value; 130,000,000 shares authorized, 4,780,277 shares issued and outstanding actual; 100,000,000 shares authorized, 22,037,639 shares issued and outstanding pro forma and 27,037,639 shares issued and outstanding pro forma as adjusted	5	22	27
Additional paid-in capital	—	103,558	170,303
Accumulated other comprehensive loss	(70)	(70)	(70)
Accumulated deficit	(98,618)	(98,618)	(98,618)
Total stockholders’ equity (deficit)	(98,683)	4,892	71,642
Total capitalization	$ 9,284	$ 9,284	$ 76,034

The preceding table excludes, as of March 31, 2007:

- 2,497,424 shares of common stock issuable upon exercise of options outstanding at a weighted-average exercise price of $2.07 per share;
- 52,850 shares of our common stock issuable upon the settlement of outstanding restricted stock unit awards;
- 456,754 shares of common stock reserved for future issuance under our 1999 Stock Plan;
- 1,400,000 shares of common stock reserved for future issuance under our 2007 Equity Incentive Plan, which will be effective upon completion of this offering; and
- 175,186 shares of common stock issuable upon the exercise of warrants, which total includes warrants for our preferred stock that will become exercisable for common stock after this offering, at a weighted-average exercise price of $4.87 per share.

A $1.00 decrease or increase in the offering price would result in an approximately $4.7 million increase or decrease in each of pro forma as adjusted additional paid-in capital, pro forma as adjusted total stockholders' equity and pro forma as adjusted total capitalization, assuming the total number of shares offered by us remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

DILUTION

If you invest in our common stock, your interest will be diluted to the extent of the difference between the public offering price per share of our common stock and the pro forma as adjusted net tangible book value per share of our common stock after this offering. Our pro forma net tangible book value as of March 31, 2007 was $7.2 million, or $0.32 per share of common stock. Pro forma net tangible book value per share represents total tangible assets less total liabilities, divided by the number of shares of common stock outstanding after giving effect to (i) the conversion of all outstanding shares of our Series A, Series B, Series C, Series C-1, Series D and Series E preferred stock into an aggregate of 17,257,362 shares of our common stock effective immediately prior to the completion of this offering, for a total of 22,385,274 shares of common stock outstanding on March 31, 2007, which amount includes 347,635 shares subject to put rights and (ii) the reclassification of our preferred stock warrant liabilities from current liabilities to additional paid in capital effective upon the completion of this offering. After giving effect to the sale by us of 5,000,000 shares of our common stock in this offering at the assumed initial public offering price of $15.00 per share, the mid-point of the range on the front cover of this prospectus, and after deducting the underwriting discounts and commissions and our estimated offering expenses, our pro forma as adjusted net tangible book value as of March 31, 2007 would have been $74.0 million, or $2.70 per share. This represents an immediate increase in net tangible book value of $2.38 per share to our existing stockholders and an immediate dilution of $12.30 per share to our new investors purchasing shares of common stock in this offering. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$ 15.00
Pro forma net tangible book value per share as of March 31, 2007	$ 0.32	
Increase in pro forma net tangible book value per share attributable to this offering per share to existing investors	2.38	
Pro forma as adjusted net tangible book value per share after this offering		2.70
Dilution per share to new investors		$ 12.30

The following table sets forth as of March 31, 2007, on a pro forma as adjusted basis, the differences between the number of shares of common stock purchased from us, the total consideration paid, and the average price per share paid by existing stockholders and new investors purchasing shares of our common stock in this offering based on an assumed initial public offering price of $15.00 per share, the mid-point of the range on the front cover of this prospectus, and before deducting underwriting discounts and commissions and estimated offering expenses.

	Shares Purchased		Total Consideration		Average Price
	Number	Percent	Amount	Percent	per Share
Existing stockholders	22,385,274	82%	$ 88,892,972	54%	$ 3.97
New investors	5,000,000	18	75,000,000	46	15.00
Total	27,385,274	100.0%	$ 163,892,972	100.0%	

If the underwriters exercise their over-allotment option in full, the percentage of shares of common stock held by existing stockholders will decrease to approximately 80% of the total number of shares of our common stock outstanding after this offering, and the number of shares held by new investors will be increased to 5,750,000, or approximately 20% of the total number of shares of our common stock outstanding after this offering.

A $1.00 decrease in the assumed offering price would decrease our net tangible book value after this offering by $4.7 million and dilution in net tangible book value per share to new investors by $0.83, assuming the total number of shares offered by us remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. A $1.00 decrease in the assumed offering price would decrease each of total consideration paid by new investors in the offering and total consideration paid by all stockholders by $5.0 million, assuming the total number of shares offered by us remains the same and before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

A $1.00 increase in the assumed offering price would increase our net tangible book value after this offering by $4.7 million and dilution in net tangible book value per share to new investors by $0.83, assuming the total number of shares offered by us remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. A $1.00 increase in the assumed offering price would increase each of total consideration paid by new investors in the offering and total consideration paid by all stockholders by $5.0 million, assuming the total number of shares offered by us remains the same and before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The preceding table excludes, as of March 31, 2007:

- 2,497,424 shares of common stock issuable upon exercise of options outstanding at a weighted-average exercise price of $2.07 per share;
- 52,850 shares of our common stock issuable upon the settlement of outstanding restricted stock unit awards;
- 456,754 shares of common stock reserved for future issuance under our 1999 Stock Plan;
- 1,400,000 shares of common stock reserved for future issuance under our 2007 Equity Incentive Plan, which will be effective upon completion of this offering; and
- 175,186 shares of common stock issuable upon the exercise of warrants, which total includes warrants for our preferred stock that will become exercisable for common stock after this offering, at a weighted-average exercise price of $4.87 per share.

Assuming the exercise of all options and warrants outstanding as of March 31, 2007, the effects would be as follows:

- pro forma as adjusted net tangible book value per share after this offering would decrease from $2.70 to $2.66, resulting in additional dilution to new investors of $0.04 per share;
- our existing stockholders, including the holders of these options and warrants, would own 83%, and our new investors would own 17% of the total number of shares of our common stock outstanding upon the completion of this offering; and
- our existing stockholders, including the holders of these options and warrants, would have paid 56% of the total consideration, at an average price per share of $3.79, and our new investors would have paid 44% of the total consideration.

SELECTED CONSOLIDATED FINANCIAL DATA

You should read the selected consolidated financial data set forth below in conjunction with our consolidated financial statements, the notes to our consolidated financial statements and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained elsewhere in this prospectus.

The consolidated statements of operations data and the consolidated statements of cash flows data for the years ended January 31, 2003 and December 31, 2003 as well as the consolidated balance sheet data as of January 31, 2003 and December 31, 2003 and 2004 are derived from our audited consolidated financial statements not included in this prospectus. The consolidated statements of operations data and the consolidated statements of cash flows data for each of the three years ended December 31, 2004, 2005 and 2006 as well as the consolidated balance sheet data as of December 31, 2005 and 2006 are derived from our audited consolidated financial statements that are included elsewhere in this prospectus. In 2003, we changed our fiscal year to the twelve months ended December 31. The year ended January 31, 2003 and the year ended December 31, 2003 in the table below both include the results of operations for the month ended January 31, 2003. The consolidated statements of operations data for the three months ended March 31, 2006 and 2007 and the consolidated balance sheet data as of March 31, 2007 have been derived from our unaudited consolidated financial statements that are included elsewhere in this prospectus. We have prepared this unaudited financial information on the same basis as the audited consolidated financial statements and have included all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair presentation of our financial position and operating results for such period. Our historical results are not necessarily indicative of results to be expected for future periods. Results for the three months ended March 31, 2007 are not necessarily indicative of results expected for the full year.

The pro forma basic net income per share data are unaudited and give effect to (i) the conversion into common stock of all outstanding shares of our Series A, Series B, Series C, Series C-1, Series D and Series E preferred stock from their dates of original issuance and (ii) the reclassification of our preferred stock warrant liabilities from current liabilities to additional paid in capital as of the beginning of each period.

	Year Ended January 31, 2003	Year Ended December 31, 2003	2004	2005	2006	Three Months Ended March 31, 2006	2007
						(Unaudited)	
			(In thousands, except share and per share data)				
Consolidated Statement of Operations Data:							
Revenues	$ 15,400	$ 23,355	$ 34,894	$ 50,267	$ 66,293	$ 14,985	$ 18,681
Cost of revenues(1)	14,925	15,671	13,153	18,218	20,560	5,148	5,388
Selling and marketing(1)	9,134	11,677	13,890	18,953	21,473	5,345	6,451
Research and development(1)	6,172	5,444	5,493	7,416	9,009	2,137	2,556
General and administrative(1)	4,431	4,124	4,982	7,089	8,293	1,918	2,507
Amortization	562	772	356	2,437	1,371	371	293
Total expenses from operations	35,224	37,688	37,874	54,113	60,706	14,919	17,195
(Loss) income from operations	(19,824)	(14,333)	(2,980)	(3,846)	5,587	66	1,486
Interest (expense) income, net	(885)	(595)	(246)	(208)	231	11	97
(Loss) gain from foreign currency	—	—	—	(96)	125	6	(8)
Revaluation of preferred stock warrant liabilities	—	—	—	(14)	(224)	2	11
(Loss) income before income taxes and cumulative effect of change in accounting principle	(20,709)	(14,928)	(3,226)	(4,164)	5,719	85	1,586
(Benefit) provision for income taxes	—	—	—	(182)	50	—	46
Net (loss) income before cumulative effect of change in accounting principle	(20,709)	(14,928)	(3,226)	(3,982)	5,669	85	1,540
Cumulative effect of change in accounting principle	—	—	—	(440)	—	—	—
Net (loss) income	(20,709)	(14,928)	(3,226)	(4,422)	5,669	85	1,540
Accretion of redeemable preferred stock	(2,742)	(3,795)	(2,141)	(2,638)	(3,179)	(742)	(885)
Net (loss) income attributable to common stockholders	$ (23,451)	$ (18,723)	$ (5,367)	$ (7,060)	$ 2,490	$ (657)	$ 655
Net (loss) income attributable to common stockholders per common share:							
Basic and diluted	$ (9.08)	$ (6.96)	$ (1.88)	$ (2.30)	$ 0.00	$ (0.19)	$ 0.00
Weighted-average number of shares used in per share calculations:							
Basic and diluted	2,583,798	2,690,288	2,871,713	3,130,194	3,847,213	3,609,928	4,196,736
Pro forma net (loss) income attributable to common stockholders per common share:							
Basic					$ 0.27		$ 0.07
Diluted					$ 0.24		$ 0.06
Pro forma weighted-average number of shares used in per share calculations:							
Basic					21,102,787		21,454,187
Diluted					23,355,721		23,497,480

(1) Amortization of stock-based compensation is included in the preceding line items above as follows:

	Year Ended January 31, 2003	Year Ended December 31, 2003	2004	2005	2006	Three Months Ended March 31, 2006	2007
				(In thousands)		(Unaudited)	
Cost of revenues	$ —	$ —	$ —	$ —	$ 12	$ —	$ 9
Selling and marketing	—	—	—	—	82	6	39
Research and development	—	—	—	—	13	—	8
General and administrative	128	171	14	3	91	1	51

	As of January 31, 2003	As of December 31, 2003	2004	2005	2006	As of March 31, 2007 (Unaudited)
				(In thousands)		
Consolidated Balance Sheet Data:						
Cash, cash equivalents and short-term investments	$ 6,973	$ 9,557	$ 8,404	$ 9,174	$ 16,032	$ 18,181
Total current assets	11,778	15,482	15,678	20,792	31,493	34,520
Total assets	23,603	22,154	23,618	29,477	42,087	45,479
Total current liabilities	13,645	15,515	18,591	27,220	32,880	34,897
Equipment loan and capital lease obligations, long-term	4,072	2,421	1,438	1,283	2,261	1,896
Preferred stock warrant liabilities and common stock subject to put	404	349	(2,141)	4,997	5,362	5,387
Redeemable preferred stock	78,586	93,737	95,878	98,516	101,695	102,580
Stockholders' deficit	(73,735)	(89,919)	(95,230)	(102,294)	(99,557)	(98,683)

	Year Ended January 31, 2003	Year Ended December 31, 2003	2004	2005	2006	Three Months Ended March 31, 2006	2007
				(In thousands)		(Unaudited)	
Consolidated Statement of Cash Flows Data:							
Net cash provided by (used in) operating activities	$ (12,653)	$ (3,912)	$ 1,907	$ 4,253	$ 10,905	$ 2,824	$ 3,156
Depreciation and amortization	5,865	6,604	2,745	5,123	4,259	1,059	1,154
Capital expenditures	1,962	726	1,208	1,071	2,314	292	494
Other Financial and Operating Data (unaudited):							
Adjusted EBITDA(2)	$ (13,930)	$ (7,558)	$ (221)	$ 730	$ 9,945	$ 1,140	$ 2,750

(2) We define Adjusted EBITDA as net income plus the (benefit) provision for income taxes, depreciation, amortization of purchased intangible assets and stock-based compensation; plus interest expense (income) and other income. Adjusted EBITDA is not a measure of liquidity calculated in accordance with GAAP, and should be viewed as a supplement to — not a substitute for — our results of operations presented on the basis of GAAP. Adjusted EBITDA does not purport to represent cash flow provided by, or used in, operating activities as defined by GAAP. Our statement of cash flows presents our cash flow activity in

accordance with GAAP. Furthermore, Adjusted EBITDA is not necessarily comparable to similarly-titled measures reported by other companies.

We prepare Adjusted EBITDA to eliminate the impact of items that we do not consider indicative of our core operating performance. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. Our presentation of Adjusted EBITDA should not be construed as an implication that our future results will be unaffected by unusual or non-recurring items.

We believe Adjusted EBITDA is useful to an investor in evaluating our operating performance for the following reasons:

- Adjusted EBITDA is widely used by investors to measure a company's operating performance without regard to items such as interest expense, taxes, depreciation and amortization, and stock-based compensation, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired;
- analysts and investors use Adjusted EBITDA as a supplemental measure to evaluate the overall operating performance of companies in our industry;
- we believe Adjusted EBITDA is an important indicator of our operating performance because it provides a link between profitability and operating cash flow. Although our cash flow from operations presented is a similar measure, Adjusted EBITDA is a better measure of our true operating results because it adjusts for the effects of collections of receivables, disbursements of payables, and other factors that are influenced by seasonal conditions; and
- prior to January 1, 2006, we accounted for stock-based compensation plans under the recognition and measurement provision s of Accounting Principles Board (APB) Opinion No. 25, *Accounting for Stock Issued to Employees,* and related interpretations, as permitted by Statement of Financial Accounting Standards (SFAS) No. 123, *Accounting for Stock-Based Compensation.* In December 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 123 (revised 2004), *Share-Based Payment* (SFAS 123R), which is a revision of SFAS No. 123. SFAS 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their estimated fair values. Pro forma disclosure is no longer an alternative permitted under SFAS 123R. We adopted the provisions of SFAS 123R on January 1, 2006, using the prospective method. Unvested stock-based awards issued prior to January 1, 2006, the date that we adopted the provisions of SFAS 123R, were accounted for at the date of adoption using the intrinsic value method originally applied to those awards. We recorded approximately $198,000 in stock-based compensation expense subsequent to the adoption of SFAS 123R for the fiscal year ended December 31, 2006 as compared with approximately $14,000 and $3,000 for the years ended December 31, 2004 and 2005, respectively, prior to the adoption of SFAS 123R. By comparing our Adjusted EBITDA our investors can evaluate our operating results without the additional variations of stock compensation expense, which is not necessarily comparable from year to year due to the change in accounting treatment and is a non-cash expense that is not a primary measure of our operations.

Our management uses Adjusted EBITDA:

- as a measure of operating performance, because it removes the impact of items not directly resulting from our core operations;
- for planning purposes, including the preparation of our internal annual operating budget;
- to allocate resources to enhance the financial performance of our business;
- as a metric for evaluating the performance of Dr. Magid M. Abraham, our Chief Executive Officer, and Mr. Gian M. Fulgoni, our Executive Chairman of the Board of Directors. The Company uses Adjusted EBITDA as a quantitative metric for setting both Dr. Abraham and Mr. Fulgoni's respective salaries

and bonuses. In addition, option grants held by both Dr. Abraham and Mr. Fulgoni include vesting which can be accelerated upon achieving certain targets tied to EBITDA;

- to evaluate the effectiveness of our operational strategies; and
- in communications with the board of directors, stockholders, analysts and investors concerning our financial performance.

We understand that although Adjusted EBITDA is frequently used by securities analysts, lenders, investors and others in their evaluation of companies, Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis, of our results of operations as reported under GAAP. Some of these limitations are:

- Adjusted EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or other contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, related to our debts;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- Other companies in our industry may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

A reconciliation of Adjusted EBITDA to net income, the most directly comparable GAAP measure, for each of the fiscal periods indicated is as follows:

	Year Ended January 31,	Year Ended December 31,				Three Months Ended March 31,	
	2003	2003	2004	2005	2006	2006	2007
		(In thousands)				(Unaudited)	
Net (loss) income	$ (20,708)	$ (14,928)	$ (3,226)	$ (4,422)	$ 5,669	$ 85	$ 1,540
(Benefit) provision for income taxes	—	—	—	(182)	50	—	46
Amortization	562	772	356	2,437	1,371	371	293
Depreciation	5,303	5,832	2,389	2,686	2,888	688	861
Stock-based compensation	28	171	14	3	198	7	107
Interest expense (income), net	885	595	246	208	(231)	(11)	(97)
Adjusted EBITDA	$ (13,930)	$ (7,558)	$ (221)	$ 730	$ 9,945	$ 1,140	$ 2,750

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 our consolidated financial statements and the related notes to those statements included elsewhere in this prospectus. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed under "Risk Factors" and elsewhere in this prospectus. See "Cautionary Note Regarding Forward-Looking Statements."

Overview

We provide a leading digital marketing intelligence platform that helps our customers make better-informed business decisions and implement more effective digital business strategies. Our products and solutions offer our customers deep insights into consumer behavior, including objective, detailed information regarding usage of their online properties and those of their competitors, coupled with information on consumer demographic characteristics, attitudes, lifestyles and offline behavior.

Our digital marketing intelligence platform is comprised of proprietary databases and a computational infrastructure that measures, analyzes and reports on digital activity. The foundation of our platform is data collected from our comScore panel of more than two million Internet users worldwide who have granted us explicit permission to confidentially measure their Internet usage patterns, online and certain offline buying behavior and other activities. By applying advanced statistical methodologies to our panel data, we project consumers' online behavior for the total online population and a wide variety of user categories.

We deliver our digital marketing intelligence through our comScore Media Metrix product family and through comScore Marketing Solutions. Media Metrix delivers digital media intelligence by providing an independent, third-party measurement of the size, behavior and characteristics of Web site and online advertising network audiences among home, work and university Internet users as well as insight into the effectiveness of online advertising. Our Marketing Solutions products combine the proprietary information gathered from the comScore panel with the vertical industry expertise of comScore analysts to deliver digital marketing intelligence, including the measurement of online advertising effectiveness, customized for specific industries. We typically deliver our Media Metrix products electronically in the form of weekly, monthly or quarterly reports. Customers can access current and historical Media Metrix data and analyze these data anytime online. Our Marketing Solutions products are typically delivered on a monthly, quarterly or ad hoc basis through electronic reports and analyses.

Our company was founded in August 1999. By 2000, we had established a panel of Internet users and began delivering digital marketing intelligence products that measured online browsing and buying behavior to our first customers. We also introduced netScore, our initial syndicated Internet audience measurement product. We accelerated our introduction of new products in 2003 with the launch of Plan Metrix (formerly AiM 2.0), qSearch, the Campaign R/F (Reach and Frequency) analysis system and product offerings that measure online activity at the local market level. By 2004, we had built a global panel of over two million Internet users. In that year, in cooperation with Arbitron, we launched a service that provides ratings of online radio audiences. In 2005, we expanded our presence in Europe by opening an office in London. In 2006, we continued to expand our measurement capabilities with the launch of World Metrix, a product that provides worldwide data on digital media usage, and Video Metrix, our product that measures the audience for streaming online video.

We have complemented our internal development initiatives with select acquisitions. On June 6, 2002, we acquired certain Media Metrix assets from Jupiter Media Metrix, Inc. Through this acquisition, we acquired certain Internet audience measurement services that report details of Web site usage and visitor demographics. On July 28, 2004, we acquired the outstanding stock of Denaro and Associates, Inc, otherwise known as Q2 Brand Intelligence, Inc. or Q2, to improve our ability to provide our customers more robust survey research integrated with our underlying digital marketing intelligence platform. The total cost of the acquisition was approximately $3.3 million, consisting of cash and shares of our common stock. For the ninety-day period beginning July 28, 2007, the former shareholder of Q2 (or its transferees) has the right to sell 212,000 shares of our common stock back to us for an aggregate price of $2.65 million, or $12.50 per share. On January 4, 2005, we acquired the assets and assumed certain liabilities of SurveySite Inc., or SurveySite. Through this acquisition, we acquired proprietary Internet-based data-collection technologies and increased our customer penetration and revenues in the survey business. The total cost of the acquisition was approximately $3.6 million, consisting of cash and shares of our common stock. For the ninety-day period beginning January 1, 2008, the former shareholders of SurveySite (or their transferees) have the right to sell 135,635 shares of our common stock back to us for an aggregate price of approximately $1.8 million, or $13.35 per share.

Our total revenues have grown from $15.4 million during the fiscal year ending January 31, 2003 to $66.3 million during the fiscal year ended December 31, 2006, a compounded annual growth rate of approximately 63%. By comparison, our total expenses from operations have grown from $35.2 million to $60.7 million over the same period, a compounded annual growth rate of approximately 20%. The growth in our revenues was primarily the result of:

- increased sales to existing customers, as a result of our efforts to deepen our relationships with these clients by increasing their awareness of, and confidence in, the value of our digital marketing intelligence platform;
- growth in our customer base through the addition of new customers;
- increases in the prices of our products and services;
- the sales of new products to existing and new customers; and
- growth in sales outside of the U.S. as a result of entering into new international markets.

As of March 31, 2007, we had 743 customers, compared to 334 as of January 31, 2003. We sell most of our products through our direct sales force.

Our Revenues

We derive our revenues primarily from the fees that we charge for subscription-based products and customized projects. We define subscription-based revenues as revenues that we generate from products that we deliver to a customer on a recurring basis. We define project revenues as revenues that we generate from customized projects that are performed for a specific customer on a non-recurring basis. We market our subscription-based products, customized projects and survey services within the comScore Media Metrix product family and through comScore Marketing Solutions.

A significant characteristic of our business model is our large percentage of subscription-based contracts. Subscription-based revenues accounted for 78% of our total revenues in 2004 and decreased to 70% of total revenues in 2005 primarily due to the acquisition of SurveySite. Subscription-based revenues increased to 75% of total revenues in 2006 and to 77% of total revenues during the first quarter of 2007.

Many of our customers who initially purchased a customized project have subsequently purchased one of our subscription-based products. Similarly, many of our subscription-based customers have subsequently purchased additional customized projects.

Historically, we have generated most of our revenues from the sale and delivery of our products to companies and organizations located within the United States. We intend to expand our international revenues by selling our products and deploying our direct sales force model in additional international markets in the future. For the fiscal year ended December 31, 2006, our international revenues were $5.7 million, an increase of $2.4 million over international revenues of $3.4 million for the fiscal year ended December 31, 2005. For the three months ended March 31, 2007, our international revenues were $1.8 million, an increase of $670,000 over international revenues of $1.1 million for the three months ended March 31, 2006. International revenues comprised approximately 7%, 9% and 10% of our total revenues for the fiscal years ended December 31, 2005 and 2006 and the three months ended March 31, 2007, respectively.

We anticipate that revenues from our U.S. customers will continue to constitute the substantial majority of our revenues, but we expect that revenues from customers outside of the U.S. will increase as a percentage of total revenues as we build greater international recognition of our brand and expand our sales operations globally.

Subscription Revenues

We generate a significant proportion of our subscription-based revenues from our Media Metrix product family. Products within the Media Metrix family include Media Metrix 2.0, Plan Metrix, World Metrix and Video Metrix. We intend to commercially launch Ad Metrix in the second quarter of 2007. These product offerings provide subscribers with intelligence on digital media usage, audience characteristics, audience demographics and online and offline purchasing behavior. Customers who subscribe to our Media Metrix products are provided with login IDs to our Web site, have access to our database and can generate reports at anytime.

We also generate subscription-based revenues from certain reports and analyses provided through comScore Marketing Solutions, if that work is procured by customers for at least a nine month period and the customer enters into an agreement to continue or extend the work. Through our Marketing Solutions products, we deliver digital marketing intelligence relating to specific industries, such as automotive, consumer packaged goods, entertainment, financial services, media, pharmaceutical, retail, technology, telecommunications and travel. This marketing intelligence leverages our global consumer panel and extensive database to deliver information unique to a particular customer's needs on a recurring schedule, as well as on a continual-access basis. Our Marketing Solutions customer agreements typically include a fixed fee with an initial term of at least one year. We also provide these products on a non-subscription basis as described under "Project Revenues" below.

In addition, we generate subscription-based revenues from survey products that we sell to our customers. In conducting our surveys, we generally use our global Internet user panel. After questionnaires are distributed to the panel members and completed, we compile their responses and then deliver our findings to the customer, who also has ongoing access to the survey response data as they are compiled and updated over time. These data include responses and information collected from the actual survey questionnaire and can also include behavioral information that we passively collect from our panelists. If a customer contractually commits to having a survey conducted on a recurring basis, we classify the revenues generated from such survey products as subscription-based revenues. Approximately half of the revenues derived from survey products are generated on a subscription basis. Our contracts for survey services typically include fixed fee agreements that range from two months to one year.

Project Revenues

We generate project revenues by providing customized information reports to our customers on a non-recurring basis as part of our comScore Marketing Solutions. For example, a customer in the media industry might request a custom report that profiles the behavior of the customer's active online users and contrasts their market share and loyalty with similar metrics for a competitor's online user base. If this customer continues to request the report beyond an initial project term of at least nine months and enters into an agreement to purchase the report on a recurring basis, we begin to classify these future revenues as subscription-based.

In the second quarter of 2007, we intend to commercially launch Campaign Metrix, a product that will provide detailed information about online advertising campaigns. Project revenues from Campaign Metrix will be generated when a customer accesses or downloads a report through our Web site. Pricing for our Campaign Metrix product will initially be based on the scope of the information provided in the report generated by the customer.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the U.S. The preparation of these financial statements requires us to make estimates, assumptions and judgments that affect the amounts reported in our financial statements and the accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates. While our significant accounting policies are described in more detail in the notes to our consolidated financial statements included in this prospectus, we believe the following accounting policies to be the most critical to the judgments and estimates used in the preparation of our consolidated financial statements.

Revenue Recognition

We recognize revenues in accordance with Securities and Exchange Commission Staff Accounting Bulletin No. 104, *Revenue Recognition* (SAB 104). SAB 104 requires that four basic criteria must be met prior to revenue recognition: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or the services have been rendered, (iii) the fee is fixed and determinable, and (iv) collection of the resulting receivable is reasonably assured.

We generate revenues by providing access to our online database or delivering information obtained from our database, usually in the form of periodic reports. Revenues are typically recognized on a straight-line basis over the period in which access to data or reports are provided, which generally ranges from three to 24 months.

We also generate revenues through survey services under contracts ranging in term from two months to one year. Our survey services consist of survey and questionnaire design with subsequent data collection, analysis and reporting. We recognize revenues on a straight-line basis over the estimated data collection period once the survey or questionnaire design has been delivered. Any change in the estimated data collection period results in an adjustment to revenues recognized in future periods.

Certain of our arrangements contain multiple elements, consisting of the various services we offer. Multiple element arrangements typically consist of a subscription to our online database combined with periodic reports of customized data. These arrangements are accounted for in accordance with Emerging Issues Task Force (EITF) Issue No. 00-21, *Revenue Arrangements with Multiple Deliverables.* We have determined that there is not objective and reliable evidence of fair value for any of our services and, therefore, account for all elements in multiple elements arrangements as a single unit of accounting. Access to data under the subscription element is generally provided shortly after the execution of the contract. However, the initial delivery of periodic reports of customized data generally occurs after the data has been accumulated for a specified period subsequent to contract execution, usually one calendar quarter. We recognize the entire arrangement fee over the performance period of the last deliverable. As a result, the total arrangement fee is recognized on a straight-line basis commencing upon the delivery of the first report of customized data over the period such reports are delivered.

Generally, our contracts are non-refundable and non-cancelable. In the event a portion of a contract is refundable, revenue recognition is delayed until the refund provisions lapse. A limited number of customers have the right to cancel their contracts by providing us with written notice of cancellation. In the event that a customer cancels its contract, it is not entitled to a refund for prior services, and it will be charged for costs incurred plus services performed up to the cancellation date.

Advance payments are recorded as deferred revenues until services are delivered or obligations are met and revenue can be recognized. Deferred revenues represent the excess of amounts invoiced over amounts recognized as revenues.

Goodwill and Intangible Assets

We record goodwill and intangible assets when we acquire other businesses. The allocation of acquisition costs to intangible assets and goodwill involves the extensive use of management's estimates and assumptions, and the result of the allocation process can have a significant impact on our future operating results. We estimate the fair value of identifiable intangible assets acquired using several different valuation approaches, including the replacement cost, income and market approaches. The replacement cost approach is based on determining the discrete cost of replacing or reproducing a specific asset. We generally use the replacement cost approach for estimating the value of acquired technology/methodology assets. The income approach converts the anticipated economic benefits that we assume will be realized from a given asset into value. Under this approach, value is measured as the present worth of anticipated future net cash flows generated by an asset. We generally use the income approach to value customer relationship assets and non-compete agreements. The market approach compares the acquired asset to similar assets that have been sold. We generally use the market approach to value trademarks and brand assets.

Under Statement of Financial Accounting Standards (SFAS) No. 142, *Goodwill and Other Intangible Assets* (SFAS 142), intangible assets with finite lives are amortized over their useful lives while goodwill and indefinite lived assets are not amortized, but rather are periodically tested for impairment. An impairment review generally requires developing assumptions and projections regarding our operating performance. In accordance with SFAS 142, we have determined that all of our goodwill is associated with one reporting unit as we do not operate separate lines of business with respect to our services. Accordingly, on an annual basis we perform the impairment assessment for goodwill required under SFAS 142 at the enterprise level by comparing the fair value of a reporting unit, based on estimated future cash flow, to its carrying value including goodwill recorded by the reporting unit. If the carrying value exceeds the fair value, impairment is measured by comparing the derived fair value of the goodwill to its carrying value and any impairment determined is recorded in the current period. If our estimates or the related assumptions change in the future, we may be required to record impairment charges to reduce the carrying value of these assets, which could be material.

Long-lived assets

Our long-lived assets primarily consist of property and equipment and intangible assets. In accordance with SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*, we evaluate the recoverability of our long-lived assets for impairment whenever events or changes in circumstances indicate the carrying value of such assets may not be recoverable. If an indication of impairment is present, we compare the estimated undiscounted future cash flows to be generated by the asset to its carrying amount. If the undiscounted future cash flows are less than the carrying amount of the asset, we record an impairment loss equal to the excess of the asset's carrying amount over its fair value. The fair value is determined based on valuation techniques such as a comparison to fair values of similar assets or using a discounted cash flow analysis. Substantially all of our long-lived assets are located in the United States. Although we believe that the carrying values of our long-lived assets are appropriately stated, changes in strategy or market conditions or significant technological developments could significantly impact these judgments and require adjustments to recorded asset balances. There were no impairment charges recognized during the years ended December 31, 2004, 2005, or 2006.

Allowance for Doubtful Accounts

We manage credit risk on accounts receivable by performing credit evaluations of our customers on a selective basis, by reviewing our accounts and contracts and by providing appropriate allowances for uncollectible amounts. Allowances are based on management's judgment, which considers historical experience and specific knowledge of accounts that may not be collectible. We make provisions based on our historical bad debt experience, a specific review of all significant outstanding invoices and an assessment of general economic conditions. If the financial condition of a customer deteriorates, resulting in an impairment of its ability to make payments, additional allowances may be required.

Income Taxes

We account for income taxes using the liability method in accordance with SFAS No. 109, *Accounting for Income Taxes.* We estimate our tax liability through calculations we perform for the determination of our current tax liability, together with assessing temporary differences resulting from the different treatment of items for income tax and financial reporting purposes. These differences result in deferred tax assets and liabilities, which are recorded on our balance sheet. Management then assesses the likelihood that deferred tax assets will be recovered in future periods. In assessing the need for a valuation allowance against the net deferred tax asset, we consider factors such as future reversals of existing taxable temporary differences, taxable income in prior carryback years, if carryback is permitted under the tax law, tax planning strategies and future taxable income exclusive of reversing temporary differences and carryforwards. To the extent that we cannot conclude that it is more likely than not that the benefit of such assets will be realized, we establish a valuation allowance to adjust the net carrying value of such assets.

To date, we have recorded a full valuation allowance against our gross deferred tax assets, principally net operating loss carryforwards, due to uncertainty regarding our ability to generate future taxable income. Any deferred tax benefit or provision to date has been offset by changes in the valuation allowance against our deferred tax assets. To the extent we determine that all or a portion of our valuation allowance is no longer necessary, we will recognize an income tax benefit in the period such determination is made for the reversal of the valuation allowance. Once the valuation allowance is eliminated, its reversal will no longer be available to offset our current tax provision. These events could have a material impact on our reported results of operations.

As of December 31, 2006, we had $81.2 million of both federal and state net operating loss carryforwards which begin to expire in 2020 for federal and begin to expire in 2010 for state income tax reporting purposes. In addition, we had net operating loss carryforwards related to our foreign subsidiaries totaling $966,000 as of December 31, 2005 and $703,000 as of December 31, 2006, which begin to expire in 2010. Approximately $13.3 million of our net operating loss carryforwards are subject to annual limitations under Section 382 of the Internal Revenue Code based on changes in percentage of our ownership. We do not expect that this limitation will impact our ability to utilize all of our net operating losses prior to their expiration.

In June 2006, the FASB issued FASB Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes*, an interpretation of SFAS No. 109. This interpretation clarifies the accounting for income taxes by prescribing that a company should use a more-likely-than-not recognition threshold based on the technical merits of the tax position taken. Tax provisions that meet the more-likely-than-not recognition threshold should be measured as the largest amount of tax benefits, determined on a cumulative probability basis, which is more likely than not to be realized upon ultimate settlement in the financial statements. FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting for interim periods, disclosure and transition, and explicitly excludes income taxes from the scope of SFAS No. 5, *Accounting for Contingencies.* FIN 48 is effective for fiscal years beginning after December 15, 2006, and was adopted by us on January 1, 2007. As of the adoption date of FIN 48 of January 1, 2007 and March 31, 2007, we do not have any material gross unrecognized tax benefits. We or one of our subsidiaries files income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. For income tax returns filed by us, we are no longer subject to U.S. federal, state and local tax examinations by tax authorities for years before 2002, although carryforward tax attributes that were generated prior to 2002 may still be adjusted upon examination by tax authorities if they either have been or will be utilized. It is our policy to recognize interest and penalties related to income tax matters in income tax expense.

Stock-Based Compensation

Through December 31, 2005, as permitted by SFAS No. 123, *Accounting for Stock-Based Compensation* (SFAS 123), we applied the intrinsic value method for accounting for stock-based compensation as set forth in Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees* (APB 25). For purposes of the pro forma disclosures required under SFAS 123, we used the minimum-value method to estimate the fair value of our stock-based awards. On January 1, 2006, we adopted SFAS No. 123R, *Share-*

Based Compensation (SFAS 123R). Under SFAS 123R, a non-public company that previously used the minimum value method for pro forma disclosure purposes is required to adopt the standard using the prospective method. Under the prospective method, all awards granted, modified or settled after the date of adoption are accounted for using the measurement, recognition and attribution provisions of SFAS 123R. As a result, stock-based awards granted prior to the date of adoption of SFAS 123R will continue to be accounted for under APB 25 with no recognition of stock-based compensation in future periods, unless such awards are modified or settled.

Subsequent to the adoption of SFAS 123R, we estimate the fair value of our stock-based awards on the date of grant using the Black-Scholes option-pricing model. The determination of fair value using the Black-Scholes model requires a number of complex and subjective variables. One key input into the model is the estimated fair value of our common stock on the date of grant. Our board of directors has estimated the fair value of our common stock for the purpose of determining stock-based compensation expense. Our board utilized valuation methodologies commonly used in the valuation of private company equity securities for purposes of estimating the fair value of our common stock.

Other key variables in the Black-Scholes option-pricing model include the expected volatility of our common stock price, the expected term of the award and the risk-free interest rate. In addition, under SFAS 123R, we are required to estimate forfeitures of unvested awards when recognizing compensation expense. If factors change and we employ different assumptions in the application of SFAS 123R in future periods, the compensation expense we record may differ significantly from what we have recorded during 2006.

At March 31, 2007, total estimated unrecognized compensation expense related to unvested stock-based awards granted prior to that date was $6.6 million, which is expected to be recognized over a weighted-average period of 2.39 years.

We expect stock-based compensation expense to increase in absolute dollars as a result of the adoption of SFAS 123R as options that were granted at the beginning of 2006 and beyond vest. Beginning in 2007, we expect to make use of restricted stock awards and reduce our use of stock options as a form of stock-based compensation. The actual amount of stock-based compensation expense we record in any fiscal period will depend on a number of factors, including the number of shares subject to the stock options issued, the fair value of our common stock at the time of issuance and the expected volatility of our stock price over time.

Estimation of Fair Value of Warrants to Purchase Redeemable Convertible Preferred Stock

On July 1, 2005, we adopted FASB Staff Position 150-5 (FSP 150-5). Our outstanding warrants to purchase shares of our redeemable convertible preferred stock are subject to the requirements in FSP 150-5, which require us to classify these warrants as current liabilities and to adjust the value of these warrants to their fair value at the end of each reporting period. At the time of adoption, we recorded $440,000 for the cumulative effect of this change in accounting principle to reflect the cumulative change in estimated fair value of these warrants as of that date. We recorded $14,000 and $224,000 for the years ended December 31, 2005 and 2006, respectively, to reflect increases in the estimated fair value of the warrants. We recorded a decrease in the estimated fair value of the warrants during the three months ended March 31, 2007 of $11,000. We estimated the fair value of these warrants at the respective dates using the Black-Scholes option valuation model, based on the estimated market value of the underlying redeemable convertible preferred stock at the valuation measurement date, the contractual term of the warrant, risk-free interest rates and expected dividends on and expected volatility of the price of the underlying redeemable convertible preferred stock. These estimates, especially the market value of the underlying redeemable convertible preferred stock and the expected volatility, are highly judgmental and could differ materially in the future.

Upon the closing of this offering, all outstanding warrants to purchase shares of our preferred stock will become warrants to purchase shares of our common stock and, as a result, will no longer be subject to FSP 150-5. The then-current aggregate fair value of these warrants will be reclassified from liabilities to additional paid-in capital, a component of stockholder's equity, and we will cease to record any related periodic fair value adjustments. We anticipate that we will incur a non-cash charge relating to our outstanding warrants for preferred stock in the period in which this offering closes. Assuming that the price at which our common stock is valued for these purposes is $15.00 per share, the mid-point of the range on the front cover of this prospectus, the amount of that charge would be approximately $275,000. The exact amount of the charge may depend on the closing trading price of our common stock on The NASDAQ Global Market on the expected date of the closing of this offering.

Seasonality

Historically, a slightly higher percentage of our customers have renewed their subscription products with us toward the end of the fourth quarter. While we execute projects for our customers throughout the year, we have historically experienced a slight upturn in our project-based business in the fourth quarter.

Results of Operations

The following table sets forth selected consolidated statements of operations data as a percentage of total revenues for each of the periods indicated.

	Year Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
				(Unaudited)	
Revenues	100.0%	100.0%	100.0%	100.0%	100%
Cost of revenues	37.7	36.2	31.0	34.4	28.8
Selling and marketing	39.8	37.7	32.4	35.7	34.5
Research and development	15.7	14.8	13.6	14.3	13.7
General and administrative	14.3	14.1	12.5	12.8	13.4
Amortization	1.0	4.8	2.1	2.5	1.6
Total expenses from operations	108.5	107.7	91.6	99.6	92.0
(Loss) income from operations	(8.5)	(7.7)	8.4	0.4	8.0
Interest (expense) income, net	(0.7)	(0.4)	0.3	0.1	0.5
(Loss) gain from foreign currency	—	(0.2)	0.2	—	—
Revaluation of preferred stock warrant liabilities	—	—	(0.3)	—	0.1
(Loss) income before income taxes and cumulative effect of change in accounting principle	(9.2)	(8.3)	8.6	0.6	8.5
(Benefit) provision for income taxes	—	(0.4)	0.1	—	0.2
Net (loss) income before cumulative effect of change in accounting principle	(9.2)	(7.9)	8.6	0.6	8.2
Cumulative effect of change in accounting principle	—	(0.9)	—	—	—
Net (loss) income	(9.2)	(8.8)	8.6	0.6	8.2
Accretion of redeemable preferred stock	(6.1)	(5.2)	(4.8)	(5.0)	(4.7)
Net (loss) income attributable to common stockholders	(15.4)%	(14.0)%	3.8%	(4.4)%	3.5%

Three Months Ended March 31, 2006 and 2007

Revenues

	Three Months Ended March 31,			
	2006	2007	Change	Percent Change
	(Dollars in thousands)			
Total revenues	$ 14,985	$ 18,681	$ 3,696	24.7%

Total revenues increased by approximately $3.7 million for the three months ended March 31, 2007 as compared to the three months ended March 31, 2006. This increase was primarily due to increased sales to existing customers based in the U.S. totaling $14.6 million in the first three months of 2007, which was $2.3 million higher than in the first three months of 2006. In addition, revenues in the first three months of

2007 from new U.S. customers were $2.3 million, an increase of approximately $707,000 as compared to the first three months of 2006. Revenues from customers outside of the U.S. totaled approximately $1.8 million, or approximately 10% of total revenues, in the first three months of 2007, which was an increase of $670,000 as compared to the first three months of 2006. This increase in the first three months of 2007 was due primarily to our ongoing expansion efforts in Europe, plus continued growth in Canada. We also experienced revenue growth due to general increases in our price levels in the first three months of 2007 as compared to the first three months of 2006.

Our total customer base grew during the first three months of 2007 by a net increase of 37 customers to a total of 743 customers as of March 31, 2007 compared to 706 customers as of December 31, 2006. There was continued revenue growth in both our subscription revenues, which increased by approximately $3.6 million from $10.9 million in the first three months of 2006 to $14.5 million in the first three months of 2007, and, to a lesser extent our project-based revenues, which increased by $100,000 from $4.1 million in the first three months of 2006 to $4.2 million in the first three months of 2007.

Cost of Revenues

	Three Months Ended March 31,			Percent
	2006	2007	Change	Change
	(dollars in thousands)			
Cost of revenues	$ 5,148	$ 5,388	$ 240	4.7%
As a percentage of revenues	34.4%	28.8%		

Cost of revenues consists primarily of expenses related to operating our network infrastructure and the recruitment, maintenance and support of our consumer panels. Expenses associated with these areas include the salaries and related expenses of network operations, survey operations, custom analytics and technical support, all of which are expensed as they are incurred. Cost of revenues also includes data collection costs for our products and operational costs associated with our data centers, including depreciation expense associated with computer equipment.

Cost of revenues increased in the three months ending March 31, 2007 as compared to the three months ending March 31, 2006, primarily due to increased salaries and related costs associated with supporting our consumer panel and data centers. Our data center costs increased as a result of the relocation in June 2006 of our Illinois data center to a new service provider and increased utility costs at our Virginia data center. Cost of revenues declined as a percentage of revenues by 5.6% over the same period primarily due to the increases in revenues as described above and a moderation of the increases in costs to build and maintain our panel. In addition, the headcount and costs associated with our technology staff grew at a lower rate than our growth in revenues. The decline in cost of revenues as a percentage of revenues was offset in part by increases in bandwidth costs, which grew approximately $91,000 from the prior period, an increase of approximately 16%.

We expect cost of revenues to increase in absolute dollar amounts as we seek to grow our business but vary as a percentage of revenues depending on whether we benefit from investments in our panel and network infrastructure.

Selling and Marketing Expenses

	Three Months Ended March 31,			Percent
	2006	2007	Change	Change
	(Dollars in thousands)			
Selling and marketing expenses	$ 5,345	$ 6,451	$ 1,106	20.7%
As a percentage of revenues	35.7%	34.5%		

Selling and marketing expenses consist primarily of salaries, benefits, commissions and bonuses paid to our direct sales force and industry analysts, as well as costs related to online and offline advertising, product management, industry conferences, promotional materials, public relations, other sales and marketing programs, and allocated overhead, including rent and depreciation. All selling and marketing costs are expensed as they are incurred. Commission plans are developed for our account managers with criteria and size of sales quotas that vary depending upon the individual's role. Commissions are paid to a salesperson and are expensed as selling and marketing costs when a sales contract is executed by both the customer and comScore. In the case of multi-year agreements, one year of commissions is paid initially, with the remaining amounts paid at the beginning of the succeeding years.

Selling and marketing expenses increased in the three months ending March 31, 2007 as compared to the three months ending March 31, 2006 primarily due to increased employee salaries and benefits and related costs associated with an increase in account management personnel for our sales force, the formation of our product management team and an increase in commission costs associated with increased revenues. Our selling and marketing headcount increased by approximately 40 employees to 170 employees as of March 31, 2007. In addition, we experienced an increase in recruiting and relocation fees associated with the hiring of additional personnel and an increase in advertising costs. Sales and marketing expenses as a percentage of revenues during this period reflect the increased productivity of our direct sales force.

We expect selling and marketing expenses to increase in absolute dollar amounts as we continue to grow our selling and marketing efforts but to vary in future periods as a percentage of revenues depending on whether we benefit from increased productivity in our sales force and from increased revenues resulting in part from our ongoing marketing initiatives.

Research and Development Expenses

	Three Months Ended March 31,			Percent
	2006	2007	Change	Change
	(Dollars in thousands)			
Research and development expenses	$ 2,137	$ 2,556	$ 419	19.6%
As a percentage of revenues	14.3%	13.7%		

Research and development expenses include new product development costs, consisting primarily of compensation and related costs for personnel associated with research and development activities, and allocated overhead, including rent and depreciation.

Research and development expenses increased in the three months ended March 31, 2007 as compared to the three months ended March 31, 2006 primarily due to an increased headcount and our continued focus on developing new products, such as World Metrix, Video Metrix, Campaign Metrix and Ad Metrix. Research and development costs decreased slightly as a percentage of revenues, primarily due to our growth in revenues outpacing our existing investments in research and development. We also experienced an increase in costs paid to outsourced services to support our development of new products.

We expect research and development expenses to increase in absolute dollar amounts as we continue to enhance and expand our product offerings. As a result of the size and diversity of our panel and our historical investment in our technology infrastructure, we expect that we will be able to develop new products with moderate increases in research and development spending as compared to our growth in revenues. We also expect research and development expenses to moderate due to our decision to outsource certain software development activities in 2005.

General and Administrative Expenses

	Three Months Ended March 31, 2006	2007	Change	Percent Change
	(Dollars in thousands)			
General and administrative expenses	$ 1,918	$ 2,507	$ 589	30.7%
As a percentage of revenues	12.8%	13.4%		

General and administrative expenses consist primarily of salaries and related expenses for executive management, finance, accounting, human capital, legal, information technology and other administrative functions, as well as professional fees, overhead, including allocated rent and depreciation, and expenses incurred for other general corporate purposes.

General and administrative expenses increased in the three months ending March 31, 2007 as compared to the three months ending March 31, 2006, primarily due to increased professional fees and expanding our finance department. General and administrative expenses also increased to a lesser extent due to our investment to support further revenue growth.

We expect general and administrative expenses to increase on an absolute basis in future annual periods as we incur increased costs associated with being a public company. Operating as a public company will present additional management and reporting requirements that will significantly increase our directors' and officers' liability insurance premiums and professional fees both in absolute dollars and as a percentage of revenues. We also anticipate hiring additional personnel to help manage future growth and our operations as a public company.

Amortization Expense

	Three Months Ended March 31, 2006	2007	Change	Percent Change
	(Dollars in thousands)			
Amortization expense	$ 371	$ 293	$ (78)	(21.0)%
As a percentage of revenues	2.5%	1.6%		

Amortization expense consists of charges related to the amortization of intangible assets associated with past acquisitions.

Amortization expense decreased in the three months ended March 31, 2007 over the three months ended March 31, 2006 because certain intangible assets related to previous acquisitions were fully amortized during 2006.

Absent additional acquisitions, we expect amortization expense to continue to decline as the remaining amount of intangible assets related to previous acquisitions is amortized.

Interest (Expense) Income, Net

Interest income consists primarily of interest earned from short-term investments, such as auction rate securities, and our cash and cash equivalent balances. Interest expense is incurred due to capital leases pursuant to several equipment loan and security agreements and a line of credit that we have entered into in order to finance the lease of various hardware and other equipment purchases. Our capital lease obligations are secured by a senior security interest in eligible equipment.

Interest (expense) income, net was $11,000 and $97,000 for the three months ended March 31, 2006 and 2007, respectively. The quarterly change from 2006 to 2007 reflects the net effect of interest income that we earned on our cash balances offset by the interest expense associated with the capital leases that we had in place in each period. Our cash, cash equivalents and short-term investments balance increased by $2.1 million in the first quarter of 2007. We also continued to reduce the outstanding balance on our outstanding capital lease obligations.

(Loss) Gain from Foreign Currency

Our gains and losses from foreign currency transactions arise from our Canadian and United Kingdom foreign subsidiaries that hold cash and receivables in currencies other than their functional currency. During the three months ended March 31, 2007 we recorded a loss of $8,000 compared to a gain of $6,000 in the three month period ended March 31, 2006. Our foreign currency transactions are recorded as a result of fluctuations in the exchange rate between the U.S. dollar and the Canadian dollar, Euro and British Pound.

Provision for Income Taxes

As of March 31, 2007, we had net operating loss carryforwards for federal income tax purposes in the amount of approximately $78.9 million, which begin to expire in 2020 for federal and begin to expire in 2010 for state income tax reporting purposes. In the future, we intend to utilize any carryforwards available to us to reduce our tax payments. Approximately $13.3 million of our net operating loss carryforwards are subject to annual limitations under Section 382 of the Internal Revenue Code based on changes in percentage of our ownership. We do not expect that this limitation will impact our ability to utilize all of our net operating losses prior to their expiration. During the three months ended March 31, 2007, we recorded an income tax provision of $46,000 as compared to no provision recorded during the three months ended March 31, 2006. The tax provision is comprised of an income tax expense of $65,000 reflecting our alternative minimum tax and is partly offset by a decrease of $19,000 in the deferred tax liability associated with a temporary difference related to certain acquired intangible assets of SurveySite.

Years Ended December 31, 2004, 2005 and 2006

Revenues

	Year Ended December 31,			Increase		Percent Change	
	2004	2005	2006	2004 v. 2005	2005 v. 2006	2004 v. 2005	2005 v. 2006
				(Dollars in thousands)			
Total revenues	$ 34,894	$ 50,267	$ 66,293	$ 15,373	$ 16,026	44.1%	31.9%

Total revenues increased by approximately $16.0 million for the year ended December 31, 2006 as compared to the year ended December 31, 2005. This increase was primarily due to increased sales to existing customers based in the U.S. totaling $52.9 million in 2006, or $12.5 million higher than in 2005. In addition, revenues in 2006 from new U.S. customers were $7.7 million, an increase of $1.2 million compared to 2005. Revenues from customers outside of the U.S. totaled approximately $5.7 million, or approximately 9% of total revenues, in 2006, representing an increase of $2.3 million compared to 2005. This increase in 2006 was due primarily to our ongoing expansion efforts in Europe, which included the opening of an office in London in the first half of 2005, plus continued growth in Canada. We also experienced revenue growth due to general increases in our price levels in 2006 as compared to 2005.

Our total customer base grew during this period from 565 as of December 31, 2005 to 706 as of December 31, 2006. There was continued revenue growth in both our subscription revenues, which increased by approximately $14.6 million from 2005 to 2006, and our project-based revenues, which increased by $1.4 million from 2005 to 2006.

In 2005, total revenues increased approximately $15.4 million over 2004 revenues. This growth was principally driven by increased sales to existing U.S. customers of $40.4 million, an increase of $11.2 million over 2004. Further, revenues from new customers based in the U.S. were $6.5 million, which was a $2.6 million increase over 2004. Revenues from customers outside of the U.S. totaled $3.4 million, or approximately 7% of revenues, in 2005. This represented an increase of $1.6 million over 2004, when international revenues were $1.8 million, or 5% of total revenues. We also experienced revenue growth due to general increases in our price levels in 2005 compared to 2004.

Our total customer base grew during this period from 469 as of December 31, 2004 to 565 as of December 31, 2005. During this period, our subscription revenues increased by approximately $8.0 million from 2004 to 2005, while project-based revenues increased by approximately $7.4 million. Our 2005 revenues were positively impacted by the acquisitions of SurveySite and Q2. SurveySite, which we acquired on January 4, 2005, contributed $5.1 million in revenues in 2005. Q2, which we acquired on July 28, 2004, contributed $3.6 million in revenues in 2005 as compared to $1.5 million in revenues in 2004.

We generally invoice customers on an annual, quarterly or monthly basis, or at the completion of certain milestones, in advance of revenues being recognized. Amounts that have been invoiced are recorded in accounts receivable and any unearned revenues are recorded in deferred revenues until the invoice has been collected and the revenue recognized. As a result of the increased revenues in 2006 as compared to 2005, we experienced an increase in our cash, cash equivalents and short-term investments of $6.9 million, accounts receivable increased $3.8 million and deferred revenues increased by $3.2 million. In 2005 as compared to 2004, we experienced an increase in our cash, cash equivalents and short-term investments of $770,000, an increase in accounts receivables of $4.1 million and an increase in deferred revenues of $7.1 million.

Cost of Revenues

	Year Ended December 31,			Increase		Percent Change	
	2004	2005	2006	2004 v. 2005	2005 v. 2006	2004 v. 2005	2005 v. 2006
	(Dollars in thousands)						
Cost of revenues	$ 13,153	$ 18,218	$ 20,560	$ 5,065	$ 2,342	38.5%	12.9%
As a percentage of revenues	37.7%	36.2%	31.0%				

Cost of revenues consists primarily of expenses related to operating our network infrastructure and the recruitment, maintenance and support of our consumer panels. Expenses associated with these areas include the salaries and related expenses of network operations, survey operations, custom analytics and technical support, all of which are expensed as they are incurred. Cost of revenues also includes data collection costs for our products and operational costs associated with our data centers, including depreciation expense associated with computer equipment.

Cost of revenues increased in 2006 as compared to 2005, primarily due to increased costs associated with supporting our consumer panel and data centers. Our panel costs increased in large part due to increased recruiting costs per panelist reflecting the impact of higher growth in online advertising and advertising rates. Our data center costs increased as a result of the relocation in 2006 of our Illinois data center to a new service provider and increased utility costs at our Virginia data center. Cost of revenues declined as a percentage of revenues over the same periods primarily due to the increases in revenues as described above and a moderation of the increases in costs to build and maintain our panel. The decline in cost of revenues as a percentage of revenues was offset in part by increases in bandwidth and data costs, which grew 9%. The headcount and costs associated with our technology staff grew at a lower rate than our growth in revenues.

Cost of revenues increased in 2005 as compared to 2004 primarily due to our acquisition of SurveySite and higher costs associated with data center operations and employee salaries, benefits and related costs required to support growth in our revenues and customer base during 2005. The cost of revenues as a percentage of revenues declined in 2005 compared to 2004 primarily due to the increases in revenues as described above as well as relatively flat panel costs and smaller increases in bandwidth and data center costs, which did not grow at the same rate as our customer base and revenues. The headcount and costs associated with our technology staff grew at a lower rate than our growth in revenues.

Selling and Marketing Expenses

	Year Ended December 31,			Increase		Percent Change	
	2004	2005	2006	2004 v. 2005	2005 v. 2006	2004 v. 2005	2005 v. 2006
	(Dollars in thousands)						
Selling and marketing expenses	$ 13,890	$ 18,953	$ 21,473	$ 5,063	$ 2,520	36.5%	13.3%
As a percentage of revenues	39.8%	37.7%	32.4%				

Selling and marketing expenses consist primarily of salaries, benefits, commissions and bonuses paid to our direct sales force and industry analysts, as well as costs related to online and offline advertising, product management, industry conferences, promotional materials, public relations, other sales and marketing programs, and allocated overhead, including rent and depreciation. All selling and marketing costs are expensed as they are incurred. Commission plans are developed for our account managers with criteria and size of sales quotas that vary depending upon the individual's role. Commissions are paid to a salesperson and are expensed as selling and marketing costs when a sales contract is executed by both the customer and comScore. In the case of multi-year agreements, one year of commissions is paid initially, with the remaining amounts paid at the beginning of the succeeding years.

Selling and marketing expenses increased in 2006 as compared to 2005 in absolute dollars, primarily due to increased employee salaries and benefits and related costs resulting from additional account management personnel in our sales force, plus an increase in commission costs associated with increased revenues. Our selling and marketing headcount increased from 143 employees as of December 31, 2005 to 155 employees as of December 31, 2006. In addition, the expansion of our European office in London and increased marketing efforts in Europe contributed to our increase in selling and marketing expenses and headcount in 2006. The decrease in selling and marketing expenses as a percentage of revenues during this period reflects the increased productivity of our direct sales force and an increase in revenues.

Selling and marketing expenses increased in 2005 as compared to 2004, primarily due to an increase in the number of account managers, higher commissions associated with our growth in revenues and an increase in online and offline advertising and promotional efforts in support of building our brands. In addition, our selling and marketing headcount increased from 77 employees as of December 31, 2004 to 143 employees as of December 31, 2005. The acquisition of SurveySite and the opening of our first European office in London also contributed to our increase in selling and marketing expenses and headcount in 2005. The decrease in selling and marketing expenses as a percentage of revenues during this period reflected the increased productivity of our direct sales force.

Research and Development Expenses

	Year Ended December 31,			Increase		Percent Change	
	2004	2005	2006	2004 v. 2005	2005 v. 2006	2004 v. 2005	2005 v. 2006
	(Dollars in thousands)						
Research and development expenses	$ 5,493	$ 7,416	$ 9,009	$ 1,923	$ 1,593	35.0%	21.5%
As a percentage of revenues	15.7%	14.8%	13.6%				

Research and development expenses include new product development costs, consisting primarily of compensation and related costs for personnel associated with research and development activities, and allocated overhead, including rent and depreciation.

Research and development expenses increased in 2006 as compared to 2005 primarily due to increased headcount and our continued focus on developing new products, such as World Metrix, Video Metrix, Campaign Metrix and Ad Metrix. Research and development costs decreased slightly as a percentage of revenues, primarily due to our growth in revenues.

The increase in research and development expenses in 2005 compared to 2004 was due to new product development activity, including the launch of a streaming media audience measurement product. The acquisition and integration of SurveySite's operations also contributed to the absolute dollar increase in research and development costs during this period.

General and Administrative Expenses

	Year Ended December 31,			Increase		Percent Change	
	2004	2005	2006	2004 v. 2005	2005 v. 2006	2004 v. 2005	2005 v. 2006
				(Dollars in thousands)			
General and administrative expenses	$ 4,982	$ 7,089	$ 8,293	$ 2,107	$ 1,204	42.3%	17.0%
As a percentage of revenues	14.3%	14.1%	12.5%				

General and administrative expenses consist primarily of salaries and related expenses for executive management, finance, accounting, human capital, legal, information technology and other administrative functions, as well as professional fees, overhead, including allocated rent and depreciation, and expenses incurred for other general corporate purposes.

General and administrative expenses increased in 2006 as compared to 2005, primarily due to increased professional fees and expanding our finance department. As a percentage of revenues, general and administrative expenses decreased in 2006 as compared to 2005, due primarily to our growth in revenues.

General and administrative expenses increased in 2005 as compared to 2004, primarily due to higher salaries, benefits and related costs associated with our existing employees plus an increase in our general and administrative headcount from 14 employees as of December 31, 2004 to 27 employees as of December 31, 2005. The higher headcount was due primarily to an increase in employees in such functions as finance, accounting, human capital and legal, as we built our staff and infrastructure to support our growth. Our acquisition of SurveySite also contributed to the increase in general and administrative expenses and related headcount in 2005. On a percentage of revenues basis, general and administrative expenses were flat in 2005 as compared to 2004, as the increase in headcount related to broadening our administrative support capabilities and the acquisition of SurveySite was offset by the growth in our customer base and revenues.

Amortization Expense

	Year Ended December 31,			Increase		Percent Change	
	2004	2005	2006	2004 v. 2005	2005 v. 2006	2004 v. 2005	2005 v. 2006
				(Dollars in thousands)			
Amortization expense	$ 356	$ 2,437	$ 1,371	$ 2,081	$ (1,066)	584.6%	(43.7)%
As a percentage of revenues	1.0%	4.8%	2.1%				

Amortization expense consists of charges related to the amortization of intangible assets associated with past acquisitions.

Amortization expense decreased during fiscal year 2006 over 2005 because certain intangible assets related to previous acquisitions were fully amortized as of that period.

The increase in amortization expense from 2004 to 2005 in absolute dollars is attributable primarily to the amortization expense relating to the Q2 acquisition on July 28, 2004 and the SurveySite acquisition on January 4, 2005.

Interest (Expense) Income, Net

Interest income consists primarily of interest earned from short-term investments, such as auction rate securities, and our cash and cash equivalent balances. Interest expense is incurred due to capital leases pursuant to several equipment loan and security agreements and a line of credit that we have entered into in order to finance the lease of various hardware and other equipment purchases. Our capital lease obligations are secured by a senior security interest in eligible equipment.

Interest (expense) income, net was $(246,000) in 2004, $(208,000) in 2005 and $231,000 in 2006. The year-to-year change from 2004 to 2005 and from 2005 to 2006 primarily reflects the net effect of interest income that we earned on our cash balances offset by the interest expense associated with the capital leases that we had in place in each year. Our net interest expense decreased from 2004 to 2005 due to our larger cash and investments balances and the lower amounts outstanding under our capital leases. We reported net interest income in 2006 due to a $6.9 million increase in our cash and investments balance. We also continued to reduce the outstanding balance on our outstanding capital lease obligations.

(Loss) Gain from Foreign Currency Transactions

Our gains and losses from foreign currency transactions arise from our Canadian and United Kingdom foreign subsidiaries that hold cash and receivables in currencies other than their functional currency. Our loss on foreign currency transactions in 2005 was $96,000. We recorded a gain of $125,000 in 2006 as a result of fluctuations in the exchange rate between the U.S. dollar and the Canadian dollar, Euro and British Pound.

Provision for Income Taxes

As of December 31, 2006, we had net operating loss carryforwards for federal income tax purposes in the amount of approximately $81.2 million, which begin to expire in 2020 for federal and begin to expire in 2010 for state income tax reporting purposes. In the future, we intend to utilize any carryforwards available to us to reduce our tax payments. Approximately $13.3 million of the net operating loss carryforwards are subject to annual limitations under Section 382 of the Internal Revenue Code based on changes in percentage of our ownership. We do not expect that this limitation will impact our ability to utilize all of our net operating losses prior to their expiration. In 2005, we had an income tax benefit of $182,000 related to a deferred tax liability of $356,000 associated with a temporary difference related to certain acquired intangible assets of SurveySite. This compares to an income tax expense of $50,000 in 2006 reflecting a payment of alternative minimum tax (AMT) partly offset by a decrease in the deferred tax liability.

Quarterly Results of Operations

The following tables set forth selected unaudited quarterly consolidated statement of operations data for each of the quarters indicated. The consolidated financial statements for each of these quarters have been prepared on the same basis as the audited consolidated financial statements included in this prospectus and, in the opinion of management, include all adjustments necessary for the fair presentation of the consolidated results of operations for these periods. You should read this information together with our consolidated financial statements and related notes included elsewhere in this prospectus. These quarterly operating results are not necessarily indicative of the results for any future period.

	Three Months Ended								
	Mar. 31, 2005	Jun. 30, 2005	Sept. 30, 2005	Dec. 31, 2005	Mar. 31, 2006	Jun. 30, 2006	Sept. 30, 2006	Dec. 31, 2006	Mar. 31, 2007
	(In thousands) (Unaudited)								
Revenues	$ 11,135	$ 13,150	$ 12,953	$ 13,029	$ 14,985	$ 16,906	$ 16,165	$ 18,237	$ 18,681
Cost of revenues(1)	3,936	4,863	4,602	4,817	5,148	5,205	4,977	5,230	5,388
Selling and marketing(1)	4,234	4,813	4,821	5,085	5,345	5,323	5,171	5,634	6,451
Research and development(1)	1,678	1,876	1,908	1,954	2,137	2,258	2,273	2,341	2,556
General and administrative(1)	1,489	1,804	1,779	2,017	1,918	2,176	1,897	2,302	2,507
Amortization	621	603	612	601	371	333	333	334	293
Total expenses from operations	11,958	13,959	13,722	14,474	14,919	15,295	14,651	15,841	17,195
(Loss) income from operations	(823)	(809)	(769)	(1,445)	66	1,611	1,514	2,396	1,486
Interest (expense) income, net	(58)	(71)	(39)	(40)	11	23	84	113	97
(Loss) gain from foreign currency	(21)	(1)	(72)	(2)	6	(33)	3	149	(8)
Revaluation of preferred stock warrant liabilities	—	—	(6)	(8)	2	(211)	(6)	(9)	11
(Loss) income before income taxes and cumulative effect of change in accounting principle	(902)	(881)	(886)	(1,495)	85	1,390	1,595	2,649	1,586
(Benefit) provision for income taxes	(53)	(52)	(38)	(39)	—	—	—	50	46
Net (loss) income before cumulative effect of change in accounting principle	(849)	(829)	(848)	(1,456)	85	1,390	1,595	2,599	1,540
Cumulative effect of change in accounting principle	—	—	(440)	—	—	—	—	—	—
Net (loss) income	(849)	(829)	(1,288)	(1,456)	85	1,390	1,595	2,599	1,540
Accretion of redeemable preferred stock	(611)	(643)	(675)	(709)	(742)	(777)	(812)	(848)	(885)
Net (loss) income attributable to common stockholders	$ (1,460)	$ (1,472)	$ (1,963)	$ (2,165)	$ (657)	$ 613	$ 783	$ 1,751	$ 655

(1) Amortization of stock-based compensation is included in the line items above as follows:

	Three Months Ended								
	Mar. 31, 2005	Jun. 30, 2005	Sept. 30, 2005	Dec. 31, 2005	Mar. 31, 2006	Jun. 30, 2006	Sept. 30, 2006	Dec. 31, 2006	Mar. 31, 2007
	(In thousands) (Unaudited)								
Cost of revenues	$ —	$ —	$ —	$ —	$ —	$ 2	$ 4	$ 6	$ 9
Selling and marketing	—	—	—	—	6	26	23	27	39
Research and development	—	—	—	—	—	2	4	7	8
General and administrative	—	1	1	1	1	10	40	40	51

	As a Percentage of Total Revenues								
	Three Months Ended								
	Mar. 31, 2005	Jun. 30, 2005	Sept. 30, 2005	Dec. 31, 2005	Mar. 31, 2006	Jun. 30, 2006	Sept. 30, 2006	Dec. 31, 2006	Mar. 31, 2007
					(Unaudited)				
Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of revenues	35.3	37.0	35.5	37.0	34.4	30.8	30.8	28.7	28.8
Selling and marketing	38.0	36.6	37.2	39.0	35.7	31.5	32.0	30.9	34.5
Research and development	15.1	14.3	14.7	15.0	14.3	13.4	14.1	12.9	13.7
General and administrative	13.4	13.7	13.7	15.5	12.8	12.9	11.7	12.6	13.4
Amortization	5.6	4.6	4.7	4.6	2.5	2.0	2.1	1.8	1.6
Total expenses from operations	107.4	106.2	105.8	111.1	99.6	90.5	90.6	86.9	92.0
(Loss) income from operations	(7.4)	(6.2)	(5.8)	(11.1)	0.4	9.5	9.4	13.1	8.0
Interest (expense) income, net	(0.5)	(0.5)	(0.3)	(0.3)	0.1	0.1	0.5	0.6	0.5
(Loss) gain from foreign currency	(0.2)	—	(0.6)	—	—	(0.2)	—	0.8	—
Revaluation of preferred stock warrant liabilities	—	—	—	—	—	(1.2)	—	—	0.1
(Loss) income before income taxes and cumulative effect of change in accounting principle	(8.1)	(6.7)	(6.8)	(11.4)	0.6	8.2	9.9	14.5	8.5
(Benefit) provision for income taxes	(0.5)	(0.4)	(0.3)	(0.3)	—	—	—	0.3	0.2
Net (loss) income before cumulative effect of change in accounting principle	(7.6)	(6.3)	(6.5)	(11.1)	0.6	8.2	9.9	14.3	8.2
Cumulative effect of change in accounting principle	—	—	(3.4)	—	—	—	—	—	—
Net (loss) income	(7.6)	(6.3)	(9.9)	(11.1)	0.6	8.2	9.9	14.3	8.2
Accretion of redeemable preferred stock	(5.5)	(4.9)	(5.2)	(5.4)	(5.0)	(4.6)	(5.0)	(4.6)	(4.7)
Net (loss) income attributable to common stockholders	(13.1)	(11.2)	(15.1)	(16.6)	(4.4)	3.6	4.8	9.6	3.5%

Over the nine quarters presented in the preceding tables, revenues have generally increased due primarily to increases in subscription revenues from existing customers, growth in our customer base (both domestically and internationally), general increases in pricing for our products and the acquisition of SurveySite. In 2005, revenues increased sequentially from the first quarter to the second quarter before declining slightly in the third quarter and remaining relatively flat in the fourth quarter. Over these quarterly periods, fluctuations in project revenues partially offset the steady growth in subscription revenues and contributed to the relatively flat revenues on a sequential basis from the second through the fourth quarters of 2005. In 2006, revenues increased significantly on a sequential basis in the first and second quarters before decreasing in the third quarter due to fluctuations in the closing of agreements relating to, and the execution of, projects. Revenues increased significantly in the fourth quarter of 2006 due to increased growth in subscription revenues for existing and new customers. Subscription revenues increased sequentially in each of the quarters presented.

Cost of revenues as a percentage of total revenues held relatively steady in each of the quarters in 2005 before declining in 2006. The decrease in cost of revenues on a percentage basis was due to the growth in revenues relative to the moderation in fixed costs to support our consumer panel, data center and technical infrastructure.

On an absolute basis, total expenses from operations increased significantly in the second quarter of 2005 due primarily to costs associated with the integration of the Q2 and SurveySite acquisitions and certain expenses for external data sources. Total expenses from operations remained relatively flat in the third quarter of 2005 and increased in the fourth quarter of 2005, primarily due to higher sales costs related to the opening of our first European sales office, located in London, and increased general and administrative costs in support of overall business growth. On an absolute basis, total expenses from operations declined slightly in the first quarter of 2006 before increasing in the second quarter of 2006, due to increases in general and administrative expenses associated with the hiring of new finance personnel and increases in professional services fees related to anticipated business expansion. In addition, expenses from operations increased in the second quarter of 2006 due to higher research and development costs tied to the development of several new products. After a decline in the third quarter, expenses from operations increased again in the fourth quarter of 2006 and the first quarter of 2007, due to increased commissions tied to higher sales growth plus higher salaries, benefits and related costs associated with hiring additional personnel in our operations, technology, sales, research and development and general and administrative organizations to support the growth of our business. The total expenses from operations in 2006 increased at a lower rate than revenues and we were consequently able to better leverage our cost structure.

We became profitable on a net income basis in the first quarter of 2006, and were profitable on a net income basis every quarter in 2006 as our revenues increased significantly during these periods and our costs grew at a lower rate.

Liquidity and Capital Resources

The following table summarizes our cash flows:

	For the Year Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
				(Unaudited)	
			(In thousands)		
Consolidated Cash Flow Data:					
Net cash provided by operating activities	$ 1,907	$ 4,253	$ 10,905	$ 2,824	$ 3,156
Net cash used in investing activities	(1,332)	(2,505)	(9,573)	(2,694)	(971)
Net cash used in financing activities	(952)	(1,092)	(1,381)	(271)	(525)
Effect of exchange rate changes on cash	25	(36)	(43)	18	14
Net increase (decrease) in cash and equivalents	(352)	620	(92)	123	1,674

Since our inception, we have funded our operations and met our capital expenditure requirements primarily with venture capital and private equity funding. In five separate issuances of preferred stock, from Series A on September 27, 1999 to Series E on August 1, 2003, we have raised over $88 million from a number of institutional investors. The proceeds from all of these issuances have been used for general business purposes, with the exception of the Series E Preferred Stock offering, which was partially used to extinguish a $1.5 million bank note. Each share of preferred stock is convertible into common stock at the respective conversion ratio for each series of preferred stock at any time, subject to adjustment triggered by changes in our capitalization such as a stock split. Conversion is automatic in the event of a public offering of common stock at a price of at least $2.50 per share with gross proceeds of at least $25 million. This conversion is expected to take place upon consummation of this offering.

Our principal uses of cash historically have consisted of payroll and other operating expenses and payments related to the purchase of equipment primarily to support our consumer panel and technical infrastructure required to support our customer base. Since the beginning of 2004, we have purchased over $4.6 million in property and equipment, made $3.9 million in principal payments on capital lease obligations, and spent $1.9 million as the cash component of consideration paid for acquisitions.

As of March 31, 2007, our principal sources of liquidity consisted of cash, cash equivalents and short-term investments of $18.2 million.

Operating Activities

Our cash flows from operating activities are significantly influenced by our investments in personnel and infrastructure to support the anticipated growth in our business, increases in the number of customers using our products and the amount and timing of payments made by these customers.

We generated approximately $3.2 million of net cash from operating activities during the three months ended March 31, 2007. The significant components of cash flows from operations were net income of $1.5 million, $1.2 million in non-cash depreciation and amortization expenses, a $2.4 million increase in amounts collected from customers in advance of when we recognize revenues as a result of our growing customer base, offset by a $843,000 increase in accounts receivable and a $1.2 million decrease in accounts payable and accrued expenses.

We generated approximately $2.8 million of net cash from operating activities during the three months ended March 31, 2006. The significant components of cash flows from operations were $1.1 million in non-cash depreciation and amortization expenses and a $2.3 million decrease in accounts receivable, offset by a $1.1 million decrease in amounts collected from customers in advance of when we recognize revenues.

We generated approximately $10.9 million of net cash from operating activities during 2006. The significant components of cash flows from operations were net income of $5.7 million, $4.3 million in non-cash depreciation and amortization expenses, a $1.4 million increase in accounts payable and accrued expenses and a $3.1 million increase in amounts collected from customers in advance of when we recognize revenues as a result of our growing customer base, offset by a $3.9 million increase in accounts receivable.

We generated $4.3 million of net cash from operating activities during 2005. The significant components of cash flows from operations were a $6.4 million increase in amounts collected from customers in advance of when we recognized revenues as a result of our growing customer base, and $5.1 million in non-cash depreciation and amortization expenses. These items were partially offset by a $3.5 million net increase in accounts receivable related to our larger customer base, a net loss of $4.4 million and other uses of cash in operations.

We generated $1.9 million of net cash from operating activities in 2004. The significant components of cash flows from operations were a $0.6 million increase in amounts collected from customers in advance of when we recognized revenues as a result of our growing customer base, a $1.7 million net increase in accounts payable and accrued expenses due to the timing of payments to our vendors when compared to the same period in 2003 and $2.7 million in non-cash depreciation and amortization expenses. These items were partially offset by a $0.7 million net increase in accounts receivable due to our larger customer base, a net loss of $3.2 million and other uses of cash in operations.

Investing Activities

Our primary investing activities have consisted of purchases of computer network equipment to support our Internet user panel and maintenance of our database, furniture and equipment to support our operations, and payments related to the acquisition of several companies. As our customer base continues to expand, we expect purchases of technical infrastructure equipment to grow in absolute dollars. The extent of these investments will be affected by our ability to expand relationships with existing customers, grow our customer base, introduce new digital formats and increase our international presence.

We used $971,000 of net cash in investing activities during the three months ended March 31, 2007, a net $475,000 of which was used to purchase short-term investments, and $494,000 of which was used to purchase property and equipment.

We used $2.7 million of net cash in investing activities during the three months ended March 31, 2006, a net $2.1 million of which was used to purchase short-term investments, $292,000 of which was used to purchase property and equipment, and $300,000 of which was used to pay contingent consideration associated with our acquisition of Q2.

We used $9.6 million of net cash in investing activities during 2006, a net $7.0 million of which was used to purchase short-term investments, $2.3 million of which was used to purchase property and equipment and $0.3 million of which was used to pay contingent considerations associated with our Q2 and SurveySite acquisitions. We used $2.5 million of net cash in investing activities during 2005, of which $1.1 million was used to purchase property and equipment, $0.9 million was used as part of the acquisition of SurveySite and $0.3 million was used to pay contingent consideration associated with the Q2 acquisition. In 2004, we used $1.3 million of net cash in investing activities, $1.2 million of which was used to purchase property and equipment and $0.9 million of which was used as part of the consideration for the acquisition of Q2, partially offset by $0.8 million in net proceeds from the sale of short-term investments.

We expect to achieve greater economies of scale and operating leverage as we expand our customer base and utilize our Internet user panel and technical infrastructure more efficiently. While we anticipate that it will be necessary for us to continue to invest in our Internet user panel, technical infrastructure and technical personnel to support the combination of an increased customer base, new products, international expansion and new digital market intelligence formats, we believe that these investment requirements will be less than the revenue growth generated by these actions. This should result in a lower rate of growth in our capital expenditures to support our technical infrastructure. In any given period, the timing of our incremental capital expenditure requirements could impact our cost of revenues, both in absolute dollars and as a percentage of revenues.

Financing Activities

Our primary financing activities since 2004 have consisted of financings to fund the acquisition of capital assets. We entered into an equipment lease agreement with GE Capital in 2003 and a line of credit agreement with GE Capital in 2005 to finance the purchase of hardware and other computer equipment to support our business growth. These borrowings were secured by a senior security interest in the equipment acquired under the facility. In December 2006, we entered into an equipment lease agreement with Banc of America Leasing & Capital, LLC to finance the purchase of new hardware and other computer equipment as we continue to expand our technology infrastructure in support of our business growth. This agreement includes a $5 million line of credit available through December 31, 2007. Through December 31, 2006, we used this credit facility to establish an equipment lease for the amount of approximately $2.9 million. The base term for this lease is three years and includes a small charge in the event of prepayment.

We used $525,000 of net cash in financing activities during the three months ended March 31, 2007. We used $665,000 to make payments on our capital lease obligations partially offset by $140,000 in proceeds from the exercise of our common stock options.

We used $271,000 of net cash in financing activities during the three months ended March 31, 2006. We used $387,000 to make payments on our capital lease obligations partially offset by $116,000 in proceeds from the exercise of our common stock options.

We used $1.4 million of net cash in financing activities during 2006. We used $1.6 million to make payments on our capital lease obligations partially offset by $241,000 in proceeds from the exercise of our common stock options.

We used $1.1 million of net cash from financing activities during 2005. We used $1.2 million to make payments on our capital lease obligations partially offset by $136,000 in proceeds from the exercise of our common stock options.

In 2004, we used approximately $1.0 million of cash in financing activities. Substantially all of the use of this cash resulted from payments on our capital lease obligations.

We do not have any special purpose entities, and other than operating leases for office space, described below, we do not engage in off-balance sheet financing arrangements.

Contractual Obligations and Known Future Cash Requirements

Set forth below is information concerning our known contractual obligations as of December 31, 2006 that are fixed and determinable.

	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
			(In thousands)		
Capital lease obligations	$ 4,418	$ 1,986	$ 2,432	—	—
Operating lease obligations	5,058	2,009	2,063	760	226
Total	$ 9,476	$ 3,995	$ 4,495	$ 760	$ 226

Our principal lease commitments consist of obligations under leases for office space and computer and telecommunications equipment. We finance the purchase of some of our computer equipment under a capital lease arrangement over a period of 36 months. Our purchase obligations relate to outstanding orders to purchase computer equipment and are typically small; they do not materially impact our overall liquidity.

We currently have a line of credit for up to $5.0 million available to us until December 31, 2007. We have used $2.9 million of such line of credit to establish an equipment lease for the amount of approximately $2.9 million bearing interest at a rate of 7.75% per annum.

Future Capital Requirements

We believe that our existing cash, cash equivalents, and short-term investments and operating cash flow, will be sufficient to meet our projected operating and capital expenditure requirements for at least the next twelve months. In addition, we expect that the net proceeds from this offering will provide us with the financial flexibility to execute our strategic objectives, including the ability to make acquisitions and strategic investments. Our ability to generate cash, however, is subject to our performance, general economic conditions, industry trends and other factors. To the extent that funds from this offering, combined with existing cash, cash equivalents, short-term investments and operating cash flow are insufficient to fund our future activities and requirements, we may need to raise additional funds through public or private equity or debt financing. If we issue equity securities in order to raise additional funds, substantial dilution to existing stockholders may occur.

For the ninety-day period beginning July 28, 2007, the former shareholder of Q2 has the right to sell its 212,000 shares back to us for an aggregate price of $2.65 million, or $12.50 per share. For the ninety-day period beginning January 1, 2008, the former shareholders of SurveySite have the right to sell their 135,635 shares back to us for an aggregate price of approximately $1.8 million, or $13.35 per share.

Quantitative and Qualitative Disclosures about Market Risk

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. We do not hold or issue financial instruments for trading purposes or have any derivative financial instruments. To date, most payments made under our contracts are denominated in U.S. dollars and we have not experienced material gains or losses as a result of transactions denominated in foreign currencies. As of March 31, 2007, our cash reserves were maintained in money market investment accounts and fixed income securities totaling $11.5 million. These securities, like all fixed income instruments, are subject to interest rate risk and will decline in value if market interest rates increase. We have the ability to hold our fixed income investments until maturity and, therefore, we would not expect to experience any material adverse impact in income or cash flow.

Foreign Currency Risk

A portion of our revenues is derived from transactions denominated in U.S. dollars, even though we maintain sales and business operations in foreign countries. As such, we have exposure to adverse changes in exchange rates associated with operating expenses of our foreign operations, but we believe this exposure to be immaterial at this time. As such, we do not currently engage in any transactions that hedge foreign currency exchange rate risk. As we grow our international operations, our exposure to foreign currency risk could become more significant.

Recent Accounting Pronouncements

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*. The purpose of this statement is to define fair value, establish a framework for measuring fair value and enhance disclosures about fair value measurements. The measurement and disclosure requirements are effective for us as of January 1, 2008 and are applied prospectively. We are currently evaluating the potential impact of adopting this new guidance on our results of operations and financial position.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* (SFAS No. 159), to permit all entities to choose to elect, at specified election dates, to measure eligible financial instruments at fair value. An entity shall report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date, and recognize upfront costs and fees related to those items in earnings as incurred and not deferred. SFAS No. 159 applies to fiscal years beginning after November 15, 2007, with early adoption permitted for an entity that has also elected to apply the provisions of SFAS No. 157. An entity is prohibited from retrospectively applying SFAS No. 159, unless it chooses early adoption. We are currently evaluating the impact of the provisions of SFAS No. 159 on our consolidated financial statements.

BUSINESS

Overview

We provide a leading digital marketing intelligence platform that helps our customers make better-informed business decisions and implement more effective digital business strategies. Our products and solutions offer our customers deep insights into consumer behavior, including objective, detailed information regarding usage of their online properties and those of their competitors, coupled with information on consumer demographic characteristics, attitudes, lifestyles and offline behavior.

Our digital marketing intelligence platform is comprised of proprietary databases and a computational infrastructure that measures, analyzes and reports on digital activity. The foundation of our platform is data collected from our comScore panel of more than two million Internet users worldwide who have granted us explicit permission to confidentially measure their Internet usage patterns, online and certain offline buying behavior and other activities. By applying advanced statistical methodologies to our panel data, we project consumers' online behavior for the total online population and a wide variety of user categories.

We deliver our digital marketing intelligence through our comScore Media Metrix product family and through comScore Marketing Solutions. Media Metrix delivers digital media intelligence by providing an independent, third-party measurement of the size, behavior and characteristics of Web site and online advertising network audiences among home, work and university Internet users as well as insight into the effectiveness of online advertising. Our Marketing Solutions products combine the proprietary information gathered from the comScore panel with the vertical industry expertise of comScore analysts to deliver digital marketing intelligence, including the measurement of online advertising effectiveness, customized for specific industries. We typically deliver our Media Metrix products electronically in the form of weekly, monthly or quarterly reports. Customers can access current and historical Media Metrix data and analyze these data anytime online. Our Marketing Solutions products are typically delivered on a monthly, quarterly or ad hoc basis through electronic reports and analyses.

Industry Background

Growth of Digital Commerce, Content, Advertising and Communications

The Internet is a global digital medium for commerce, content, advertising and communications. According to IDC, the number of global Internet users is projected to grow from approximately 968 million in 2005 to over 1.7 billion in 2010. As the online population continues to grow, the Internet is increasingly becoming a tool for research and commerce and for distributing and consuming media. According to IDC, the global business-to-consumer eCommerce market is projected to grow from $411 billion in 2005 to $1 trillion in 2010. According to Jupiter Research, over 80% of online users in the United States research offline purchases using the Internet, making the Internet an important channel for both online and offline merchants. Consumers are also using the Internet to access an increasing amount of digital content across media formats including video, music, text and games. According to IDC, the domestic markets for online video and music consumption are projected to reach over $1.7 billion and over $3.3 billion, respectively, in 2010.

As consumers increasingly use the Internet to research and make purchases and to consume digital media, advertisers are shifting more of their marketing budgets to digital channels. According to the Internet Advertising Bureau and PricewaterhouseCoopers, domestic online advertising spending, including search advertising, grew to $16.8 billion in 2006, an increase of 34% over 2005. Despite the size and growth of the digital marketing sector, the shift of traditional advertising spending to the Internet has yet to match the rate of consumption of online media. According to Forrester Research, digital advertising represented only 6% of the total United States advertising market in 2004 despite consumers spending 16% of their available media time online. As advertisers spend more of their marketing budgets to reach Internet users, we believe that digital marketing will continue to grow.

In addition to the growth in online commerce, content and marketing, a number of new digital technologies and devices are emerging that enable users to access content and communicate in new ways.

Internet-enabled mobile phones allow users to access digital content such as games, music, video and news on their mobile devices through a wireless connection to the Internet. According to IDC, the worldwide number of shipments of converged mobile devices is projected to grow from 57 million in 2005 to 261 million in 2010, representing compounded annual growth of 36% over that period. Other digital communications technologies such as voice over Internet protocol (VoIP) utilize the Internet network infrastructure to enable efficient and cost-effective personal communications such as chat and VoIP-based telephony. According to Infonetics, the worldwide number of VoIP subscribers is projected to grow from 24.5 million in 2005 to 140.7 million in 2009. Delivery of digital television services over a network infrastructure using Internet Protocol, or IPTV, has a number of advantages over conventional television, including two-way communications, digital content and features, and interactivity. According to Infonetics, the worldwide number of IPTV subscribers is projected to grow from 2.4 million in 2005 to 68.9 million in 2009. We believe these and other new digital media and communications devices and services offer a similar opportunity as the Internet for us to measure and analyze user behavior.

Importance of Digital Marketing Intelligence

The interactive nature of digital media such as the Internet enables businesses to access a wealth of user information that was virtually unavailable through offline audience measurement and marketing intelligence techniques. Digital media provide businesses with the opportunity to measure detailed user activity, such as how users interact with Web page content; to assess how users respond to online marketing, such as which online ads users click on to pursue a transaction; and to analyze how audiences and user behavior compare across various Web sites. This type of detailed user data can be combined with demographic, attitudinal and transactional information to develop a deeper understanding of user behavior, attributes and preferences. Unlike offline media such as television and radio, which generally only allow for the passive measurement of relative audience size, digital media enable businesses to actively understand the link between digital content, advertising and user behavior.

We believe that the growth in the online and digital media markets for digital commerce, content, advertising and communications creates an unprecedented opportunity for businesses to acquire a deeper understanding of both their customers and their competitive market position. Businesses can use accurate, relevant and objective digital marketing intelligence to develop and validate key strategies and improve performance. For example, with a deep understanding of the size, demographic composition and other characteristics of its audience, an online content provider can better communicate the value of its audience to potential advertisers. With detailed metrics on the effectiveness of an online advertising campaign and how that campaign influences online and offline purchasing behavior, a business can refine its marketing initiatives. With insight into market share and customer behavior and preferences, a business can understand not only how its digital business is performing relative to its competitors but also the drivers behind such performance. Moreover, by using the appropriate digital marketing intelligence, businesses can refine their digital content, commerce, advertising and communications initiatives to enhance the effectiveness and return on investment of their marketing spending, enabling them to build more successful businesses.

Challenges in Providing Digital Marketing Intelligence

While the interactive and dynamic nature of digital markets creates the opportunity for businesses to gain deep insights into user behavior and competitive standing, there are a number of issues unique to the Internet that make it challenging for companies to provide digital marketing intelligence. Compared to offline media such as television or radio, the markets for digital media are significantly more fragmented, complex and dynamic. As of December 2006, we believe that there were more than 17,000 and 25,000 U.S. and global Web sites, respectively, that each receive more than 30,000 unique visitors per month, as compared to only a few hundred channels typically available with standard digital cable or satellite television and broadcast or satellite radio. The complexities of online user activity and the breadth of digital content and advertising make providing digital marketing intelligence a technically challenging and highly data-intensive process.

Digital media continues to develop at a rapid pace and includes numerous formats such as textual content, streaming and downloadable video and music, instant messaging, VoIP telephony, online gaming and email.

Digital advertising also includes multiple formats such as display, search, rich media and video. Detailed user activity such as viewing, clicking or downloading various components of a Web page across digital media or interacting with various advertising formats creates a substantial amount of data that must be captured on a continuous basis. The data must also be cleansed for quality, relevancy and privacy protection and be organized to enable companies to obtain relevant digital marketing intelligence. This capture of audience data can prove extremely challenging when it involves millions of Internet users with varying demographic characteristics accessing tens of thousands of Web sites across diverse geographies. In addition, the ongoing development of digital media programming languages and technologies contributes to the challenge of accurately measuring user activity. For example, online publishers and advertisers have recently started to use Asynchronous JavaScript and XML, or AJAX, a development technique that allows Web applications to quickly make incremental updates without having to refresh the entire Web page. Prior to AJAX, marketers relied heavily on page view statistics to plan and evaluate their online media spending programs. With AJAX, we believe marketers are beginning to question the definition of, and need for, page views, and are seeking alternative metrics for measuring the usage and effectiveness of online media. To maintain their relevance, audience and media measurement technologies must keep pace with the continued evolution and increasing complexity of digital media.

Need for Accuracy and Reliability. Relevant digital marketing intelligence requires access to accurate and reliable global data that measure online user activity. Existing data collection methodologies, including those that rely on third party sources, surveys or panels, face significant challenges and limitations. Survey or panel methodologies must measure a sufficiently large and representative sample size of Internet users to accurately capture data that is statistically projectable to the broader Internet population. In addition, the international composition of Internet audiences requires a geographically dispersed sample to accurately capture global digital activity. Digital marketing intelligence that depends on third-party sources to obtain Internet audience usage data has the potential to be biased, may be constrained by the data that the third party is capable of capturing, and may be limited in its application. For example, a solution that relies on data supplied by an Internet service provider, or ISP, may show a bias toward the demographic composition or other characteristics of that ISP's users. We believe that a meaningful digital media sourcing methodology must be based on data sourced from a large, representative global sample of online users that can be parsed, enhanced, mined and analyzed; must evolve rapidly and be flexible to adapt to changing technologies; and must be able to provide actionable digital marketing intelligence that can be used to improve business decision-making.

Need for Third-Party Objectivity. We believe that the availability of objective third-party data that measure digital audience size, behavior, demographic and attitudinal characteristics represents a key factor in the continued growth of digital content, advertising and commerce. This is similar to offline media markets, such as television and radio, whose development was significantly enhanced by the introduction of third-party audience measurement ratings that provided a basis for the pricing of advertising in those media. As the buying and selling of online advertising continues to grow, we believe that companies on both sides of the advertising transaction will increasingly seek third-party marketing intelligence to assess the value and effectiveness of digital media. In addition, as advertisers work with Web site publishers to target online advertising campaigns to reach a specific demographic or behavioral user profile, the need for objective audience and user information, unbiased by either party to the transaction, will become increasingly important.

Need for Competitive Information. In addition to the scope, complexity and rapid evolution of online digital media, the lack of data on competitors makes it difficult for companies to gain a comprehensive view of user behavior beyond their own digital businesses. While products and tools exist that enable companies to understand user activity on their own Web sites, these products are unable to provide a view of digital audience activity on other Web sites or offline. In order for publishers, marketers, merchants and service providers to benefit from accurate and comprehensive digital marketing intelligence they need to understand user activity on Web sites across the Internet and how online consumer behavior translates into offline actions.

The comScore Digital Marketing Intelligence Platform

We provide a leading digital marketing intelligence platform that enables our customers to devise and implement more effective digital business strategies. Our platform is comprised of proprietary databases and a computational infrastructure that measures, analyzes and reports digital activity from our global panel of more than two million Internet users. We offer our customers deep insights into consumer behavior on their own online properties and those of their competitors, including objective, detailed information on users' demographic characteristics, attitudes, lifestyles and multi-channel buying activity. We also provide industry-specific metrics to our customers.

We deliver our digital marketing intelligence through our comScore Media Metrix product family and through comScore Marketing Solutions. Media Metrix provides intelligence on digital media usage, including a measurement of the size, behavior and characteristics of the audiences for individual Web sites and advertising networks within the global home, work and university Internet user populations as well as insight into the effectiveness of online advertising. Our Marketing Solutions products combine the proprietary information gathered from our user panel with the vertical industry expertise of comScore analysts to deliver digital marketing intelligence customized for specific industries. Media Metrix and Marketing Solutions products are typically delivered electronically in the form of periodic reports, through customized analyses or are generally available online via a user interface on the comScore Web site.

Key attributes of our platform include:

- *Panel of global Internet users.* Our ability to provide digital marketing intelligence is based on information continuously gathered from a broad cross-section of more than two million Internet users worldwide who have granted us explicit permission to confidentially measure their Internet usage patterns, online and certain offline buying behavior and other activities. Through our proprietary technology, we measure detailed Internet audience activity across the spectrum of digital content and marketing channels. Many comScore panelists also participate in online survey research that captures and integrates demographic, attitudinal, lifestyle and product preference information with Internet behavior data. The global nature of our Internet panel enables us to provide digital marketing intelligence for over 30 individual countries. Our global capability is valuable to companies based in international markets as well as to multi-national companies that want to better understand their global Internet audiences and the effectiveness of their global digital business initiatives.
- *Scalable technology infrastructure.* We developed our databases and computational infrastructure to support the growth in online activity among our global Internet panel and the increasing complexity of digital content formats, advertising channels and communication applications. The design of our technology infrastructure is based on distributed processing and data capture environments that allow for the collection and organization of vast amounts of data on online activity, including usage of proprietary networks such as AOL, instant messaging and audio and video streaming. Our database infrastructure currently captures approximately 182 million Web pages and 4.5 billion URL records each week from our global Internet panel, resulting in over 28 terabytes of data collected by our platform each month. We believe that our efficient and scalable technology infrastructure allows us to operate and expand our data collection infrastructure on a cost-effective basis. In recognition of the scale of our data collection and warehousing technology, we have received multiple awards, including the 2003, 2004 and 2005 Winter Corporation Grand Prize for Database Size on a Windows NT Platform.

Benefits of our platform include:

- *Advanced digital marketing intelligence.* We use our proprietary technology to compile vast amounts of data on Internet user activity and to organize the data into discrete, measurable elements that can be used to provide actionable insights to our customers. We believe that our digital marketing intelligence platform enables companies to gain a deeper understanding of their digital audiences, which allows them to better assess and improve their company and product-specific competitive position. Because our marketing intelligence is based on a large sample of global Internet users and can incorporate multi-channel transactional data, we are able to provide companies with an enhanced understanding of digital audience activity beyond their own Web sites and the ability to better assess the link between digital marketing and offline user activity. Digital content providers, marketers, advertising agencies, merchants and service providers can use the insights our platform provides to craft improved marketing campaigns and strategies and to measure the effectiveness and return on investment of their digital initiatives.

- *Objective third-party resource for digital marketing intelligence.* We are an independent company that is not affiliated with the digital businesses we measure and analyze, allowing us to serve as an objective third-party provider of digital marketing intelligence. Because businesses use our data to plan and evaluate the purchase and sale of online advertising and to measure the effectiveness of digital marketing, it is important that we provide unbiased data, marketing intelligence, reports and analyses. We deploy advanced statistical methodologies in building and maintaining the comScore global Internet user panel and utilize proven data capture, and computational practices in collecting, statistically projecting, aggregating and analyzing information regarding online user activity. We believe that our approach ensures that the insights we provide are as objective as possible and allows us to deliver products and services that are of value to our customers in their key business decision-making. We believe that the media industry views us as a highly recognized and credible resource for digital marketing intelligence. For example, between March 1 and December 31, 2006, our information on digital activity was cited more than 16,500 times by third-party media outlets, an average of approximately 55 citations per day. Our data are regularly cited by well-known media outlets such as the Associated Press, Reuters, Bloomberg, CNBC, *The New York Times* and *The Wall Street Journal.* Moreover, many of the leading Wall Street investment banks also purchase and cite our data in their published research reports prepared by financial analysts that cover Internet businesses.

- *Vertical industry expertise.* We have developed expertise across a variety of industries to provide digital marketing intelligence specifically tailored to the needs of our customers operating in specific industry sectors. We have dedicated personnel to address the automotive, consumer packaged goods, entertainment, financial services, media, pharmaceutical, retail, technology, telecommunications and travel sectors. We believe that companies across different industries have distinct information and marketing intelligence needs related to understanding their digital audiences and buyers, evaluating marketing initiatives and understanding company or product-specific competitive position. For example, a pharmaceutical company may want to understand how online research by consumers influences new prescriptions for a particular drug, while a financial services company may want to assess the effectiveness of its online advertising campaigns in signing up new consumers and how this compares to the efforts of its competitors. By working with companies in various industries over the course of multiple years, we have developed industry-specific applications of our data and our client service representatives have developed industry-specific knowledge and expertise that allow us to deliver relevant and meaningful marketing insight to our customers.

- *Ease of use and functionality.* The comScore digital marketing intelligence platform is designed to be easy to use by our customers. Our Media Metrix products are available through the Internet using a standard browser. Media Metrix customers can also run customized reports and refine their analyses using an intuitive interface available on our Web site. Our Marketing Solutions products are available either through the Internet or by using standard software applications such as Microsoft Excel, Microsoft PowerPoint or SPSS analytical software. Our customers do not need to install additional hardware or complex software to access and use our products.

Strategy

Our objective is to be the leading provider of global digital marketing intelligence products. We plan to pursue our objective through internal initiatives and, potentially, through acquisitions and other investments. The principal elements of our strategy are to:

- *Deepen relationships with current customers.* We intend to work closely with our customers to enable them to continuously enhance the value they obtain from our digital marketing intelligence platform. Many of our customers are Fortune 1000 companies that deploy multiple marketing initiatives, and we believe many of our customers would benefit from more extensive use of our product offerings to gain additional insights into their key digital initiatives. We will work to develop and expand our customer relationships to increase our customers' use of our digital marketing intelligence platform.
- *Grow our customer base.* As the digital media, commerce, marketing and communications sectors continue to grow, we believe the demand for digital marketing intelligence products will increase. To meet this increase in market demand, we intend to invest in sales, marketing and account management initiatives in an effort to expand our customer base. We intend to offer both general and industry-specific digital marketing products that deliver value to a wide range of potential customers in current and new industry verticals.
- *Expand our digital marketing intelligence platform.* We expect to continue to increase our product offerings through our digital marketing intelligence platform. As digital markets become more complex, we believe that companies will require new information and insights to measure, understand and evaluate their digital business initiatives. We intend to develop new applications that leverage our digital marketing intelligence platform to be able to provide the most timely and relevant information to our customers. For example, in 2003 we were one of the first companies to offer data, analysis and reports on the fast-growing Internet search market.
- *Address emerging digital media.* The extension of digital media and communications to include new formats such as VoIP, IP television, content for mobile phones and next generation gaming consoles creates new opportunities to measure and analyze emerging digital media. We intend to extend our digital marketing platform to capture, measure and analyze user activity in these emerging digital media and communications formats.
- *Extend technology leadership.* We believe that the scalability and functionality of our database and computational infrastructure provide us with a competitive advantage in the digital media intelligence market. Accordingly, we intend to continue to invest in research and development to extend our technology leadership. We intend to continue to enhance our technology platform to improve scalability, performance and cost effectiveness and to expand our product offerings.
- *Build brand awareness through media exposure.* Our digital media, commerce and marketing information is frequently cited by media outlets. In addition, we proactively provide them with data and insights that we believe may be relevant to their news reports and articles. We believe that media coverage increases awareness and credibility of the comScore and Media Metrix brands and supplements our marketing efforts. We intend to continue to work with media outlets, including news distributors, newspapers, magazines, television networks, radio stations and online publishers, to increase their use of comScore data in content that discusses digital sector activity.
- *Grow internationally.* While we are currently in the early stages of providing customers with international services, we believe that a significant opportunity exists to provide our product offerings to multi-national and international companies. Approximately half of the existing comScore Internet user panel resides outside of the United States. In July 2006, we launched World Metrix, a product that measures global digital media usage. World Metrix is based on a sample of online users from countries that comprise approximately 95% of the global Internet population. We plan to expand our sales and marketing and account management presence outside the U.S. as we provide a broader array of digital marketing intelligence products that are tailored to local country markets as well as the global marketplace.

Our Product Offerings

We deliver our digital marketing intelligence through our comScore Media Metrix product family and through comScore Marketing Solutions.

comScore Media Metrix

Media Metrix provides its subscribers, consisting primarily of publishers, marketers, advertising agencies and advertising networks, with intelligence on digital media usage and a measurement of the size, behavior and characteristics of the audiences for Web sites and advertising networks among home, work and university Internet populations. Media Metrix also provides insights into the effectiveness of online advertising. Media Metrix data can be used to accurately identify and target key online audiences, evaluate the effectiveness of digital marketing and commerce initiatives, support the selling of online advertising by publishers, and to identify and exploit relative competitive standing. The vast majority of our Media Metrix subscribers access selected reports and analyses through the MyMetrix user interface on our Web site.

Our flagship product, Media Metrix 2.0, details the online activity and site visitation behavior of Internet users, including use of proprietary networks such as AOL, instant messaging, audio and video streaming, and other digital applications. Our customers subscribe to ongoing access to our digital marketing intelligence reports and analyses, including:

- comprehensive reports detailing online behavior for home, work and university audiences;
- demographic characteristics of visitors to Web sites and properties;
- buying power metrics that profile Web site audiences based on their online buying behavior;
- detailed measurement and reporting of online behavior for over 30 countries and over 100 U.S. local markets;
- measurement of key ethnic segments, including the online Hispanic population; and
- reach and frequency metrics for online advertising campaigns that show the percent of a target audience reached and the frequency of exposure to advertising messages.

A representative MyMetrix screenshot, detailing the most visited online properties in the United States for December 2006, is shown on the following page.

HOME REPORTS CUSTOM SUPPORT HELP SEARCH LOGOUT

KEY MEASURES REPORT
TOP 100 PROPERTIES [UNDUP.]

Geography: United States
Location: All Locations
Time Period: December 2006
Target: Total Audience
Media: Top 100 Properties (Undup.)
Report Generated: 3/9/2007

MyMetrix
Contact Support | Help | Legend
©comScore Networks

Print | Download | Save to MyReports | Save to MyReports | Find

Items 1 to 100 of 100 First | Prev | Next | Last	Total Unique Visitors (000)	% Reach	Average Daily Visitors (000)	Total Minutes (MM)	Average Minutes per Usage Day	Total Pages Viewed (MM)	Total Pages per Usage Day	Average Usage Days per Visitor	Average Minutes per Visitor	Averager Pages per Visitor	Buying Power Index (BPI)
Total Internet : Total Audience	174,199	100.0	121,369	307,442	81.7	451,044	119.8	21.8	1,764.9	2,589	100
Top 100 Properties	N/A	N/A	...	...	...	...	...	...	...	...	...
1 Yahoo! Sites	131,433	75.5	48,859	40,704	28.3	35,827	23.2	11.8	309.7	273	115
2 Time Warner Network	120,980	69.4	38,798	31,764	28.4	18,600	13.8	9.9	262.6	137	117
3 Microsoft Sites	116,506	66.9	35,425	20,247	19.4	17,988	16.4	9.4	173.8	154	125
4 Google Sites	112,845	64.8	31,439	7,888	8.1	13,387	13.7	8.6	69.9	119	127
5 eBay	84,266	48.4	12,793	6,493	18.4	11,043	28.0	4.7	77.1	131	152
6 Fox Interactive Media	73,273	42.1	19,504	14,891	24.8	41,450	68.6	8.3	203.1	566	114
7 Amazon Sites	56,768	32.6	5,298	1,222	7.4	2,083	12.6	2.9	21.5	36	161
8 Ask Network	55,572	31.9	6,858	987	4.8	1,711	8.3	3.7	17.8	31	128
9 Wal-Mart	44,120	25.3	3,412	802	7.8	1,443	13.6	2.4	18.2	33	179
10 Viacom Digital	40,042	23.0	4,233	2,380	18.1	3,527	26.9	3.3	59.4	88	106
11 Apple Computer, Inc.	39,418	22.6	4,801	624	4.2	702	4.7	3.8	15.8	18	131
12 New York Times Digital	39,242	22.5	3,135	503	5.2	481	4.9	2.5	12.8	12	162
13 Wikipedia Sites	38,585	22.2	3,053	501	5.3	579	6.1	2.5	13.0	15	145
14 Verizon Communications Corporation	34,481	19.8	3,166	653	6.7	1,153	11.7	2.8	18.9	33	161
15 Target Corporation	34,326	19.7	2,302	426	6.0	797	11.2	2.1	12.4	23	198
16 Weather Channel, The	32,608	18.7	8,721	308	1.1	599	2.2	8.3	9.4	18	169
17 CNET Networks	31,969	18.4	2,524	633	8.1	644	8.2	2.4	19.8	20	142
18 Adobe Sites	25,851	14.8	1,209	88	2.2	83	2.2	1.5	3.2	3	138
19 Gorilla Nation	25,449	14.6	1,908	302	5.1	427	7.2	2.3	11.9	17	127
20 Disney Online	25,049	14.4	2,379	1,148	15.6	1,087	14.5	2.8	45.8	43	132
21 Best Buy Sites	24,674	14.2	1,588	297	6.1	526	10.9	2.0	12.0	21	217
22 AT&T, Inc.	23,833	13.7	1,643	431	7.5	856	15.0	2.4	18.1	36	153
23 United Online, Inc	23,280	13.4	3,592	617	5.5	1,291	11.6	4.8	26.5	55	125
24 CBS Corporation	23,164	13.3	2,449	640	8.4	740	9.7	3.3	27.6	32	169
25 Monster Worldwide	23,076	13.2	1,741	341	6.3	492	9.1	2.3	14.8	21	117
26 Shopzilla.com Sites	22,902	13.1	1,213	73	1.9	175	4.7	1.6	3.2	8	216
27 Bank of America	22,674	13.0	3,702	869	7.7	1,224	10.7	5.1	38.2	54	156
28 Lycos, Inc.	22,598	13.0	1,346	173	4.1	312	7.5	1.8	7.6	14	125
29 Sears Sites	22,229	12.8	1,397	248	6.0	576	13.9	1.9	11.2	26	230
30 Real.com Network	20,863	11.9	1,699	270	5.1	414	7.9	2.5	13.1	20	114
31 Expedia Inc	19,429	11.2	1,546	245	5.1	483	10.3	2.5	12.6	25	242
32 FACEBOOK.COM	19,105	11.0	4,899	2,874	19.9	9,064	59.7	7.9	150.4	474	99
33 OVERSTOCK.COM	18,874	10.8	1,498	123	2.7	552	11.9	2.5	6.5	29	258
34 Comcast Corporation	18,716	10.7	4,263	1,665	12.6	2,881	21.4	7.1	89.0	151	131
35 Gannett Sites	18,167	10.4	2,036	355	5.6	429	6.8	3.5	19.5	24	180
36 UPS Sites	17,398	10.0	1,843	291	5.1	365	6.4	3.3	16.7	21	330
37 ESPN	17,098	9.8	2,392	601	8.1	960	12.9	4.3	35.2	56	147
38 Circuit City Stores, Inc.	16,960	9.7	1,075	192	5.8	334	10.0	2.0	11.3	20	229
39 JCPenney Sites	16,963	9.7	1,036	322	10.0	766	23.8	1.9	19.0	45	232
40 Photobucket.com LLC	16,735	9.6	1,670	313	6.0	755	14.6	3.1	18.7	45	106
41 WhitePages	16,666	9.6	1,126	161	4.6	257	7.4	2.1	9.7	15	180
42 E.W.Scripps	16,235	9.3	1,282	609	15.3	439	11.1	2.4	37.5	27	211
43 Yellowpages.com Network	16,169	9.3	1,032	93	2.9	136	4.2	2.0	5.7	8	182
44 NFL Internet Group	16,051	9.2	1,697	470	8.9	544	10.3	3.3	29.3	34	164
45 Weatherbug Property	16,008	9.2	4,359	996	7.4	631	4.7	8.4	62.2	39	94
46 USPS.COM	15,922	9.1	1,179	166	4.6	290	7.9	2.3	10.5	18	266
47 ARTISTdirect Network	15,484	8.9	1,049	133	4.1	218	6.7	2.1	8.6	14	100
48 EA Online	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

In addition to our core offering, customers can subscribe to the following additional products in the Media Metrix product family:

Plan Metrix. Plan Metrix is a product that combines the continuously and passively observed Internet behavior provided by Media Metrix with comprehensive attitude, lifestyle and product usage data collected through online surveys of our U.S. Internet user panel. Plan Metrix provides advertising agencies, advertisers and publishers with multiple views of Web site audiences including their online behavior, demographics, lifestyles, attitudes, technology product ownership, product purchases and offline media usage. These data are used in the design and evaluation of online marketing campaigns. For example, an online auto retailer could use Plan Metrix to help understand which Web sites a prospective automobile purchaser is most likely to visit prior to making a purchase decision.

World Metrix. We provide insights into worldwide Internet activity through our World Metrix product, which delivers aggregate information about the behavior of online users on a global basis, for approximately 30 individual countries and for regional aggregations such as Latin America, Europe and Asia Pacific. For example, a content publisher can understand its market share of the global Internet audience using our World Metrix product.

Video Metrix. Video Metrix provides insights into the viewing of streaming video by U.S. Internet users. The product measures a wide range of video players and formats, including Windows Media, Flash, RealMedia and QuickTime. Video Metrix offers site-level measurement and audience ratings by demographics and time-of-day to assist agencies, advertisers and publishers in designing and implementing media plans that include streaming video. For example, an advertiser that is seeking to maximize the exposure of its streaming video ads to its target audience could use Video Metrix to help understand on which sites and at what times of the day its target audience is viewing the most streaming video.

Ad Metrix. Available through the Media Metrix client interface, Ad Metrix provides advertisers, agencies and publishers with a variety of online advertising metrics relating to impressions, or advertisements on a Web site that reach a target audience. Ad Metrix helps customers determine the impressions delivered by advertising campaigns across Web sites and online properties, including how many visitors are reached with advertisements and how often. In addition, Ad Metrix allows customers to determine the demographic profile of the advertising audience at a particular site, as well as how the volume of impressions changes over time on that site. The Ad Metrix data are consistent with offline media planning metrics such as GRPs, or gross rating points, which measure the percent of a target audience that is reached with an advertisement weighted by the number of exposures. For example, an advertiser might use Ad Metrix to plan the online portion of an advertising campaign for a sports product on sites that have previously successfully delivered advertising impressions to a target demographic audience. A publisher might use Ad Metrix data to measure its share of advertising impressions relative to competitive publishers. Ad Metrix was launched in early 2007 in beta format.

Some examples of Media Metrix digital marketing intelligence measurements and their customer uses are described in the following table.

Digital Marketing Intelligence Measurement	Examples of Customer Uses
Site Traffic & Usage Intensity	• rank Web sites based on online usage metrics such as unique visitors, page views or minutes of use • drill-down to standard or customer-defined site subsets such as channels or sub-channels (such as Yahoo! Finance and Yahoo! Sports) • analyze statistics over time such as trends in site visitors within demographic segments • assess which Web site audiences are growing or declining, which sites are most attractive to particular demographic segments or which sites or digital applications have the highest level of usage • identify the source of traffic to a particular Web site or channel within a site
Quantitative Consumer Information	• profile site users based on life-stage or offline behavior such as panelist-reported TV usage, car ownership, health conditions or offline purchases • efficiently identify and target a particular user segment (e.g., people who say they are likely to buy a car in the next six months) • quantify the audience overlap between different consumer segments or Web sites to identify the number of unique visitors reached
Online Buying Power	• quantify the propensity of a particular Web site's audience to purchase certain categories of products (e.g., consumer electronics) online
Competitive Intelligence	• compare the standings of Web sites within particular content categories, such as finance or health information • quantify audience size relative to competitors, including share of usage within a category and usage trends across competitors • track major competitors, quantify their growth, and identify initiatives to promote growth and market share
Reach and Frequency	• identify and quantify the size of audiences reached by individual Web sites and determine how often they reach those audiences • assist with the planning of online advertising campaigns that need to achieve specific reach or frequency objectives against a targeted audience across multiple Web sites • design the most cost-effective media plans that can achieve campaign objectives for reach and frequency

comScore Marketing Solutions

comScore Marketing Solutions products use our global database, computational infrastructure and our staff of experienced analytical personnel to help customers design more effective marketing strategies that increase sales, reduce costs, deepen customer relationships and ultimately enhance a customer's competitive position. We offer solutions tailored for specific industry verticals, including the automotive, consumer packaged goods, entertainment, financial services, media, pharmaceutical, retail, technology, telecommunications and travel sectors. Many of our Marketing Solutions products are delivered to subscribers on a recurring schedule such as monthly or quarterly. In some cases, we provide customized reports and analyses that combine our expertise with other proprietary information to address a specific customer need.

The core information products offered by comScore Marketing Solutions include:

Market Share Reports. These reports track a company's share of market as measured by industry-specific performance metrics. The metrics of choice vary by industry vertical, including as examples: share of online credit card spending for credit card issuers; share of online travel spending for travel companies; or share of subscribers for ISPs. In each case, market share reports provide an ongoing measurement of competitive performance and insight into the factors driving changes in market share.

Competitive Benchmark Reports. These reports allow customers to compare themselves to competitors using various industry-specific metrics. For example, retailers may look at metrics such as the rate of conversion of site visitors to buyers, average order size or rate of repeat purchases among existing customers. Banks may focus on the percentage of bank customers using online bill payment services, or compare the effectiveness of customer acquisition programs as reflected by the percentage of leads they acquire that ultimately sign up for an online account. In each case, a customer may define and obtain best-of-category metrics and use them as a benchmark to monitor its business performance over time.

Loyalty and Retention Analysis. These analyses provide an understanding of the extent to which consumers are also engaged with competitors, and identifies loyalty drivers to assist customers in capturing a higher share of the consumer's wallet. For example, a travel company might quantify the potential business lost when consumers visit its site, do not complete a purchase but then visit a competing site to book a travel reservation. Retention or churn analyses quantify consumer losses to competitors and the key drivers of such losses. For example, a narrowband Internet service provider may track the rate of attrition among its customer base, identify which competitors are capturing those lost customers, and analyze the characteristics of the lost customers in order to gain insight into ways to improve retention.

Customer Satisfaction Reports. These reports are based on panelist responses to survey questionnaires that ascertain the degree of satisfaction with various products or services offered to consumers. This information is often integrated with the online usage information that we collect from our panelists in order to identify which digital media usage activities affect customer satisfaction. For instance, a sports portal may use these reports to determine which features, such as participating in fantasy sports leagues or viewing streaming video clips, affect customer satisfaction and loyalty the most.

qSearch. This product is a monthly scorecard of the search market that provides a comparison of search activity across portals and major search engines. It helps identify the reach of a search engine, the loyalty of its user base, the frequency of search queries, and the effectiveness of sponsored links displayed on search result pages in driving referrals to advertiser sites. qSearch is used by major search engines and advertising agencies in planning search campaigns.

Campaign Metrix. This product provides detailed information about specific online advertising campaigns. These reports, available through a Web-based interface, describe for each advertising image, or "creative" within an advertising campaign, the size and demographic composition of the audience exposed to that particular advertisement, the average number of impressions delivered and other details regarding ad formats and ad sizes used in the campaign. An advertiser, agency or publisher could use Campaign Metrix to gain insight into the effectiveness of an online advertising campaign by examining the number of unique users exposed to the campaign, the number of times on average that a unique user was exposed to the campaign and whether the campaign reached the targeted audience demographic. This product was launched in February 2007 in beta format and we plan to commercially launch this product in the second quarter of 2007.

Internet Advertising Effectiveness Studies. These studies provide an understanding of the effectiveness of particular advertising campaigns by measuring the online and offline behavior of a "target group" of comScore panelists, following their exposure to a particular advertisement, and comparing their behavior to that of a "control group" of comScore panelists who were not exposed to such advertisements. This type of a study allows a marketer to understand the impact of their advertising campaign and to estimate the return on their investment in online marketing.

Survey-Based Products. These products leverage our ability to administer surveys to our panel members to obtain valuable information that can be seamlessly integrated with online behavioral data to provide our clients with additional insights into the drivers of consumer behavior.

Customers

As of March 31, 2007, we had 743 customers, including over 100 Fortune 1000 customers. Our customers include:

- fifteen of the top twenty online properties, based on total unique visitors, as ranked by our Media Metrix database for the month of December 2006, including Microsoft, Yahoo!, AOL and Google;
- ten of the top twenty U.S. Internet service providers, based on the number of subscribers as of the third quarter of 2006, as ranked by ISP Planet;
- ten of the top eleven investment banks, based on 2006 revenues, as ranked by Dealogic;
- 97 advertising and media buying agencies;
- five of the top six consumer banks, based on consolidated assets as of December 31, 2006, as ranked by the Federal Reserve System, National Information Center;
- five of the top six cable companies, based on total subscribers in the first quarter of 2007, as reported by Leichtman Research Group;
- seven of the top ten pharmaceutical companies, based on 2005 worldwide sales, as ranked by IMS Health; and
- seven of the top eight credit card issuers, based on total credit cards outstanding in 2006, as ranked by the 2006 Nilson Report.

One of our customers, Microsoft Corporation, accounted for 5%, 14%, 12% and 12% of our revenues in the year ended December 31, 2004, 2005 and 2006 and the three months ended March 31, 2007, respectively.

The following examples are provided as an illustration of the development and growth of our relationships with our customers:

- ***Microsoft*** is a leading provider of software, services and solutions. Since 2001, Microsoft's Internet division, MSN, has used our global panel data to better understand the needs of consumers, to help guide product planning strategies and to measure the impact of online marketing efforts, and has increased its use of our products in each subsequent year. Since 2004, MSN has purchased detailed Internet clickstream data patterns to study how consumers use MSN and competitive services, in order to better meet consumer needs. Since June 2005, MSN has used our qSearch product to measure and benchmark the behavior of consumers and competitors in the Internet search market. Since 2005, we have also provided MSN with advertising studies that it has used to measure the impact of MSN's online marketing campaigns and demonstrate to clients the effectiveness of online advertising. In addition, since 1999, Microsoft has been a customer of SurveySite, a company that we acquired on December 31, 2004. comScore SurveySite provides Microsoft with insights about their customers, partners and employees by conducting online qualitative research and quantitative surveys, including ongoing customer satisfaction tracking programs. comScore SurveySite has been a Premier Vendor for

Online Research to Microsoft since 2002. comScore SurveySite was also the winner of the 2005 Microsoft Vendor Program Excellence Award in Technology in recognition of its innovative SiteRecruit system. In 2006, comScore SurveySite was also named a Relationship Marketing Specialty Vendor, a designation shared by only five market research vendors worldwide. comScore SurveySite has worked across all of Microsoft's principal business groups including Platform Products and Services, Business Products and Services and Entertainment and Devices.

- ***Verizon Communications*** is a leader in delivering broadband and other wireline and wireless communication innovations to business, government and wholesale and retail customers. Since 2001, Verizon Communications has used comScore Marketing Solutions products to better understand the competitive landscape in the Internet access industry and trends in broadband offerings. Starting with the purchase of an ISP market share analysis for two specific markets, Verizon Communications now uses our data and analyses in over 40 markets to not only understand its competitive position in the industry, but also to determine the efficacy of its broadband product line and to help guide marketing strategies. Verizon Communications also uses other comScore Marketing Solutions products to obtain answers to a variety of other business issues.

- ***Starcom USA*** is an independent operating unit of Starcom MediaVest Group, a global advertising and marketing agency. Starcom has been a customer of comScore's Marketing Solutions products since 2004, when it purchased an analysis to quantify the impact of a Fortune 500 client's online advertising on its share of consumer eCommerce spending during the 2003 holiday shopping season. In 2005, Starcom expanded the relationship to include comScore Marketing Solutions' online survey capabilities. Since 2004, Starcom's purchases of our products have expanded from purchasing surveys and holiday season eCommerce tracking to purchases covering almost the entire year. Starcom uses our digital market intelligence to analyze the impact of online advertising on its clients' share of consumer eCommerce spending at a total Internet and product category level. Starcom also uses our marketing solutions brand accountability analyses that we generate from survey results from our global consumer Internet panel.

- ***Yahoo!*** is a leading global Internet portal. Yahoo! became a customer when we acquired certain Media Metrix assets in 2002. Since then, Yahoo! has purchased additional Media Metrix products and in 2004 chose comScore as Yahoo!'s source of record for Internet audience measurement and search. Yahoo! has exclusively used Media Metrix for digital marketing intelligence in the U.S. since 2006. In 2002, our relationship with Yahoo! expanded with the launch of our qSearch product that tracks consumers' use of various search engines. qSearch information is used by Yahoo! in numerous aspects of managing its search business, including product development, market share tracking, competitive analysis, ad effectiveness and executive reporting. Yahoo! also commissioned us to conduct several analyses that measured the degree to which offline sales and latent online sales (sales made days or weeks after the initial click-through) were impacted by search advertising. In late 2005 and throughout 2006, Yahoo! integrated our advertising effectiveness testing products into its suite of advertiser products, thereby enabling its advertisers to analyze campaign effectiveness by measuring a variety of different metrics including offline sales, surveyed branding and awareness, online site usage and trademark search activity. In 2006, we completed two significant studies for Yahoo! entitled "Close the Loop" — a study on the link between search and image advertising, and "Brand Advocates: The Impact of Search and Social Media on Branding." We became a preferred provider of services to Yahoo! in 2006. In 2007, our relationship with Yahoo! grew with the addition of international and worldwide data and ongoing adoption of certain of our new syndicated and custom comScore digital marketing intelligence products.

Selling and Marketing

We sell the majority of our products through a direct sales force. Sales of the comScore Media Metrix product suite to new clients are managed by sales representatives assigned specifically to new business development. A separate group of account managers within our sales organization is assigned to manage, renew and increase sales to existing Media Metrix customers. The comScore Marketing Solutions sales organization is organized vertically by industry with account executives dedicated to selling into the automotive, consumer packaged goods, entertainment, financial services, media, pharmaceutical, retail, technology, telecommunications and travel sectors and other industries. Marketing Solutions account executives are tasked with both identifying and generating new business in specific verticals as well as servicing existing customers. Our sales and account representatives receive a base salary and are eligible for bonuses or commissions based on performance.

Our marketing communications staff is primarily focused on leveraging the use of comScore data and insights by the media and maximizing the number of times that comScore is cited as a source of information. We believe that the use of our data by general and industry-specific media outlets increases recognition of the comScore brand name and serves to help validate the value of the analyses and products we provide. In order to accomplish this goal, we seek to maintain relationships with key news distributors, publications, TV networks, reporters and other media outlets. We believe that the media views us as a highly recognized and credible resource for digital marketing intelligence. For example, between March 1 and December 31, 2006, comScore data were cited more than 16,500 times by third-party media outlets, an average of over 55 citations per day. Moreover, we are regularly cited by well-known news distributors, publications and TV networks such as the Associated Press, Reuters, Bloomberg, CNBC, *The New York Times* and *The Wall Street Journal.* We also target various industry conferences and tradeshows as part of our marketing efforts. These events are typically focused on a particular industry, allowing us to demonstrate to industry participants the value of our products to businesses in that industry.

Panel and Methodology

The foundation of our digital marketing intelligence platform is data collected from our comScore panel, which includes more than two million persons worldwide whose online behavior we have explicit permission to measure on a continuous, passive basis. We believe that our panel is one of the largest global panels of its kind, delivering a multi-faceted view of digital media usage and transactional activity as well as selected offline activity. By applying advanced statistical methodologies to our panel data, we project the behavior of the total online population.

We recruit our panel through a variety of online recruitment programs that have been tested and refined since our inception to ensure a diverse sample that sufficiently represents the broader global Internet population. In addition, in the United States we enlist a sub-sample of panelists through various offline recruiting methods. Participants in the comScore research panel receive a package of benefits that is designed to appeal to a broad variety of user categories. Examples of such benefits include, as of December 2006, free security applications such as server-based virus protection, encrypted file protection, encrypted network disk storage locations for user backups; free general purpose applications such as screensavers and games; sweepstakes; cash payments; and points that may be redeemed for prizes. Participants' data and privacy are protected by defined privacy policies that safeguard personally-identifiable information. This combination of recruiting methods allows us to maintain a panel large enough to provide statistically representative samples in most demographic segments.

We continuously determine the size, demographics and other characteristics of the online population using enumeration surveys of tens of thousands of persons annually, whereby respondents are asked a variety of questions about their Internet use, as well as demographic and other descriptive questions about themselves and their households. The sample of participants in each enumeration survey is selected using a random recruiting methodology. The result is an up-to-date picture of the population to which the comScore sample is then projected. We use the results from the enumeration surveys to weight and statistically project the panel data to ensure that the projected data reflect the characteristics of the Internet population.

Privacy

We believe that a key factor differentiating our digital marketing intelligence is our ability to track and analyze online usage behavior using the data collected from our panel. Since the founding of our company, we have endeavored to undertake such data collection and analysis responsibly and only with consumer permission. Participation in our research panel is voluntary. Participants must consent to our privacy and data security practices before our software collects information on the user's online activity. In addition, we provide panelists with multiple opportunities and methods to remove themselves from our panel. We limit the type of information that we collect by identifying and filtering certain personal information from the data collected. The collected data is secured using multiple layers of physical and digital security mechanisms. Moreover, we maintain a strict policy of not sharing panelists' personally identifiable information with our customers. These actions and policies are consistent with the AICPA/CICA WebTrust criteria for online privacy.

Technology and Infrastructure

We have developed a proprietary system for the measurement of the activity of our global online panel. This system is continuously refined and developed to address the changing digital media landscape and to meet new customer business needs. The system is comprised of hundreds of servers that operate using software built on Microsoft and other technologies. Our technology infrastructure is operated in two third-party Tier-1 co-location facilities (one in Virginia and the other in Illinois). Our systems have multiple redundancies and are structured to ensure the continuation of business operations in the event of network failure or if one of our data centers has been rendered inoperable. As of December 31, 2006, our technology team (excluding employees devoted to research and development) was comprised of over 105 full-time employees (or full-time equivalents) working in four different geographic locations, who design, develop, maintain and operate our entire technology infrastructure. In addition, we have established a relationship with a third party firm for software development in an economically beneficial locale as a means to augment our technology efforts for discrete projects.

Our development efforts have spanned all aspects of our business. We have developed a data capture system that operates across our panelists' computers in almost 200 countries and is used for the real-time capture of consumer Internet behavior. We have built a large scale, efficient and proprietary system for processing massive amounts of data. Typically our systems handle and process data in excess of 10 billion input records per month. Despite the scale of processing required, these data are generally available on a daily basis for our business use. We have also developed a highly efficient and scalable system for the extraction and tabulation of all online activities of our panelists. Likewise, we have created a highly scalable data warehousing environment that allows ready access and analysis of the data we collect. This system, based on Sybase IQ, was awarded the 2003, 2004 and 2005 Grand Prize for the largest Microsoft-based decision support warehouse by the Winter Corporation. In December 2006, we were recognized as a 2007 Technology Pioneer by the World Economic Forum. We believe our scalable and highly cost-effective systems and processing methods provide us with a significant competitive advantage.

Our customers access our digital marketing intelligence product offerings through a variety of methods including MyMetrix, our proprietary, Web-based analysis and reporting system, which in the month of December 2006 was used by 4,020 users to produce more than 170,000 reports.

Research and Development

Our research and development efforts focus on the enhancement of our existing products and the development of new products to meet our customers' digital marketing intelligence needs across a broad range of industries and applications. Because of the rapidly growing and evolving use of the Internet and other digital mediums for commerce, content, advertising and communications, these efforts are critical to satisfying our customers' demand for relevant digital marketing intelligence. As of March 31, 2007, we had approximately 85 full-time employees (or full-time equivalents) working on research and development activities (excluding employees on our technology team cited under "Technology and Infrastructure" above). In addition, we involve management and operations personnel in our research and development efforts. In 2006, 2005 and 2004, we spent $9.0 million, $7.4 million and $5.5 million, respectively, on research and development. During the three months ended March 31, 2007, we spent $2.6 million on research and development.

Intellectual Property

We rely on a combination of patent, trademark, copyright and trade secret laws in the United States and other jurisdictions together with confidentiality procedures and contractual provisions to protect our proprietary technology and our brand. We seek patent protection on inventions that we consider important to the development of our business. We control access to our proprietary technology and enter into confidentiality and invention assignment agreements with our employees and consultants and confidentiality agreements with other third parties.

Our success depends in part on our ability to develop patentable products and obtain, maintain and enforce patent and trade secret protection for our products, including successfully defending these patents against any third-party challenges, both in the United States and in other countries. We may be able to protect our technologies from unauthorized use by third parties to the extent that we own or have licensed valid and enforceable patents or trade secrets that cover them. However, the degree of future protection of our proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage.

Currently, we own U.S. patent 7,181,412, which was filed March 22, 2000 and covers, among other things, techniques for collecting consumer data. Under current U.S. law, the statutory term for a patent is 20 years from its earliest effective filing date. Accordingly, U.S. patent 7,181,412 is expected to expire on March 22, 2020. However, various circumstances, such as the provisions under U.S. patent law for patent term adjustment and patent term extension, may extend the duration of this patent. Similarly, various circumstances may shorten the duration of this patent, such as a change in U.S. law or a need or decision on our part to terminally disclaim a portion of the statutory term of this patent.

We also currently have twelve U.S. and foreign patent applications pending, and we intend to file, or request that our licensors file, additional patent applications for patents covering our products. However, patents may not be issued for any pending or future pending patent applications owned by or licensed to us, and claims allowed under any issued patent or future issued patent owned or licensed by us may not be valid or sufficiently broad to protect our technologies. Any issued patents owned by or licensed to us now or in the future may be challenged, invalidated, held unenforceable or circumvented, and the rights under such patents may not provide us with the expected benefits. In addition, competitors may design around our technology or develop competing technologies. Intellectual property rights may also be unavailable or limited in some foreign countries, which could make it easier for competitors to capture or increase their market share with respect to related technologies. Although we are not currently involved in any legal proceedings related to intellectual property, we could incur substantial costs to defend ourselves in suits brought against us or in suits in which we may assert our patent rights against others. An unfavorable outcome in any such litigation could have a material adverse effect on our business and results of operations.

In addition to patent and trade secret protection, we also rely on several trademarks and service marks to protect our intellectual property assets. We are the owner of numerous trademarks and service marks and have applied for registration of our trademarks and service marks in the United States and in certain other countries to establish and protect our brand names as part of our intellectual property strategy. Some of our registered marks include comScore, Media Metrix and MyMetrix.

Our intellectual property policy is to protect our products, technology and processes by asserting our intellectual property rights where we believe it is appropriate and prudent. Any pending or future pending patent applications owned by or licensed to us (in the United States or abroad) may not be allowed or may in the future be challenged, invalidated, held unenforceable or circumvented, and the rights under such patents may not provide us with competitive advantages. Any significant impairment of our intellectual property rights could harm our business or our ability to compete. Protecting our intellectual property rights is costly and time consuming. Any increase in the unauthorized use of our intellectual property could make it more expensive to do business and harm our operating results.

There is always the risk that third parties may claim that we are infringing upon their intellectual property rights and, if successful in proving such claims, we could be prevented from selling our products.

For additional, important information related to our intellectual property, please review the information set forth in "Risk Factors — Risks Related to Our Business, Our Technologies and Our Industry."

Competition

The market for digital marketing intelligence is highly competitive and evolving rapidly. We compete primarily with providers of digital marketing intelligence and related analytical products and services. We also compete with providers of marketing services and solutions, with survey providers, as well as with internal solutions developed by customers and potential customers. Our principal competitors include:

- large and small companies that provide data and analysis of consumers' online behavior, including Compete Inc., Hitwise Pty. Ltd and NetRatings, Inc.;
- online advertising companies that provide measurement of online ad effectiveness, including aQuantive, Inc., DoubleClick Inc., ValueClick Inc., and WPP Group plc;
- companies that provide audience ratings for TV, radio and other media that have extended or may extend their current services, particularly in certain international markets, to the measurement of digital media, including Arbitron Inc., Nielsen Media Research, Inc. and Taylor Nelson Sofres plc;
- analytical services companies that provide customers with detailed information of behavior on their own Web sites, including Omniture, Inc., WebSideStory, Inc. and WebTrends Corporation;
- full-service market research firms and survey providers that may measure online behavior and attitudes, including Harris Interactive Inc., Ipsos Group, Taylor Nelson Sofres plc and The Nielsen Company; and
- specialty information providers for certain industries that we serve, including IMS Health Incorporated (healthcare) and Telephia, Inc. (telecommunications).

Some of our current competitors have longer operating histories, relationships with more customers and substantially greater resources than we do. As a result, these competitors may be able to devote more resources to marketing and promotional campaigns, panel retention and development techniques or technology and systems development than we can. In addition, some of our competitors may be able to adopt more aggressive pricing policies. Furthermore, large software companies, Internet portals and database management companies may enter the market or enhance their current offerings, either by developing competing services or by acquiring our competitors, and could leverage their significant resources and pre-existing relationships with our current and potential customers.

We believe the principal competitive factors in our markets include the following:

- the ability to provide actual and perceived high-quality, accurate and reliable data regarding Internet and other digital media audience behavior and activity in a timely manner, including the ability to maintain a large and statistically representative sample panel;
- the ability to adapt product offerings to emerging digital media technologies and standards;
- the breadth and depth of our products and their flexibility and ease of use;
- the availability of data across various industry verticals and geographic areas and our expertise across these verticals and in these geographic areas;
- the ability to offer survey-based information combined with digital media usage, eCommerce data and other online information collected from panelists;
- the ability to offer high-quality analytical services based on Internet and other digital media audience measurement information;
- the ability to offer products that meet the changing needs of customers and provide high-quality service; and
- the prices that are charged for products based on the perceived value delivered.

We believe that we compete favorably with our competitors on the basis of these factors. However, if we are unable to compete successfully against our current and future competitors, we may not be able to acquire and retain customers, and we may consequently experience a decline in revenues, reduced operating margins, loss of market share and diminished value from our products.

Government Regulation

Although we do not believe that significant existing laws or government regulations adversely impact us, our business could be affected by different interpretations or applications of existing laws or regulations, future laws or regulations, or actions by domestic or foreign regulatory agencies. For example, privacy concerns could lead to legislative, judicial and regulatory limitations on our ability to collect, maintain and use information about Internet users in the United States and abroad. Various state legislatures, including those of Utah and California, have enacted legislation designed to protect Internet users' privacy, for example by prohibiting spyware. In recent years, similar legislation has been proposed in other states and at the federal level and has been enacted in foreign countries, most notably by the European Union, which adopted a privacy directive regulating the collection of personally identifiable information online. These laws and regulations, if drafted or interpreted broadly, could be deemed to apply to the technology we use, and could restrict our information collection methods or decrease the amount and utility of the information that we would be permitted to collect. In addition, our ability to conduct business in certain foreign jurisdictions, including China, is restricted by the laws, regulations and agency actions of those jurisdictions. The costs of compliance with, and the other burdens imposed by, these and other laws or regulatory actions may prevent us from selling our products or increase the costs associated with selling our products, and may affect our ability to invest in or jointly develop products in the United States and in foreign jurisdictions. In addition, failure to comply with these and other laws and regulations may result in, among other things, administrative enforcement actions and fines, class action lawsuits and civil and criminal liability. State attorneys general, governmental and non-governmental entities and private persons may bring legal actions asserting that our methods of collecting, using and distributing Web site visitor information are illegal or improper, which could require us to spend significant time and resources defending these claims. For example, some companies that collect, use and distribute Web site visitor information have been the subject of governmental investigations and class-action lawsuits. Any such regulatory or civil action that is brought against us, even if unsuccessful, may distract our management's attention, divert our resources, negatively affect our public image or reputation among our panelists and customers and harm our business. The impact of any of these current or future laws or regulations could make it more difficult or expensive to attract or maintain panelists, particularly in affected jurisdictions, and could adversely affect our business and results of operations.

Additionally, laws and regulations that apply to communications and commerce over the Internet are becoming more prevalent. In particular, the growth and development of the market for eCommerce has prompted calls for more stringent tax, consumer protection and privacy laws in the United States and abroad that may impose additional burdens on companies conducting business online. The adoption, modification or interpretation of laws or regulations relating to the Internet or our customers' digital operations could negatively affect the businesses of our customers and reduce their demand for our products. For additional, important information related to government regulation of our business, please review the information set forth in "Risk Factors — Risks Related to Our Business and Our Technologies."

Employees

As of December 31, 2006, we had 377 employees. None of our employees is represented by a labor union. We have experienced no work stoppages and believe that our employee relations are good.

Legal

Generally, we are involved in various legal proceedings arising from the normal course of business activities. Currently, we do not believe that resolution of these matters will have a material adverse impact on our consolidated results of operations, cash flows or our financial position. However, depending on the amount and timing, an unfavorable resolution of a matter could materially affect our future results of operations, cash flows or financial position in a particular period.

Facilities

Our corporate headquarters and executive offices are located in Reston, Virginia, where we occupy approximately 34,000 square feet of office space under a lease that expires in June 2008. We also lease space in various locations throughout the United States and in Toronto and London for sales and other personnel. If we require additional space, we believe that we would be able to obtain such space on commercially reasonable terms.

MANAGEMENT

Executive Officers and Directors

The following table sets forth certain information concerning our current executive officers and directors:

Name	Age	Position(s)
Executive Officers		
Magid M. Abraham, Ph.D.	49	President, Chief Executive Officer and Director
Gian M. Fulgoni	59	Executive Chairman of the Board of Directors
John M. Green	55	Chief Financial Officer
Gregory T. Dale	37	Chief Technology Officer
Christiana L. Lin	37	General Counsel and Chief Privacy Officer
Non-Employee Directors:		
Thomas D. Berman(1)(2)	49	Director
Bruce Golden(3)	48	Director
William J. Henderson(2)(3)	59	Director
Ronald J. Korn(1)(3)	67	Director
Frederick R. Wilson(1)(2)	45	Director

(1) Member of the audit committee.

(2) Member of the compensation committee.

(3) Member of the nominating and governance committee.

Magid M. Abraham, Ph.D., one of our co-founders, has served as President, Chief Executive Officer and Director since September 1999. In 1995, Dr. Abraham founded Paragren Technologies, Inc., which specialized in delivering large scale Customer Relationship Marketing systems for strategic and target marketing, and served as its Chief Executive Officer from 1995 to 1999. Prior to founding Paragren, Dr. Abraham was employed by Information Resources, Inc. from 1985 until 1995, where he was President and Chief Operating Officer from 1993 to 1994 and later Vice Chairman of the Board of Directors from 1994 until 1995. Since May 2006, Dr. Abraham has also been a member of the board of directors of ES3, LLC, a storage and logistics services company. Dr. Abraham received the Paul Green Award in 1996 and the William F. O'Dell Award in 2000 from the American Marketing Association for a 1995 article that he co-authored in the Journal of Marketing Research. He received a Ph.D. in Operations Research and an M.B.A. from MIT. He also holds an Engineering degree from the École Polytechnique in France.

Gian M. Fulgoni, one of our co-founders, has served as Executive Chairman of the Board of Directors since September 1999. Prior to co-founding comScore, Mr. Fulgoni was employed by Information Resources, Inc., where he served as President from 1981 to 1989, Chief Executive Officer from 1986 to 1998 and Chairman of the Board of Directors from 1991 until 1995. Mr. Fulgoni has served on the board of directors of PetMed Express, Inc. since 2002 and previously served from August 1999 through November 2000. Mr. Fulgoni also serves on the board of directors of INXPO, LLC, an Illinois-based provider of virtual events, since July 2005. He also served on the board of directors of Platinum Technology, Inc. from 1990 to 1999, U.S. Robotics, Inc. from 1991 to 1994, and Yesmail.com, Inc. from 1999 to 2000. Mr. Fulgoni has twice been named an Illinois Entrepreneur of the Year. In 1992, he received the Wall Street Transcript Award for outstanding contributions as Chief Executive Officer of Information Resources, Inc. in enhancing the overall value of that company to the benefit of its shareholders. Educated in the United Kingdom, Mr. Fulgoni holds an M.A. in Marketing from the University of Lancaster and a B.Sc. in Physics from the University of Manchester.

John M. Green has served as Chief Financial Officer since May 2006. Prior to joining comScore, Mr. Green served as the Chief Financial Officer and U.S. Services Business Leader for BioReliance, a subsidiary of Invitrogen Corporation, from 2004 to March 2006. Prior to joining BioReliance, Mr. Green served as the General Manager, Business Integrations at Invitrogen from September 2003 to April 2004. From March 2001 through August 2003, Mr. Green served as the Chief Financial Officer for InforMax, and as its Chief Operating Officer from October 2001 until the sale of InforMax and integration into Invitrogen in August 2003. Prior to 2001, Mr. Green held several financial and operating management roles, including serving as Executive Vice President of Operations at HMSHost Corporation, Senior Vice President of Finance and Corporate Controller at Marriott International Incorporated and Director of Business Planning and Director of Finance, Central Europe, at PepsiCo, Inc. Mr. Green received an M.Sc. in Economics from The London School of Economics and a B.A. in Political Science/International Relations from Tufts University.

Gregory T. Dale has served as Chief Technology Officer since October 2000. Prior to that, he served as Vice President, Product Management starting in September 1999. Prior to joining us, he served as Vice President of Client Service at Paragren Technologies, Inc., a company that specialized in enterprise relationship marketing. He holds a B.S. in Industrial Management from Purdue University.

Christiana L. Lin has served as General Counsel and Chief Privacy Officer since January 2006. Prior to that, she served as our Corporate Counsel and Chief Privacy Officer starting in March 2003. Prior to that, she served as our Deputy General Counsel starting in February 2001. Ms. Lin holds a J.D. from the Georgetown University Law Center and a B.A. in Political Science from Yale University.

Thomas D. Berman has served as a director since August 2001. Mr. Berman is a partner with Adams Street Partners, where he has led investments in information technology and business services companies since 1990. He served on the board of directors of PathScale, Inc. from May 2004 to April 2006 and has served on the board of directors of Adams Harris, Inc. since March 2006. Mr. Berman holds an S.B. in Electrical Engineering from MIT and an S.M. from the Sloan School of Management at MIT.

Bruce Golden has served as a director since June 2002. He is a partner at Accel Partners, which he joined in 1997. Mr. Golden has led a number of investments in enterprise software and Internet-related companies while at Accel and currently serves as a member of the boards of directors at several private companies. He holds an M.B.A. from Stanford University and a B.A. from Columbia University.

William J. Henderson has served as a director since August 2001. Mr. Henderson was the 71st Postmaster General of the United States. He served in that position from May 1998 until his retirement in May 2001. Mr. Henderson also served as the Chief Operations Officer of Netflix, Inc. from January 2006 until February 2007. Mr. Henderson also currently serves on the board of directors of Acxiom Corporation, where he has been a director since June 2001. Mr. Henderson holds a B.S. from the University of North Carolina at Chapel Hill and served in the U.S. Army.

Ronald J. Korn has served as a director since November 2005. Since 1991, he has served as the President of Ronald Korn Consulting, which provides business and marketing services. Mr. Korn served as a director, chairman of the audit committee, and member of the loan committee of Equinox Financial Corporation from 1999 until its acquisition in October 2005. Since 2002, he has served as a director, chairman of the audit committee and a member of the compensation and nominating and governance committees of PetMed Express, Inc. and since July 2003, he has served as a director, chairman of the audit committee and a member of the compensation committee of Ocwen Financial Corporation. Prior to that, Mr. Korn was a partner and employee of KPMG, LLP, from 1961 to 1991, where he was the managing partner of KPMG's Miami office from 1985 until 1991. Mr. Korn holds a B.S. from the University of Pennsylvania, Wharton School and a J.D. from New York University Law School.

Frederick R. Wilson has served as a director since August 1999. He has served as managing partner of Union Square Ventures since August 2003. He is also a managing partner of Flatiron Partners and has held that position since August 1996. He holds an M.B.A. from the Wharton School of Business at the University of Pennsylvania and an S.B. in Mechanical Engineering from MIT.

Board Composition

Upon completion of this offering, our directors will be divided into three classes serving staggered three-year terms. Class I, Class II and Class III directors will serve until our annual meetings of stockholders in

2008, 2009 and 2010, respectively. Upon expiration of the term of class of directors, directors in that class will be eligible to be elected for a new three-year term at the annual meeting of stockholders in the year in which their term expires. This classification of directors could have the effect of increasing the length of time necessary to change the composition of a majority of our board of directors. In general, at least two annual meetings of stockholders will be necessary for stockholders to effect a change in a majority of the members of our board of directors.

Our board of directors currently consists of seven members. Messrs. Abraham, Berman and Wilson are Class I directors and will serve for one year. Messrs. Henderson and Korn are Class II directors and will serve for two years. Messrs. Fulgoni and Golden are Class III directors and will serve for three years.

Board Committees

Our board of directors has established an audit committee, a compensation committee and a nominating and governance committee.

Audit Committee

Our audit committee consists of Messrs. Berman, Korn and Wilson, with Mr. Korn serving as chairman. Our audit committee oversees our corporate accounting and financial reporting process and internal controls over financial reporting. Our audit committee evaluates the independent registered public accounting firm's qualifications, independence and performance; engages and provides for the compensation of the independent registered public accounting firm; approves the retention of the independent registered public accounting firm to perform any proposed permissible non-audit services; reviews our consolidated financial statements; reviews our critical accounting policies and estimates and internal controls over financial reporting; and discusses with management and the independent registered public accounting firm the results of the annual audit and the reviews of our quarterly consolidated financial statements. We believe that our audit committee members meet the requirements for independence and financial literacy under the current requirements of the Sarbanes-Oxley Act of 2002, The NASDAQ Global Market and SEC rules and regulations. In addition, the board of directors has determined that Mr. Korn is qualified as an audit committee financial expert within the meaning of SEC regulations. We have made this determination based on information received by our board of directors, including questionnaires provided by the members of our audit committee. We believe that our audit committee complies with the applicable requirements of the Sarbanes-Oxley Act of 2002, The NASDAQ Global Market and SEC rules and regulations. We intend to comply with future requirements to the extent they become applicable to us. We have adopted an audit committee charter. We expect that the committee will meet no less frequently than quarterly. Our audit committee has previously met approximately two to four times each year in connection with the annual audit of our financial statements.

Compensation Committee

Our compensation committee consists of Messrs. Berman, Henderson and Wilson, with Mr. Henderson serving as chair. Our compensation committee reviews and recommends policy relating to compensation and benefits of our officers and employees, including reviewing and approving corporate goals and objectives relevant to compensation of the Chief Executive Officer and other senior officers, evaluating the performance of these officers in light of those goals and objectives and setting compensation of these officers based on such evaluations. The compensation committee also administers the issuance of stock options and other awards under our stock plans. We believe that the composition of our compensation committee meets the requirements for independence under, and the functioning of our compensation committee complies with, any applicable requirements of the Sarbanes-Oxley Act of 2002, The NASDAQ Global Market and SEC rules and regulations. We intend to comply with future requirements to the extent they become applicable to us. We have adopted a compensation committee charter. We expect that the committee will meet at least once a year. Our compensation committee has previously met on an annual basis to review key compensation decisions.

Nominating and Governance Committee

Our nominating and governance committee consists of Messrs. Golden, Henderson and Korn, with Mr. Golden serving as chairman, each of whom the board of directors has determined is an independent director under the rules of The NASDAQ Global Market. The nominating and governance committee recommends to the board of directors nominees for election as directors, and meets as necessary to review director candidates and nominees for election as directors.

Code of Business Conduct and Ethics

Our board of directors has adopted a code of business conduct and ethics, which establishes the standards of ethical conduct applicable to all directors, officers and employees of our company. The code addresses, among other things, conflicts of interest, compliance with disclosure controls and procedures and internal controls over financial reporting, corporate opportunities and confidentiality requirements. The audit committee is responsible for applying and interpreting our code of business conduct in situations where questions are presented to the committee.

Compensation Committee Interlocks and Insider Participation

None of the members of our compensation committee is an executive officer or employee of our company. None of our executive officers serves as a member of the compensation committee of any entity that has one or more executive officers serving on our compensation committee.

Director Compensation

None of our non-employee directors are currently compensated for service on the board of directors. We do, however, reimburse director expenses for attending meetings of the board of directors.

We previously granted equity awards for the purchase of our common stock to two of our present non-employee directors, William Henderson and Ronald Korn, upon their initial appointment to our board of directors. A warrant to purchase 20,000 shares of our common stock at an exercise price of $5.00 per share was issued on June 26, 2001 to Mr. Henderson, Such warrant shall terminate on the earlier of (i) June 26, 2011; (ii) the completion of this offering; or (iii) a change of control as defined in the warrant. In addition, Mr. Henderson was previously granted stock options for the purchase of 6,000 shares of our common stock at an exercise price of $2.50 per share on April 9, 2002 and for the purchase of 10,000 shares of our common stock at an exercise price of $4.50 per share on December 27, 2005. Mr. Korn was awarded stock options for the purchase of 20,000 shares of our common stock at an exercise price of $4.25 per share on November 25, 2005. The warrant for the purchase of 20,000 shares of our common stock issued to Mr. Henderson, the stock options for the purchase of 16,000 shares of common stock granted to Mr. Henderson and the stock option for the purchase of 20,000 shares of common stock granted to Mr. Korn remained outstanding as of December 31, 2006. Mr. Henderson subsequently exercised his warrant for 20,000 shares on May 15, 2007.

Upon the closing of this offering, our non-employee directors will be entitled to an annual grant of restricted stock having a value of $50,000 at the time of the grant. Non-employee directors will also be paid an annual cash retainer of $25,000 for serving on our board of directors, an additional annual cash retainer of $10,000 for serving as the chairman of our audit committee and $7,500 for serving as the chair of our compensation committee. On June 3, 2007, our board of directors further amended our compensation policies for non-employee directors. The total amount of each annual grant of restricted stock shall remain unvested until the earlier of (i) the date of the respective director’s first anniversary of joining our board of directors, (ii) the date of the first annual stockholders’ meeting following the date of grant or (iii) a change of control. The board of directors has discretion to accelerate or modify such vesting schedule due to special circumstances.

Our non-employee directors did not receive any compensation for their services as directors in 2006, and we did not incur stock-based compensation expense for any outstanding equity awards held by our non-employee directors during 2006.

Limitations on Director and Officer Liability and Indemnification

Our amended and restated certificate of incorporation as will be in effect upon completion of this offering limits the liability of our directors to the maximum extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except liability for:

- any breach of their duty of loyalty to the corporation or its stockholders;
- acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions; or
- any transaction from which the director derived an improper personal benefit.

Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that we are required to indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. Any repeal of or modification to our amended and restated certificate of incorporation and our amended and restated bylaws may not adversely affect any right or protection of a director or officer for or with respect to any acts or omissions of such director or officer occurring prior to such amendment or repeal. Our bylaws will also provide that we shall advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in connection with their services to us, regardless of whether our bylaws permit such indemnification.

We have entered into separate indemnification agreements with our directors and executive officers, in addition to the indemnification provided for in our bylaws. These agreements, among other things, provide that we will indemnify our directors and executive officers for certain expenses (including attorney's fees), judgments, fines, penalties and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of such person's services as one of our directors or executive officers, or any other company or enterprise to which the person provides services at our request. We believe that these provisions and agreements are necessary to attract and retain qualified persons as directors and executive officers.

The limitation of liability and indemnification provisions that will be contained in our amended and restated certificate of incorporation and our amended and restated bylaws may discourage stockholders from bringing a lawsuit against our directors for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions. There is no pending litigation or proceeding involving one of our directors or executive officers as to which indemnification is required or permitted and we are not aware of any threatened litigation or proceeding that may result in a claim for indemnification.

COMPENSATION DISCUSSION AND ANALYSIS

Our Philosophy

The objective of our compensation programs for employees is to retain and attract top talent. The plans are designed to reward, motivate and align employees to achieve business results and to reinforce accountability. In determining the compensation of senior executives, we are guided by the following key principles:

- *Compensation to Retain and Attract Top Talent.* Compensation should allow us to retain, attract, and motivate talented executives. We recognize that the marketplace for our executives is not necessarily the same as for our business. For example, the marketplace for a chief financial officer may include all public companies, while the marketplace for a chief operating officer would focus on digital marketing intelligence providers. Although we have not previously conducted formal analyses of compensation levels in various marketplaces or engaged compensation consultants to do so on our behalf, we generally seek to compensate our executives at levels that our board of directors believes are consistent with or more attractive than other available opportunities in the executive's marketplace.
- *Accountability for Business Performance.* Compensation should be tied, in part, to financial performance, so that executives are held accountable through their compensation for contributions to our performance as a whole through the performance of the businesses for which they are responsible.
- *Accountability for Individual Performance.* Compensation should be tied, in part, to the individual's performance to encourage and reflect individual contributions to our performance. Our board of directors considers individual performance as well as performance of the businesses and responsibility areas that an individual oversees, and weights these factors as appropriate in assessing a particular individual's performance.
- *Alignment with Stockholder Interests.* Compensation should be tied, in part, to our financial performance through equity awards to align executives' interests with those of our stockholders.
- *Independence.* An independent committee of our board of directors should be, and is, responsible for reviewing and establishing the compensation for our Chief Executive Officer and Executive Chairman, and for reviewing and approving the compensation recommendations made by our Chief Executive Officer for all of our other executive officers.

Application of our Philosophy

Our executive compensation and benefit program aims to encourage our management team to continually pursue our strategic opportunities while effectively managing the risks and challenges inherent to our business. Specifically, we have created an executive compensation package that balances short versus long-term components, cash versus equity elements, and fixed versus contingent payments, in ways we believe are most appropriate to incentivize our senior management and reward them for achieving the following goals:

- develop a culture that embodies a passion for our business, creative contribution and a drive to achieve established goals and objectives;
- provide leadership to the organization in such a way as to maximize the results of our business operations;
- lead us by demonstrating forward thinking in the operation, development and expansion of our business;
- effectively manage organizational resources to derive the greatest value possible from each dollar invested; and
- take strategic advantage of the market opportunity to expand and grow our business.

Our executive compensation structure aims not only to compensate top talent at levels that our board of directors believes are consistent with or more attractive than other opportunities in an executive's marketplace, but also to be fair relative to compensation paid to other professionals within our organization, relative to our short and long-term performance and relative to the value we deliver to our stockholders. We seek to maintain a performance-oriented culture and a compensation approach that rewards our executive officers when we achieve our goals and objectives, while putting at risk an appropriate portion of their compensation against the possibility that our goals and objectives may not be achieved. Overall, our approach is designed to relate the compensation of our executive officers to: the achievement of short and longer term goals and objectives; their willingness to challenge and improve existing policies and structures; and their capability to take advantage of unique opportunities and overcome difficult challenges within our business.

Role of Our Compensation Committee

Our compensation committee approves, administers and interprets our executive compensation and benefit policies, including our 1999 Stock Plan, our 2007 Equity Incentive Plan and our short-term compensation, long-term incentives and benefits programs. Our compensation committee is appointed by our board of directors, and consists entirely of directors who are "outside directors" for purposes of Section 162(m) of the Internal Revenue Code and "non-employee directors" for purposes of Rule 16b-3 under the Exchange Act. Our compensation committee is comprised of Messrs. Berman, Henderson and Wilson, and is chaired by Mr. Henderson.

Our compensation committee reviews and makes recommendations to our board of directors to ensure that our executive compensation and benefit program is consistent with our compensation philosophy and corporate governance guidelines and, subject to the approval of our board of directors, is responsible for establishing the executive compensation packages offered to our executive officers. Although we have not previously conducted formal analyses of compensation levels in various marketplaces or engaged compensation consultants to do so on our behalf, we believe our executives' base salary, target annual bonus levels and long-term incentive award values are set at levels that compensate top talent at levels that our board of directors believes are consistent with or more attractive than other opportunities in an executive's marketplace. This belief is based on the collective experience and knowledge of our board of directors and executive management, as well as an informal review of compensation information gained through marketplace contacts and service providers.

Our compensation committee has taken the following steps to ensure that our executive compensation and benefit program is consistent with both our compensation philosophy and our corporate governance guidelines:

- regularly reviewed the performance of and the total compensation earned by or awarded to our Chief Executive Officer and Executive Chairman independent of input from them;
- examined on an annual basis the performance of our other named executive officers and other key employees with assistance from our Chief Executive Officer and Executive Chairman, and approved compensation packages that are believed to be consistent with or more attractive than those generally found in the executive's marketplace; and
- regularly held executive sessions of the compensation committee meeting without management present.

Components of our Executive Compensation Program.

Our executive compensation program consists of three components: short-term compensation (including base salary and annual performance bonuses), long-term incentives and benefits.

Short-term Compensation

We utilize short-term compensation, including base salary, annual adjustments to base salary and annual performance bonuses, to motivate and reward our key executives in accordance with our performance-based program. Each individual's short-term compensation components are tied to an annual assessment of his or her progress against established objectives.

Base salary is used to recognize the experience, skills, knowledge and responsibilities required of each executive officer, as well as competitive market conditions. As we transition to becoming a public company, we expect that base salary determinations will be guided primarily by our objective to provide compensation at levels to retain and attract top talent. In establishing the 2007 base salaries of the executive officers, our compensation committee and management took into account a number of factors, including the executive's seniority, position and functional role, level of responsibility and, to the extent such individual was employed by us for at least the prior six months, his or her accomplishments against personal and group objectives. For newly hired executives, we consider the base salary of the individual at his or her prior employment, any unique personal circumstances that motivated the executive to leave that prior position to join us and the compensation range for the particular role being filled. In addition, we consider the market for corresponding positions within comparable geographic areas and industries.

The base salary of our executive officer group is reviewed on an annual basis and adjustments are made to reflect performance-based factors, as well as marketplace conditions. Increases are considered within the context of our overall annual merit increase structure as well as individual and marketplace factors. We do not apply specific formulas to determine increases. Generally, executive officer salaries are adjusted effective the first quarter of each year based on a review of:

- their achievement of specific objectives established during the prior review;
- an assessment of their professional effectiveness, consisting of a portfolio of competencies that include leadership, commitment, creativity and organizational accomplishment; and
- their knowledge, skills and attitude, focusing on capabilities, capacity and the ability to drive results.

Annual performance bonuses for our executive officers are tied to the achievement of our annual company goals and objectives, functional area goals, and/or individual performance objectives. Annual performance bonuses are primarily guided by our objectives of accountability for individual and business performance. We set clearly defined goals for each executive officer, with an emphasis on quantifiable and achievable targets. A portion of each executive officer's bonus is clearly tied to the achievement of specific targets relative to the performance of the particular business segment or functional area for which they are responsible, with the remainder tied to similar targets relative to our overall financial performance. Individual awards under the program are based on a thorough review of the applicable performance results of the company, business, function or individual as compared to the applicable goals.

Target bonuses are set at a percentage of base salary. Our compensation committee approves these percentages for our executive officers based on a determination of the appropriate portion of total compensation that should be at risk for a particular executive officer. Generally, target bonuses for our Chief Executive Officer and our Executive Chairman are set at a higher percentage of base salary than for our other executive officers, so as to recognize their broader responsibility for company-wide results and to place a greater portion of their total compensation at risk against the achievement of overall goals and objectives.

In 2006, Magid M. Abraham, our Chief Executive Officer, and Gian M. Fulgoni, our Executive Chairman of the Board of Directors, were our only named executive officers that had annual performance bonuses tied solely to quantitative factors. Both Dr. Abraham and Mr. Fulgoni's respective bonuses were based on a combination of total revenue and EBITDA achieved by the Company in 2006. Dr. Abraham received $117,273 in bonus for the year ended December 31, 2006, which amount represented 80% of his target bonus of $146,591. Mr. Fulgoni received $111,409, which amount also represented 80% of his target bonus of $139,261. Target bonuses for Dr. Abraham and Mr. Fulgoni were set at 50% of base salary for 2006. We established these revenue and EBITDA targets such that, if the Company and the officer performed as expected, he will have achieved 50% to 75% of the target bonus.

The annual performance bonuses for our other named executive officers in 2006 were based on qualitative factors several of which were the satisfactory completion of specific projects or initiatives. At the end of each fiscal year, the executive officers complete a self-assessment of their performance in the context of their bonus criteria. Dr. Abraham reviews these self-assessments and makes a recommendation to our compensation committee. Messrs. Green and Dale and Ms. Lin each received 100% of their respective target bonus amounts for 2006, which amounts were $47,019, $44,423 and $29,815, respectively. Ms. Huston did not receive a bonus payment for 2006 as her employment terminated in February 2006. The target bonus for Mr. Green was set at 30% of base salary for 2006. Target bonuses for Mr. Dale and Ms. Lin were set at 20% of base salary for 2006. For Messrs. Green and Dale and Ms. Lin, bonus payments were not driven by formulas. Instead, targets were based on qualitative factors, such as preparation for our initial public offering, development of new technology, or expansion into new markets.

Magid M. Abraham, our Chief Executive Officer, periodically reviews the performance of our executive officers on the basis noted above and recommends to the compensation committee any base salary changes or bonuses deemed appropriate.

For the 2005 and 2006 performance measurement years, executive bonuses were paid out in one installment during the month of February following the measurement year.

Long-term Compensation

Our long-term compensation program has historically consisted solely of stock options. Long-term equity based incentives are primarily guided by our objective of aligning executive compensation with the interests of our stockholders. Option grants made to executive officers are designed to provide them with incentive to execute their responsibilities in such a way as to generate long-term benefit to us and our stockholders. Through possession of stock options, our executives participate in the long-term results of their efforts, whether by appreciation of our company's value or the impact of business setbacks, either company-specific or industry based. Additionally, stock options provide a means of ensuring the retention of key executives, in that they are in almost all cases subject to vesting over an extended period of time.

Stock options are granted periodically, and are subject to vesting based on the executive's continued employment. Most options vest evenly over four years, beginning on the date of the grant. A portion of options granted to our executives vest according to defined performance milestones rather than solely based on time. Of the option grants and restricted stock currently outstanding and held by our executives, only the stock options held by Dr. Abraham and Mr. Fulgoni are subject to vesting based on performance milestones, as further described in the section entitled "Executive Compensation Outstanding Equity Awards at December 31, 2006." These grants occurred in December 2003, and we have not used performance milestone-based vesting since then for any of our employees.

Upon joining us, each executive is granted an initial option award that is primarily based on competitive conditions applicable to the executive's specific position. In addition, the compensation committee considers the number of options owned by other executives in comparable positions within our company. We believe this strategy is consistent with the approach of other companies at the same stage of development in our industry and, in our compensation committee's view, is appropriate for aligning the interests of our executives with those of our stockholders over the long term.

Periodic awards to executive officers are made based on an assessment of their sustained performance over time, their ability to impact results that drive value to our stockholders and their organization level. Equity awards are not granted regularly or automatically to our executives on an annual basis. Magid Abraham, our Chief Executive Officer, periodically reviews the performance of our executive officers on the basis noted above and recommends to the compensation committee any equity awards deemed appropriate. The compensation committee reviews any such recommendations and presents them to our board of directors for approval, if appropriate.

During 2006, our board of directors granted stock options based upon the recommendations of our compensation committee. These grants were generally made during regularly scheduled board meetings. The exercise price of options was determined by our board of directors after taking into account a variety of factors, including the quality and growth of our management team and specific and general market comparables within our industry. In addition, our board of directors took into account the valuation opinion of our outside consultant, who provided valuations of our common stock at the end of each calendar quarter.

On March 25, 2007, we awarded an aggregate of 242,000 shares of restricted stock to our named executive officers based upon the recommendations of our compensation committee, taking into account the factors described above. Beginning in 2007, we expect to increase our use of restricted stock awards and reduce our use of stock options as a form of stock-based compensation.

Benefits

We provide the following benefits to our executive officers on the same basis as the benefits provided to all employees:

- health and dental insurance;
- life insurance;
- short-and long-term disability; and
- 401(k) plan.

These benefits are consistent with those offered by other companies and specifically with those companies with which we compete for employees.

Our Competitive Market

The market for experienced management with the knowledge, skills and experience our organization requires is highly competitive. Our objective is to attract and retain the most highly qualified executives to manage each of our business functions. In doing so, we draw upon a pool of talent that is highly sought after by other companies in our industry and those industries that also produce the requisite skills we seek. We recognize that the marketplace for our executives is not necessarily the same as for our business. Once we identify the type of employee needed, we then identify the marketplace relevant to that employee based on the competencies and skills of that employee. For example, the marketplace for a chief financial officer may include all public companies, while the marketplace for a chief operating officer would focus on digital marketing intelligence providers. Upon identifying the target marketplace, we then solicit information through public data sources or through engaging consultants to assist us with an executive search. Currently, we do not have formal data describing compensation levels. Instead, we rely on the collective experience and knowledge of our board of directors and executive management, as well as an informal review of compensation information gained through marketplace contacts and service providers. In the future, we intend to engage a compensation consultant to assist us in obtaining necessary information regarding compensation levels within a particular marketplace.

We believe that our ability to offer significant upside potential through restricted stock and/or other equity instruments gives us a competitive advantage. Nonetheless, we must also offer cash compensation to our existing and prospective employees through base salaries and cash bonuses that are consistent with or more attractive than other opportunities in the marketplace and allow them to satisfy their day to day financial requirements.

We also compete on the basis of our vision of future success, our culture and company values and the excellence of our management personnel. In all of these areas, we compete with other market research and technology companies.

Total Compensation

We intend to continue our strategy of compensating our named executive officers at levels consistent with or more attractive than other opportunities for each type of executive, with the opportunity to impact their total annual compensation through performance-based incentive programs that include both cash and equity elements. Our approach to total executive compensation is designed to drive results that maximize our financial performance and deliver value to our stockholders. In light of our compensation philosophy, we believe that the total compensation package for our executives should continue to consist of base salary, annual cash performance bonus and long-term equity-based incentives, reflecting our key compensation principles of compensation to attract and retain top talent, accountability for individual and business performance, and alignment with stockholder interests, respectively. We do not consider benefits to be a key element in attracting executive officers, and we typically offer largely the same benefits to our executive officers. Historically, we have typically offered a combination of short-term and long-term compensation to suit our executives' preferences. Certain of our executives who joined us earlier in our history preferred to accept more long-term compensation in the form of stock options, as the potential return was higher at that stage and our ability to fund short-term cash compensation was more limited. At the same time, certain of our executives have preferred greater short-term compensation and reduced long-term compensation. As we have become more profitable, our ability to attract executives through short-term compensation has increased. As we transition to becoming a public company, we expect that our decisions regarding the relationship among our elements of compensation will become less dependent upon our stage as a growing company and more dependent upon our key compensation principles.

Evolution of our Compensation Approach

Our compensation approach is necessarily tied to our stage of development as a company. Accordingly, the specific direction, emphasis and components of our executive compensation program will continue to evolve as our company and its underlying business strategy continue to grow and develop. For example, we intend to reduce our executive compensation program's emphasis on stock options as a long-term incentive component in favor of other forms of equity compensation such as restricted stock awards. Similarly, we may revise how we measure senior executive performance to take into account the unique requirements of being a public company, including, but not limited to, strict compliance with the standards of the Sarbanes Oxley Act. In addition, we may engage a compensation consultant to assist our compensation committee in continuing to evolve our executive compensation program, and we may look to programs implemented by comparable public companies in refining our compensation approach.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth the summary information concerning compensation during 2006 for the following persons: (i) our chief executive officer, (ii) our current chief financial officer and any individual serving as our chief financial officer during 2006 and (iii) the three most highly compensated of our other executive officers who received compensation during 2006 of at least $100,000 and who were executive officers on December 31, 2006. We refer to these persons as our "named executive officers" elsewhere in this prospectus.

Name and Principal Position	Year	Salary	Bonus	Option Awards(1)	All Other Compensation	Total
Magid M. Abraham, Ph.D. *President, Chief Executive Officer and Director*	2006	$ 297,612	$ 117,273	—	$ 3,072(2)	$ 417,957
John M. Green *Chief Financial Officer*	2006	156,731	47,019	$ 87,366	42(3)	291,158
Gian M. Fulgoni *Executive Chairman of the Board of Directors*	2006	281,635	111,409	—	3,072(2)	396,116
Gregory T. Dale *Chief Technology Officer*	2006	222,115	44,423	—	3,072(2)	269,610
Christiana L. Lin *General Counsel and Chief Privacy Officer*	2006	149,077	29,815	—	2,173(4)	181,065
Sheri Huston *Former Chief Financial Officer*	2006	60,772	—	—	141,345(5)	202,117

(1) Amounts represent stock-based compensation expense for fiscal year 2006 for stock options granted in 2006 as calculated in accordance with SFAS 123R and as further described in Note 11 "Stockholders' Deficit — 1999 Stock Option Plan" of the Notes to Consolidated Financial Statements included elsewhere in this prospectus.

(2) Includes discretionary matching contributions of $3,000 each by us to Dr. Abraham's, Mr. Fulgoni's and Mr. Dale's respective 401(k) plan accounts and payment of life insurance premiums on behalf of each officer.

(3) Represents life insurance premium paid by us on behalf of Mr. Green.

(4) Includes discretionary matching contributions of $2,000 by us to Ms. Lin's 401(k) plan account and payment of life insurance premiums on behalf of Ms. Lin.

(5) Includes discretionary matching contribution of $2,043 by us to Ms. Huston's 401(k) plan account and payment of life insurance premiums on behalf of Ms. Huston prior to termination of Ms. Huston's employment in February 2006. Pursuant to her termination, Ms. Huston received aggregate severance payments of $139,290, representing six months salary and unused accrued vacation, as well as payments of health insurance premiums on her behalf.

All bonuses received by our named executive officers were based on a percentage of their base salary. Our employees historically receive a grant of stock options upon hiring. All of our named executive officers were employed by us prior to the beginning of 2006 except for John M. Green, our Chief Financial Officer. Mr. Green received an option grant in connection with his hiring in May 2006.

Grants of Plan-Based Awards

Our board of directors approved awards under our 1999 Stock Plan to several of our named executive officers in 2006. See "Benefit Plans — 1999 Stock Plan" for more detail regarding these options.

The following table sets forth certain information concerning grants of plan-based awards to named executive officers in 2006:

Name	Grant Date	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price per Share of Option Awards	Grant Date Fair Value of Stock and Option Awards(2)
Magid M. Abraham, Ph.D. *President, Chief Executive Officer and Director*	—	—	—	—
John M. Green *Chief Financial Officer*	5/9/2006	130,000(1)	$ 7.50	$ 617,045
Gian M. Fulgoni *Executive Chairman of the Board of Directors*	—	—	—	—
Gregory T. Dale *Chief Technology Officer*	—	—	—	—
Christiana L. Lin *General Counsel and Chief Privacy Officer*	—	—	—	—
Sheri Huston *Former Chief Financial Officer*	—	—	—	—

(1) 1/48th of the total number of shares subject to option vest monthly.

(2) Amounts represent fair value of stock options granted in 2006 as calculated in accordance with SFAS 123R and as further described in Note 11 “Stockholders’ Deficit — 1999 Stock Option Plan” of the Notes to Consolidated Financial Statements included elsewhere in this prospectus.

Outstanding Equity Awards at December 31, 2006

	Option Awards				
	Number of Securities Underlying Unexercised Options		Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options	Option Exercise Price	Option Expiration Date
Name	Exercisable	Unexercisable			
Dr. Magid M. Abraham *President, Chief Executive Officer and Director*	216,693(1)	—	324,406(1)	$ 0.25	12/16/2013
John M. Green *Chief Financial Officer*	16,250(2)	113,750(2)	—	7.50	5/9/2016
Gian M. Fulgoni *Executive Chairman of the Board of Directors*	—	—	233,345(3)	0.25	12/16/2013
Gregory T. Dale *Chief Technology Officer*	34,127	—	—	0.25	4/28/2014
	25	—	—	0.25	4/28/2014
	11,979	—	—	0.25	4/28/2014
	70	—	—	0.25	4/28/2014
	18,125	—	—	0.25	4/28/2014
	20,000(2)	10,000(2)	—	0.25	4/28/2014
	18,333(2)	21,667(2)	—	2.45	2/2/2015
	3,750(2)	11,250(2)	—	4.50	12/28/2015
Christiana L. Lin *General Counsel and Chief Privacy Officer*	1,083	—	—	0.25	4/28/2014
	1,167	—	—	0.25	4/28/2014
	4,376(4)	1,249(4)	—	0.25	4/28/2014
	5,080(2)	3,871(2)	—	0.25	4/28/2014
	2,500(2)	7,500(2)	—	4.50	12/28/2015
Sheri Huston *Former Chief Financial Officer*	—	—	—	—	—

(1) Vesting for Dr. Abraham's option grant for 661,099 shares is based on the following milestones related to our performance. Our board of directors has made good faith determinations that the following milestones and vesting have occurred as of December 31, 2006:

- 116,327 shares vested when we first achieved an EBITDA greater than $0 for a full fiscal quarter;
- 116,327 shares vested when we first achieved revenues of $40 million or greater for a twelve month period; and
- 104,039 shares vested when we first achieved revenues of $50 million or greater for a twelve month period.

Dr. Abraham has exercised his option for 120,000 of the vested shares above. As of December 31, 2006, our board of directors had not yet made a good faith determination that the following milestones and vesting have occurred:

- 116,327 shares shall vest when we first achieve net income of greater than $0 for a twelve month period;
- 104,040 shares shall vest when we first achieve pretax net income of $5 million or greater for a twelve month period; and
- 104,039 shares shall vest when we first achieve pretax net income of $10 million or greater for a twelve month period.

Any unvested shares remaining under the option, including any shares not addressed by the milestones above, shall vest on the earlier of (i) December 16, 2009 or (ii) the consummation of a change in control, provided that Dr. Abraham remains a service provider to us.

(2) 1/48th of the total number of shares subject to option vest monthly.

(3) Vesting for Mr. Fulgoni's option grant for 475,527 shares is based on the following milestones related to our performance. Our board of directors has made good faith determinations that the following milestones and vesting have occurred as of December 31, 2006:

- 83,673 shares vested when we first achieved an EBITDA greater than $0 for a full fiscal quarter;
- 83,673 shares vested when we first achieved revenues of $40 million or greater for a twelve month period; and
- 74,836 shares vested when we first achieved revenues of $50 million or greater for a twelve month period.

Mr. Fulgoni has exercised his option for all 242,182 of the vested shares above. As of December 31, 2006, our board of directors had not yet made a good faith determination that the following milestones and vesting have occurred:

- 83,673 shares shall vest when we first achieve net income of greater than $0 for a twelve month period;
- 74,836 shares shall vest when we first achieve pretax net income of $5 million or greater for a twelve month period; and
- 74,836 shares shall vest when we first achieve pretax net income of $10 million or greater for a twelve month period.

Any unvested shares remaining under the option, including any shares not addressed by the milestones above, shall vest on the earlier of (i) December 16, 2009 or (ii) the consummation of a change in control, provided that Mr. Fulgoni remains a service provider to us.

(4) 1/38th of the total number of shares subject to option vest monthly.

Option Exercises and Stock Vested Table

The following table presents certain information concerning the exercise of options by each of the named executive officers during the fiscal year ended December 31, 2006.

There was no public trading market for our common stock at the time of exercise of the options listed below. The values realized on exercise have been calculated based on the initial public offering price of $15.00, the midpoint of the range on the front cover of this prospectus, less the applicable exercise price.

	Option Awards		
Name	Number of Shares Acquired on Exercise		Value Realized on Exercise
Magid M. Abraham Ph.D.	—		—
President, Chief Executive Officer and Director			
John M. Green	—		—
Chief Financial Officer			
Gian M. Fulgoni	167,346	$	2,468,354
Executive Chairman of the Board of Directors	74,836		1,103,831
Gregory T. Dale	—		—
Chief Technology Officer			
Christiana L. Lin	—		—
General Counsel and Chief Privacy Officer			
Sheri Huston	22,915		338,011
Former Chief Financial Officer	33,334		491,662
	22,916		337,996
	22,917		337,996

Employment Agreements and Potential Payments upon Termination or Change-In-Control

We currently do not have an employment agreement with any of our named executive officers. We have offer letter agreements with Gregory T. Dale, our Chief Technology Officer, Christiana L. Lin, our General Counsel and Chief Privacy Officer, and John M. Green, our Chief Financial Officer. We also had an offer letter agreement with Sheri Huston, who was formerly our Chief Financial Officer. We do not have offer letter agreements or employment agreements with Magid M. Abraham, our President and Chief Executive Officer, or Gian M. Fulgoni, our Executive Chairman of the Board of Directors.

In September 1999, we entered into an offer letter agreement with Gregory T. Dale. The letter agreement set forth Mr. Dale's base salary of $105,000 per year, an annual performance bonus of up to 15% of Mr. Dale's base salary and a grant of options for the purchase of 50,000 shares of our common stock. Mr. Dale's current annual base salary is $225,000, and the compensation committee of our board of directors has approved an increase of his annual base salary to $260,000 effective March 1, 2007. Mr. Dale is entitled to receive all normal benefits provided to our employees including health insurance and three weeks paid vacation. In December 1999, Mr. Dale was granted a stock option to purchase an aggregate of 55,000 shares of our common stock at an exercise price of $0.50 per share pursuant to this agreement. The shares subject to the options vested over the next four years in equal monthly installments.

In December 2003, we entered into an offer letter agreement with Christiana L. Lin. The letter agreement set forth Ms. Lin's base salary of $106,000 per year. Ms. Lin's current annual base salary is $150,000, and the compensation committee of our board of directors has approved an increase of her annual base salary to $200,000 effective March 1, 2007. Ms. Lin is entitled to receive all normal benefits provided to our employees including health insurance and twelve days paid vacation. The offer letter agreement provides that our employment relationship with Ms. Lin's employment is at will, and we or Ms. Lin may terminate the relationship at anytime.

In August 2002, we entered into an offer letter agreement with Sheri L. Huston. The letter agreement set forth Ms. Huston's base salary of $215,000 per year, an annual performance bonus of up to 30% of Ms. Huston's base salary and a grant of options for the purchase of 50,000 shares of our common stock. In October 2002, Ms. Huston was granted a stock option to purchase an aggregate of 50,000 shares of our common stock at an exercise price of $1.25 per share pursuant to this agreement. The shares subject to the options vested over the next four years in equal monthly installments. On February 28, 2006, Ms. Huston terminated her employment and entered into a Separation Agreement with us. Pursuant to such Separation Agreement, we agreed to pay Ms. Huston severance benefits equivalent to six months base salary as well as Ms. Huston's 2005 performance bonus and the amount of her health insurance premiums in a lump sum payment upon her termination.

In May 2006, we entered into an offer letter agreement with John M. Green. The letter agreement set forth Mr. Green's base salary of $250,000 per year, an annual performance bonus of up to 30% of Mr. Green's base salary and a grant of options for the purchase of 130,000 shares of our common stock. Mr. Green's current annual base salary is $250,000, and the compensation committee of our board of directors has approved an increase of his annual base salary to $270,000 effective March 1, 2007. In May 2006, Mr. Green was granted a stock option to purchase an aggregate of 130,000 shares of our common stock at an exercise price of $7.50 per share pursuant to this agreement. The shares subject to the options vest over the four years following the start of Mr. Green's employment in equal monthly installments. Upon a change of control, if Mr. Green loses his position as Chief Financial Officer or is not provided an equivalent position, any remaining unvested shares under this option shall fully vest. Also, upon a change of control, if Mr. Green is provided with an alternative but diminished position, the lesser of either (i) any remaining unvested shares under this option or (ii) 32,500 shares under this option shall fully vest. The offer letter agreement provides that we may terminate Mr. Green's employment at any time with or without cause. In the event we terminate Mr. Green without cause, Mr. Green is entitled to severance for six pay periods. If we terminate his employment or he resigns, he is entitled to receive any unpaid prorated base salary along with all benefits and expense reimbursements to which he is entitled by virtue of his past employment with us.

Additionally, any unvested shares pursuant to stock options held by Magid M. Abraham and Gian M. Fulgoni would fully vest upon a change of control, provided that each respectively remained a service provider. These option grants are further described at the section entitled "Outstanding Equity Awards at December 31, 2006."

Upon a change of control in the Company, the options held by the following executive officers at December 31, 2006 would immediately vest as indicated in the table below. Furthermore, assuming a fair market value of our common stock of $15, which is the mid-point of the range on the front cover of this prospectus, such executive officers would obtain an immediate increase in value in their stock holdings as indicated in the table below.

Name	Shares Vesting Upon Change of Control	Exercise Price	Increase in Value
Dr. Magid M. Abraham *President, Chief Executive Officer and Director*	324,406	$0.25	$4,784,989(1)
John M. Green *Chief Financial Officer*	113,750	7.50	853,125
Gian M. Fulgoni *Executive Chairman of the Board of Directors*	233,345	0.25	3,441,839(2)

(1) In March 2007, our board of directors made a good faith determination that two of the remaining three milestones to which Dr. Abraham's remaining unvested shares are subject had occurred. As such, Dr. Abraham's options vested in an additional 220,367 shares on March 29, 2007. The increase in value above is based on the acceleration of unvested option shares held by Dr. Abraham at December 31, 2006. However, given the completion of the aforementioned milestones subsequent to December 31, 2006, Dr. Abraham would only accelerate an additional 104,039 shares as of the date of this prospectus, resulting in an increase in value of $1,534,575.

(2) In March 2007, our board of directors made a good faith determination that two of the remaining three milestones to which Mr. Fulgoni's remaining unvested shares are subject had occurred. As such, Mr. Fulgoni's options vested in an additional 158,509 shares on March 29, 2007. The increase in value above is based on the acceleration of unvested option shares held by Mr. Fulgoni at December 31, 2006. However, given the completion of the aforementioned milestones subsequent to December 31, 2006, Dr. Abraham would only accelerate an additional 74,836 shares as of the date of this prospectus, resulting in an increase in value of $1,103,831.

Additionally, if Mr. Green is terminated by us without cause, he will receive a severance payment of $57,692.40. Other than the increases in value of unvested options listed in the table above and the severance payment to Mr. Green, our named executive officers are not otherwise entitled to additional payments or benefits upon a change in control or termination of their respective employment.

Benefit Plans

The following section provides more details concerning our 1999 Stock Plan and our 2007 Equity Incentive Plan.

1999 Stock Plan

Our 1999 Stock Plan, as amended (the "1999 Stock Plan") was adopted by our board of directors and approved by our stockholders on September 23, 1999. The plan was last amended by our board of directors and approved by our stockholders on April 12, 2005. Our 1999 Stock Plan provides for the grant of incentive stock options, within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), to our employees and any parent and subsidiary corporations' employees, and for the grant of nonstatutory stock options and stock purchase rights to our employees, directors and consultants and any parent and subsidiary corporations' employees and consultants. We do not intend to grant any additional awards under our 1999 Stock Plan following this offering. However, our 1999 Stock Plan will continue to govern the terms and conditions of outstanding awards granted thereunder.

We have reserved a total of 5,352,057 shares of our common stock for issuance pursuant to the 1999 Stock Plan. As of March 31, 2007, options to purchase 2,497,424 shares of common stock and restricted stock unit awards for 52,850 shares of our common stock were outstanding and 456,754 shares were available for future grant under this plan.

The compensation committee of our board of directors currently administers our 1999 Stock Plan. Under our 1999 Stock Plan, the plan administrator has the power to determine the terms of the awards, including the employees, directors and consultants who will receive awards, the exercise price, the number of shares subject to each award, the vesting schedule and exercisability of awards and the form of consideration payable upon exercise.

With respect to all incentive stock options granted under the 1999 Stock Plan, the exercise price must at least be equal to the fair market value of our common stock on the date of grant. With respect to all nonstatutory stock options granted under the 1999 Stock Plan, the exercise price must at least be equal to 85% of the fair market value of our common stock on the date of grant. The term of an option may not exceed ten years, except that with respect to any participant who owns 10% of the voting power of all classes of our outstanding stock as of the grant date, the term must not exceed five years and the exercise price must equal at least 110% of the fair market value on the grant date. The administrator determines the terms of all other options.

After termination of an employee, director or consultant, he or she may exercise his or her option for the period of time stated in the option agreement. If termination is due to disability or death, the option will remain exercisable for no less than six months. In all other cases, the option will generally remain exercisable for at least thirty days. In the absence of a specified period of time in the option agreement, the option will remain exercisable for a period of three months following termination (or twelve months in the event of a termination due to death of disability). However, an option generally may not be exercised later than the expiration of its term.

Stock purchase rights may be granted alone, in addition to or in tandem with other awards granted under our 1999 Stock Plan. Stock purchase rights are rights to purchase shares of our common stock that vest in accordance with terms and conditions established by the administrator. The administrator will determine the number of shares subject to a stock purchase right granted to any employee, director or consultant. The administrator may impose whatever conditions to vesting it determines to be appropriate. Unless the administrator determines otherwise, we have a repurchase option exercisable upon termination of the purchaser's service with us. Shares subject to stock purchase rights that do not vest are subject to our right of repurchase or forfeiture.

Our 1999 Stock Plan provides that in the event of certain change in control transactions, including our merger with or into another corporation or the sale of substantially all of our assets, the successor corporation will assume or substitute an equivalent award with respect to each outstanding award under the plan. If there is no assumption or substitution of outstanding awards, such awards will become fully vested and exercisable and the administrator will provide notice to the recipient that he or she has the right to exercise such outstanding awards for a period of fifteen days from the date of such notice. The awards will terminate upon the expiration of such stated notice period.

Unless otherwise determined by the administrator, the 1999 Stock Plan generally does not allow for the sale or transfer of awards under the 1999 Stock Plan other than by will or the laws of descent and distribution, and may be exercised only during the lifetime of the participant and only by such participant.

We have also established a U.K. sub-plan to our 1999 Stock Plan for option grants to U.K. residents.

Our board of directors has the authority to amend, alter, suspend or terminate the 1999 Stock Plan provided such action does not impair the rights of any participant without the written consent of such participant.

2007 Equity Incentive Plan

Our board of directors and stockholders have adopted our 2007 Equity Incentive Plan (the "2007 Equity Incentive Plan"), to become effective upon the completion of this offering. Our 2007 Equity Incentive Plan provides for the grant of incentive stock options, within the meaning of Section 422 of the Code, to our employees and any parent and subsidiary corporations' employees, and for the grant of nonstatutory stock options, restricted stock, restricted stock units, stock appreciation rights, performance units and performance shares to our employees, directors and consultants and our parent and subsidiary corporations' employees and consultants.

We have reserved a total of 1,400,000 shares of our common stock for issuance pursuant to the 2007 Equity Incentive Plan, plus (a) any shares which have been reserved but not issued under our 1999 Stock Plan and are not subject to any awards granted thereunder, and (b) any shares subject to stock options or similar awards granted under the 1999 Stock Plan that expire or otherwise terminate without having been exercised in full and shares issued pursuant to awards granted under the 1999 Stock Plan that are forfeited to or repurchased by us. The maximum number of shares that may be added to the 2007 Equity Incentive Plan from the 1999 Stock Plan is 1,000,000 shares. In addition, our 2007 Equity Incentive Plan provides for annual increases in the number of shares available for issuance thereunder on the first day of each fiscal year, beginning with our 2008 fiscal year, equal to the least of:

- 4% of the outstanding shares of our common stock on the last day of the immediately preceding fiscal year;
- 1,800,000 shares; or
- such other amount as our board of directors may determine.

Our board of directors or a committee of our board administers our 2007 Equity Incentive Plan. In the case of options intended to qualify as "performance based compensation" within the meaning of Section 162(m) of the Code, the committee will consist of two or more "outside directors" within the meaning of Section 162(m) of the Code. The administrator has the power to determine the terms of the awards, including the exercise price, the number of shares subject to each such award, the exercisability of the awards and the form of consideration payable upon exercise. The administrator also has the authority to institute an exchange program whereby the exercise prices of outstanding awards may be reduced, outstanding awards may be surrendered or cancelled in exchange for awards with a higher or lower exercise price, or outstanding awards may be transferred to a third party.

The exercise price of options granted under our 2007 Equity Incentive Plan must at least be equal to the fair market value of our common stock on the date of grant. The term of an incentive stock option may not exceed ten years, except that with respect to any participant who owns 10% of the voting power of all classes of our outstanding stock as of the grant date, the term must not exceed five years and the exercise price must equal at least 110% of the fair market value on the grant date. The administrator determines the terms of all other options.

After termination of an employee, director or consultant, he or she may exercise his or her option for the period of time stated in the option agreement. Generally, if termination is due to death or disability, the option will remain exercisable for twelve months. In all other cases, the option will generally remain exercisable for three months. However, an option generally may not be exercised later than the expiration of its term.

Stock appreciation rights may be granted under our 2007 Equity Incentive Plan. Stock appreciation rights allow the recipient to receive the appreciation in the fair market value of our common stock between the exercise date and the date of grant. The administrator determines the terms of stock appreciation rights, including when such rights become exercisable and whether to pay the increased appreciation in cash or with shares of our common stock, or a combination thereof. Stock appreciation rights expire under the same rules that apply to stock options.

Restricted stock may be granted under our 2007 Equity Incentive Plan. Restricted stock awards are shares of our common stock that vest in accordance with terms and conditions established by the administrator. The administrator will determine the number of shares of restricted stock granted to any employee. The administrator may impose whatever conditions to vesting it determines to be appropriate. For example, the administrator may set restrictions based on the achievement of specific performance goals. Shares of restricted stock that do not vest are subject to our right of repurchase or forfeiture.

Restricted stock units may be granted under our 2007 Equity Incentive Plan. Restricted stock units are awards that will result in a payment to a participant at the end of a specified period only if performance goals established by the administrator are achieved or the award otherwise vests. The administrator may impose whatever conditions to vesting, restrictions and conditions to payment it determines to be appropriate. For example, the administrator may set restrictions based on the achievement of specific performance goals, on the continuation of service or employment or any other basis determined by the administrator. Payments of earned restricted stock units may be made, in the administrator's discretion, in cash or with shares of our common stock, or a combination thereof.

Performance units and performance shares may be granted under our 2007 Equity Incentive Plan. Performance units and performance shares are awards that will result in a payment to a participant only if performance goals established by the administrator are achieved or the awards otherwise vest. The administrator will establish organizational or individual performance goals in its discretion, which, depending on the extent to which they are met, will determine the number and/or the value of performance units and performance shares to be paid out to participants. Performance units shall have an initial dollar value established by the administrator prior to the grant date. Performance shares shall have an initial value equal to the fair market value of our common stock on the grant date. Payment for performance units and performance shares may be made in cash or in shares of our common stock with equivalent value, or in some combination, as determined by the administrator.

Unless the administrator provides otherwise, our 2007 Equity Incentive Plan does not allow for the transfer of awards and only the recipient of an award may exercise an award during his or her lifetime.

Our 2007 Equity Incentive Plan provides that in the event of a change in control, as defined in the 2007 Equity Incentive Plan, each outstanding award will be treated as the administrator determines, including that the successor corporation or its parent or subsidiary will assume or substitute an equivalent award for each outstanding award. The administrator is not required to treat all awards similarly. If there is no assumption or substitution of outstanding awards, the awards will fully vest, all restrictions will lapse, and the awards will become fully exercisable. The administrator will provide notice to the recipient that he or she has the right to exercise the option and stock appreciation right as to all of the shares subject to the award, all restrictions on restricted stock will lapse, and all performance goals or other vesting requirements for performance shares and units will be deemed achieved, and all other terms and conditions met. The option or stock appreciation right will terminate upon the expiration of the period of time the administrator provides in the notice. In the event the service of an outside director is terminated on or following a change in control, other than pursuant to a voluntary resignation, his or her options and stock appreciation rights will fully vest and become immediately exercisable, all restrictions on restricted stock will lapse, and all performance goals or other vesting requirements for performance shares and units will be deemed achieved, and all other terms and conditions met.

Our 2007 Equity Incentive Plan will automatically terminate in 2017, unless we terminate it sooner. In addition, our board of directors has the authority to amend, alter, suspend or terminate the 2007 Equity Incentive Plan provided such action does not impair the rights of any participant.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

Policies and Procedures for Transactions with Related Persons

Related person transactions, which we define as all transactions involving an executive officer, director or a holder of more than five percent of our common stock, including any of their immediate family members and any entity owned or controlled by such persons, are reviewed and approved by the audit committee of our board of directors and a majority of disinterested directors on our board.

In any transaction involving a related person, our audit committee and board of directors consider all of the available material facts and circumstances of the transaction, including: the direct and indirect interests of the related persons; in the event the related person is a director (or immediate family member of a director or an entity with which a director is affiliated), the impact that the transaction will have on a director's independence; the risks, costs and benefits of the transaction to us; and whether any alternative transactions or sources for comparable services or products are available.

After considering all such facts and circumstances, our audit committee and board determine whether approval or ratification of the related person transaction is in our best interests. For example, if our audit committee determines that the proposed terms of a related person transaction are reasonable and at least as favorable as could have been obtained from unrelated third parties, it will recommend to our board of directors that such transaction be approved or ratified. In addition, once we become a public company, if a related person transaction will compromise the independence of one of our directors, our audit committee may recommend that our board of directors reject the transaction if it could affect our ability to comply with securities laws and regulations or NASDAQ listing requirements.

Each transaction described below was entered into prior to the adoption of our audit committee charter. Accordingly, each was approved by disinterested members of our board of directors after making a determination that the transaction was executed on terms no less favorable than those we could have obtained from unrelated third parties.

The policies and procedures described above for reviewing and approving related person transactions are not in writing. However, the charter for our audit committee provides that one of the committee's responsibilities is to review and approve in advance any proposed related person transactions.

Transactions and Relationships with Directors, Officers and 5% Stockholders

On August 1, 2003, we sold shares of our Series E preferred stock to certain investors, including Citadel Equity Fund Ltd. Upon the closing of such sale, Citadel Equity Fund Ltd. obtained the right to appoint one member of our board of directors for so long as it held at least 600,000 shares of our capital stock. In addition, in connection with the sale of our Series E preferred stock, we entered into a Licensing and Services Agreement with Citadel Investment Group, L.L.C., an entity affiliated with Citadel Equity Fund. Pursuant to the terms of the Licensing and Services Agreement, we granted Citadel Investment Group, L.L.C. a license to our digital marketing intelligence data and products, subject to certain standard limitations, such as the right to resell or grant sublicenses to the data. In each of 2004, 2005 and 2006, we received license fees of $3 million and in 2007 we will receive an additional $3 million. The initial term of the Licensing and Service Agreement is five years and expires in August 2008. On November 27, 2006, Citadel Equity Fund sold its voting stock to several of our other stockholders and, as a result, no longer beneficially owns more than 5% of our outstanding voting stock nor has the right to appoint a representative on our board of directors.

In 2006, Linda Abraham, the spouse of our President and Chief Executive Officer, Magid Abraham, held the positions of acting Executive Vice President for Finance, Telecom and Pharmaceuticals and Executive Vice President for Product Management. In these positions, Ms. Abraham earned approximately $143,564 in salary. Ms. Abraham remains employed as our Executive Vice President for Product Management.

Registration Rights Agreements

We and certain holders of our capital stock have entered into an agreement, pursuant to which these stockholders will have registration rights with respect to their shares of common stock following this offering. See "Description of Capital Stock — Registration Rights" for a further description of the terms of this agreement.

Indemnification Agreements

We have entered into an indemnification agreement with each of our directors and officers. The indemnification agreements and our amended and restated certificate of incorporation and bylaws require us to indemnify our directors and officers to the fullest extent permitted by Delaware law. See “Management — Limitations on Director and Officer Liability and Indemnification.”

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of June 11, 2007 and as adjusted to reflect the sale of shares of our common stock offered by this prospectus, by:

- each beneficial owner of 5% or more of the outstanding shares of our common stock;
- each of our directors;
- each of our named executive officers;
- each selling stockholder; and
- all directors and executive officers as a group.

The table assumes the conversion of all shares of our preferred stock into shares of our common stock immediately prior to the completion of this offering. See “Description of Capital Stock — Preferred Stock”. Beneficial ownership is determined in accordance with the rules of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of common stock subject to options or warrants held by that person that are currently exercisable or exercisable within 60 days of May 1, 2007 are deemed outstanding, but are not deemed outstanding for computing the percentage ownership of any other person. Percentage of beneficial ownership is based on 22,612,389 shares of common stock outstanding as of June 11, 2007 and 27,612,389 shares of common stock outstanding after this offering. The percentage of beneficial ownership assuming the underwriters exercise their option in full to purchase additional shares of common stock is based on 27,675,419 shares of common stock outstanding after the offering and exercise of such option.

To our knowledge, except as set forth in the footnotes to this table and subject to applicable community property laws, each person named in the table has sole voting and investment power with respect to the shares set forth opposite such person’s name. Except as otherwise indicated, the address of each of the persons in this table is c/o comScore, Inc., 11465 Sunset Hills Road, Suite 200, Reston, Virginia 20190.

Name of Beneficial Owner	Shares Beneficially Owned Prior to the Offering		Number of Shares Offered	Shares Beneficially Owned After the Offering		Number of Shares to be Sold if Underwriters’ Option is Exercised in Full	Shares Beneficially Owned After the Offering if Underwriters’ Option is Exercised in Full	
	Number	Percent		Number	Percent		Number	Percent
5% Stockholders:								
Accel Partners(1)	5,902,859	26.1%	—	5,902,859	21.4%	—	5,902,859	21.3%
J.P. Morgan Partners SBIC, LLC and related entities(2)(19)	2,506,086	11.1	—	2,506,086	9.1	250,608(20)	2,255,478	8.2
Institutional Venture Partners(3)	2,189,835	9.7	—	2,189,835	7.9	—	2,189,835	7.9
Lehman Brothers Inc.(4)(19)	1,741,782	7.7	—	1,741,782	6.3	—	1,741,782	6.3
Adams Street Partners(5)	1,701,156	7.5	—	1,701,156	6.2	—	1,701,156	6.1
Topspin Partners, L.P.(6)	1,177,447	5.2	—	1,177,447	4.3	—	1,177,447	4.3
Directors and Named Executive Officers:								
Magid M. Abraham, Ph.D.(7)	1,906,585	8.3	—	1,906,585	6.8	144,512(21)	1,762,073	6.3
Gian M. Fulgoni(8)	1,572,715	6.9	—	1,572,715	5.7	141,420(20)	1,431,295	5.1
Gregory T. Dale(9)	192,583	*	—	192,583	*	14,943(20)	177,640	*
John M. Green(10)	67,919	*	—	67,919	*	—	67,919	*
Sheri Huston	102,082	*	—	102,082	*	—	102,082	*
Christiana L. Lin(11)	57,587	*	—	57,587	*	10,587(22)	47,000	*
Thomas D. Berman(12)	1,701,156	7.5	—	1,701,156	6.2		1,701,156	6.1
Bruce Golden(13)	5,902,859	26.1	—	5,902,859	21.4	—	5,902,859	21.3
William J. Henderson(14)	29,959	*	—	29,959	*	—	29,959	*
Ronald J. Korn(15)	8,750	*	—	8,750	*	—	8,750	*
Frederick R. Wilson(16)	739,946	3.3	—	739,946	2.7	73,994(20)	665,952	2.4
All directors and executive officers as a group (eleven persons)(17)	12,282,141	52.5	—	12,282,141	43.3	385,456	11,896,685	41.8
Additional Selling Stockholders:								
Flatiron Partners (16)	739,946	3.3	—	739,946	2.7	73,994(20)	665,952	2.4
vSpring SBIC, L.P. (18)	873,977	3.9	—	873,977	3.2	43,698(20)	830,279	3.0
Peter Daboll	155,208	*	—	155,208	*	10,000(20)	145,208(20)	*

* Represents less than one percent (1%) of the outstanding shares of common stock.

(1) Includes 4,297,282 shares held by Accel VII L.P., 1,074,321 shares held by Accel Internet Fund III L.P., and 531,256 shares held by Accel Investors ‘99 L.P. (together, the “Accel Funds”). Accel VII Associates

L.L.C. is a general partner of Accel VII L.P. and has sole voting and dispositive power with respect to the shares held by Accel VII L.P. Accel Internet Fund III Associates L.L.C. is a general partner of Accel Internet Fund III L.P. and has sole voting and dispositive power with respect to the shares held by Accel Internet Fund III L.P. James W. Breyer, Arthur C. Patterson, Theresia Gouw Ranzetta, James R. Swartz, and J. Peter Wagner are managing members of Accel VII Associates L.L.C. and Accel Internet Fund III Associates L.L.C. and share voting and dispositive powers. They are also the General Partners of Accel Investors '99 L.P. and share voting and dispositive power with respect to the shares held by Accel Investors '99 L.P. The general partners and managing members disclaim beneficial ownership of the shares owned by the Accel Funds except to the extent of their proportionate pecuniary interest therein. The address for Accel Partners is 428 University Avenue, Palo Alto, California 94301.

(2) Includes 2,197,684 shares held by J.P. Morgan Partners (SBIC), LLC ("JPMP SBIC") and 308,402 shares held by J.P. Morgan Partners (BHCA), L.P. ("BHCA"). The sole member of JPMP SBIC is BHCA. Pursuant to Rule 13d-3 under the Exchange Act, BHCA may be deemed to beneficially own the shares held by JPMP SBIC; however, the foregoing shall not be construed as an admission that BHCA is the beneficial owner of such shares. The general partner of BHCA is JPMP Master Fund Manager, L.P. ("JPMP MFM"). The general partner of JPMP MFM is JPMP Capital Corp. ("JPMP Capital"), a wholly owned subsidiary of JPMorgan Chase & Co. Each of JPMP MFM and JPMP Capital may be deemed, pursuant to Rule 13d-3 under the Exchange Act, to beneficially own the shares held by JPMP MFM and BHCA; however, the foregoing shall not be construed as an admission that JPMP SBIC or JPMP Capital is the beneficial owner of such shares. JPMP Capital exercises voting and dispositive power over the securities held by JPMP SBIC and BHCA. Voting and disposition decisions at JPMP Capital are made by an investment committee of three or more of its officers, and therefore no individual officer of JPMP Capital is the beneficial owner of the securities. The address for each of JPMP SBIC, BHCA, JPMP MFM and JPMP Capital is c/o J.P. Morgan Partners, LLC, 270 Park Avenue, New York, New York 10017.

(3) Includes 1,793,766 shares held by Institutional Venture Partners X, L.P. ("IVP X") and 396,069 shares held by Institutional Venture Partners X GmbH & Co. Beteiligungs KG ("IVP X-KG"). Institutional Venture Management X, LLC ("IVM X") is the general partner of IVP X and managing limited partner of IVP X-KG. Todd Chaffee, Reid Dennis, Norm Fogelsong, Steve Harrick and Dennis Phelps are managing directors of IVM X and share voting and investment control over these shares. Such individuals disclaim beneficial ownership of these shares except to the extent of his actual respective pecuniary interest therein. The address of Institutional Venture Partners is 3000 Sand Hill Road, Building 2, Suite 250, Menlo Park, California 94025.

(4) Shares which may deemed to be beneficially owned by Lehman Brothers Inc. include shares held by the following wholly owned subsidiaries and affiliates of Lehman Brothers Inc.: 765,975 shares held by LB I Group Inc., 631,548 shares held by Lehman Brothers Venture Partners L.P., and 1,721,299 shares held by Lehman Brothers Venture Capital Partners I, L.P. Lehman Brothers Inc. is a direct wholly owned subsidiary of Lehman Brothers Holding Inc., a reporting company under the Securities Exchange Act of 1934, which has voting and investment control over the shares held by these entities. No individual officer of Lehman Brothers Holding Inc. has voting or investment control over these shares. The address for Lehman Brothers Inc. is 3000 Sand Hill Road, Building 3, Suite 190, Menlo Park, CA 94025.

(5) BVCF IV, L.P., the entity that holds these shares, is managed by its general partner, Adams Street Partners, LLC. Adams Street Partners, LLC is an investment advisor registered with the U.S. Securities and Exchange Commission and is responsible for voting these shares. Adams Street Partners, LLC disclaims beneficial ownership of these shares except to the extent of its proportionate pecuniary interest therein. Mr. Thomas D. Berman is a partner and member of the direct investment sub-committee of Adams Street Partners, LLC and disclaims beneficial ownership of these shares except to the extent of his proportionate pecuniary interest therein.

(6) Includes 1,124,226 shares held by Topspin Partners, L.P. and 53,221 shares held by Topspin Associates, L.P. Topspin Partners, L.P. and Topspin Associates, L.P. are controlled by general partner Topspin Management, LLC. Topspin Management, LLC is a manager-managed limited liability company and may be deemed to be controlled by Leo A. Guthart. Mr. Guthart was previously a member of our board of directors. Mr. Guthart

disclaims beneficial ownership of these shares except to the extent of his actual pecuniary interest therein. The address for Topspin Partners is Three Expressway Plaza, Roslyn Heights, New York 11577.

(7) Includes 437,060 shares subject to options that are immediately exercisable or exercisable within 60 days of June 11, 2007. Also includes 581,876 shares held by the Abraham Family Trust, of which Mr. Abraham and his wife, Linda Abraham, are co-trustees and share voting and investment control. Mr. and Mrs. Abraham disclaim beneficial ownership of such shares except to the extent of their respective pecuniary interests. Also includes 24,400 shares subject to options held by Mrs. Abraham that are immediately exercisable or exercisable within 60 days of June 11, 2007. Also includes 100,000 shares held directly by Mr. Abraham and 21,000 shares held by Mrs. Abraham subject to a right of repurchase held by the Company pursuant to restricted stock sale agreements.

(8) Includes 158,509 shares subject to options that are immediately exercisable or exercisable within 60 days of June 11, 2007. Also includes 75,000 shares subject to a right of repurchase held by the Company pursuant to a restricted stock sale agreement.

(9) Includes 117,865 shares subject to options that are immediately exercisable or exercisable within 60 days of June 11, 2007. Also includes 18,000 shares subject to a right of repurchase held by the Company pursuant to a restricted stock sale agreement.

(10) Includes 5,418 shares subject to options that are immediately exercisable or exercisable within 60 days of June 11, 2007. Also includes 30,000 shares subject to a right of repurchase held by the Company pursuant to a restricted stock sale agreement.

(11) Includes 4,652 shares subject to options that are immediately exercisable or exercisable within 60 days of June 11, 2007. Also includes 19,000 shares subject to a right of repurchase held by the Company pursuant to a restricted stock sale agreement.

(12) This total includes 1,701,156 shares held by JP Morgan Chase Bank as custodian for BVCF IV, L.P. Mr. Berman is a partner of Adams Street Partners, LLC, the administrative member of BVCF IV, L.P., and is deemed to have voting and investment control over these shares. Mr. Berman disclaims beneficial ownership of these shares except to the extent of his proportionate pecuniary interest therein. See footnote 5 of this table for further details of ownership by Adams Street Partners, LLC.

(13) This total includes 5,902,859 shares owned by the Accel Funds. Bruce Golden is a general partner of Accel Partners. Mr. Golden disclaims beneficial ownership of any of the Accel Funds' shares except to the extent of his proportionate pecuniary interest therein. See footnote 1 of this table for further details of ownership by Accel Funds.

(14) Includes 9,959 shares subject to options that are immediately exercisable or exercisable within 60 days of June 11, 2007.

(15) Includes 8,750 shares subject to options that are immediately exercisable or exercisable within 60 days of June 11, 2007.

(16) Includes shares held by entities affiliated with Flatiron Partners. Frederick Wilson, a member of our board of directors and a managing member of Flatiron Partners, shares voting and investment power with Jerry Colonna, and Bob Greene over the 739,946 shares of common stock (assuming the conversion of all shares of preferred stock) owned by the Flatiron Funds and Flatiron Associates entities. Such individuals disclaim beneficial ownership of these shares except to the extent of their respective proportionate pecuniary interest therein.

(17) Includes 772,029 shares subject to options that are immediately exercisable or exercisable within 60 days of June 11, 2007. Also includes 263,000 shares subject to a right of repurchase held by the Company pursuant to restricted stock sale agreements.

(18) vSpring SBIC Management LLC, a Delaware limited liability company, is the general partner of vSpring SBIC, L.P. Management of the business affairs of vSpring SBIC, L.P., including decisions respecting disposition and/or voting of the shares of our common stock held by vSpring SBIC, LP., resides in a majority of the managing members of vSpring SBIC Management, LLC., such that no single managing member of vSpring Management has voting and/or dispositive power of such shares. The managing members of vSpring SBIC Management, LLC are Paul Ahlstrom, Ed Ekstrom, Dr. Dinesh Patel, Scott Petty

and Greg Warnock. The address for VSpring SBIC, L.P. is Attn: Scott Petty, 2795 E. Cottonwood Pkwy, Suite 360, Salt Lake City, UT 8412.

(19) The stockholder is an affiliate of a registered broker-dealer. The stockholder has represented to us that, (i) the stockholder did not receive any securities as underwriting compensation; (ii) the stockholder purchased the shares of common stock in a private placement in the ordinary course of the stockholder's business; and (iii) at the time of the purchase of such shares, the stockholder did not have any agreements or understandings, directly or indirectly, with any person to distribute such shares.

(20) None of the shares proposed to be sold by the selling stockholder were issued by us in the three years prior to June 11, 2007.

(21) The 144,512 shares proposed to be sold by the selling stockholder may include up to 30,000 shares issued by us to the selling stockholder during the three years prior to June 11, 2007. We issued these 30,000 shares to the selling stockholder pursuant to the exercise of options at a price of $0.25 per share.

(22) The 10,587 shares proposed to be sold by the selling stockholder may consist entirely of shares issued by us to the selling stockholder during the three years prior to June 11, 2007. During that period, we issued 33,935 shares to the selling stockholder pursuant to the exercise of options at a price of $0.25 per share.

DESCRIPTION OF CAPITAL STOCK

The following information describes our common stock and preferred stock, as well as options to purchase our common stock and provisions of our amended and restated certificate of incorporation and bylaws. This description is only a summary. You should also refer to our amended and restated certificate of incorporation and bylaws, which have been filed with the Securities and Exchange Commission as exhibits to our registration statement, of which this prospectus forms a part.

General

Upon the completion of this offering, our authorized capital stock will consist of 100,000,000 shares of common stock with a $0.001 par value per share, and 5,000,000 shares of preferred stock with a $0.001 par value per share, all of which shares of preferred stock will be undesignated. Our board of directors may establish the rights and preferences of the preferred stock from time to time. As of March 31, 2007, after giving effect to the conversion of all outstanding preferred stock into shares of common stock, there would have been 22,385,274 shares of common stock issued and outstanding, held of record by 468 stockholders.

Common Stock

Each holder of our common stock is entitled to one vote for each share on all matters to be voted upon by the stockholders and there are no cumulative rights. Subject to any preferential rights of any outstanding preferred stock, holders of our common stock will be entitled to receive ratably the dividends, if any, as may be declared from time to time by the board of directors out of funds legally available therefor. If there is a liquidation, dissolution or winding up of our company, holders of our common stock would be entitled to share in our assets remaining after the payment of liabilities and any preferential rights of any outstanding preferred stock.

Holders of our common stock will have no preemptive or conversion rights or other subscription rights, and there will be no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of our common stock will be fully paid and non-assessable. The rights, preferences and privileges of the holders of our common stock will be subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock which we may designate and issue in the future.

Pursuant to our acquisition of Q2 Brand Intelligence, Inc. and SurveySite Inc., we granted the former shareholders of these entities the right to sell a certain number of shares of our common stock back to us at an agreed-upon price. These rights transfer to any subsequent holder of these shares and are described in more detail in the “Overview” section of “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Preferred Stock

Immediately prior to the completion of this offering, all outstanding shares of all series of our convertible preferred stock will be converted into shares of common stock according to the formula set forth in our current certificate of incorporation.

Under the terms of our amended and restated certificate of incorporation, our board of directors is authorized to issue shares of preferred stock in one or more series without stockholder approval. Our board of directors has the discretion to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of preferred stock.

The purpose of authorizing our board of directors to issue preferred stock and determine its rights and preferences is to eliminate delays associated with a stockholder vote on specific issuances. The issuance of preferred stock, while providing flexibility in connection with possible future acquisitions and other corporate purposes, will affect, and may adversely affect, the rights of holders of common stock. It is not possible to state the actual effect of the issuance of any shares of preferred stock on the rights of holders of common stock until the board of directors determines the specific rights attached to that preferred stock. The effects of issuing preferred stock could include one or more of the following:

- restricting dividends on the common stock;
- diluting the voting power of the common stock;
- impairing the liquidation rights of the common stock; or
- delaying or preventing changes in control or management of our company.

We have no present plans to issue any shares of preferred stock.

Warrants

As of March 31, 2007, assuming the conversion of our convertible preferred stock into common stock, warrants for the purchase of an aggregate of 175,186 shares of our common stock were outstanding as follows:

- A warrant issued on June 9, 2000 to purchase 9,311 shares of our Series B Convertible Preferred Stock at an exercise price of $14.50 per share. This warrant was issued in connection with the lease of certain of our equipment. Upon the automatic conversion of our convertible preferred stock immediately prior to the completion of this offering, the warrant shall be exercisable for 18,471 shares of our common stock at an exercise price of $7.31 per share. The warrant shall terminate on the earlier of (i) June 9, 2010 or (ii) five years from the date of effectiveness of this registration statement. However, if this warrant is not exercised prior to termination and the fair market value of a share of our common stock exceeds the exercise price per share of this warrant immediately prior to termination, this warrant will automatically exercise prior to expiration.
- A warrant issued on July 31, 2000 to purchase 4,020 shares of our common stock to a consultant to us at an exercise price of $12.50 per share. The warrant shall terminate on July 31, 2010.
- A warrant issued on September 29, 2000 to purchase 1,939 shares of our Series B Convertible Preferred Stock at an exercise price of $24.50 per share. This warrant was issued in connection with the lease of certain of our equipment. Upon the automatic conversion of our convertible preferred stock immediately prior to the completion of this offering, the warrant shall be exercisable for 3,846 shares of our common stock at an exercise price of $12.35 per share. The warrant shall terminate on the earlier of (i) September 29, 2010 or (ii) five years from the date of effectiveness of this registration statement. However, if this warrant is not exercised prior to termination and the fair market value of a share of our common stock exceeds the exercise price per share of this warrant immediately prior to termination, this warrant will automatically exercise prior to expiration.
- A warrant issued on June 26, 2001 to purchase 20,000 shares of our common stock to William Henderson, a member of our board of directors, at an exercise price of $5.00 per share. The warrant shall terminate on the earlier of (i) June 26, 2011; (ii) the completion of this offering; or (iii) a change of control as defined in the warrant. Mr. Henderson subsequently exercised his warrant for 20,000 shares on May 15, 2007.
- A warrant issued on November 30, 2001 to purchase 2,000 shares of our common stock to our landlord at an exercise price of $29.50 per share. The warrant shall terminate on September 30, 2009.
- A warrant issued on July 3, 2002 to purchase 2,400 shares of our common stock to our landlord at an exercise price of $15.00 per share. The warrant shall terminate on the earlier of (i) July 3, 2012; (ii) the receipt of prior written notice from an underwriter of this offering requesting exercise; or (iii) the closing of a merger as defined in the warrant. However, if this warrant is not exercised prior to termination and the fair market value of a share of our common stock exceeds the exercise price per

share of this warrant immediately prior to termination, this warrant will automatically exercise prior to expiration.

- A warrant issued on July 31, 2002 to purchase 7,226 shares of our Series D Convertible Preferred Stock at an exercise price of $4.50 per share. This warrant was issued in connection with a promissory note. Upon the automatic conversion of our convertible preferred stock immediately prior to the completion of this offering, the warrant shall be exercisable for 8,125 shares of our common stock at an exercise price of $4.00 per share. The warrant includes certain registration rights under our fourth amended and restated investor rights agreement, but the holder of the warrant does not have a stand-alone right to demand registration of the shares. The warrant shall terminate on the later of (i) July 31, 2012 or (ii) five years from the completion of this offering. However, if this warrant is not exercised prior to termination and the fair market value of a share of our common stock exceeds the exercise price per share of this warrant immediately prior to termination, this warrant will automatically exercise prior to expiration.

- A warrant issued on July 31, 2002 to purchase 21,677 shares of our Series D Convertible Preferred Stock at an exercise price of $4.50 per share. This warrant was issued in connection with the lease of certain of our equipment originally. Upon the automatic conversion of our convertible preferred stock immediately prior to the completion of this offering, the warrant shall be exercisable for 24,375 shares of our common stock at an exercise price of $4.00 per share. The warrant includes certain registration rights under our fourth amended and restated investor rights agreement, but the holder of the warrant does not have a stand-alone right to demand registration of the shares. The warrant shall terminate on the later of (i) July 31, 2012 or (ii) five years from the completion of this offering. However, if this warrant is not exercised prior to termination and the fair market value of a share of our common stock exceeds the exercise price per share of this warrant immediately prior to termination, this warrant will automatically exercise prior to expiration.

- A warrant issued on December 5, 2002 to purchase 9,171 shares of our Series D Convertible Preferred Stock at an exercise price of $4.50 per share. This warrant was issued in connection with a promissory note. Upon the automatic conversion of our convertible preferred stock immediately prior to the completion of this offering, the warrant shall be exercisable for 10,312 shares of our common stock at an exercise price of $4.00 per share. The warrant includes certain registration rights under our fourth amended and restated investor rights agreement. The warrant shall terminate on December 4, 2012. However, if this warrant is not exercised prior to termination and the fair market value of a share of our common stock exceeds the exercise price per share of this warrant immediately prior to termination, this warrant will automatically exercise prior to expiration.

- A warrant issued on June 24, 2003 to purchase 20,000 shares of our common stock to our landlord at an exercise price of $3.00 per share. The warrant shall terminate on the earlier of (i) June 24, 2013; (ii) the receipt of prior written notice from an underwriter of this offering requesting exercise; or (iii) the closing of a merger as defined in the warrant. However, if this warrant is not exercised prior to termination and the fair market value of a share of our common stock exceeds the exercise price per share of this warrant immediately prior to termination, this warrant will automatically exercise prior to expiration.

- A warrant issued on December 19, 2003 to purchase 48,000 shares of our Series E Convertible Preferred Stock at an exercise price of $2.50 per share. This warrant was issued in connection with an equipment financing. Upon the automatic conversion of our convertible preferred stock immediately prior to the completion of this offering, the warrant shall be exercisable for 48,000 shares of our common stock at an exercise price of $2.50 per share. The warrant includes certain registration rights under our fourth amended and restated investor rights agreement, but the holder of the warrant does not have a stand-alone right to demand registration of the shares. The warrant shall terminate on the later of (i) December 19, 2013; or (ii) five years from the completion of this offering. However, in the event that an underwriter of this offering provides prior written notice to the holder of the warrant requesting exercise, the warrant must either be exercised or waived. Furthermore, this warrant will expire upon the closing of a merger as defined in the warrant. However, if this warrant is not exercised prior to termination and the fair market value of a share of our common stock exceeds the exercise price per share of this warrant immediately prior to termination, this warrant will automatically exercise prior to expiration.

- A warrant issued on April 29, 2005 to purchase 13,637 shares of our common stock to a creditor at an exercise price of $5.50 per share. The warrant shall terminate on the later of (i) April 29, 2015 or (ii) five years after the closing of this offering. The warrant shall also terminate upon a merger as defined in the warrant. However, if the warrant is not exercised prior to termination and the fair market value of a share of our common stock exceeds the exercise price per share of this warrant immediately prior to termination, this warrant shall automatically exercise prior to expiration.

Registration Rights

In August 2003, we and the holders of all series of our convertible preferred stock entered into a fourth amended and restated investor rights agreement, which is included as an exhibit to the registration statement of which this prospectus is a part. Under the agreement, commencing 180 days after the closing of this offering, the holders of a majority of the shares of common stock issued upon the conversion of the shares of our Series A, B, C, C-1, D and E convertible preferred stock, which we refer to as "registrable securities", may require us to prepare and file a registration statement under the Securities Act, at our expense, covering the lesser of registrable securities with an aggregate anticipated offering price of at least $10,000,000 or 600,000 shares of registrable securities. Under these demand registration rights, we are required to use our best efforts to cause the shares requested to be included in the registration statement, subject to customary conditions and limitations. We are not obligated to effect more than two of these demand registrations.

In addition, these holders have certain "piggyback" registration rights. If we propose to register any of our equity securities under the Securities Act other than specified excluded registrations, these holders are entitled to written notice of the registration and may require us to include all or a portion of their registrable securities in the registration and in any related underwriting. However, the managing underwriter has the right, subject to specified conditions, to limit the number of registrable securities such holders may include. Once we become eligible to file a registration statement on Form S-3, the holders of the registrable securities may require us to register these shares on Form S-3, if such registration will generate anticipated aggregate net proceeds of at least $2,000,000, or consist of at least 600,000 shares. The holder of certain of our warrants that are exercisable for shares of our convertible preferred stock also have some or all of the registration rights described above. The registration rights described above terminate no later than five years after this offering. Registration of these shares under the Securities Act would result in these shares, other than shares purchased by our affiliates, becoming freely tradable without restriction under the Securities Act.

Effect of Certain Provisions of our Amended and Restated Certificate of Incorporation and Bylaws and the Delaware Anti-Takeover Statute

Amended and Restated Certificate of Incorporation and Bylaws

Some provisions of Delaware law and our amended and restated certificate of incorporation and bylaws contain provisions that could make the following transactions more difficult:

- acquisition of us by means of a tender offer;
- acquisition of us by means of a proxy contest or otherwise; or
- removal of our incumbent officers and directors.

These provisions, summarized below, are expected to discourage coercive takeover practices and inadequate takeover bids and to promote stability in our management. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors.

- *Undesignated Preferred Stock.* The ability to authorize undesignated preferred stock makes it possible for our board of directors to issue one or more series of preferred stock with voting or other rights or preferences that could impede the success of any attempt to change control of comScore. These and other provisions may have the effect of deferring hostile takeovers or delaying changes in control or management of our company.
- *Stockholder Meetings.* Our charter documents provide that a special meeting of stockholders may be called only by resolution adopted by the board of directors.
- *Requirements for Advance Notification of Stockholder Nominations and Proposals.* Our bylaws establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors.
- *Board Classification.* Our board of directors is divided into three classes. The directors in each class will serve for a three-year term, one class being elected each year by our stockholders. This system of electing and removing directors may tend to discourage a third party from making a tender offer or otherwise attempting to obtain control of us, because it generally makes it more difficult for stockholders to replace a majority of the directors.
- *Limits on Ability of Stockholders to Act by Written Consent.* We have provided in our certificate of incorporation that our stockholders may not act by written consent. This limit on the ability of our stockholders to act by written consent may lengthen the amount of time required to take stockholder actions. As a result, a holder controlling a majority of our capital stock would not be able to amend our bylaws or remove directors without holding a meeting of our stockholders called in accordance with our bylaws.
- *Amendment of Certificate of Incorporation and Bylaws.* The amendment of the above provisions of our amended and restated certificate of incorporation and bylaws requires approval by holders of at least two-thirds of our outstanding capital stock entitled to vote generally in the election of directors.

Delaware Anti-Takeover Statute

We are subject to Section 203 of the General Corporation Law of the State of Delaware, which prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years after the date that such stockholder became an interested stockholder, with the following exceptions:

- before such date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon completion of the transaction that 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 began, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned (i) by persons who are directors and also officers and (ii) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or after such date, the business combination is approved by the board of directors and authorized at an annual or special meeting of the stockholders, and not by written consent, by the affirmative vote of at least $66^2/_3$% of the outstanding voting stock that is not owned by the interested stockholder.

In general, Section 203 defines business combination to include the following:

- any merger or consolidation involving the corporation and the interested stockholder;

- any sale, lease, exchange, mortgage, transfer, pledge or other disposition of 10% or more of either the assets or outstanding stock of the corporation involving the interested stockholder;
- subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits by or through the corporation.

In general, Section 203 defines interested stockholder as an entity or person who, together with affiliates and associates, beneficially owns, or within three years prior to the determination of interested stockholder status did own, 15% or more of the outstanding voting stock of the corporation.

Listing on The NASDAQ Global Market

We have applied to list our common stock on The NASDAQ Global Market under the symbol “SCOR”.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Investor Services. Its address is P.O. Box 43078, Providence, RI 02940, and its telephone number is 1-800-942-5909.

SHARES ELIGIBLE FOR FUTURE SALE

We will have 27,385,274 shares of common stock outstanding after the completion of this offering based on the number of shares outstanding on March 31, 2007 and assuming no exercise of outstanding options or warrants after March 31, 2007 (27,448,304 shares if the underwriters exercise their over-allotment option in full). Of those shares, the 5,000,000 shares of common stock sold in the offering (5,750,000 shares if the underwriters exercise their over-allotment option in full) will be freely transferable without restriction, unless purchased by persons deemed to be our "affiliates" as that term is defined in Rule 144 under the Securities Act. Any shares purchased by an affiliate may not be resold except pursuant to an effective registration statement or an applicable exemption from registration, including an exemption under Rule 144 promulgated under the Securities Act. The remaining 22,385,274 shares of common stock to be outstanding immediately following the completion of this offering are "restricted," which means they were originally sold in offerings that were not registered under the Securities Act. Restricted shares may be sold through registration under the Securities Act or under an available exemption from registration, such as provided through Rule 144, which rules are summarized below. Taking into account the 180-day lock up agreements described below, and assuming the underwriters do not release any stockholders from these agreements, shares of our common stock will be available for sale in the public market as follows:

- 888,665 shares will be eligible for sale immediately upon completion of this offering, subject in some cases to volume and other restrictions of Rule 144 and Rule 701 under the Securities Act;
- 285,356 additional shares will be eligible for sale in the public market under Rule 144 or Rule 701 beginning 90 days after the date of this prospectus, subject to volume, manner of sale, and other limitations under those rules;
- 21,203,348 additional shares will become eligible for sale, subject to the provisions of Rule 144, Rule 144(k) or Rule 701, beginning 180 days after the date of this prospectus, upon the expiration of agreements not to sell such shares entered into between the underwriters and such stockholders; and
- 7,905 additional shares will be eligible for sale from time to time thereafter upon expiration of their respective one-year holding periods, but could be sold earlier if the holders exercise any available registration rights.

Subject to certain exceptions, each of our officers, directors and security holders has agreed not to offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any such aforementioned transaction is to be settled by delivery of our common stock or such other securities, in cash or otherwise, or publicly disclose the intention to make any such offer, sale, pledge or disposition, or to enter into any such transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC for a period that shall continue and include the date 180 days after the date of this prospectus. In addition, without the prior written consent of Credit Suisse Securities (USA) LLC, such officers, directors and security holders will not make any demand for or exercise any right with respect to, the registration of any common stock or any security convertible into or exercisable or exchangeable for common stock during such lock-in period. Credit Suisse Securities (USA) LLC has agreed that certain existing and former employees designated by us may sell an amount of shares valued at approximately $2.1 million based on the initial public offering price during the 180-day lock-up period following the offering. Based on an assumed offering price of $15.00 per share, the mid-point of the range on the front cover of this prospectus, such designated existing and former employees would be permitted to sell up to 140,000 shares of common stock during the 180-day lock-up period following the offering. The totals indicated above do not reflect this exception to the lock-up agreements.

Notwithstanding the foregoing, for the purpose of allowing the underwriters to comply with NASD Rule 2711(f)(4), if (1) during the last 17 days of the initial 180-day lock-up period, we release earnings results or material news or a material event relating to us occurs or (2) prior to the expiration of the initial 180-day lock-up period, we announce that we will release earnings results during the 16-day period beginning on the last day of the initial 180-day lock-up period, then in each case the initial 180-day lock-up period will be extended until the expiration of the 18-day period beginning on the date of release of the earnings results or the occurrence of the material news or material event, as applicable, unless Credit Suisse Securities (USA) LLC waives, in writing, such extension.

After the offering, the holders of approximately 16,762,862 shares of our issued and outstanding common stock will be entitled to registration rights. For more information on these registration rights, see "Description of Capital Stock — Registration Rights."

In general, under Rule 144, as currently in effect, beginning 90 days after the effective date of this offering, a person (or persons whose shares are aggregated), including an affiliate, who has beneficially owned shares of our common stock for one year or more, may sell in the open market within any three-month period a number of shares that does not exceed the greater of:

- one percent of the then outstanding shares of our common stock (approximately 2,738,527 shares immediately after the offering); or
- the average weekly trading volume in the common stock on The NASDAQ Global Market during the four calendar weeks preceding the sale.

Sales under Rule 144 are also subject to certain limitations on the manner of sale, notice requirements and the availability of our current public information. In addition, a person (or persons whose shares are aggregated) who is deemed not to have been our affiliate at any time during the 90 days preceding a sale by such person and who has beneficially owned his or her shares for at least two years, may sell the shares in the public market under Rule 144(k) without regard to the volume limitations, manner of sale provisions, notice requirements or the availability of current public information we refer to above.

Any of our employees, officers, directors or consultants who purchased his or her shares before the completion of this offering or who holds options as of that date pursuant to a written compensatory plan or contract is entitled to rely on the resale provisions of Rule 701, which permits non-affiliates to sell their Rule 701 shares without having to comply with the public information, holding period, volume limitation or notice provisions of Rule 144 and permits affiliates to sell their Rule 701 shares without having to comply with Rule 144's holding-period restrictions, in each case commencing 90 days after completion of this offering. Neither Rule 144, Rule 144(k) nor Rule 701 supersedes the contractual obligations of our security holders set forth in the lock-up agreements described above.

Within three months following the completion of this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register approximately 4,500,000 shares of common stock reserved for issuance under our 1999 Stock Plan and our 2007 Equity Incentive Plan, thus permitting the resale of such shares. Prior to the completion of this offering, there has been no public market for our common stock, and any sale of substantial amounts in the open market may adversely affect the market price of our common stock offered hereby.

U.S. FEDERAL TAX CONSEQUENCES TO NON-U.S. HOLDERS

This section summarizes certain material U.S. federal income and estate tax considerations relating to the ownership and disposition of common stock by non-U.S. holders. This summary does not provide a complete analysis of all potential tax considerations. The information provided below is based on existing authorities. These authorities may change, or the Internal Revenue Service ("IRS") might interpret the existing authorities differently. In either case, the tax considerations of owning or disposing of common stock could differ from those described below. For purposes of this summary, a "non-U.S. holder" is any holder that holds our common stock as a capital asset for U.S. federal income tax purposes and is any holder other than a citizen or resident of the United States, a corporation organized under the laws of the United States or any state, a trust that is (i) subject to the primary supervision of a U.S. court and the control of one of more U.S. persons or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person or an estate whose income is subject to U.S. income tax regardless of source. If a partnership or other flow-through entity is a beneficial owner of common stock, the tax treatment of a partner in the partnership or an owner of the entity will depend upon the status of the partner or other owner and the activities of the partnership or other entity. Accordingly, partnerships that hold our common stock and partners in such partnerships should consult their own tax advisors. The summary generally does not address tax considerations that may be relevant to particular investors because of their specific circumstances, or because they are subject to special rules (such as insurance companies, tax-exempt organizations, financial institutions, brokers, dealers in securities, partnerships, owners of 5% or more of our common stock and certain U.S. expatriates). Finally, the summary does not describe the effects of any applicable foreign, state, or local laws.

Investors considering the purchase of common stock should consult their own tax advisors regarding the application of the U.S. federal income and estate tax laws to their particular situations and the consequences of foreign, state or local laws, and tax treaties.

Dividends

Any dividend paid to a non-U.S. holder on our common stock will generally be subject to U.S. withholding tax at a 30 percent rate. The withholding tax might not apply, however, or might apply at a reduced rate, if the non-U.S. holder satisfies the applicable conditions under the terms of an applicable income tax treaty between the United States and the non-U.S. holder's country of residence. A non-U.S. holder must demonstrate its entitlement to treaty benefits by providing a properly completed Form W-8BEN or appropriate substitute form to us or our paying agent. If the holder holds the stock through a financial institution or other agent acting on the holder's behalf, the holder will be required to provide appropriate documentation to the agent. The holder's agent will then be required to provide certification to us or our paying agent, either directly or through other intermediaries. For payments made to a foreign partnership or other flow through entity, the certification requirements generally apply to the partners or other owners rather than to the partnership or other entity, and the partnership or other entity must provide the partners' or other owners' documentation to us or our paying agent. Special rules, described below, apply if a dividend is effectively connected with a U.S. trade or business conducted by the non-U.S. holder.

Sale of Common Stock

Non-U.S. holders will generally not be subject to U.S. federal income tax on any gains realized on the sale, exchange, or other disposition of common stock. This general rule, however, is subject to several exceptions. For example, the gain would be subject to U.S. federal income tax if:

- the gain is effectively connected with the conduct by the non-U.S. holder of a U.S. trade or business (in which case the special rules described below under the caption "Dividends or Gains Effectively Connected with a U.S. Trade or Business" apply);
- subject to certain exceptions, the non-U.S. holder is an individual who is present in the United States for 183 days or more in the year of disposition, in which case the gain would be subject to a flat 30% tax, which may be offset by U.S. source capital losses, even though the individual is not considered a resident of the U.S.; or

• the rules of the Foreign Investment in Real Property Tax Act, or FIRPTA, described below, treat the gain as effectively connected with a U.S. trade or business.

The FIRPTA rules may apply to a sale, exchange or other disposition of common stock if we are, or were within five years before the transaction, a "U.S. real property holding corporation," or USRPHC. In general, we would be a USRPHC if interests in U.S. real estate comprised most of our assets. We do not believe that we are a USRPHC or that we will become one in the future.

Dividends or Gain Effectively Connected With a U.S. Trade or Business

If any dividend on common stock, or gain from the sale, exchange or other disposition of common stock, is effectively connected with a U.S. trade or business conducted by the non-U.S. holder, then the dividend or gain will be subject to U.S. federal income tax at the regular graduated rates. If the non-U.S. holder is eligible for the benefits of an income tax treaty between the United States and the holder's country of residence, any "effectively connected" dividend or gain would generally be subject to U.S. federal income tax only if it is also attributable to a permanent establishment or fixed base maintained by the holder in the United States. Payments of dividends that are effectively connected with a U.S. trade or business, and therefore included in the gross income of a non-U.S. holder, will not be subject to the 30 percent withholding tax. To claim exemption from withholding, the holder must certify its qualification, which can be done by filing a Form W-8ECI. If the non-U.S. holder is a corporation, that portion of its earnings and profits that is effectively connected with its U.S. trade or business would generally be subject to a "branch profits tax" in addition to any regular U.S. federal income tax on the dividend or gain. The branch profits tax rate is generally 30 percent, although an applicable income tax treaty might provide for a lower rate.

U.S. Federal Estate Tax

The estates of nonresident alien individuals are generally subject to U.S. federal estate tax on property with a U.S. situs. Because we are a U.S. corporation, our common stock will be U.S. situs property and therefore will be included in the taxable estate of a nonresident alien decedent. The U.S. federal estate tax liability of the estate of a nonresident alien may be affected by a tax treaty between the United States and the decedent's country of residence.

Backup Withholding and Information Reporting

The Internal Revenue Code of 1986, as amended, and the Treasury regulations promulgated thereunder require those who make specified payments to report the payments to the IRS. Among the specified payments are dividends and proceeds paid by brokers to their customers. The required information returns enable the IRS to determine whether the recipient properly included the payments in income. This reporting regime is reinforced by "backup withholding" rules. These rules require the payors to withhold tax from payments subject to information reporting if the recipient fails to cooperate with the reporting regime by failing to provide his taxpayer identification number to the payor, furnishing an incorrect identification number, or repeatedly failing to report interest or dividends on his returns. The withholding tax rate is currently 28 percent. The backup withholding rules do not apply to payments to corporations, whether domestic or foreign.

Payments to non-U.S. holders of dividends on common stock will generally not be subject to backup withholding, and payments of proceeds made to non-U.S. holders by a broker upon a sale of common stock will not be subject to information reporting or backup withholding, in each case so long as the non-U.S. holder certifies its nonresident status. Some of the common means of certifying nonresident status are described under "— Dividends." We must report annually to the IRS any dividends paid to each non-U.S. holder and the tax withheld, if any, with respect to such dividends. Copies of these reports may be made available to tax authorities in the country where the non-U.S. holder resides.

Information reporting and backup withholding also generally will not apply to a payment of the proceeds of a sale of common stock effected outside the United States by a foreign office of a foreign broker. However, information reporting requirements (but not backup withholding) will apply to a payment of the proceeds of a sale of common stock effected outside the United States by a foreign office of a broker if the broker (i) is a

United States person, (ii) derives 50 percent or more of its gross income for certain periods from the conduct of a trade or business in the United States, (iii) is a "controlled foreign corporation" as to the United States, or (iv) is a foreign partnership that, at any time during its taxable year is more than 50 percent (by income or capital interest) owned by United States persons or is engaged in the conduct of a U.S. trade or business, unless in any such case the broker has documentary evidence in its records that the holder is a non-U.S. holder and certain conditions are met, or the holder otherwise establishes an exemption. Payment by a United States office of a broker of the proceeds of a sale of common stock will be subject to both backup withholding and information reporting unless the holder certifies its non-United States status under penalties of perjury or otherwise establishes an exemption.

Any amounts withheld from a payment to a holder of common stock under the backup withholding rules can be credited against any U.S. federal income tax liability of the holder.

Each prospective investor should consult its own tax advisor regarding the particular U.S. federal, state, local and foreign tax consequences of purchasing, holding and disposing of our common stock, including the consequences of any proposed change in applicable laws.

UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated , 2007, we have agreed to sell to the underwriters named below, for whom Credit Suisse Securities (USA) LLC is acting as representative, the following respective numbers of shares of common stock:

Underwriter	Number of Shares
Credit Suisse Securities (USA) LLC	
Deutsche Bank Securities Inc.	
Friedman, Billings, Ramsey & Co., Inc.	
Jefferies & Company, Inc.	
William Blair & Company, L.L.C.	
Total	5,000,000

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of common stock in the offering if any are purchased, other than those shares covered by the over-allotment option described below. The underwriting agreement also provides that, if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering may be terminated.

We and the selling stockholders have granted to the underwriters a 30-day option to purchase on a pro rata basis up to 750,000 additional shares from us and the selling stockholders at the initial public offering price less the underwriting discounts and commissions. The option may be exercised only to cover any over-allotments of common stock.

The underwriters propose to offer the shares of common stock initially at the public offering price on the cover page of this prospectus and to selling group members at that price less a selling concession of $ per share. After the initial public offering Credit Suisse Securities (USA) LLC may change the public offering price and concession.

The following table summarizes the compensation and estimated expenses we and the selling stockholders will pay:

	Per Share		Total	
	Without Over-allotment	With Over-allotment	Without Over-allotment	With Over-allotment
Underwriting Discounts and Commissions paid by us	$	$	$	$
Expenses payable by us	$	$	$	$
Underwriting Discounts and Commissions paid by selling stockholders	$ —	$	$ —	$
Expenses payable by the selling stockholders	$ —	$	$ —	$

Credit Suisse Securities (USA) LLC has informed us that they do not expect sales to accounts over which the underwriters have discretionary authority to exceed 5% of the shares of common stock being offered.

We have agreed that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission, or SEC, a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of Credit Suisse Securities (USA) LLC for a period of 180 days after the date of this prospectus, except (a) issuances by us pursuant to the exercise of employee stock options outstanding on the date hereof or pursuant to our dividend reinvestment plan and (b) up to 140,000 shares of our common stock, based on an assumed offering price of $15.00 per share, the mid-point of the range on the front cover of this prospectus, that may be sold at our permission by certain existing and former employees designated by us. However, in the event that either (1) during the last 17 days of the “lock-up” period, we release earnings results or material news or a material event relating to us occurs or (2) prior to the expiration of the “lock-up” period, we announce that we will release earnings results during the 16-day period beginning on the last day of the “lock-up” period, then in either case the expiration of the “lock-up” will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results or the occurrence of the material news or event, as applicable, unless Credit Suisse Securities (USA) LLC waives, in writing, such an extension.

Subject to certain exceptions, our officers, directors and certain of our existing security holders have agreed that they will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC for a period of 180 days after the date of this prospectus. However, in the event that either (1) during the last 17 days of the “lock-up” period, we release earnings results or material news or a material event relating to us occurs or (2) prior to the expiration of the “lock-up” period, we announce that we will release earnings results during the 16-day period beginning on the last day of the “lock-up” period, then in either case the expiration of the “lock-up” will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results or the occurrence of the material news or event, as applicable, unless Credit Suisse Securities (USA) LLC waives, in writing, such an extension.

We and the selling stockholders have agreed to indemnify the underwriters against liabilities under the Securities Act, or contribute to payments that the underwriters may be required to make in that respect.

We have applied to list the shares of common stock on The NASDAQ Global Market under the symbol “SCOR”.

Prior to this offering, there has been no public market for our common stock. The initial public offering price has been determined by a negotiation between us and Credit Suisse Securities (USA) LLC and will not necessarily reflect the market price of our common stock following the offering. The principal factors that were considered in determining the public offering price included:

- the information presented in this prospectus and otherwise available to the underwriters;
- the history of and prospects for the industry in which we compete;
- the ability of our management;
- the prospects for our future earnings;
- the present state of our development and our current financial condition;
- the recent market prices of, and the demand for, publicly traded common stock of generally comparable companies; and
- the general condition for the securities markets at the time of this offering.

In connection with the offering the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions and penalty bids in accordance with Regulation M under the Securities Exchange Act of 1934, or the Exchange Act.

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- Over-allotment involves sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may

be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriters is not greater than the number of shares that they may purchase in the over-allotment option. In a naked short position, the number of shares involved is greater than the number of shares in the over-allotment option. The underwriters may close out any covered short position by either exercising their over-allotment option and/or purchasing shares in the open market.

- Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option. If the underwriters sell more shares than could be covered by the over-allotment option, a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.
- Penalty bids permit Credit Suisse Securities (USA) LLC to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on The NASDAQ Global Market and, if commenced, may be discontinued at any time.

A prospectus in electronic format may be made available on the Web sites maintained by one or more of the underwriters, or selling group members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. Credit Suisse Securities (USA) LLC may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters and selling group members that will make Internet distributions on the same basis as other allocations.

The common stock is being offered for sale in those jurisdictions in the United States, Europe and elsewhere where it is lawful to make such offers.

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a “Relevant Member State”), each underwriter represents and agrees that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of shares to the public in that Relevant Member State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of shares to the public in that Relevant Member State at any time:

(a) to legal entities that are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity that has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the manager for any such offer; or

(d) in any other circumstances that do not require the publication by us of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of shares to the public” in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Each of the underwriters has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) to persons who have professional experience in matters relating to investments falling with Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which section 21 of FSMA does not apply to us; and

(b) it has complied with, and will comply with, all applicable provisions of FSMA with respect to anything done by it in relation to the common stock in, from or otherwise involving the United Kingdom.

NOTICE TO CANADIAN RESIDENTS

Resale Restrictions

The distribution of the common stock in Canada is being made only on a private placement basis exempt from the requirement that we and the selling stockholders prepare and file a prospectus with the securities regulatory authorities in each province where trades of common stock are made. Any resale of the common stock in Canada must be made under applicable securities laws, which will vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of shares of the common stock.

Representations of Purchasers

By purchasing common stock in Canada and accepting a purchase confirmation, a purchaser is representing to us, the selling stockholders and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase the common stock without the benefit of a prospectus qualified under those securities laws;
- where required by law, that the purchaser is purchasing as principal and not as agent;
- the purchaser has reviewed the text above under "Resale Restrictions"; and
- the purchaser acknowledges and consents to the provision of specified information concerning its purchase of common stock to the regulatory authority that by law is entitled to collect the information.

Further details concerning the legal authority for this information is available on request.

Rights of Action — Ontario Purchasers Only

Under Ontario securities legislation, certain purchasers who purchase a security offered by this prospectus during the period of distribution will have a statutory right of action for damages or, while still the owner of shares of common stock, for rescission against us and the selling stockholders in the event that this prospectus contains a misrepresentation without regard to whether the purchaser relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for shares of common stock. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for shares of common stock. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against us or the selling stockholders. In no case will the amount recoverable in any action exceed the price at which shares of common stock were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, we and the selling stockholders will have no liability. In the case of an action for damages, we and the selling stockholders will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the common stock as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Ontario purchasers should refer to the complete text of the relevant statutory provisions.

Enforcement of Legal Rights

All of our directors and officers as well as the experts named herein and the selling stockholders may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be

possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

Taxation and Eligibility for Investment

Canadian purchasers of our common stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in the common stock in their particular circumstances and about the eligibility of the common stock for investment by the purchaser under relevant Canadian legislation.

LEGAL MATTERS

The validity of the shares of common stock offered hereby has been passed upon for comScore, Inc. by Wilson Sonsini Goodrich & Rosati, Professional Corporation, Washington, D.C. The underwriters have been represented in connection with this offering by Cravath, Swaine & Moore LLP, New York, New York. Certain members of, investment partnerships comprised of members of, and persons associated with, Wilson Sonsini Goodrich & Rosati, Professional Corporation beneficially hold an aggregate of 30,216 shares of our common stock on an as-converted basis.

EXPERTS

Ernst & Young LLP, independent registered public accounting firm, has audited our consolidated financial statements and schedule at December 31, 2005 and 2006, and for each of the three years in the period ended December 31, 2006, as set forth in their reports. We have included our consolidated financial statements and schedule in this prospectus and elsewhere in the registration statement in reliance on Ernst & Young LLP's reports, given on their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-1 with the SEC for the common stock we are offering pursuant to this prospectus. This prospectus does not include all of the information contained in the registration statement. You should refer to the registration statement and its exhibits for additional information. Whenever we make reference in this prospectus to any of our contracts, agreements or other documents, the references are summaries and are not necessarily complete and you should refer to the exhibits attached to the registration statement for copies of the actual contract, agreement or other document. When we complete this offering, we will also be required to file annual, quarterly and special reports, proxy statements and other information with the SEC.

You can read our SEC filings, including the registration statement, over the Internet at the SEC's Web site at www.sec.gov. You may also read and copy any document we file with the SEC at its public reference facilities at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference facilities.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
comScore, Inc.

We have audited the accompanying consolidated balance sheets of comScore, Inc. (the Company) as of December 31, 2005 and 2006, and the related consolidated statements of operations, stockholders' deficit, and cash flows for each of the three years in the period ended December 31, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of comScore, Inc. at December 31, 2005 and 2006, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2006, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 2 to the consolidated financial statements, the Company adopted FASB Staff Position 150-5, *Issuer's Accounting Under FASB Statement No. 150 for Freestanding Warrants and Other Similar Instruments on Shares That Are Redeemable*, effective July 1, 2005, and changed its method of accounting for stock-based compensation in accordance with guidance provided in FASB Statement No. 123(R), *Share-Based Payments*, effective January 1, 2006.

Ernst & Young LLP

McLean, Virginia
March 29, 2007, except for Note 15, as to which the date is , 2007

The foregoing report is in the form that will be signed upon the completion of the restatement of capital accounts described in Note 15 to the consolidated financial statements.

/s/ Ernst & Young LLP

McLean, Virginia
June 8, 2007

COMSCORE, INC.

CONSOLIDATED BALANCE SHEETS

	December 31, 2005	December 31, 2006	March 31, 2007 (Unaudited)
		(In thousands)	
Assets			
Current assets:			
Cash and cash equivalents	$ 5,124	$ 5,032	$ 6,706
Short-term investments	4,050	11,000	11,475
Accounts receivable, net of allowances of $185, $188 and $235, respectively	10,328	14,123	14,941
Prepaid expenses and other current assets	1,029	1,068	1,126
Restricted cash	261	270	272
Total current assets	20,792	31,493	34,520
Property and equipment, net	4,480	6,980	6,615
Other non-current assets	786	1,267	2,290
Intangible assets, net	2,355	983	690
Goodwill	1,064	1,364	1,364
Total assets	$ 29,477	$ 42,087	$ 45,479

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

COMSCORE, INC.

CONSOLIDATED BALANCE SHEETS — (Continued)

	December 31, 2005	December 31, 2006	March 31, 2007 (Unaudited)
	(In thousands, except share data)		
Liabilities and stockholders' deficit			
Current liabilities:			
Accounts payable	$ 1,048	$ 1,353	$ 1,088
Accrued expenses	4,185	6,020	6,185
Deferred revenues	19,588	22,776	25,204
Capital lease obligations	1,618	1,726	1,425
Preferred stock warrant liabilities	781	1,005	995
Total current liabilities	27,220	32,880	34,897
Capital lease obligations, long-term	1,283	2,261	1,896
Deferred tax liability	174	77	58
Other liabilities	362	374	339
Total liabilities	29,039	35,592	37,190
Commitments and contingencies			
Redeemable preferred stock:			
Series A preferred convertible stock, $0.001 par value; 9,187,500 shares authorized; 1,837,503 shares issued and outstanding; liquidation preference of $7,715 at March 31, 2007	8,443	8,154	8,083
Series B preferred convertible stock, $0.001 par value; 3,535,486 shares authorized; 695,865 shares issued and outstanding; liquidation preference of $14,315 at March 31, 2007	15,668	15,130	14,998
Series C preferred convertible stock, $0.001 par value; 13,355,052 shares authorized; 2,647,209 shares issued and outstanding; liquidation preference of $25,220 at March 31, 2007	27,565	26,633	26,405
Series C-1 preferred convertible stock, $0.001 par value; 357,144 shares authorized; 71,430 shares issued and outstanding; liquidation preference of $420 at March 31, 2007	458	443	439
Series D preferred convertible stock, $0.001 par value; 22,238,042 shares authorized; 4,312,813 shares issued and outstanding; liquidation preference of $40,723 at March 31, 2007	31,337	34,682	35,573
Series E preferred convertible stock, $0.001 par value; 25,000,000 shares authorized; 4,801,116 shares issued and outstanding; liquidation preference of $19,565 at March 31, 2007	15,045	16,653	17,082
Common Stock subject to put; 347,635 shares issued and outstanding	4,216	4,357	4,392
Stockholders' deficit:			
Common stock, $0.001 par value; 130,000,000 shares authorized; 3,347,488, 4,000,165 and 4,780,277 shares issued and outstanding at December 31, 2005 and 2006 and March 31, 2007, respectively	3	4	5
Additional paid-in capital	—	—	—
Deferred stock compensation	(6)	—	—
Accumulated other comprehensive loss	(24)	(75)	(70)
Accumulated deficit	(102,267)	(99,486)	(98,618)
Total stockholders' deficit	(102,294)	(99,557)	(98,683)
Total liabilities and stockholders' deficit	$ 29,477	$ 42,087	$ 45,479

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

COMSCORE, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
				(Unaudited)	
	(In thousands, except share and per share data)				
Revenues	$ 34,894	$ 50,267	$ 66,293	$ 14,985	$ 18,681
Cost of revenues (excludes amortization of intangible assets resulting from acquisitions shown below)(1)	13,153	18,218	20,560	5,148	5,388
Selling and marketing(1)	13,890	18,953	21,473	5,345	6,451
Research and development(1)	5,493	7,416	9,009	2,137	2,556
General and administrative(1)	4,982	7,089	8,293	1,918	2,507
Amortization of intangible assets resulting from acquisitions	356	2,437	1,371	371	293
Total expenses from operations	37,874	54,113	60,706	14,919	17,195
(Loss) income from operations	(2,980)	(3,846)	5,587	66	1,486
Interest (expense) income, net	(246)	(208)	231	11	97
(Loss) gain from foreign currency	—	(96)	125	6	(8)
Revaluation of preferred stock warrant liabilities	—	(14)	(224)	2	11
(Loss) income before income taxes and cumulative effect of change in accounting principle	(3,226)	(4,164)	5,719	85	1,586
(Benefit) provision for income taxes	—	(182)	50	—	46
Net (loss) income before cumulative effect of change in accounting principle	(3,226)	(3,982)	5,669	85	1,540
Cumulative effect of change in accounting principle	—	(440)	—	—	—
Net (loss) income	(3,226)	(4,422)	5,669	85	1,540
Accretion of redeemable preferred stock	(2,141)	(2,638)	(3,179)	(742)	(885)
Net (loss) income attributable to common stockholders	$ (5,367)	$ (7,060)	$ 2,490	$ (657)	$ 655
Net (loss) income attributable to common stockholders per common share:					
Basic and diluted	$ (1.88)	$ (2.30)	$ 0.00	$ (0.19)	$ 0.00
Weighted-average number of shares used in per share calculation — common stock:					
Basic and diluted	2,871,713	3,130,194	3,847,213	3,609,928	4,196,736
Net (loss) income attributable to common stockholders per common share subject to put:					
Basic and diluted	$ 0.35	$ 0.38	$ 0.41	$ 0.10	$ 0.09
Weighted-average number of shares used in per share calculation — common share subject to put:					
Basic and diluted	91,520	347,635	347,635	347,635	347,635
(1) Amortization of stock-based compensation is included in the line items above as follows:					
Cost of revenues	$ —	$ —	$ 12	$ —	$ 9
Selling and marketing	—	—	82	6	39
Research and development	—	—	13	—	8
General and administrative	14	3	91	1	51

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

COMSCORE, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Deferred Stock Compensation	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Deficit
			(In thousands, except share data)				
Balance at December 31, 2003	2,745,993	$ 3	$ —	$ (10)	$ 30	$ (89,942)	$ (89,919)
Net loss	—	—	—	—	—	(3,226)	(3,226)
Foreign currency translation adjustment	—	—	—	—	(19)	—	(19)
Exercise of common stock options	480,742	—	123	—	—	—	123
Repurchase of options previously issued	(185,625)	—	(46)	—	—	—	(46)
Amortization of deferred stock compensation	—	—	—	1	—	—	1
Issuance of common stock warrants	—	—	13	—	—	—	13
Accretion of redeemable preferred stock warrants	—	—	16	—	—	—	16
Accretion of redeemable preferred stock	—	—	(106)	—	—	(2,035)	(2,141)
Accretion of common stock subject to put	—	—	—	—	—	(32)	(32)
Balance at December 31, 2004	3,041,110	3	—	(9)	11	(95,235)	(95,230)
Net loss	—	—	—	—	—	(4,422)	(4,422)
Foreign currency translation adjustment	—	—	—	—	(35)	—	(35)
Exercise of common stock options	306,378	—	136	—	—	—	136
Amortization of deferred stock compensation	—	—	—	3	—	—	3
Issuance of common stock warrants	—	—	16	—	—	—	16
Accretion of redeemable preferred stock warrants	—	—	8	—	—	—	8
Accretion of redeemable preferred stock	—	—	(160)	—	—	(2,478)	(2,638)
Accretion of common stock subject to put	—	—	—	—	—	(132)	(132)
Balance at December 31, 2005	3,347,488	3	—	(6)	(24)	(102,267)	(102,294)
Net income	—	—	—	—	—	5,669	5,669
Foreign currency translation adjustment	—	—	—	—	(51)	—	(51)
Exercise of common stock options	652,677	1	240	—	—	—	241
Amortization of deferred stock compensation	—	—	—	6	—	(3)	3
Amortization of stock-based compensation	—	—	195	—	—	—	195
Accretion of redeemable preferred stock	—	—	(435)	—	—	(2,744)	(3,179)
Accretion of common stock subject to put	—	—	—	—	—	(141)	(141)
Balance at December 31, 2006	4,000,165	4	—	—	(75)	(99,486)	(99,557)
Net income (unaudited)	—	—	—	—	—	1,540	1,540
Foreign currency translation adjustment (unaudited)	—	—	—	—	5	—	5
Exercise of common stock options (unaudited)	190,062	—	140	—	—	—	140
Issuance of restricted stock	590,050	1	(1)	—	—	—	—
Amortization of stock-based compensation (unaudited)	—	—	107	—	—	—	107
Accretion of redeemable preferred stock (unaudited)	—	—	(246)	—	—	(639)	(885)
Accretion of common stock subject to put (unaudited)	—	—	—	—	—	(33)	(33)
Balance at March 31, 2007 (unaudited)	4,780,277	$ 5	$ —	$ —	$ (70)	$ (98,618)	$ (98,683)

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

COMSCORE, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
				(Unaudited)	
			(In thousands)		
Operating activities					
Net (loss) income	$ (3,226)	$ (4,422)	$ 5,669	$ 85	$ 1,540
Adjustments to reconcile net (loss) income to net cash provided by operating activities:					
Depreciation	2,389	2,686	2,888	688	861
Amortization of intangible assets resulting from acquisitions	356	2,437	1,371	371	293
Provisions for bad debts	12	90	212	—	51
Stock-based compensation	14	3	198	7	107
Revaluation of preferred stock warrant liabilities	—	14	224	(2)	(10)
Cumulative effect of change in accounting principle	—	440	—	—	—
Amortization of deferred finance costs	30	33	33	9	1
Deferred tax benefit	—	(182)	(97)	—	(19)
Changes in operating assets and liabilities, net of effect of acquisitions:					
Accounts receivable, net	(736)	(3,540)	(3,882)	2,335	(843)
Prepaid expenses and other current assets	539	(157)	(311)	(276)	(3)
Other non-current assets	174	539	30	325	(6)
Accounts payable, accrued expenses, and other liabilities	1,747	(115)	1,431	402	(1,222)
Deferred revenues	608	6,427	3,139	(1,120)	2,406
Net cash provided by operating activities	1,907	4,253	10,905	2,824	3,156
Investing activities					
Payment of restricted cash	—	(41)	(9)	(2)	(2)
Purchase of short-term investments	(5,600)	(8,960)	(14,900)	(3,600)	(1,575)
Sale of short-term investments	6,400	8,810	7,950	1,500	1,100
Purchase of property and equipment	(1,208)	(1,071)	(2,314)	(292)	(494)
Acquisition of businesses, net of cash acquired of $715 in 2005	(924)	(943)	—	—	—
Payment of additional consideration for acquired businesses	—	(300)	(300)	(300)	—
Net cash used in investing activities	(1,332)	(2,505)	(9,573)	(2,694)	(971)
Financing activities					
Proceeds from the exercise of common stock options	123	136	241	116	140
Repurchase of previously issued stock options	(46)	—	—	—	—
Principal payments on capital lease obligations	(1,029)	(1,228)	(1,622)	(387)	(665)
Net cash used in financing activities	(952)	(1,092)	(1,381)	(271)	(525)
Effect of exchange rate changes on cash	25	(36)	(43)	18	14
Net (decrease) increase in cash and cash equivalents	(352)	620	(92)	(123)	1,674
Cash and cash equivalents at beginning of year	4,856	4,504	5,124	5,124	5,032
Cash and cash equivalents at end of year	$ 4,504	$ 5,124	$ 5,032	$ 5,001	$ 6,706
Supplemental cash flow disclosures					
Interest paid	$ 353	$ 314	$ 249	$ 79	$ 88
Capital lease obligations incurred	$ —	$ 1,704	$ 2,707	$ —	$ —
Accretion of preferred stock	$ 2,141	$ 2,638	$ 3,179	$ 742	$ 885

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

COMSCORE, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization

comScore, Inc. (the Company), a Delaware corporation incorporated in August 1999, provides a digital marketing intelligence platform that helps customers make better-informed business decisions and implement more effective digital business strategies. The Company's products and solutions offer customers insights into consumer behavior, including objective, detailed information regarding usage of their online properties and those of their competitors, coupled with information on consumer demographic characteristics, attitudes, lifestyles and offline behavior.

The Company's digital marketing intelligence platform is comprised of proprietary databases and a computational infrastructure that measures, analyzes and reports on digital activity. The foundation of the platform is data collected from a panel of more than two million Internet users worldwide who have granted to the Company explicit permission to confidentially measure their Internet usage patterns, online and certain offline buying behavior and other activities. By applying advanced statistical methodologies to the panel data, the Company projects consumers' online behavior for the total online population and a wide variety of user categories.

2. Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany transactions and accounts have been eliminated upon consolidation. The Company consolidates investments where it has a controlling financial interest as defined by Accounting Research Bulletin (ARB) No. 51, *Consolidated Financial Statements,* as amended by Statement of Financial Accounting Standards (SFAS) No. 94, *Consolidation of all Majority-Owned Subsidiaries.* The usual condition for controlling financial interest is ownership of a majority of the voting interest and, therefore, as a general rule, ownership, directly or indirectly, of more than 50% of the outstanding voting shares is a condition indicating consolidation. For investments in variable interest entities, as defined by Financial Accounting Standards Board (FASB) Interpretation No. 46, *Consolidation of Variable Interest Entities*, the Company would consolidate when it is determined to be the primary beneficiary of a variable interest entity. The Company does not have any variable interest entities.

Unaudited Interim Financial Information

The accompanying unaudited interim consolidated balance sheet as of March 31, 2007, the consolidated statements of operations and cash flows for the three months ended March 31, 2006 and 2007 and the consolidated statement of stockholders' deficit for the three months ended March 31, 2007 are unaudited. These unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States. In the opinion of the Company's management, the unaudited interim consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and include all adjustments necessary for the fair presentation of the Company's statement of financial position, results of operations and its cash flows for the three months ended March 31, 2006 and 2007. The results for the three months ended March 31, 2007 are not necessarily indicative of the results to be expected for the year ending December 31, 2007. All references to March 31, 2007 or to the three months ended March 31, 2006 and 2007 in the notes to the consolidated financial statements are unaudited.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

Reclassifications

Certain amounts in the prior years' financial statements have been reclassified to conform to the current year presentation.

Cash and Cash Equivalents, Short-Term Investments, and Restricted Cash

Cash and cash equivalents and restricted cash consist of highly liquid investments with an original maturity of three months or less at the time of purchase. Cash, cash equivalents, and restricted cash consists primarily of money market accounts.

Short-term investments, which consist principally of high-grade auction rate securities, are stated at fair market value, which approximates cost. These securities are accounted for as available-for-sale securities in accordance with SFAS No. 115, *Accounting for Certain Investments in Debt and Equity Securities.* The Company typically has the option to re-invest in its short-term investments every 30 days. The Company uses the specific identification method to compute realized gains and losses on its short-term investments.

Restricted cash is comprised of a certificate of deposit that is collateral for a letter of credit pertaining to the security deposit for an operating lease.

Interest income on short-term investments was $100,000, $133,000 and $515,000 for the years ended December 31, 2004, 2005 and 2006, respectively.

Accounts Receivable

Accounts receivable are recorded at the invoiced amount and are non-interest bearing. The Company generally grants uncollateralized credit terms to its customers and maintains an allowance for doubtful accounts to reserve for potentially uncollectible receivables. Allowances are based on management's judgment, which considers historical experience and specific knowledge of accounts where collectibility may not be probable. The Company makes provisions based on historical bad debt experience, a specific review of all significant outstanding invoices and an assessment of general economic conditions. If the financial condition of a customer deteriorates, resulting in an impairment of its ability to make payments, additional allowances may be required.

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation. Property and equipment is depreciated on a straight-line basis over the estimated useful lives of the assets, ranging from three to five years. Assets under capital leases are recorded at their net present value at the inception of the lease and are included in the appropriate asset category. Assets under capital leases and leasehold improvements are amortized over the shorter of the related lease terms or their useful lives. Replacements and major improvements are capitalized; maintenance and repairs are charged to expense as incurred. Amortization of assets under capital leases is included within the expense category on the Statement of Operations in which the asset is deployed.

Goodwill and Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of identifiable assets acquired and liabilities assumed when other businesses are acquired. The allocation of the purchase price to intangible assets and goodwill involves the extensive use of management's estimates and assumptions, and the result of the allocation process can have a significant impact on future operating results. The Company estimates the fair value of identifiable intangible assets acquired using several different valuation approaches, including the replacement cost, income and market approaches. The replacement cost approach is based on determining the discrete cost of replacing or reproducing a specific asset. The Company generally uses the replacement cost approach for estimating the value of acquired technology/methodology assets. The income approach converts the anticipated economic benefits that the Company assumes will be realized from a given asset into value. Under this approach, value is measured as the present worth of anticipated future net cash flows generated by an asset. The Company generally uses the income approach to value customer relationship assets and non-compete agreements. The market approach compares the acquired asset to similar assets that have been sold. The Company generally uses the market approach to value trademarks and brand assets.

Under SFAS No. 142, *Goodwill and Other Intangible Assets* (SFAS 142), intangible assets with finite lives are amortized over their useful lives while goodwill and indefinite lived assets are not amortized but are evaluated for potential impairment at least annually by comparing the fair value of a reporting unit, based on estimated future cash flows, to its carrying value including goodwill recorded by the reporting unit. If the carrying value exceeds the fair value, impairment is measured by comparing the derived fair value of the goodwill to its carrying value, and any impairment determined is recorded in the current period. In accordance with SFAS 142, all of the Company's goodwill is associated with one reporting unit. Accordingly, on an annual basis the Company performs the impairment assessment for goodwill required under SFAS 142 at the enterprise level. The Company completed its annual impairment analysis for 2004, 2005 and 2006 and determined that there was no impairment of goodwill.

Intangible assets with finite lives are amortized using the straight-line method over the following useful lives:

	Useful Lives (Years)
Non-compete agreements	3 to 4
Customer relationships	1 to 3
Acquired methodologies/technology	1 to 3
Trademarks and brands	2

Impairment of Long-Lived Assets

Long-lived assets, including property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount should be addressed pursuant to SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets* (SFAS 144). Pursuant to SFAS 144, impairment is determined by comparing the carrying value of these long-lived assets to an estimate of the future undiscounted cash flows expected to result from the use of the assets and eventual disposition. In the event an impairment exists, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the asset, which is generally determined by using quoted market prices or valuation techniques such as the discounted present value of expected future cash flows, appraisals, or other pricing models as appropriate. There were no impairment charges recognized during the years ended December 31, 2004, 2005 and 2006. In the event that there are changes in the planned use of the Company's long-term assets or its expected future undiscounted cash flows are reduced significantly, the Company's assessment of its ability to recover the carrying value of these assets could change.

Foreign Currency Translation

The Company applies SFAS No. 52, *Foreign Currency Translation*, with respect to its international operations. The functional currency of the Company's foreign subsidiaries is the local currency. All assets and liabilities are translated at the current exchange rate as of the end of the period, and revenues and expenses are translated at average exchange rates in effect during the period. The gain or loss resulting from the process of translating foreign currency financial statements into U.S. dollars is included as a component of other comprehensive income. The Company incurred a foreign currency transaction loss of $96,000 for the year ended December 31, 2005 and a gain of $125,000 for the year ended December 31, 2006. These gains and losses related to U.S. dollar denominated cash accounts and accounts receivable held by the Company's foreign subsidiaries. Foreign currency transaction losses were not material in 2004.

Business Segment Information

The Company is managed and operated as one business segment. A single management team reports to the chief operating decision maker who manages the entire business. The Company does not operate any material separate lines of business or separate business entities with respect to its services. The various products that the Company offers are all related to analyzing consumer behavior on the Internet. The same data source is used regardless of the product delivered. The Company's expenses are shared and are not allocated to individual products. Accordingly, the Company does not accumulate discrete financial information by product line and does not have separately reportable segments as defined by SFAS No. 131, *Disclosure About Segments of an Enterprise and Related Information.*

Revenue Recognition

The Company recognizes revenues in accordance with Securities and Exchange Commission Staff Accounting Bulletin (SAB) No. 104, *Revenue Recognition* (SAB 104). SAB 104 requires that four basic criteria must be met prior to revenue recognition: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or the services have been rendered, (iii) the fee is fixed and determinable and (iv) collection of the resulting receivable is reasonably assured.

The Company generates revenues by providing access to the Company's online database or delivering information obtained from the database, usually in the form of periodic reports. Revenues are typically recognized on a straight-line basis over the period in which access to data or reports are provided, which generally ranges from three to 24 months.

Revenues are also generated through survey services under contracts ranging in term from two months to one year. Survey services consist of survey and questionnaire design with subsequent data collection, analysis and reporting. Revenues are recognized on a straight-line basis over the estimated data collection period once the survey or questionnaire has been delivered. Any change in the estimated data collection period results in an adjustment to revenues recognized in future periods.

Certain of the Company's arrangements contain multiple elements, consisting of the various services the Company offers. Multiple element arrangements typically consist of a subscription to the Company's online database combined with periodic reports of customized data. These arrangements are accounted for in accordance with Emerging Issues Task Force (EITF) Issue No. 00-21, *Revenue Arrangements with Multiple Deliverables.* The Company has determined that there is not objective and reliable evidence of fair value for any of its services and, therefore, accounts for all elements in multiple elements arrangements as a single unit of accounting. Access to data under the subscription element is generally provided shortly after the execution of the contract. However, the initial delivery of periodic reports of customized data generally occurs after the data has been accumulated for a specified period subsequent to contract execution, usually one calendar quarter. The Company recognizes the entire arrangement fee over the performance period of the last deliverable. As a result, the total arrangement fee is recognized on a straight-line basis commencing upon the delivery of the first report of customized data over the period such reports are delivered.

Generally, contracts are non-refundable and non-cancelable. In the event a portion of a contract is refundable, revenue recognition is delayed until the refund provisions lapse. A limited number of customers have the right to cancel their contracts by providing a written notice of cancellation. In the event that a customer cancels its contract, the customer is not entitled to a refund for prior services, and will be charged for costs incurred plus services performed up to the cancellation date.

Advance payments are recorded as deferred revenues until services are delivered or obligations are met and revenue can be recognized. Deferred revenues represent the excess of amounts invoiced over amounts recognized as revenues.

Costs of Revenues

Cost of revenues consists primarily of expenses related to the operating network infrastructure and the recruitment, maintenance and support of consumer panels. Expenses associated with these areas include the salaries, stock-based compensation and related expenses of network operations, survey operations, custom analytics and technical support departments, and are expensed as they are incurred. Cost of revenues also includes data collection costs for the products and operational costs associated with the Company's data centers, including depreciation expense associated with computer equipment.

Selling and Marketing

Selling and marketing expenses consist primarily of salaries, stock-based compensation, benefits, commissions and bonuses paid to the direct sales force and industry analysts, as well as costs related to online and offline advertising, product management, seminars, promotional materials, public relations, other sales and marketing programs, and allocated overhead, including rent and depreciation. All selling and marketing costs are expensed as they are incurred.

Research and Development

Research and development expenses include new product development costs, consisting primarily of compensation, stock-based compensation and related costs for personnel associated with research and development activities, and allocated overhead, including rent and depreciation.

General and Administrative

General and administrative expenses consist primarily of salaries, stock-based compensation and related expenses for executive management, finance, accounting, human capital, legal, information technology and other administrative functions, as well as professional fees, overhead, including allocated rent and depreciation and expenses incurred for other general corporate purposes.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash equivalents, short term investments and accounts receivable. Cash equivalents are held at financial institutions, which are regarded as highly creditworthy. Short term investments consist of high-grade auction rate securities which the Company has the option to re-invest in every 30 days. With respect to accounts receivable, credit risk is mitigated by the Company's ongoing credit evaluation of its customers' financial condition.

For the years ended December 31, 2004, 2005 and 2006, one customer accounted for 5%, 14% and 12%, respectively, of total revenues. No customer accounted for more than 10% of accounts receivable as of December 31, 2005 and 2006.

Advertising Costs

All advertising costs are expensed as incurred. Advertising expense, which is included in sales and marketing expense, totaled $84,000, $58,000 and $210,000 for the years ended December 31, 2004, 2005 and 2006, respectively.

Stock-Based Compensation

In December 2004, the FASB issued SFAS No. 123(R), *Share-Based Payment* (SFAS 123R), which requires companies to expense the estimated fair value of employee stock options and similar awards. This statement is a revision to SFAS No. 123, *Accounting for Stock-Based Compensation* (SFAS 123), supersedes Accounting Principles Board Opinion No. 25 (APB 25), *Accounting for Stock Issued to Employees*, and amends SFAS No. 95, *Statement of Cash Flows.*

Prior to January 1, 2006, the Company accounted for its stock-based compensation plans under the recognition and measurement provisions of APB 25, and related interpretations, as permitted by SFAS 123. Effective January 1, 2006, the Company adopted SFAS 123R, including the fair value recognition provisions, using the prospective method. Under SFAS 123R, a non-public company that previously used the minimum value method for pro forma disclosure purposes is required to adopt the standard using the prospective method. Under the prospective method, all awards granted, modified or settled after the date of adoption are accounted for using the measurement, recognition and attribution provisions of SFAS 123R. As a result, stock-based awards granted prior to the date of adoption of SFAS 123R will continue to be accounted for under APB 25 with no recognition of stock-based compensation in future periods, unless such awards are modified or settled. Subsequent to the adoption of SFAS 123R, the Company estimates the value of stock-based awards on the date of grant using the Black-Scholes option-pricing model. For stock-based awards subject to graded vesting, the Company has utilized the straight-line ratable method for allocating compensation cost by period. For the year ended December 31, 2006 and the three months ended March 31, 2006 and 2007, the Company recorded stock-based compensation expense of $198,000, $7,000 and $107,000, respectively, in accordance with SFAS 123R.

In its determination of stock based compensation expense under both APB 25 and SFAS 123R, the Company has estimated the fair value of its common stock. The primary approach used by the Company for estimating the fair value of its common stock was the probability-weighted expected return method, consistent with the recommendations of the American Institute of Certified Public Accountants Technical Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*. As the Company's securities are not publicly traded or subject to any market evaluation of fair value, the Company utilized valuation methodologies commonly used in the valuation of private company equity securities.

In its use of the probability-weighted expected return method, the Company considered a combination of two generally accepted approaches to determine the Company's business enterprise value: the income and market approaches. Under the *income approach*, value is measured as the present worth of anticipated future net cash flows generated by the business or asset. Under the *market approach*, the Company's value is compared to similar businesses, business ownership interests, securities or assets that have been sold. These approaches were used in conjunction with probability-weighted expected returns for three scenarios: an initial public offering, a sale or merger, or the Company remaining privately held.

Applying the income approach, a discounted cash flow, or DCF analysis was performed as of the valuation date. The DCF analysis included a forecast of revenues, operating expenses, capital expenditures and incremental working capital. Based on these forecasts, the net cash flow to be generated by the business during the projection period and the terminal value was determined and discounted to present value. An unlevered cash flow forecast was utilized and a weighted-average cost of capital was used as the discount rate. The income approach was used to value the Company assuming it remained a private company. The market approach was used in the scenario involving a sale or merger of the Company. Transactions were identified for the acquisition of similar companies and acquisition multiples were determined and applied to the Company's operating metrics. The market approach was also used for the initial public offering scenario, using comparable public company valuations. The Company determined a set of comparable public companies and developed multiples that were then applied to the Company's operating metrics.

To determine the value of the total equity (both common and preferred), the value determined under each scenario was then adjusted by adding non-operating assets and subtracting interest-bearing obligations. The equity value was then allocated to the various security holders, including the common stockholders. Once the common equity value was determined for each scenario, certain adjustments were also made to reflect the value of a specific ownership interest in the business including the application of discounts for lack of marketability and control in appropriate circumstances. The resulting common equity value was then divided by the applicable shares outstanding to arrive at the estimated fair value of common stock per share for each scenario. As discussed above, the probability-weighted expected return method was the primary generally accepted approach used by the Company to determine the fair value of the Company's common stock. Applying this approach, relative weightings were determined by the Company that applied the likelihood of the Company pursuing an initial public offering versus a sale of the Company or remaining an independent, private company. This resulted in the final estimated fair value of common stock per share used in the Company's determination of stock based compensation.

Cumulative Effect of Change in Accounting Principle

Effective July 1, 2005, the Company adopted the provisions of FASB Staff Position No. 150-5, *Issuer's Accounting under Statement No. 150 for Freestanding Warrants and Other Similar Instruments on Shares that are Redeemable* (FSP 150-5), an interpretation of SFAS No. 150, *Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity* (SFAS 150). Pursuant to FSP 150-5, freestanding warrants for shares that are either puttable or warrants for shares that are redeemable are classified as liabilities on the consolidated balance sheet at fair value.

Upon adoption of FSP 150-5, the Company reclassified the carrying value of its warrants to purchase shares of its redeemable convertible preferred stock from mezzanine equity to a liability and recorded a cumulative effect charge of approximately $440,000 for the change in accounting principle to record the warrants at fair value on July 1, 2005. The Company recorded additional charges of approximately $14,000 to reflect the increase in fair value between July 1, 2005 and December 31, 2005. In the year ended December 31, 2006, the Company recorded approximately $224,000 of charges to reflect the increase in fair value between January 1, 2006 and December 31, 2006. The Company recorded approximately $2,000 and $11,000 of income during the three months ended March 31, 2006 and 2007, respectively, to reflect a decrease in fair value during the period. The Company will continue to adjust the liabilities for changes in fair value until the earlier of the exercise of the warrants to purchase shares of its redeemable convertible preferred stock or the completion of a liquidation event, including the completion of an initial public offering, at which time the liabilities will be reclassified to stockholders' equity (deficit).

The pro forma effect of the adoption of FSP 150-5 on the results of operations for fiscal years 2004 and 2005 if applied retroactively, assuming FSP 150-5 had been adopted in these years, has not been disclosed as these amounts would not be materially different from the reported amounts.

Comprehensive (Loss) Income

Comprehensive (loss) income includes net (loss) income as well as the effects of foreign currency translation loss adjustments reflected in the table below:

	Years Ended December 31, 2004	2005	2006	Three Months Ended March 31, 2006 (Unaudited)	2007
	(In thousands)				
Comprehensive (loss) income:					
Net (loss) income	$ (3,226)	$ (4,422)	$ 5,669	$ 85	$ 1,540
Other comprehensive loss:					
Foreign currency cumulative translation adjustment	(19)	(35)	(51)	17	5
Total comprehensive (loss) income	$ (3,245)	$ (4,457)	$ 5,618	$ 102	$ 1,545

Income Taxes

Income taxes are accounted for using the liability method in accordance with SFAS No. 109, *Accounting for Income Taxes.* Deferred income taxes are provided for temporary differences in recognizing certain income, expense and credit items for financial reporting purposes and tax reporting purposes. Such deferred income taxes primarily relate to the difference between the tax bases of assets and liabilities and their financial reporting amounts. Deferred tax assets and liabilities are measured by applying enacted statutory tax rates applicable to the future years in which deferred tax assets or liabilities are expected to be settled or realized.

In June 2006, the FASB issued FASB Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes*, an interpretation of SFAS No. 109. This interpretation clarifies the accounting for income taxes by prescribing that a company should use a more-likely-than-not recognition threshold based on the technical merits of the tax position taken. Tax provisions that meet the more-likely-than-not recognition threshold should be measured as the largest amount of tax benefits, determined on a cumulative probability basis, which is more likely than not to be realized upon ultimate settlement in the financial statements. FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting for interim periods, disclosure and transition, and explicitly excludes income taxes from the scope of SFAS No. 5, *Accounting for Contingencies.* FIN 48 is effective for fiscal years beginning after December 15, 2006, and was adopted by the Company on January 1, 2007. As of January 1, 2007 and March 31, 2007, the Company does not have any material gross unrecognized tax benefit liabilities. The Company or one of its subsidiaries files income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. For income tax returns filed by the Company, the Company is no longer subject to U.S. federal, state and local tax examinations by tax authorities for years before 2002, although carryforward tax attributes that were generated prior to 2002 may still be adjusted upon examination by tax authorities if they either have been or will be utilized. It is the Company's policy to recognize interest and penalties related to income tax matters in income tax expense.

Earnings Per Share

The Company computes earnings per share in accordance with the provisions of FASB No. 128, *Earnings Per Share* (SFAS 128). The Company has issued shares of common stock in connection with business acquisitions (see Note 3) that give the holders the right to require the Company to repurchase the shares at a fixed price at a specified future date ("Common Stock Subject to Put"). The difference between the fair value of the shares of Common Stock Subject to Put on the issuance date and the price at which the Company may be required to repurchase those shares is being accreted over the period from issuance to the first date at which the Company could be required to repurchase the shares as a dividend to the holders. EITF Topic D-98, *Classification and Measurement of Redeemable Securities* (EITF D-98) states that when a common shareholder has a contractual right to receive, at share redemption, an amount that is other than fair value, such shareholder has received, in substance, a preferential distribution. Under SFAS 128, entities with capital structures that include classes of common stock with different dividend rates are required to apply the two-class method of calculating earnings per share. Accordingly, the Company calculates earnings per share for its common stock and its Common Stock Subject to Put using a method akin to the two-class method under SFAS 128.

In addition, the Company's series of convertible redeemable preferred stock are considered participating securities as they are entitled to an 8% noncumulative preferential dividend before any dividends can be paid to common stockholders. The Company includes its participating preferred stock in the computation of earnings per share using the two-class method in accordance with EITF 03-06, *Participating Securities and the Two-Class Method under FASB Statement No. 128* (EITF 03-06).

The two-class computation method for each period allocates the undistributed earnings or losses to each participating security based on their respective rights to receive dividends. In addition to undistributed earnings or losses, the accretion to their redemption or put prices is also allocated to the Common Stock Subject to Put and the convertible redeemable preferred stock. In periods of undistributed losses, all losses are allocated to common stock in accordance with EITF 03-06 as the holders of Common Stock Subject to Put and participating preferred stock are not required to fund losses nor are their redemption or put prices reduced as a result of losses incurred. In periods of undistributed income, income is first allocated to the participating preferred stock for their preferential dividend, currently $7.1 million per annum. Any undistributed earnings remaining are then allocated to holders of common stock, Common Stock Subject to Put and preferred stock (assuming conversion) on a pro rata basis. The total earnings or losses allocated to each class of common stock are then divided by the weighted-average number of shares outstanding for each class of common stock to determine basic earnings per share. EITF 03-06 does not require the presentation of basic and diluted earnings per share for securities other than common stock; therefore, earnings per share is only computed for the Company's common stock.

Diluted earnings per share for common stock reflects the potential dilution that could result if securities or other contracts to issue common stock were exercised or converted into common stock. Diluted earnings per share assumes the exercise of stock options and warrants using the treasury stock method and the conversion of the Company's convertible preferred stock using the if-converted method. No potentially dilutive securities are convertible or exercisable into shares of Common Stock Subject to Put.

For all periods presented, all potentially dilutive securities have been excluded from earnings per share calculations as their effect would have been anti-dilutive. The following is a summary of common stock equivalents for the securities outstanding during the respective periods that have been excluded from the earnings per share calculations:

	Year Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
				(Unaudited)	
Stock options	1,790,035	2,820,945	2,750,022	3,072,212	2,557,884
Convertible preferred stock warrants	113,129	113,129	113,129	113,129	113,129
Common stock warrants	389,732	398,960	115,357	278,221	62,057
Convertible preferred stock	17,257,362	17,257,362	17,257,362	17,257,362	17,257,362

The following table sets forth the computation of basic and diluted EPS:

	Year Ended December 31, 2004	Year Ended December 31, 2005	Year Ended December 31, 2006	Three Months Ended March 31, 2006	Three Months Ended March 31, 2007
				(Unaudited)	
	(In thousands, except share and per share data)				
Calculation of basic and diluted net income per share — two class method:					
Net (loss) income	$ (3,226)	$ (4,422)	$ 5,669	$ 85	$ 1,540
Accretion of redeemable preferred stock	(2,141)	(2,638)	(3,179)	(742)	(885)
Accretion of common stock subject to put	(32)	(132)	(141)	(35)	(33)
Undistributed (loss) earnings	(5,399)	(7,192)	2,349	(692)	622
Allocation of undistributed (loss) earnings:					
Common stock					
Earnings before cumulative effect of change in accounting principle	(5,399)	(6,752)	—	(692)	—
Cumulative effect of change in accounting principle	—	(440)	—	—	—
Common stock subject to put	—	—	—	—	—
Preferred stock	—	—	2,349	—	622
Total allocated (loss) earnings	$ (5,399)	$ (7,192)	$ 2,349	$ (692)	$ 622
Net (loss) income attributable to common stockholders per common share:					
Basic and diluted	$ (1.88)	$ (2.30)	$ 0.00	$ (0.19)	$ 0.00
Cumulative effect of change in accounting principle	$ 0.00	$ (0.14)	$ 0.00	$ 0.00	$ 0.00
Weighted average shares outstanding — common stock basic and diluted	2,871,713	3,130,194	3,847,213	3,609,928	4,196,736
Net (loss) income attributable to common stockholders per common share subject to put:					
Basic and diluted	$ 0.35	$ 0.38	$ 0.41	$ 0.10	$ 0.09
Weighted average shares outstanding — common stock subject to put basic and diluted	91,520	347,635	347,635	347,635	347,635

Fair Value of Financial Instruments

SFAS No. 107, *Disclosure about Fair Value of Financial Instruments*, defines the fair value of financial instruments as the amount at which the instrument could be exchanged in a current transaction between willing parties. Cash equivalents, short-term investments, accounts receivable, accounts payable, accrued expenses and capital lease obligations reported in the consolidated balance sheets equal or approximate their respective fair values. The fair value of the Company's preferred stock warrants liabilities, convertible preferred stock and common stock subject to put is not practicable to determine, as no quoted market price exists for these instruments. The convertible preferred stock will be converted into common stock of the Company upon consummation of a qualified initial public offering.

Recent Pronouncements

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*. The purpose of this statement is to define fair value, establish a framework for measuring fair value and enhance disclosures about fair value measurements. The measurement and disclosure requirements are effective for the Company as of January 1, 2008 and are applied prospectively. The Company is currently evaluating the potential impact of adopting this new guidance on its results of operations and financial position.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* (SFAS No. 159), to permit all entities to choose to elect, at specified election dates, to measure eligible financial instruments at fair value. An entity shall report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date, and recognize upfront costs and fees related to those items in earnings as incurred and not deferred. SFAS No. 159 applies to fiscal years beginning after November 15, 2007, with early adoption permitted for an entity that has also elected to apply the provisions of SFAS No. 157. An entity is prohibited from retrospectively applying SFAS No. 159, unless it chooses early adoption. The Company is currently evaluating the impact of the provisions of SFAS No. 159 on its consolidated financial statements.

3. Acquisitions

Q2 Brand Intelligence, Inc.

On July 28, 2004, the Company acquired the outstanding stock of Denaro and Associates, Inc, otherwise known as Q2 Brand Intelligence, Inc. (Q2), to improve the Company's ability to provide customers more robust custom research integrated with its underlying digital marketing intelligence platform. The total cost of the acquisition was $3,336,000, which included cash of $873,000, the issuance of 212,000 shares of restricted common stock valued at $2,412,000 and related costs incurred in the amount of $51,000. The former sole shareholder of Q2 is entitled to receive up to an additional $600,000 in cash based on the entity's achievement of certain performance criteria. No amounts were earned as of December 31, 2004. In 2005 and 2006, the performance criteria were met and the Company paid $300,000 each year which was recorded as additional goodwill.

The Company accounted for the acquisition as a purchase in accordance with SFAS No. 141, *Business Combinations* (SFAS 141). Accordingly, the results of operations of Q2 have been included in the accompanying consolidated financial statements since the purchase date. In accordance with SFAS 141, the purchase price was allocated to the assets and liabilities of Q2 based on their estimated fair values.

The following table summarizes the estimated fair values of the tangible assets acquired and liabilities assumed at the date of acquisition:

	(In thousands)
Accounts receivable	$ 917
Prepaids and other	24
Property and equipment	60
Total assets acquired	1,001
Accounts payable and accrued expenses	511
Deferred revenues	58
Net tangible assets acquired	$ 432

The common stock issued to the former sole shareholder of Q2 is subject to a restricted stock agreement that includes a put right at a price of $12.50 per share to be effective for a ninety-day period beginning on the third anniversary of the closing date. The Company has valued the common stock subject to put at fair value on the date of issuance. The fair value of the common stock subject to put was estimated as the sum of (i) the fair value of common stock exclusive of a put right with a fair value of $0.25 per share and (ii) the fair value of the embedded put right as measured using the Black-Scholes option-pricing formula of $11.15 per share. The key assumptions used in the Black-Scholes option-pricing formula were as follows: expected dividend yield — 0%; risk-free interest rate — 3.16%; expected volatility — 40.0%; expected term — 3 years. The carrying value of the common stock subject to the put right is being accreted to the put obligation over the three year term using the effective interest rate method. For the years ended December 31, 2004, 2005 and 2006, the Company accreted a total of $32,000, $78,000 and $80,000, respectively.

The non-tangible portion of the purchase price, including the payment of the contingent purchase consideration, was allocated as follows:

	(In thousands)
Trademarks and brands	$ 338
Non-compete agreements	112
Customer relationships	1,249
Goodwill	1,364
Acquired methodology	451

Acquired trademarks and brand names were initially determined to have an indefinite life and, therefore, were not amortized. In July 2005, the Company determined that the trademarks and brand names would be phased out over the next six months so that the services could be branded under the Company's name. At the time of the decision, there were no indicators of impairment. Accordingly, the asset was amortized on a straight-line basis over its remaining six month useful life. The change in the estimated useful life resulted in additional amortization expense of $290,000 for the year ended December 31, 2005. Acquired methodology and customer relationships are being amortized on a straight-line basis over one to three years. The non-compete agreement is being amortized on a straight-line basis over four years.

SurveySite, Inc.

On January 4, 2005, the Company acquired the assets and assumed certain liabilities of SurveySite Inc., or SurveySite. Through this acquisition, the Company acquired proprietary data-collection technology and increased customer penetration and revenues in the survey business. The total cost of the acquisition was $3.6 million, which included cash of $1.7 million, the payment of additional purchase consideration of

$132,000, the issuance of 135,635 shares of restricted common stock valued at $1.6 million and related costs incurred and adjustments in the amount of $111,000.

The Company accounted for the acquisition as a purchase in accordance with SFAS 141. Accordingly, the results of operations of SurveySite have been included in the accompanying consolidated financial statements since the purchase date. In accordance with SFAS 141, the purchase price was allocated to the assets and liabilities of SurveySite based on their estimated fair values. Based on this analysis, the fair value of the identifiable tangible and intangible assets exceeded the cost of the acquired business by approximately $790,000. Therefore, in accordance with SFAS 141, the Company reduced, on a pro rata basis, the value attributed to certain assets acquired.

The following table summarizes the estimated fair values of the tangible assets acquired and liabilities assumed at the date of acquisition:

	(In thousands)
Cash	$ 715
Accounts receivable	606
Prepaid expense and other current assets	90
Property and equipment	283
Total assets acquired	1,694
Accounts payable and accrued expenses	245
Deferred revenues	480
Deferred tax liability	356
Net tangible assets acquired	$ 613

The former shareholders of SurveySite are entitled to receive $132,000 based on the entity's achievement of certain performance criteria. The performance criteria was achieved as of December 31, 2005 and the performance criteria was also expected to be achieved in 2006, therefore, the total contingent purchase consideration was paid in January 2006 and is included in the purchase price. The common stock issued is subject to a restricted stock agreement that includes a put right at a price of $13.35 per share to be effective for a ninety-day period beginning on the third anniversary of the closing date. The Company has valued the common stock subject to put at fair value on the date of issuance. The fair value of the common stock subject to put was estimated as the sum of (i) the fair value of common stock exclusive of a put right of $1.25 per share and (ii) the fair value of the embedded put right as measured using the Black-Scholes option-pricing formula of $10.85 per share. The key assumptions used in the Black-Scholes option-pricing formula were as follows: expected dividend yield — 0%; risk-free interest rate — 3.36%; expected volatility — 40.0%; expected term — 3 years. The carrying value of the common stock subject to the put right is being accreted to the put obligation over the three year term using the effective interest rate method. For the years ended December 31, 2005 and 2006, the Company accreted a total of $55,000 and $58,000, respectively.

The non-tangible portion of the purchase price, including the payment of the contingent purchase consideration, was allocated as follows:

	(In thousands)
Trademarks	$ 323
Non-compete agreements	213
Customer relationships	2,228
Acquired methodologies/technology	237

Acquired methodology and customer relationships are being amortized on a straight-line basis over six months to three years. The trademarks and non-compete agreements are being amortized on a straight-line basis over two and three years, respectively.

4. Property and Equipment

Property and equipment, including equipment under capital lease obligations, consists of the following:

	December 31 2005	December 31 2006
	(In thousands)	
Computer equipment	$ 15,165	$ 14,855
Computer software	3,220	2,816
Office equipment and furniture	1,178	1,159
Leasehold improvements	832	1,079
	20,395	19,909
Less: accumulated depreciation and amortization	(15,915)	(12,929)
	$ 4,480	$ 6,980

Property and equipment financed through capital lease obligations, consisting of computer equipment, totaled $4.5 million and $4.6 million at December 31, 2005 and 2006, respectively. At December 31, 2005 and 2006, accumulated depreciation related to property and equipment financed through capital leases totaled $2.2 million and $1.1 million, respectively. During the year ended December 31, 2006, $3.2 million of fully depreciated assets were written off. In addition, $2.6 million of assets financed through capital leases terminated and were subsequently returned and written off.

For the years ended December 31, 2004, 2005 and 2006, total depreciation expense was $2.4 million, $2.7 million and $2.9 million, respectively.

5. Goodwill and Intangible Assets

	December 31 2005	December 31 2006	March 31, 2007 (Unaudited)
	(In thousands)		
Goodwill	$ 1,064	$ 1,364	$ 1,364
Intangible assets consist of the following:			
Trademarks and brands	$ 662	$ 662	$ 662
Non-compete agreements	326	326	326
Customer relationships	3,467	3,467	3,467
Acquired methodologies/technology	688	688	688
Total intangible assets	5,143	5,143	5,143
Accumulated amortization	(2,788)	(4,160)	(4,453)
Intangible assets, net	$ 2,355	$ 983	$ 690

Amortization expense related to intangible assets was approximately $356,000, $2.4 million, $1.4 million, $371,000 and $293,000 for the years ended December 31, 2004, 2005 and 2006 and the three months ended March 31, 2006 and 2007, respectively.

Future expected amortization of intangible assets as of December 31, 2006, is as follows:

	(In thousands)
2007	$967
2008	16

The weighted average amortization period by major asset class as of December 31, 2006, is as follows:

	(In years)
Trademarks and brands	1.7
Non-compete agreements	3.4
Customer relationships	2.7
Acquired methodologies/technology	2.0

6. Accrued Expenses

Accrued expenses consist of the following:

	December 31, 2005	December 31, 2006
	(In thousands)	
Accrued payroll and related	$ 2,428	$ 3,118
Other	1,757	2,902
	$ 4,185	$ 6,020

7. Commitments and Contingencies

Leases

In December 2006, the Company entered into an equipment lease agreement with Banc of America Leasing & Capital, LLC to finance the purchase of new hardware and other computer equipment as the Company continues to expand its technology infrastructure in support of its business growth. This agreement includes a $5.0 million line of credit available through December 31, 2007; its initial utilization of this credit facility was to establish an equipment lease for approximately $2.9 million bearing interest at a rate of 7.75% per annum. The base term for this lease is three years and includes a nominal charge in the event of prepayment. Assets acquired under the equipment leases secure the obligations.

In addition to equipment financed through capital leases, the Company is obligated under various noncancelable operating leases for office facilities and equipment. These leases generally provide for renewal options and escalation increases. Future minimum payments under noncancelable lease agreements with initial terms of one year or more as of December 31, 2006 are as follows:

	Capital Leases	Operating Leases
	(In thousands)	
2007	$ 1,986	$ 2,009
2008	1,418	1,383
2009	1,014	680
2010	—	377
2011	—	383
Thereafter	—	226
Total minimum lease payments	4,418	$ 5,058
Less amount representing interest	(431)	
Present value of net minimum lease payments		
Less current portion	(1,726)	
Capital lease obligations, long-term	$ 2,261	

Total rent expense was $1.9 million, $2.5 million, $2.1 million, $519,000 and $512,000 for the years ended December 31, 2004, 2005 and 2006 and the three months ended March 31, 2006 and 2007, respectively.

The Company is required to maintain a letter of credit in the amount of approximately $256,000 as additional security deposit pertaining to an operating lease. In connection with the modification of this lease, the amount was increased to $537,000. As of March 31, 2007 no amounts were paid.

In June 2003, the Company modified its lease for its corporate headquarters resulting in (i) a reduction in the space rented, (ii) the lease termination date being revised from January 2011 to June 2008, and (iii) a reduction in the monthly lease rate. In connection with the modification, the Company relinquished its security deposit on the original lease and made certain cash payments which totaled $2.0 million. The Company has treated the modification payments, net of a deferred rent liability of approximately $300,000 associated with the vacated space, as prepaid rent and is recognizing the amount over the remaining lease term. The prepaid lease balance at December 31, 2005 and 2006 and March 31, 2007 was approximately $665,000, $386,000 and $319,000, respectively. The short-term portion is included in Prepaid Expenses and Other Current Assets and the long-term portion is included in Other Non-Current Assets in the Consolidated Balance Sheets. In March 2007, the Company modified its lease for its New York office resulting in (i) vacating existing space once new space is available, (ii) an increase in the space rented, (iii) the lease termination date being revised from October 2012 to November 2012, and (iv) an increase in the monthly lease rate from $21,000 to $45,000.

Contingencies

The Company has no asserted claims, but is from time to time exposed to unasserted potential claims encountered in the normal course of business. Although the outcome of any legal proceedings cannot be predicted with certainty, management believes that the final resolution of these matters will not materially affect the Company's financial position or results of operations.

8. Income Taxes

Income tax expense (benefit) is comprised of the following:

	Year Ended December 31,		
	2004	2005	2006
		(In thousands)	
Current:			
Federal	$ —	$ —	$ 147
State	—	—	—
Foreign	—	—	—
Total	—	—	147
Deferred:			
Federal	—	—	—
State	—	—	—
Foreign	—	(182)	(97)
Total	—	(182)	(97)
Income tax expense (benefit)	—	$ (182)	$ 50

A reconciliation of the statutory United States income tax rate to the effective income tax rate follows:

	Year Ended December 31,		
	2004	2005	2006
Statutory federal tax rate	34.0%	34.0%	34.0%
Nondeductible items	(0.9)	(1.2)	3.4
State tax rate, net of federal benefit	4.5	2.6	5.6
Foreign	—	0.4	(0.2)
Change in valuation allowance	(37.6)	(31.2)	(41.9)
Effective tax rate	0.0%	4.6%	0.9%

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's net deferred income taxes are as follows:

	December 31	
	2005	2006
	(In thousands)	
Deferred tax asset:		
Net operating loss	$ 34,498	$ 31,580
Tax credits	—	147
Accrued vacation and bonus	96	197
Deferred revenues	708	438
Acquired intangibles	287	673
Depreciation	345	525
Deferred rent	103	96
Other	102	90
Total deferred tax assets	36,139	33,746
Deferred tax liabilities:		
Intangibles	(174)	(77)
Less valuation allowance	(36,139)	(33,746)
Net deferred tax liability	$ (174)	$ (77)

As of December 31, 2005 and 2006 and March 31, 2007, the Company had both federal and state net operating loss carryforwards for tax purposes of approximately $88.5 million, $81.2 million and $78.9 million, respectively, which begin to expire in 2020 for federal and begin to expire in 2010 for state income tax reporting purposes. In addition, at December 31, 2005 and 2006 and March 31, 2007 the Company had net operating loss carryforwards for tax purposes related to our foreign subsidiaries of $966,000, $703,000 and $943,000, respectively, which begin to expire in 2010.

Under the provisions of the Internal Revenue Code Section 382, certain substantial changes in the Company's ownership may result in a limitation on the amount of U.S. net operating loss carryforwards which could be utilized annually to offset future taxable income and taxes payable. Additionally, despite the net operating loss carryforward, the Company may have a future tax liability due to alternative minimum tax, foreign tax or state tax requirements.

Management believes that, based on a number of factors, the available objective evidence creates sufficient uncertainty regarding the realizability of the deferred tax assets such that a full valuation allowance is required. Such factors include the lack of a significant history of profits, recent increases in expense levels to support the Company's growth, the fact that the market in which the Company competes is intensely competitive and characterized by rapidly changing technology, and the lack of carryback capacity to realize deferred tax assets.

9. Convertible Preferred Stock

The Company's certificate of incorporation provides for the issuance of 9,187,500 shares of Series A Preferred Stock (Series A), 3,535,486 shares of Series B Preferred Stock (Series B), 13,355,052 shares of Series C Preferred Stock (Series C), 357,144 shares of Series C-1 Preferred Stock (Series C-1), 22,238,042 shares of Series D Preferred Stock (Series D) and 25,000,000 shares of Series E Preferred Stock (Series E).

The Series E ranks senior to all other classes of capital stock, with the exception of the Incentive Plan (see Note 11), on a distribution of assets upon liquidation, dissolution, or winding up of the Company. Upon such event, each share of Series E is entitled to a liquidation preference equal to 1.63 times the original purchase price of $2.50 per share. In addition, each share of Series E is entitled to participate in any distribution pari passu with all classes of stock after $88,392,465 (the Cap Amount) has been distributed to the holders of Series A through Series D preferred stock. The assets distributed to each share of Series E upon liquidation, dissolution or winding up of the Company shall not exceed five times the original purchase price of $2.50 per share. Series E is convertible into common stock at a conversion price equal to the original issuance price, subject to adjustment.

The holders of Series E are entitled to dividends in preference to any class of capital stock of the Company at an annual rate of 8.0%. Following payment of any dividends to holders of Series E, holders of Series D are entitled to dividends in preference to any class of stock other than Series E at an annual rate of 8.0%. Following the payment of any dividends to the holders of Series D, holders of Series A, Series B, Series C and Series C-1 are entitled to dividends in preference to common stockholders at an annual rate of 8.0%. All dividends are noncumulative and are paid only when, if, and as declared by the Board of Directors. No dividend shall be paid on shares of common stock in any fiscal year unless (i) the noncumulative preferential dividends of the preferred stock have been paid in full and (ii) the holders of preferred stock participate in any such dividend on common stock on a pro rata basis assuming conversion of all preferred stock into common stock.

The Series A, B, C, C-1 and D (Series A-D) each has a liquidation preference senior to the common stock. In the event of any liquidation, dissolution, or winding up of the Company, each Series A-D share is entitled to a liquidation preference equal to a portion of the Cap Amount. The portion of the Cap Amount to which each share of Series A, B, C and C-1 is entitled is equal to the original purchase price for such share (plus all declared and unpaid dividends) multiplied by an adjustment factor set forth in the certificate of incorporation. The portion of the Cap Amount to which each share of Series D is entitled is equal to the original issue price (plus all declared and unpaid dividends) plus a 25% premium, compounded annually (but such total not to exceed 250% of the original issue price) multiplied by an adjustment factor set forth in the certificate of incorporation. The original purchase price per share for Series A, Series B, Series C, Series C-1 and Series D was $5.00, $24.50, $11.35, $7.00 and $4.50 respectively. After the payment of the liquidation preference to the Series A-D, each share of Series A-D is entitled to participate in any distribution pari passu with all classes of stock. The assets distributed to each share of Series A-D upon liquidation, dissolution, or winding up of the Company shall not exceed 2.5 times the original purchase price of such shares.

Upon the occurrence of a Liquidation Event, defined as a consolidation, merger, or sale of the Company, Management shall be entitled to receive the first 10% of any liquidation proceeds pursuant to an Incentive Plan (see Note 11). The distribution of such proceeds shall be to the Incentive Plan participants (senior management and Company's founders) based on both their respective equity ownership in the Company and a variable percentage which is subject to Board approval.

As a result of the issuance of Series E, the conversion prices of the Series A, Series B, Series C, Series C-1 and Series D were adjusted to the following rates: Series A $4.30 per share, Series B $12.35 per share, Series C $7.50 per share, Series C-1 $5.90 per share and Series D of $4.00 per share.

Each share of preferred stock is convertible at any time into shares of common stock based on the conversion price then in effect. Conversion is automatic in the event of a public offering of common stock at a price of at least $12.50 per share with gross proceeds of at least $25 million. Each holder of preferred stock is entitled to the number of votes equal to the number of whole shares of common stock into which the shares held by the holder are then convertible at each meeting of the stockholders of the Company. All series of preferred stock have anti-dilution protection in the event the Company issues shares at a purchase price less than $2.50.

All classes of preferred stock are redeemable by the holder on or after August 1, 2008. Series E ranks senior to all other classes of stock and may be redeemed at 1.63 times its original purchase price plus all declared but unpaid dividends. The aggregate redemption value for the Series A-D shares is equal to the Cap Amount. In the event that any series of preferred stock is converted into common stock prior to redemption, the aggregate redemption value of the remaining series of preferred stock remains equal to the Cap Amount. The redemption value for the Series A-D shares is equal to the liquidation preference in effect on the redemption date for each series of preferred stock as adjusted by a formula set forth in the certificate of incorporation. Upon the initiation of the Cap Amount, the carrying values of Series A, Series B, Series C and Series C-1 were in excess of their individual redemption values. The carrying value of Series D was below its individual redemption value. The differences between the carrying value of each series of preferred stock and its respective redemption value (as adjusted for the Cap Amount for Series A-D) is being accreted as preferred stock dividends using the interest method over the period to the redemption date. Such accretion amounted to $2.1 million, $2.6 million and $3.2 million for the years ended December 31, 2004, 2005 and 2006, respectively, and $742,000 and $885,000 for the three months ended March 31, 2006 and 2007, respectively.

10. Convertible Preferred Stock Warrants

In prior years, the Company issued fully vested warrants to purchase 97,324 shares of preferred stock in connection with a master lease and various equipment lease agreements. The exercise prices of the warrants range from $2.50 to $24.50 per share and the warrants expire 10 years from the date of issue. The Company recorded the fair value of the warrants totaling $383,000 as deferred financing costs with an offset to warrants to purchase redeemable preferred stock. The fair value of the warrants was estimated using the Black-Scholes option pricing model. The deferred financing costs are being amortized to interest expense over the respective agreement on a straight line basis. For each of the years ended December 31, 2004, 2005 and 2006, the Company recorded $33,000 in interest expense.

Upon adoption of FSP 150-5 (July 1, 2005), the Company reclassified the carrying value of its warrants to purchase shares of its convertible preferred stock from mezzanine equity to a liability and adjusted the warrants to fair value. The fair value of the convertible preferred stock warrants at December 31, 2005 and 2006 and March 31, 2007 was approximately $781,000, $1.0 million and $995,000, respectively. The fair value of warrants was estimated using the Black-Scholes option pricing model.

11. Stockholders' Deficit

1999 Stock Option Plan

In September 1999, the Company established the 1999 Stock Option Plan (the Plan) under which eligible employees and nonemployees may be granted options to purchase shares of the Company's common stock, restricted stock or restricted stock units. The Plan provides for the issuance of a maximum of 5.4 million shares of common stock. The exercise price is determined by the Board of Directors, which is generally equal to fair value for incentive stock options and is determined on a per-grant basis for nonqualified options. The vesting period of options granted under the Plan is determined by the Board of Directors, generally ratably over a four-year period. The options expire 10 years from the date of the grant. As of December 31, 2006 and March 31, 2007, 1,063,229 and 456,754 shares, respectively, were available for grant under the plan.

Effective January 1, 2006, the Company adopted the fair value recognition provisions of SFAS 123R using the prospective transition method, which requires the Company to apply its provisions only to awards granted, modified, repurchased or cancelled after the effective date. Under this transition method, stock-based compensation expense recognized beginning January 1, 2006 is based on the following: (1) the grant-date fair value of stock option awards granted or modified beginning January 1, 2006; and (2) the balance of deferred stock-based compensation related to stock option awards granted prior to January 1, 2006, which was calculated using the intrinsic-value method as previously permitted under APB 25. Results for prior periods have not been restated.

In connection with the adoption of SFAS 123R, the Company estimates the fair value of stock option awards granted beginning January 1, 2006 using the Black-Scholes option-pricing formula and a single option award approach. The Company then amortizes the fair value of awards expected to vest on a straight-line basis over the requisite service periods of the awards, which is generally the period from the grant date to the end of the vesting period. The weighted-average expected option term for options granted during the year ended December 31, 2006 was calculated using the simplified method described in SAB No. 107, *Share-Based Payment.* The simplified method defines the expected term as the average of the contractual term and the vesting period. Estimated volatility for the year ended December 31, 2006 also reflected the application of SAB No. 107 interpretive guidance and, accordingly, incorporates historical volatility of similar entities whose share prices are publicly available. The risk-free interest rate is based on the yield curve of a zero-coupon U.S. Treasury bond on the date the stock option award is granted with a maturity equal to the expected term of the stock option award. The Company used historical data to estimate the number of future stock option forfeitures.

As a result of adopting SFAS 123R on January 1, 2006, the Company's income before income taxes and net income for the year ended December 31, 2006 was $198,000 less than if the Company had continued to account for stock-based compensation under APB No. 25. Basic and diluted net income per common share for the year ended December 31, 2006 would have been unaffected if the Company had not adopted SFAS 123R. As of December 31, 2006, total unrecognized compensation expense related to non-vested stock options granted prior to that date is estimated at $1.3 million, which the Company expects to recognize over a weighted average period of approximately 1.86 years. As of March 31, 2007, total unrecognized compensation expense related to non-vested stock options, restricted stock and restricted stock units granted prior to that date is estimated at $6.6 million, which the Company expects to recognize over a weighted average period of approximately 2.39 years. Total unrecognized compensation expense as of December 31, 2006 is estimated based on outstanding non-vested stock options and may be increased or decreased in future periods for subsequent grants or forfeitures. The following are the weighted-average assumptions used in valuing the stock options granted during the year ended December 31, 2006, and a discussion of the Company's assumptions.

Dividend yield	0.00%
Expected volatility	63.37%
Risk-free interest rate	4.76%
Expected life of options (in years)	6.02

Dividend yield — The Company has never declared or paid dividends on its common stock and does not anticipate paying dividends in the foreseeable future.

Expected volatility — Volatility is a measure of the amount by which a financial variable such as a share price has fluctuated (historical volatility) or is expected to fluctuate (expected volatility) during a period. The

Company has used the historical volatility of its peer group to estimate expected volatility. The peer group includes companies that are similar in revenue size, in the same industry or are competitors.

Risk-free interest rate — This is the average U.S. Treasury rate (with a term that most closely resembles the expected life of the option) for the quarter in which the option was granted.

Expected life of the options — This is the period of time that the options granted are expected to remain outstanding. This estimate is derived from the average midpoint between the weighted average vesting period and the contractual term as described in the SAB No. 107.

The weighted average grant date fair value of options granted during the year ended December 31, 2006 was $4.30. Options granted in the years ended December 31, 2004 and 2005 were issued prior to the adoption of SFAS 123R. The total fair value of shares vested during the year ended December 31, 2006 was $178,000.

A summary of the Plan is presented below:

	Number of Shares	Weighted-Average Exercise Price
Options outstanding at December 31, 2003	1,781,803	$ 0.60
Options granted	1,856,291	0.35
Options exercised	480,742	0.25
Options forfeited	96,347	0.75
Options expired	32,925	4.85
Options outstanding at December 31, 2004	3,028,080	0.45
Options granted	838,902	3.50
Options exercised	306,378	0.45
Options forfeited	175,641	1.10
Options expired	12,000	1.65
Options outstanding at December 31, 2005	3,372,963	1.15
Options granted	342,710	7.25
Options exercised	652,677	0.35
Options forfeited	301,855	2.25
Options expired	37,201	2.80
Options outstanding at December 31, 2006	2,723,940	2.00
Options granted	—	—
Options exercised	190,062	0.75
Options forfeited	36,097	2.90
Options expired	357	6.50
Options outstanding at March 31, 2007	2,497,424	2.07
Options exercisable at March 31, 2007	1,602,972	1.15

The following table summarizes information about options outstanding at December 31, 2006:

	Options Outstanding			Options Exercisable		
Exercise Price	Options Outstanding	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life	Options Exercisable	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life
$0.05 – $2.50	1,958,210	$ 0.55	6.4	1,215,981	$ 0.55	5.9
2.55 – 5.00	482,980	4.35	8.5	148,333	4.25	8.1
5.05 – 7.50	179,328	7.50	8.9	34,246	7.50	7.4
7.55 - 10.00	103,422	8.75	9.3	11,544	9.15	6.8
	2,723,940	2.00	7.0	1,410,104	1.20	6.2

The aggregate intrinsic value of options exercised for the years ended December 31, 2004, 2005 and 2006 was $1,747, $1,072,511 and $3,699,292, respectively. The aggregate intrinsic value for all options outstanding under the Company's stock plans as of December 31, 2006 was $18,454,548. The aggregate intrinsic value for options exercisable under the Company's stock plans as of December 31, 2006 was $10,665,346.

During 2003, the Company initiated an offer to exchange certain outstanding incentive stock options. Employees had the option to exchange all outstanding incentive stock options to purchase shares of the Company's common stock that had an exercise price equal to or greater than $0.50 for new options with an exercise price equal to fair market value of the common stock to be granted the first business day that was six months and one day after the cancellation date. Employees tendered options to purchase 983,818 shares of common stock during the offer period. In April 2004, 887,202 stock options were granted in connection with the tender offer.

During the three months ended March 31, 2007, the Company awarded an aggregate of 590,050 shares of restricted common stock to certain of its employees. The weighted average estimated fair value for these shares is $11.25. The aggregate intrinsic value for all non-vested shares of restricted common stock outstanding at March 31, 2007 was $6.6 million. The Company has a right of repurchase on such shares that lapses at a rate of twenty-five percent (25%) of the total shares awarded at each successive anniversary of the initial award date, provided that the employee continues to provide services to the Company. In the event that an employee terminates their employment with the Company, any shares that remain unvested and consequently subject to the right of repurchase shall be automatically reacquired by the Company at the original purchase price paid by the employee.

During the three months ended March 31, 2007, the Company awarded an aggregate of 52,850 units of restricted common stock units to certain of its employees. The estimated fair value for these units is $11.25. The aggregate intrinsic value for all non-vested restricted stock units outstanding at March 31, 2007 was $595,000. The Company has a right of repurchase on such units that lapses at a rate of twenty-five percent (25%) of the total shares awarded at each successive anniversary of the initial award date, provided that the employee continues to provide service to the Company. In the event that an employee terminates their employment with the Company, any units that remain unvested shall be automatically reacquired by the Company.

Incentive Plan

In connection with the Series E offering, the Company created a management incentive plan (the Incentive Plan) for certain officers, founders and key employees of the Company. Under the terms of the Incentive Plan, up to 10% of any liquidation proceeds from the consolidation, merger, or sale of the Company will be distributed to the plan participants. Of the potential payout to a plan participant, 75% is based on a pre-determined formula with the remaining 25% of the payout at the discretion of the administrators of the Incentive Plan. The potential payout is reduced by any amounts the participant would receive in the liquidation through stock option exercises or stock ownership. The Incentive Plan terminates upon a qualifying initial public offering of the Company's common stock.

Common Stock Warrants

In prior years, the Company had granted an aggregate of 403,368 warrants to purchase common stock. The common stock warrants begin to expire in February 2006 through to April 2015 with exercise prices ranging from $3.00 to $24.50. As of December 31, 2006, warrants to purchase 62,057 shares of common stock were outstanding.

Shares Reserved for Issuance

At December 31, 2006, the Company has reserved for future issuance the following shares of common stock upon conversion of preferred stock and the exercise of options and warrants:

Series A	2,136,623
Series B	1,380,436
Series C	4,004,690
Series C-1	84,746
Series D	4,849,751
Series E	4,801,116
Common stock available for future issuances under the Plan	1,063,229
Common stock available for outstanding options	2,723,940
Common stock warrants	62,057
Common stock available for conversion of preferred stock warrants	113,129
	21,219,717

In addition, the Company has reserved 11,250 Series B shares, 38,074 Series D shares and 48,000 Series E shares pursuant to outstanding warrants.

12. Employee Benefit Plans

The Company has a 401(k) Plan for the benefit of all employees who meet certain eligibility requirements. This plan covers substantially all of the Company's full-time employees. The Company made $181,000 and $221,000 in contributions to the 401(k) Plan for the year ended December 31, 2005 and 2006, respectively. No contributions were made for the year ended December 31, 2004.

13. Related Party Transactions

On August 1, 2003, the Company entered into a Licensing and Services Agreement with a counterparty that until November 27, 2006 was a stockholder of the Company. Pursuant to the terms of the Licensing and Services Agreement, the Company granted the counterparty a license to certain digital marketing intelligence data and products. In each of 2004, 2005 and 2006, the Company recognized revenues of $3 million. In relation to this counterparty, there were no outstanding amounts included in our accounts receivable balance as of December 31, 2004, 2005 and 2006.

14. Geographic Information

The Company attributes revenues to customers based on the location of the customer. The composition of the Company's sales to unaffiliated customers between those in the United States and those in other locations for each year is set forth below:

	Year Ended December 31,			Three Months Ended March 31,	
	2004	2005	2006	2006	2007
			(In thousands)	(Unaudited)	
United States	$ 33,096	$ 46,900	$ 60,550	$ 13,858	$ 16,884
Canada	1,798	2,479	3,150	706	845
United Kingdom/Other	—	888	2,593	421	952
Total Revenues	$ 34,894	$ 50,267	$ 66,293	$ 14,985	$ 18,681

The composition of the Company's property, plant and equipment between those in the United States and those in other countries as of the end of each year is set forth below:

	December 31,		March 31,
	2005	2006	2007
	(In thousands)		(Unaudited)
United States	$ 4,063	$ 6,525	$ 6,096
Canada	413	305	270
United Kingdom	4	150	249
Total	$ 4,480	$ 6,980	$ 6,615

15. Subsequent Event

In March 2007, the Company's Board of Directors approved a registration statement on Form S-1 to be filed with the Securities and Exchange Commission in connection with the initial public offering of the Company's common stock. In connection with the Company's initial public offering, the Company's board of directors approved a restatement of the capital accounts of the Company through an amendment of the Company's certificate of incorporation to provide for a 1-for-5 reverse stock split. The accompanying consolidated financial statements give retroactive effect as though the 1-for-5 reverse stock split of the Company's common stock occurred for all periods presented.

16. Quarterly Financial Information (Unaudited)

	Three Months Ended							
	Mar. 31, 2005	Jun. 30, 2005	Sept. 30, 2005	Dec. 31, 2005	Mar. 31, 2006	Jun. 30, 2006	Sept. 30, 2006	Dec. 31, 2006
	(In thousands, except share and per share data)							
Revenues	$ 11,135	$ 13,150	$ 12,953	$ 13,029	$ 14,985	$ 16,906	$ 16,165	$ 18,237
Cost of revenues(1)	3,936	4,863	4,602	4,817	5,148	5,205	4,977	5,230
Selling and marketing(1)	4,234	4,813	4,821	5,085	5,345	5,323	5,171	5,634
Research and development(1)	1,678	1,876	1,908	1,954	2,137	2,258	2,273	2,341
General and administrative(1)	1,489	1,804	1,779	2,017	1,918	2,176	1,897	2,302
Amortization	621	603	612	601	371	333	333	334
Total expenses from operations	11,958	13,959	13,722	14,474	14,919	15,295	14,651	15,841
(Loss) income from operations	(823)	(809)	(769)	(1,445)	66	1,611	1,514	2,396
Interest (expense) income, net	(58)	(71)	(39)	(40)	11	23	84	113
(Loss) gain from foreign currency	(21)	(1)	(72)	(2)	6	(33)	3	149
Revaluation of preferred stock warrant liabilities	—	—	(6)	(8)	2	(211)	(6)	(9)
(Loss) income before income taxes and cumulative effect of change in accounting principle	(902)	(881)	(886)	(1,495)	85	1,390	1,595	2,649
(Benefit) provision for income taxes	(53)	(52)	(38)	(39)	—	—	—	50
Net (loss) income before cumulative effect of change in accounting principle	(849)	(829)	(848)	(1,456)	85	1,390	1,595	2,599
Cumulative effect of change in accounting principle	—	—	(440)	—	—	—	—	—
Net (loss) income	(849)	(829)	(1,288)	(1,456)	85	1,390	1,595	2,599
Accretion of redeemable preferred stock	(611)	(643)	(675)	(709)	(742)	(777)	(812)	(848)
Net (loss) income attributable to common stockholders	$ (1,460)	$ (1,472)	$ (1,963)	$ (2,165)	$ (657)	$ 613	$ 783	$ 1,751
Net (loss) income attributable to common stockholders	$ (1,493)	$ (1,505)	$ (1,996)	$ (2,199)	$ (691)	$ 579	$ 748	$ 1,716
Net (loss) income attributable to common stockholders per common share:								
Basic and diluted	$ (0.49)	$ (0.48)	$ (0.63)	$ (0.69)	$ (0.19)	$ 0.00	$ 0.00	$ 0.00
Weighted-average number of shares used in per share calculation — common stock								
Basic and diluted	3,051,224	3,121,621	3,150,533	3,195,588	3,609,928	3,843,579	3,958,059	3,972,087
Net (loss) income attributable to common stockholders per common share subject to put:	$ 0.09	$ 0.09	$ 0.09	$ 0.09	$ 0.10	$ 0.10	$ 0.10	$ 0.10
Basic and diluted								
Weighted-average number of shares used in per share calculation — common share subject to put:								
Basic and diluted	347,635	347,635	347,635	347,635	347,635	347,635	347,635	347,635

(1) Amortization of stock-based compensation is included in the line items above as follows:

Cost of revenues	$ —	$ —	$ —	$ —	$ —	$ 2	$ 4	$ 6
Selling and marketing	—	—	—	—	6	26	23	27
Research and development	—	—	—	—	—	2	4	7
General and administrative	—	1	1	1	1	10	40	40

Until , 2007 (25 days after the commencement of this offering) all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

5,000,000 Shares

comScore

Common Stock

PROSPECTUS

Credit Suisse **Deutsche Bank Securities**

Friedman Billings Ramsey

Jefferies & Company

William Blair & Company

, 2007

PART II

Information not required in prospectus

ITEM 13. ***Other Expenses of Issuance and Distribution***

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by comScore, Inc. in connection with the sale of the common stock being registered hereby. All amounts are estimates except the SEC Registration Fee, the NASD filing fee and The NASDAQ Global Market listing fee.

	Amount to be Paid
Securities and Exchange Commission registration fee	$ 2,825
NASD filing fee	9,125
The NASDAQ Global Market listing fee	100,000
Blue Sky fees and expenses	10,000
Printing and engraving expenses	250,000
Legal fees and expenses	1,200,000
Accounting fees and expenses	1,300,000
Transfer agent and registrar fees	10,000
Miscellaneous	118,050
Total	$ 3,000,000

ITEM 14. ***Indemnification of Directors and Officers***

Section 145(a) of the Delaware General Corporation Law provides that a Delaware corporation may 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 or 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 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 the corporation, and, with respect to any criminal action or proceeding, had no cause to believe his or her conduct was unlawful.

Section 145(b) of the Delaware General Corporation Law provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person acted 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 he or she acted under similar standards, except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to be indemnified for such expenses which the court shall deem proper.

Section 145 of the Delaware General Corporation Law further provides that: (i) to the extent that a former or present director or officer of a corporation has been successful in the defense of any action, suit or proceeding referred to in subsections (a) and (b) or in the defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith; (ii) indemnification provided for by Section 145 shall not be deemed exclusive of any other rights to which the indemnified party may be entitled; and (iii) the corporation may purchase and maintain insurance on behalf of any present or former director, officer, employee or agent of the corporation or any person who at the request of the corporation was serving in such capacity for another entity against any liability asserted against such person and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liabilities under Section 145.

Article X of our amended and restated certificate of incorporation authorizes us to provide for the indemnification of directors to the fullest extent permissible under Delaware law.

Article VI of our bylaws provides for the indemnification of officers, directors and third parties acting on our behalf if such person acted in good faith and in a manner reasonably believed to be in and not opposed to our best interest and, with respect to any criminal action or proceeding, the indemnified party had no reason to believe his or her conduct was unlawful.

We have entered into indemnification agreements with our directors, executive officers and others, in addition to indemnification provided for in our bylaws, and intend to enter into indemnification agreements with any new directors and executive officers in the future.

We have purchased and intend to maintain insurance on behalf of any person who is or was a director or officer against any loss arising from any claim asserted against him or her and incurred by him or her in any such capacity, subject to certain exclusions.

See also the undertakings set out in response to Item 17 herein.

ITEM 15. ***Recent Sales of Unregistered Securities***

In the past three years, we have issued and sold the following securities as adjusted for the 1-for-5 stock split:

1. From December 7, 1999 through the date hereof, we have granted options to purchase 6,960,107 shares of our Common Stock at a weighted average exercise price of $1.79 per share. As of the date hereof, these options had been exercised for 2,110,990 shares at prices ranging from $0.25 to $10.00 per share, and 2,726,844 of these options had been cancelled or otherwise returned to our 1999 Stock Plan at prices ranging from $0.25 to $10.00 per share.

2. On March 25, 2007, we awarded an aggregate of 590,050 shares of our restricted stock to certain of our named executive officers and our employees based upon the recommendations of our compensation committee. The Company has a right of repurchase on such units that lapses at a rate of twenty-five percent of the total award at the end of each year following the date of award, provided that the employee continues to be a service provider of the Company. In the event that an employee terminates their employment with the Company, any shares that remain unvested shall be automatically reacquired by the Company at the original purchase price paid by the employee.

3. On March 25, 2007, we awarded restricted stock units that may be settled for an aggregate of 52,850 of our common stock to certain of our employees based upon the recommendations of our compensation committee. The Company has a right of repurchase on such units that lapses at a rate of twenty-five percent of the total award at the end of each year following the date of the award, provided that the employee continues to be a service provider of the Company. In the event that an employee terminates their employment with the Company, any units that remain unvested shall be automatically reacquired by the Company.

4. On April 10, 2007, we awarded an aggregate of 44,900 shares of our restricted stock to certain of our employees based upon the recommendations of our compensation committee. The Company has a right of repurchase on such shares that lapses at a rate of twenty-five percent of the total award at the end of each year following the date of the award, provided that the employee continues to be a service provider of the Company. In the event that an employee terminates their employment with the Company, any shares that remain unvested and consequently subject to the right of repurchase shall be automatically reacquired by the Company at the original purchase price paid by the employee.

5. On May 15, 2007, we sold 20,000 shares of our common stock to one of our directors, Mr. William Henderson, pursuant to the exercise of a warrant granted to Mr. Henderson on June 26, 2001.

6. In April 2005, we issued a warrant to purchase 13,637 shares of our common stock at a price of $5.50 per share. That warrant has not been exercised as of the date hereof.

7. On July 28, 2004, we acquired all the outstanding stock of Denaro and Associates, Inc., otherwise known as Q2 Brand Intelligence, Inc. (Q2). Pursuant to the terms of the acquisition, we paid $873,000 in cash and issued 212,000 shares of our common stock, valued at the time at an estimated $2.4 million, to the former sole stockholder of Q2. Such shares are subject to a restricted stock agreement that includes a put right at a pice of $12.50 per share to be effective for a ninety-day period beginning on July 28, 2007.

8. On January 4, 2005, we acquired the assets and certain liabilities of SurveySite Inc. (SurveySite). Pursuant to the terms of the acquisition, we paid $1.7 million in cash, $135 thousand in additional consideration and issued 135,635 shares of our common stock, valued at the time at an estimated $1.6 million, to the two stockholders of SurveySite. Such shares are subject to a restricted stock agreement that includes a put right at a price of $13.35 per share to be effective for a ninety-day period beginning on January 5, 2008.

The sales of the above securities were deemed to be exempt from registration under the Securities Act with respect to items 1, 2, 3, 4 and 5 above in reliance on Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving a public offering or transactions pursuant to compensatory benefit plans and contracts relating to compensation as provided under such Rule 701, and with respect to items 1 through 8 above also in reliance on Section 4(2) of the Securities Act. The recipients of securities in each such transaction represented their intention to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the share certificates and warrants issued in such transactions. All recipients had adequate access, through their relationships with us, to information about us.

ITEM 16. *Exhibits and Financial Statement Schedules*

(a) Exhibits.

A list of exhibits filed herewith is contained in the exhibit index that immediately precedes such exhibits and is incorporated herein by reference.

(b) Financial Statement Schedule

SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS

	As of December 31,			As of March 31,
	2004	2005	2006	2007
		(In thousands)		(Unaudited)
Allowance for Doubtful Accounts				
Beginning Balance	$ (298)	$ (102)	$ (185)	$ (188)
Additions	(12)	(90)	(212)	(54)
Reductions	208	7	209	7
Ending Balance	$ (102)	$ (185)	$ (188)	$ (235)
Deferred Tax Valuation Allowance				
Beginning Balance	$ (32,698)	$ (33,056)	$ (36,139)	$ (33,746)
Additions	(358)	(3,083)	—	—
Reductions	—	—	2,393	638
Ending Balance	$ (33,056)	$ (36,139)	$ (33,746)	$ (33,108)

Report of Independent Registered Public Accounting Firm

Board of Directors
comScore, Inc.

We have audited the consolidated financial statements of comScore, Inc. as of December 31, 2005 and 2006, and for each of the three years in the period ended December 31, 2006, and have issued our report thereon dated March 29, 2007 (except for Note 15, as to which the date is , 2007) (including elsewhere in this Registration Statement). Our audits also included the financial statement schedule listed in Item 16(b) of Form S-1 of this Registration Statement. These schedules are the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits.

In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

Ernst & Young LLP

McLean, VA
March 29, 2007, except for Note 15, as to which the date is , 2007

The foregoing report is in the form that will be signed upon the completion of the restatement of capital accounts described in Note 15 to the consolidated financial statements.

/s/ Ernst & Young LLP

McLean, VA
June 8, 2007

ITEM 17. ***Undertakings***

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification by the Registrant for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions described in Item 14 or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) For the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(4) For the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities: The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

Signatures

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Amendment No. 3 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Reston, Commonwealth of Virginia, on the eleventh day of June, 2007.

comScore, Inc.

By: /s/ Magid M. Abraham
Magid M. Abraham, Ph.D.
President, Chief Executive Officer and Director

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 3 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Magid M. Abraham Magid M. Abraham, Ph.D.	President, Chief Executive Officer (Principal Executive Officer) and Director	June 11, 2007
/s/ John M. Green John M. Green	Chief Financial Officer (Principal Financial and Accounting Officer)	June 11, 2007
* Gian M. Fulgoni	Executive Chairman of the Board of Directors	June 11, 2007
* Thomas D. Berman	Director	June 11, 2007
* Bruce Golden	Director	June 11, 2007
* William J. Henderson	Director	June 11, 2007
* Ronald J. Korn	Director	June 11, 2007
* Frederick R. Wilson	Director	June 11, 2007

*By: /s/ Magid M. Abraham
Magid M. Abraham, Ph.D.
Attorney-In-Fact

EXHIBIT INDEX

Exhibit Number	Description
1.1**	Form of Underwriting Agreement
3.1	Amended and Restated Certificate of Incorporation to be effective immediately prior to the offering
3.2*	Amended and Restated Bylaws currently in effect
3.3	Form of Amended and Restated Certificate of Incorporation of the Registrant (to be effective upon the closing of the offering)
3.4	Form of Amended and Restated Bylaws of the Registrant (to be effective upon the closing of the offering)
4.1	Specimen Common Stock Certificate
4.2*	Fourth Amended and Restated Investor Rights Agreement by and among comScore Networks, Inc. and certain holders of preferred stock, dated August 1, 2003
4.3*	Warrant to purchase 46,551 shares of Series B Convertible Preferred Stock, dated June 9, 2000
4.4*	Warrant to purchase 20,100 shares of common stock, dated July 31, 2000
4.5*	Warrant to purchase 9,694 shares of Series B Convertible Preferred Stock, dated September 29, 2000
4.6*	Warrant to purchase 100,000 shares of common stock, dated June 26, 2001
4.7*	Warrant to purchase 10,000 shares of common stock, dated November 30, 2001
4.8*	Warrant to purchase 12,000 shares of common stock, dated July 3, 2002
4.9*	Warrant to purchase 36,127 shares of Series D Convertible Preferred Stock, dated July 31, 2002
4.10*	Warrant to purchase 108,382 shares of Series D Convertible Preferred Stock, dated July 31, 2002
4.11*	Warrant to purchase 45,854 shares of Series D Convertible Preferred Stock, dated December 5, 2002
4.12*	Warrant to purchase 100,000 shares of common stock, dated June 24, 2003
4.13*	Warrant to purchase 240,000 shares of Series E Convertible Preferred Stock, dated December 19, 2003
4.14*	Warrant to purchase 68,182 shares of common stock, dated April 29, 2005
4.15*	Stock Restriction and Put Right Agreement by and between comScore Networks, Inc. and Lawrence Denaro, dated July 28, 2004
4.16*	Stock Restriction and Put Right Agreement by and among comScore Networks, Inc., 954253 Ontario, Inc. and Rice and Associates Advertising Consultants, Inc., dated January 1, 2005
5.1**	Opinion of Wilson Sonsini Goodrich & Rosati, Professional Corporation
10.1*	Form of Indemnification Agreement for directors and executive officers
10.2*	1999 Stock Plan
10.3*	Form of Stock Option Agreement under 1999 Stock Plan
10.4*	Form of Notice of Grant of Restricted Stock Purchase Right under 1999 Stock Plan
10.5*	Form of Notice of Grant of Restricted Stock Units under 1999 Stock Plan
10.6*	2007 Equity Incentive Plan
10.7*	Form of Notice of Grant of Stock Option under 2007 Equity Incentive Plan
10.8*	Form of Notice of Grant of Restricted Stock under 2007 Equity Incentive Plan
10.9*	Form of Notice of Grant of Restricted Stock Units under 2007 Equity Incentive Plan
10.10*	Stock Option Agreement with Magid M. Abraham, dated December 16, 2003
10.11*	Stock Option Agreement with Gian M. Fulgoni, dated December 16, 2003
10.12*	Lease Agreement by and between comScore Networks, Inc. and Comstock Partners, L.C., dated June 23, 2003, as amended
10.13*	Separation Agreement with Sheri L. Huston, dated February 28, 2006
10.14*	Letter Agreement with John M. Green, dated May 8, 2006
10.15*	Letter Agreement with Gregory Dale, dated September 27, 1999
10.16*	Letter Agreement with Christiana Lin, dated December 29, 2003
10.17*	Asset Purchase Agreement by and among SurveySite Inc., comScore Networks, Inc., comScore Canada, Inc. and certain other parties, dated December 16, 2004

Exhibit Number	Description
10.18*	Agreement and Plan of Merger and Reorganization by and among comScore Networks, Inc., comScore Acquisition Holding Company, Denaro and Associates, Inc. and Lawrence Denaro, dated July 28, 2004
10.19	Letter Agreement by and between comScore, Inc. and 11465 SH I, LC, dated June 4, 2007
10.20	Amendment, Waiver and Termination Agreement by and among comScore, Inc. and certain holders of preferred stock, dated June 8, 2007
10.21	Letter Agreement by and between comScore, Inc. and Citadel Equity Fund Ltd. dated May 25, 2007
10.22†	Licensing and Services Agreement, as amended, by and between Citadel Investment Group, L.L.C. and comScore Networks, Inc., dated August 1, 2003
21.1*	List of Subsidiaries
23.1	Consent of Ernst & Young LLP
23.2**	Consent of Wilson Sonsini Goodrich & Rosati, Professional Corporation (included in Exhibit 5.1)
24.1*	Power of Attorney

* Previously filed

** To be filed by amendment

† Confidential treatment requested

Exhibit 3.1

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF COMSCORE, INC.
a Delaware corporation

comScore, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "***Corporation***"), does hereby certify that:

1. The name of the Corporation is comScore, Inc., originally incorporated as comScore, inc. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on August 18, 1999.

2. The amendment and restatement herein set forth has been duly approved by the Board of Directors of the Corporation and by the stockholders of the Corporation pursuant to Sections 141, 228 and 242 of the General Corporation Law of the State of Delaware ("***DGCL***"). Approval of this amendment and restatement was approved by a written consent signed by the stockholders of the Corporation pursuant to Section 228 of the DGCL.

3. The restatement herein set forth has been duly adopted pursuant to Section 245 of the DGCL. This Amended and Restated Certificate of Incorporation restates and integrates and amends the provisions of the Corporation's Certificate of Incorporation.

4. The text of the Certificate of Incorporation is hereby amended and restated to read in its entirety as follows:

ARTICLE I

The name of the Corporation is comScore, Inc.

ARTICLE II

The address of the registered office of the Corporation in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, Delaware 19081. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE III

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV

A. Classes of Stock.

1. Stock Split. Immediately upon the filing of this Amended and Restated Certificate of Incorporation (the "***Split Effective Time***"), (i) each five (5) shares of the Common Stock (as defined herein) issued and outstanding at the Split Effective Time shall be exchanged and combined, automatically and without further action, into one (1) share of the Corporation's Common Stock; and (ii) each five (5) shares of Series A Preferred (as defined herein) issued and outstanding at the Split Effective Time shall be exchanged and combined, automatically and without further action, into one (1) share of the Series A Preferred; (iii) each five (5) shares of Series B Preferred (as defined herein) issued and outstanding at the Split Effective Time shall be exchanged and combined, automatically and without further action, into one (1) share of the Series B Preferred; (iv) each five (5) shares of Series C Preferred (as defined herein) issued and outstanding at the Split Effective Time shall be exchanged and combined, automatically and without further action, into one (1) share of the Series C Preferred; (v) each five (5) shares of Series C-1 Preferred (as defined herein) issued and outstanding at the Split Effective Time shall be exchanged and combined, automatically and without further action, into one (1) share of the Series C-1 Preferred; (vi) each five (5) shares of Series D Preferred (as defined herein) issued and outstanding at the Split Effective Time shall be exchanged and combined, automatically and without further action, into one (1) share of the Series D Preferred; and (vii) each five (5) shares of Series E Preferred (as defined herein) issued and outstanding at the Split Effective Time shall be exchanged and combined, automatically and without further action, into one (1) share of the Series E Preferred (the "***Reverse Stock Split***"). No fractional shares resulting from the Reverse Stock Split shall be issued in connection with the Reverse Stock Split, and any fractional shares otherwise issuable to a holder of record of shares of the Corporation's Common Stock or Preferred Stock (as defined herein) as of the Split Effective Time shall instead be rounded up to the nearest whole share.

2. Capital Stock. This Corporation is authorized to issue two classes of stock, to be designated, respectively, "***Common Stock***" and "***Preferred Stock***." The total number of shares which the Corporation is authorized to issue is One Hundred Ninety Eight Million, Six Hundred Seventy Three Thousand Two Hundred and Twenty Four (198,673,224) shares. One Hundred Twenty Five Million (125,000,000) shares shall be Common Stock, par value $0.001 per share, and Seventy Three Million, Six Hundred Seventy Three Thousand Two Hundred and Twenty Four (73,673,224) shares shall be Preferred Stock, par value $0.001 per share, of which Nine Million One Hundred Eighty Seven Thousand Five Hundred (9,187,500) shares, par value $0.001 per share, shall be designated "***Series A Preferred***," Three Million Five Hundred Thirty Five Thousand Four Hundred Eighty Six (3,535,486) shares, par value $0.001 per share, shall be designated "***Series B Preferred***," Thirteen Million Three Hundred Fifty Five Thousand Fifty Two (13,355,052) shares, par value $0.001 per share, shall be designated "***Series C Preferred***," Three Hundred Fifty Seven Thousand One Hundred Forty Four (357,144) shares, par value $0.001 per share, shall be designated "***Series C-1 Preferred***," Twenty Two Million Two Hundred Thirty Eight Thousand Forty Two (22,238,042) shares, par value $0.001 per share, shall be designated "***Series D Preferred***" and Twenty Five Million (25,000,000) shares, par value $0.001 per share, shall be designated "***Series E Preferred***."

3. Post-Automatic Conversion Capitalization. Upon the automatic conversion of all outstanding shares of the Preferred Stock in accordance with the provisions of Article IV, Section B.3.b. herein, the Corporation shall immediately thereafter be authorized to issue two classes of stock to be designated, respectively, “Common Stock” and “Preferred Stock.” The Board of Directors is authorized, subject to any limitations prescribed by law, to provide for the issuance of shares of Preferred Stock in series, and to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences, and rights of the shares of each such series and any qualifications, limitations or restrictions thereof.

4. The Board of Directors is further authorized to increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any series, the number of which was fixed by it, subsequent to the issuance of shares of such series then outstanding, subject to the powers, preferences and rights, and the qualifications, limitations and restrictions thereof stated in this Certificate of Incorporation or the resolution of the Board of Directors originally fixing the number of shares of such series. If the number of shares of any series is so decreased, then the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series.

B. Rights, Preferences, Privileges and Restrictions of Preferred Stock. The rights, preferences, privileges and restrictions granted to and imposed on the Series A Preferred, the Series B Preferred, the Series C Preferred, the Series C-1 Preferred, the Series D Preferred and the Series E Preferred (collectively, the “***Preferred***”) are as set forth below in this Article IV(B).

1. Dividend Provisions. The holders of shares of Series E Preferred shall be entitled to receive dividends, out of any assets legally available therefore, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock) on any other class of capital stock of this Corporation, at the rate of eight percent (8%) of the Original Series E Issue Price (as defined below, and as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) per share per annum. Following the payment of any dividends to the holders of shares of Series E Preferred, the holders of shares of Series D Preferred shall be entitled to receive dividends, out of any assets legally available therefor, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock) on any other class or series of capital stock of this Corporation, other than the Series E Preferred, at the rate of eight percent (8%) of the Original Series D Issue Price (as defined below, and as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) per share per annum. Following the payment of any dividends to the holders of shares of Series E Preferred and Series D Preferred, the holders of shares of Preferred (other than the Series E Preferred and the Series D Preferred) shall be entitled to receive dividends, out of any assets legally available therefor, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock) on the Common Stock of this Corporation, at the rate of eight percent (8%) of such series’ respective Original Issue Price (as defined below, and as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) per share per annum. Such dividends shall not be cumulative and shall be paid only when, if and as declared by the Board of Directors of the Corporation. No dividend shall be paid on shares of a series of Preferred (other than the Series E Preferred and the Series D Preferred) in any fiscal year

unless the holders of shares of each other series of Preferred (other than the Series E Preferred and the Series D Preferred) participate in such dividend, pro rata among the holders thereof based upon the full dividend amount to which they are entitled. No dividend shall be paid on shares of Common Stock in any fiscal year unless (i) the aforementioned noncumulative preferential dividends of the Preferred shall have been paid in full and (ii) the holders of Preferred participate in any such dividend on the Common Stock on a pro rata basis in proportion to the number of shares of Common Stock held of record by each such holder of Preferred (assuming the conversion of all Preferred into Common Stock).

2. Liquidation Preference.

a. Deemed Pre-Carveout Distribution. The amounts to be distributed to the holders of capital stock of the Corporation in the event of a Liquidation Event (as defined below) are subject to the proportional adjustment of amounts to be distributed to the holders of Preferred pursuant to Section 2(c) in order to satisfy the obligations of the Corporation pursuant to the Plan (as defined in Section 2(b)). For purposes of calculation of these amounts, the holders of capital stock of the Corporation shall be deemed to be entitled to receive amounts as set forth below in this Section 2(a) (the amounts that holders of Preferred shall be deemed to be entitled to the "***Deemed Preferred Amounts***"):

(i) Primary Distribution. In the event of any Liquidation Event, each holder of Series E Preferred shall be deemed to be entitled to receive, prior and in preference to any distribution of any of the assets of the Corporation to the holders of any other class of capital stock of this Corporation by reason of their ownership thereof, including the Series A Preferred, the Series B Preferred, the Series C Preferred, the Series C-1 Preferred, the Series D Preferred and the Common Stock, an amount equal to the product of (1) 8.15 and (2) the sum of (A) $2.50 (the "***Original Series E Issue Price***") for each share of Series E Preferred held of record by such holder (as adjusted for any stock dividends, stock distributions, combinations, consolidation, or splits with respect to such shares) and (B) all declared but unpaid dividends on such shares.

(ii) Secondary Distribution. In the event of any Liquidation Event, after the deemed payment in full of the amounts under Section 2(a)(i) and subject to the Cap (as defined and as set forth in Section 8), prior and in preference to any distribution of any of the assets of the Corporation to the holders of the Series A Preferred, the Series B Preferred, the Series C Preferred, the Series C-1 Preferred and the Common Stock (by reason of their ownership thereof), each holder of Series D Preferred shall be deemed to be entitled to receive an amount equal to the product of (A) the Adjustment Factor (as defined in Section 8) and (B) the sum of (1) $4.498 (the "***Original Series D Issue Price***") for each share of Series D Preferred held of record by such holder (as adjusted for any stock dividends, stock distributions, combinations, consolidation, or splits with respect to such shares), (2) all declared but unpaid dividends on such shares and (3) an amount equal to 25 percent (which amount shall be pro-rated for any partial year and computed with respect to any share from the date such share was first issued) of the Original Series D Issue Price compounded annually in respect of each share of the Series D Preferred held of record by such holder (the "***Liquidation Increment***") (as adjusted for any stock dividend, stock distributions, combinations, consolidations or splits with respect to such shares); provided, however, that in no event shall any holder of Series D Preferred be deemed to be entitled to receive an amount per share in excess of 2.5

times the Original Series D Issue Price (as adjusted for any stock dividends, stock distributions, combinations, consolidations, or splits with respect to such shares) pursuant to this Section 2(a)(ii) (the sum per share of (1), (2) and (3), as may be limited by the proviso, the "***Pre-Cap Series D Return***").

(iii) Tertiary Distribution. In the event of any Liquidation Event, after the deemed payment in full of the amounts under Section 2(a)(i)-2(a)(ii) and subject to the Cap, prior and in preference to any distribution of any of the assets of the Corporation to the holders of the Common Stock (by reason of their ownership thereof):

(A) each holder of Series A Preferred shall be deemed to be entitled to receive an amount equal to the product of (1) the Adjustment Factor and (2) the sum of (x) $5.00 (the "***Original Series A Issue Price***") for each share of Series A Preferred held of record by such holder (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) and (y) all declared but unpaid dividends on such shares (the sum per share of x and y, the "***Pre-Cap Series A Return***");

(B) each holder of Series B Preferred shall be deemed to be entitled to receive an amount equal to the product of (1) the Adjustment Factor and (2) the sum of (x) $24.50 (the "***Original Series B Issue Price***") for each share of Series B Preferred held of record by such holder (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) and (y) all declared but unpaid dividends on such shares (the sum per share of x and y, the "***Pre-Cap Series B Return***");

(C) each holder of Series C Preferred shall be deemed to be entitled to receive an amount equal to the product of (1) the Adjustment Factor and (2) the sum of (x) $11.346 (the "***Original Series C Issue Price***") for each share of Series C Preferred held of record by such holder (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) and (y) all declared but unpaid dividends on such shares (the sum per share of x and y, the "***Pre-Cap Series C Return***"); and

(D) each holder of Series C-1 Preferred shall be deemed to be entitled to receive an amount equal to the product of (1) the Adjustment Factor and (2) the sum of (x) $7.00 (the "***Original Series C-1 Issue Price***") for each share of Series C-1 Preferred held of record by such holder (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) and (y) all declared but unpaid dividends on such shares (the sum of x and y, the "***Pre-Cap Series C-1 Return***").

The Pre-Cap Series A Return, the Pre-Cap Series B Return, the Pre-Cap Series C Return, the Pre-Cap Series C-1 Return and the Pre-Cap Series D Return are each "***Pre-Cap Returns***." For the avoidance of doubt, the maximum amount that may actually be distributed pursuant to Section 2(a)(ii)-(iii) shall be the Cap.

(iv) Priority. If upon the occurrence of any Liquidation Event, the assets and funds of the Corporation legally available for distribution pursuant to Section 2(a)(i)-2(a)(iii) shall be insufficient to permit the payment of the full aforesaid deemed preferential amounts, then the entire assets and funds of the Corporation legally available for distribution shall be deemed to be distributed first to the holders of the Series E Preferred as set forth in Section 2(a)(i), then to the holders of the Series D Preferred as set forth in Section 2(a)(ii) and thereafter among the holders of the Series A Preferred, Series B Preferred, Series C Preferred and Series C-1 Preferred (ratably in proportion to the preferential amount each such holder is otherwise entitled to receive) as set forth in Section 2(a)(iii). To the extent the assets and funds of the Corporation legally available for distribution shall be insufficient to permit the deemed payment in full of the amounts under Section 2(a)(i)-2(a)(iii) for any given series of Preferred, the assets and funds of the Corporation legally available for distribution shall be deemed to be distributed amongst the holders of such series ratably in proportion to the preferential amount each holder is otherwise entitled to receive.

(v) Quaternary (Fourth) Distribution. Subject to Section 2(a)(vi), upon the completion of the distribution required by Section 2(a)(i)-2(a)(iii), the remaining assets of the Corporation available for distribution to stockholders shall be deemed to be distributed among the holders of Preferred and Common Stock of record on a pro rata basis in proportion to the number of shares of Common Stock held of record by each (assuming for the purposes hereof conversion of all Preferred into Common Stock).

(vi) Maximum Liquidation Amount. No Preferred holder shall actually receive, pursuant to the operation of Section 2(a)(i)-2(a)(v), with respect to any series of Preferred held by such holder, an amount greater than the Maximum Liquidation Amount (as defined below) applicable to such series. Once holders of a series of Preferred have received, pursuant to the operation of Section 2(a)(i)-2(a)(v) with respect to such series of Preferred, the Maximum Liquidation Amount applicable to such series, then the entire remaining assets and funds of the Corporation legally available for distribution, if any, shall be distributed among the remaining holders of Preferred (other than any series of Preferred the holders of which have received their Maximum Liquidation Amount) and Common Stock of record in accordance with Section 2(a)(i)-2(a)(v). Following such time as all holders of Preferred have received, pursuant to the operation of Section 2(a)(i)-2(a)(v), the Maximum Liquidation Amount (as defined below) for their respective shares of Preferred, then the entire remaining assets and funds of the Corporation legally available for distribution, if any, shall be distributed ratably among the holders of Common Stock in a manner such that the amount distributed to each holder of Common Stock shall equal the result obtained by multiplying the entire remaining assets and funds of the Corporation legally available for distribution hereunder by a fraction, the numerator of which shall be the number of shares of Common Stock then held by such holder, and the denominator of which shall be the total number of shares of Common Stock then outstanding. For purposes of this Section 2(a)(vi), the "***Maximum Liquidation Amount***" for each share of Series A Preferred, Series B Preferred, Series C Preferred, Series C-1 Preferred and Series D Preferred shall mean 2.5 times the Original Issue Price with respect to such series of Preferred, and the "***Maximum Liquidation Amount***" for each share of Series E Preferred shall mean 5 times the Original Series E Issue Price, each as adjusted in the manner contemplated by clauses (i) and (ii) of Section 3(d) hereof.

(vii) Conversion Benefit. Notwithstanding anything in this Section 2(a) to the contrary, if a holder of Preferred would receive a greater liquidation amount than such holder would be entitled to receive pursuant to subsection 2(a)(i)-2(a)(vi) by converting such shares of Preferred into shares of Common Stock, then such holder shall not receive any amounts under subsection 2(a)(i)-2(a)(vi), but shall be treated for purposes of this Section 2 as though they had converted into shares of Common Stock, whether or not such holders had elected to so convert.

b. Incentive Plan. In the event of any Liquidation Event (as defined below) the assets of this Corporation and the proceeds of such transaction shall first be distributed to satisfy the obligations (if any) under that certain comScore Networks, Inc. Incentive Plan dated August 1, 2003 as approved by the Board of Directors and holders of capital stock of the Corporation and as amended from time to time (the "***Plan***").

c. Actual Post-Carveout Distribution. In the event of any Liquidation Event, after giving effect to Section 2(b), the assets of this Corporation and the proceeds of such transaction shall be distributed to the holders of capital stock of the Corporation in the following order and priority:

(i) the holders of the Series E Preferred shall receive an amount equal to the product of (x) the Discounted Preferred Percentage and (y) the amount that the holders of the Series E Preferred are deemed to receive under Section 2(a)(i);

(ii) the holders of the Series D Preferred shall receive an amount equal to the product of (x) the Discounted Preferred Percentage and (y) the amount that the holders of the Series D Preferred are deemed to receive under Section 2(a)(ii);

(iii) the holders of the Series A Preferred, Series B Preferred, Series C Preferred and Series C-1 Preferred shall receive an amount equal to the product of (x) the Discounted Preferred Percentage and (y) the amount that the holders of such Preferred are deemed to receive under Section 2(a)(iii);

(iv) the holders of the Series E Preferred shall receive an amount equal to the product of (x) the Recapture Preferred Percentage and (y) the amount that the holders of the Series E Preferred are deemed to receive under Section 2(a)(i);

(v) the holders of the Series D Preferred shall receive an amount equal to the product of (x) the Recapture Preferred Percentage and (y) the amount that the holders of the Series D Preferred are deemed to receive under Section 2(a)(ii);

(vi) the holders of the Series A Preferred, Series B Preferred, Series C Preferred and Series C-1 Preferred shall receive an amount equal to the product of (x) the Recapture Preferred Percentage and (y) the amount that the holders of such Preferred are deemed to receive under Section 2(a)(iii); and

(vii) the remaining proceeds will be distributed to the holders of Preferred and Common Stock in accordance with Section 2(a)(v)-(vii).

For purposes of this Section 2(c), the "***Discounted Preferred Percentage***" shall mean the difference obtained by subtracting (i) the aggregate percentage of the Liquidation Proceeds (as defined in the Plan) actually received by all Participants (as defined in the Plan) as Participants under the Plan, and not as holders of capital stock pursuant to Section 2(a)(v) from (ii) 1, and the "***Recapture Preferred***

Percentage” shall mean the difference obtained by subtracting (i) the Discounted Preferred Percentage from (ii) 1. If the assets and funds of the Corporation legally available for distribution are insufficient to permit the payment of the full preferential amount under any of Section 2(c)(i)-(vii), then the assets and funds shall be distributed ratably among such holders under such subsection in proportion to the preferential amount each such holder is otherwise entitled to receive under such subsection.

d. Definition of Liquidation Event; Notice.

(i) Each of the following events, whether voluntary or involuntary, shall be deemed to be a “***Liquidation Event***” within the meaning of this Section 2: (A) a liquidation, dissolution or winding up of the Corporation; (B) a consolidation or merger of the Corporation with or into any other corporation or corporations (or entity or entities) (unless the Corporation’s stockholders of record as constituted immediately prior to such transaction will, immediately after such transaction, hold (solely in respect of their equity interests in the Corporation before the transaction) at least a majority of the voting power of the surviving or successor entity to the business and assets of the corporation); (C) a sale, conveyance or disposition of all or substantially all of the assets of the Corporation (other than a pledge of assets or grant of security interest therein to a commercial lender or similar entity in connection with commercial lending or similar transactions) (unless the Corporation’s stockholders of record as constituted immediately prior to such transaction will, immediately after such transaction, hold (solely in respect of their equity interests in the Corporation before the transaction)at least a majority of the voting power of the surviving entity or successor to the business and assets of the Corporation); (D) any sale, transfer or issuance or series of sales, transfers or issuances of shares of the Corporation’s capital stock by the Corporation or the existing holders thereof to new holders, as a result of which the holders of the Corporation’s outstanding capital stock possessing the voting power to elect a majority of the Corporation’s Board of Directors immediately prior to such sale, transfer or issuance cease to own the requisite amount of the Corporation’s outstanding capital stock to possess the voting power to elect a majority of the Corporation’s Board of Directors; or (E) the effectuation of a transaction or series of related transactions in which at least a majority of the Corporation’s then outstanding voting power is transferred to another entity; *provided that*, an Automatic Recapitalization pursuant to Section 8 shall not constitute a Liquidation Event.

(ii) In any of such events, if the consideration received by the Corporation is other than cash, its value will be deemed its fair market value. Any securities shall be valued as follows:

(A) Securities not subject to an exchange ratio specified in a definitive merger or acquisition agreement, or to any investment letter or other similar restrictions on free marketability shall be valued as follows: (1) if traded on a securities exchange or through The Nasdaq National Market, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the ten (10) trading day period ending three (3) days prior to the closing; (2) if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the thirty (30) day period ending three (3) days prior to the closing; and (3) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors of the Corporation.

(B) Securities subject to an exchange ratio specified in a definitive merger or acquisition agreement or to any investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) shall be valued in such a manner as to make an appropriate discount from the market value determined as above in (A)(1), (2) or (3) to reflect the approximate fair market value thereof, as determined in good faith by the Board of Directors of the Corporation.

(iii) The Corporation shall give each holder of record of Preferred written notice of any such impending transaction not later than twenty (20) days prior to the earlier of the stockholder meeting called to approve such transaction or the closing of such transaction, and shall also notify such holders in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction, the provisions of this Section 2, and the amounts anticipated to be distributed to holders of each outstanding class of capital stock of the Corporation pursuant to this Section 2, and the Corporation shall thereafter give such holders prompt notice of any material changes. The transaction shall in no event take place sooner than twenty (20) days after the Corporation has given the first notice provided for herein or sooner than ten (10) days after the Corporation has given notice of any material changes provided for herein; provided, however, that such periods may be shortened upon the written consent of the holders of each series of Preferred that are entitled to such notice rights or similar notice rights and that represent at least a majority of the voting power of the then outstanding shares of such series of Preferred.

(iv) In the event the requirements of subsection 2(d)(iii) are not complied with, this Corporation shall forthwith either:

(A) cause such closing to be postponed until such time as the requirements of subsection 2(d)(iii) have been complied with; or

(B) cancel such transaction, in which event the rights, preferences and privileges of the holders of the Preferred shall revert to and be the same as such rights, preferences and privileges existing immediately prior to the date of the first notice referred to in subsection 2(d)(iii).

3. Conversion. The holders of Preferred shall have conversion rights as follows (the "***Conversion Rights***"):

a. Right to Convert. Each share of Preferred shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share at the office of this Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) in the case of the Series A Preferred, the Original Series A Issue Price in respect of such share by the Series A Conversion Price (as defined below) applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion, (ii) in the case of the Series B Preferred, the Original Series B Issue Price in respect of such share by the Series B Conversion Price (as defined below) applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion, (iii) in the case of the Series C Preferred, the Original Series C Issue Price in respect of such share by the Series C Conversion Price (as defined below) applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion, (iv) in the case of the Series C-1 Preferred, the Original Series C-1 Issue Price in respect of such share by the Series C-1 Conversion Price applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion, (v) in the case of the Series D Preferred, the Original Series D Issue Price in respect of such share by the Series D Conversion Price (as defined below) applicable to such share, determined as hereinafter provided, in effect on the date the certificate is surrendered for conversion (the result of this calculation, the "***Series D Conversion Rate***") and (vi) in the case of the Series E Preferred, the Original Series E Issue Price in respect of such share by the Series E Conversion Price (as defined below) applicable to such share, determined as hereinafter provided, in effect on the date the certificate is surrendered for conversion. Assuming the issuance of 4,801,109.6 shares of Series E Preferred at a per share price of $2.50, at the close of business on the date such issuance is completed, the Series A Conversion Price per share shall be $4.30; the Series B Conversion Price per share shall be $12.35, the Series C Conversion Price per share shall be $7.50, the Series C-1 Conversion price per share shall be $5.90, the Series D Conversion Price per share shall be $4.00 and the Series E Conversion Price per share shall be the Original Series E Issue Price; provided, however, that in each case such Conversion Price shall be subject to adjustment as set forth below (the Series A Conversion Price, the Series B Conversion Price, the Series C Conversion Price, the Series C-1 Conversion Price, the Series D Conversion Price and the Series E Conversion Price are individually or collectively referred to herein as the "***Conversion Price***").

b. Automatic Conversion. Each share of Preferred shall automatically be converted into shares of Common Stock at the Conversion Price at the time in effect for such Preferred immediately upon the earlier of (i) except as provided below in the last sentence of subsection 3(c), the Corporation's sale of its Common Stock in an underwritten public offering pursuant to a Registration Statement under the Securities Act of 1933, as amended (the "***Securities Act***"), conducted by a nationally-recognized, reputable underwriter in which (x) the per share public offering price as shown on the cover page of the final prospectus relating to such offering (prior to underwriter discounts, commissions, concessions and expenses) (the "***Prospectus Price***") is equal to or exceeds $12.50 (as adjusted for any stock dividend, stock distributions, combinations, consolidations or splits with respect to such shares) and (y) the gross proceeds to the Corporation are in excess of $25,000,000 (a "***Qualified IPO***") or (ii) the date specified by written consent or agreement of the holders of at least (A) a majority of the voting power of the then outstanding shares of Series A Preferred, Series B Preferred, Series C Preferred, Series C-1 Preferred and Series D Preferred, voting together as a single class and (B) a majority of the voting power of the then outstanding Series E Preferred, voting separately as a class. If a Financing Event (as defined in Section 7) occurs, the outstanding shares of Preferred and Common Stock shall be converted, exchanged or redeemed in accordance with the terms of Section 7 and Section 3(c). Each of the events referred to in Sections 2(b)(i) and 2(b)(ii) and a Financing Event are referred to herein as an "***Automatic Conversion Event***."

c. Mechanics of Conversion. Before any holder of Preferred shall be entitled to convert the same into shares of Common Stock, such holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of this Corporation or of any transfer agent for the Preferred, and shall give written notice to this Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued; provided, however, that on the date of an Automatic Conversion Event, the outstanding shares of Preferred shall be converted automatically without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; provided further, however, that the Corporation shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon such Automatic Conversion Event unless either the certificates evidencing such shares of Preferred are delivered to the Corporation or its transfer agent as provided above, or the holder notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with such certificates. On the date of the occurrence of an Automatic Conversion Event, each holder of record of shares of Preferred shall be deemed to be a holder of record of the Common Stock issuable upon such conversion, notwithstanding that the certificates representing such shares of Preferred shall not have been surrendered at the office of the Corporation, that notice from the Corporation shall not have been received by such holder, or that the certificate evidencing such shares of Common Stock shall not then be delivered to such holder. This Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Preferred, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Preferred to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date. If the conversion is in connection with an underwritten offering of securities registered pursuant to the Securities Act, the conversion, unless otherwise designated by the holder, will be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering, in which event the person(s) entitled to receive the Common Stock upon conversion of the Preferred shall not be deemed to have converted such Preferred until immediately prior to the closing of such sale of securities.

d. Conversion Price Adjustments of Preferred Stock for Certain Splits, Dividends and Combinations. The Conversion Price of the Preferred shall be subject to adjustment from time to time as follows:

(i) In the event that the Corporation should at any time or from time to time after the date upon which the first shares of Series E Preferred were issued (such date being the “***Series E Original Issue Date***”) fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common Stock or for the determination of the outstanding shares of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock without payment of any consideration by such holder for the additional shares of Common Stock, then, as of such record date (or the date of such dividend, distribution, split or subdivision if no record date is fixed), the Conversion Price of such series of Preferred shall be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase of the aggregate of shares of Common Stock outstanding.

(ii) In the event that the Corporation should at any time or from time to time after the Series E Original Issue Date fix a record date for the effectuation of a combination or reverse stock split of the outstanding shares of Common Stock, then, as of such record date (or the date of such combination or reverse stock split if no record date is fixed), the Conversion Price of such series of Preferred shall be appropriately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate shares of Common Stock outstanding.

e. Other Distributions. In the event that the Corporation shall at any time or from time to time after the Series E Original Issue Date declare a distribution payable in securities of other persons, evidences of indebtedness issued by this Corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in Section 3(d)(i), then, in each such case for the purpose of this Section 3(e), the holders of the Preferred shall be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of the Corporation into which their shares of Preferred are convertible as of the record date fixed for the determination of the holders of Common Stock of the Corporation entitled to receive such distribution.

f. Recapitalizations. If at any time or from time to time after the Series E Original Issue Date there shall be a recapitalization of the Common Stock (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in this Section 3 or Section 2 or a recapitalization pursuant to Section 7), provision shall be made so that the holders of the Preferred shall thereafter be entitled to receive upon conversion of the Preferred the number of shares of stock or other securities or property of the Corporation or otherwise, which a holder of Common Stock deliverable upon conversion immediately prior to such recapitalization would have been entitled to receive on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 3 with respect to the rights of the holders of the Preferred after the recapitalization to the extent that the provisions of this Section 3 (including adjustment of the applicable Conversion Price then in effect and the number of shares purchasable upon conversion of the Preferred) shall be applicable after that event as nearly equivalently as may be practicable.

g. Adjustments to Conversion Price for Dilutive Issues.

(i) Special Definitions. For purposes of this Section 3(g), the following definitions shall apply:

(A) "Additional Shares of Common" shall mean all shares of Common Stock issued (or, pursuant to Section 3(g)(iii), deemed to be issued) by the Corporation after the Series E Original Issue Date, other than shares of Common Stock issued, issuable or, pursuant to Section 3(g)(iii) herein, deemed to be issued:

(1) upon conversion of shares of the Preferred;

(2) to officers, directors or employees of, or consultants, contractors and advisors to, the Corporation pursuant to a stock grant, option plan or

purchase plan or other stock incentive program or arrangement approved by the Compensation Committee of the Board of Directors (or, in the absence of such a committee, then by the Board of Directors) for employees, officers, directors or consultants, contractors or advisors of the Corporation;

(3) as a dividend or distribution on the Preferred;

(4) in connection with any transaction for which adjustment is made pursuant to Sections 3(d)(i), 3(d)(ii), 3(e) or 3(f) hereof;

(5) to financial institutions, lessors or landlords in connection with commercial credit arrangements, debt financings, equipment lease financings, real property leases or similar transactions undertaken other than for equity financing purposes, or to other providers of goods, services, technology, distribution channels or marketing opportunities to the Corporation, pursuant to (i) instruments that are outstanding on the Series E Original Issue Date or (ii) arrangements approved by the Board of Directors, but not to exceed an aggregate of 1,275,000 shares of Common Stock issued, issuable or deemed to be issued (net of cancellations of unexercised options and repurchase of shares at cost upon termination of any relationship with the Corporation, as adjusted for stock splits, combinations, recapitalizations and the like and excluding any shares of Common Stock issued or issuable to DoubleClick, Inc. ("***DoubleClick***") (or an affiliate, successor or designee thereof) in connection with a Master Alliance Agreement between Doubleclick and the Corporation) for arrangements approved by the Board of Directors;

(6) in connection with a Qualified IPO; or

(7) in connection with an acquisition by the Corporation, whether by merger, consolidation or purchase of assets, provided that such acquisition has been approved by a majority of the Board of Directors, which majority must include at least three of the five directors elected pursuant to Section 5(f) of this Article.

(B) "Convertible Securities" shall mean stock or other securities convertible into or exchangeable for Common Stock.

(C) "Options" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire either Common Stock or Convertible Securities.

(ii) No Adjustment of Conversion Price. No adjustment in the Conversion Price of a series of Preferred shall be made in respect of the issuance of Additional Shares of Common unless the consideration per share for an Additional Share of Common issued or deemed to be issued by the Corporation is less then the Conversion Price of the Series E Preferred in effect on the date of, and immediately prior to, such issue.

(iii) Options and Convertible Securities. In the event that the Corporation at any time or from time to time after the Series E Original Issue Date shall issue any Options or Convertible Securities or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock issuable upon the exercise of such Options or, in the case of

Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date; provided, however, that, with respect to any series of Preferred, Additional Shares of Common shall not be deemed to have been issued unless the consideration per share (determined pursuant to Section 4(g)(v) hereof) of such Additional Shares of Common would be less than the Conversion Price of the Series E Preferred in effect on the date of and immediately prior to such issue, or such record date, as the case may be, and provided, further, that in any such case in which Additional Shares of Common are deemed to be issued:

(A) no further adjustment in the applicable Conversion Price of a series of Preferred shall be made upon the subsequent issue of Convertible Securities or shares of Common Stock upon the exercise of such Options or conversion or exchange of such Convertible Securities, in each case, pursuant to their respective terms;

(B) if such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any increase in the consideration payable to the Corporation, or decrease in the number of shares of Common Stock issuable, upon the exercise, conversion or exchange thereof, the applicable Conversion Price of a series of Preferred computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon any such increase or decrease becoming effective, be recomputed to reflect such increase or decrease insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities;

(C) upon the expiration of any such Options or any rights of conversion or exchange under such Convertible Securities which shall not have been exercised, the applicable Conversion Price of a series of Preferred computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon such expiration, be recomputed as if:

(1) in the case of Convertible Securities or Options for Common Stock, the only Additional Shares of Common issued were shares of Common Stock, if any, actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration actually received by the Corporation upon such exercise, or for the issue of all such Convertible Securities which were actually converted or exchanged, plus the additional consideration, if any, actually received by the Corporation upon such conversion or exchange, and

(2) in the case of Options for Convertible Securities, only the Convertible Securities, if any, actually issued upon the exercise thereof were issued at the time of issue of such Options, and the consideration received by the Corporation for the Additional Shares of Common deemed to have been then issued was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration deemed to have been received by the Corporation upon the issue of the Convertible Securities with respect to which such Options were actually exercised; and

(D) no readjustment pursuant to clauses (1) or (2) above shall have the effect of increasing the Conversion Price for a series of Preferred to an amount which exceeds the lower of (i) (u) in the case of the Series A Preferred, the Original Series A Issue Price, (v) in the case of the Series B Preferred, the Original Series B Issue Price, (w) in the case of the Series C Preferred, the Original Series C Issue Price, (x) in the case of the Series C-1 Preferred, the Original Series C-1 Issue Price, (y) in the case of the Series D Preferred, the Original Series D Issue Price and (z) in the case of the Series E Preferred, the Original Series E Issue Price, or (ii) the applicable Conversion Price that would have resulted from other issuances of Additional Shares of Common after the Original Issue Date for such Series.

(iv) Adjustment of Conversion Price Upon Issuance of Additional Shares of Common. In the event that this Corporation shall issue Additional Shares of Common (including Additional Shares of Common deemed to be issued pursuant to Section 3(g)(iii)) without consideration or for a consideration per share less than the Conversion Price for the Series E Preferred in effect on the date of and immediately prior to such issue, then and in each such event each Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest cent) determined by multiplying (A) with respect to the Series E Preferred, the Conversion Price for the Series E Preferred theretofore in effect by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of shares of Common Stock which the aggregate consideration received by the Corporation for the total number of Additional Shares of Common so issued would purchase at the Conversion Price for the Series E Preferred in effect immediately prior to such issue, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of such Additional Shares of Common so issued and sold (such fraction, the "***Proportional Series E Conversion Price Adjustment***") and (B) with respect to the Series A Preferred, Series B Preferred, Series C Preferred, Series C-1 Preferred and Series D Preferred, the applicable Conversion Price for such series theretofore in effect by the Proportional Series E Conversion Price Adjustment; provided, however, that, for the purposes of this Section 3(g)(iv), all shares of Common Stock issuable upon exercise, conversion or exchange of outstanding Options or Convertible Securities, as the case may be, shall be deemed to be outstanding, and immediately after any Additional Shares of Common are deemed issued pursuant to Section 3(g)(iii), such Additional Shares of Common shall be deemed to be outstanding.

(v) Determination of Consideration. For purposes of this Section 3(g), the consideration received by the Corporation for the issue of any Additional Shares of Common shall be computed as follows:

(A) Cash and Property. Such consideration shall:

(1) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation excluding amounts paid or payable for accrued interest or accrued dividends;

(2) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors; and

(3) in the event Additional Shares of Common are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (1) and (2) above, as determined in good faith by the Board of Directors.

(B) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common deemed to have been issued pursuant to Section 3(g)(iii), relating to Options and Convertible Securities, shall be determined by dividing:

(1) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(2) the maximum number of shares of Common Stock issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, as determined in Section 3(g)(iii) hereof.

h. No Impairment. Without obtaining the applicable approvals set forth in Section 5, the Corporation will not, by amendment of its Certificate of Incorporation or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 3 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of the Preferred against impairment.

i. No Fractional Shares; Certificate as to Adjustment.

(i) Except in accordance with the terms of Section 7, no fractional shares shall be issued upon the conversion of any share or shares of the Preferred, and the aggregate number of shares of Common Stock to be issued to particular holders of Preferred shall be rounded down to the nearest whole share, and the Corporation shall pay in cash the fair value of any fractional shares as of the time when entitlement to receive such fractions is determined. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Preferred the holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(ii) Upon the occurrence of each adjustment or readjustment of the applicable Conversion Price of Preferred pursuant to this Section 3, the Corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of such Preferred a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based.

The Corporation shall, upon the reasonable written request at any time of any holder of Preferred, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the applicable Conversion Price for the Preferred at the time in effect, and (C) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of a share of Preferred held by such holder.

j. Notices of Record Date. In the event of any taking by the Corporation of a record date for determining the holders of any class of securities who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, this Corporation shall mail to each holder of Preferred, at least twenty (20) days prior to the record date specified therein, a notice specifying the record date for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

k. Reservation of Stock Issuable Upon Conversion. This Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the then outstanding shares of the Preferred, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Preferred; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Preferred, in addition to such other remedies as shall be available to the holder of such Preferred, the Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including without limitation engaging in best efforts to obtain the requisite Board of Directors and stockholder approval of any necessary amendment to this Sixth Amended and Restated Certificate of Incorporation.

l. Notices. All notices and other communications required by the provisions of this Seventh Amended and Restated Certificate of Incorporation shall be in writing, shall be effective when given, and shall in any event be deemed to be given upon receipt or, if earlier, (a) five (5) business days after deposit with the U.S. Postal Service or other applicable postal service, if delivered by first class mail, postage prepaid, (b) upon delivery, if delivered by hand, (c) one (1) business day after the business day of deposit with Federal Express or similar overnight courier, freight prepaid or (d) one (1) business day after the business day of facsimile transmission (with written confirmation).

4. Redemption.

a. Preferred Redemption. Each share of Preferred shall be redeemable on or after August 1, 2008, to the extent the shares of Preferred have not been redeemed prior to such date and to the extent requested by any holder thereof.

b. Redemption Price. The redemption price per share (the "***Redemption Price***") shall be:

(i) in the case of the Series A Preferred, the product of (A) the Pre-Cap Series A Return and (B) the Adjustment Factor;

(ii) in the case of the Series B Preferred, the product of (A) the Pre-Cap Series B Return and (B) the Adjustment Factor;

(iii) in the case of the Series C Preferred, the product of (A) the Pre-Cap Series C Return and (B) the Adjustment Factor;

(iv) in the case of the Series C-1 Preferred, the product of (A) the Pre-Cap Series C-1 Return and (B) the Adjustment Factor;

(v) in the case of the Series D Preferred, the product of (A) the Pre-Cap Series D Return and (B) the Adjustment Factor; and

(vi) in the case of the Series E Preferred, the product of (1) 1.63 and (2) the sum of (A) the Original Series E Issue Price and (B) all declared and unpaid dividends on such shares (as adjusted for any stock dividends, stock distributions, combinations, consolidation, or splits with respect to such shares).

c. Priority. In the event insufficient funds are available to redeem all shares of Preferred entitled and electing to be redeemed pursuant to the preceding Section 4(b), this Corporation shall (i) first apply funds to the redemption of the Series E Preferred, (ii) after the full redemption of all shares of the Series E Preferred, next apply funds to the redemption of the Series D Preferred, then (iii) after the full redemption of all shares of the Series E Preferred and the Series D Preferred, next effect such redemption pro rata among the holders of the Preferred (other than the Series E Preferred and the Series D Preferred) based upon the aggregate Redemption Price of the shares held by such holder for which redemption has been requested. To the extent the assets and funds of the Corporation legally available for distribution shall be insufficient to fully redeem a series, the assets and funds of the Corporation legally available for redemption shall be applied to redeem the holders of such series ratably in proportion to the redemption amount each holder is otherwise entitled to receive.

d. Notice of Redemption. Not later than June 1, 2008, the Corporation shall give written notice to each holder of Preferred that such holder may elect to have its shares of Preferred redeemed by the Corporation in accordance with the terms of this Section 4 by providing written notice to the Corporation between August 1, 2008 and September 1, 2008. Such notice will further state that if such holder does not give the Corporation notice of redemption prior to September 1, 2008, such holder shall be deemed to have waived its right to have its Preferred redeemed. Before any holder of Preferred shall be entitled to redeem the same, such holder shall give written notice to this Corporation at its principal corporate office not earlier than August 1, 2008 and not later than September 1, 2008, of the election to redeem the same and shall state therein the number of shares of Preferred to be redeemed, the date fixed for such redemption (the "Redemption Date"), which date shall be not less than 40 nor more than 45 days after the date of such notice, and, in the event less than all of such holder's shares of Preferred are to be redeemed, the name or names in which the certificate or certificates representing the shares not to be redeemed are to be issued (the "Redemption Notice"). Within three (3) days of its receipt of a Redemption Notice, the Corporation shall deliver a copy of the Redemption Notice to all other holders of Preferred. On or before the Redemption Date, the related holder of Preferred shall surrender the certificate or certificates therefor, duly endorsed, at the office of this Corporation or of any transfer agent for the Preferred. If less than all the shares represented by a share certificate are to be redeemed, the Corporation shall issue a new certificate or certificate representing the shares not redeemed. Upon proper notice and surrender, the redeeming holder shall be entitled to receive payment of the applicable Redemption Price for such shares in cash, by wire transfer or by bank-certified check on the Redemption Date. Notwithstanding the foregoing, in no event shall any redemption occur of any shares of Series A Preferred, Series B Preferred, Series C Preferred, Series C-1 Preferred and Series D Preferred unless and until the holders of the Series E Preferred shall have redeemed or waived the right to redeem all shares of the Series E Preferred (which right will be deemed to be waived by a holder if such holder does not give the Corporation notice of redemption pursuant to this Section 4(c) before September 1, 2008, provided that the Corporation provided such holder with the notice set forth in the first two sentences of this Section 4(d)). Further, in no event shall any redemption occur of any shares of Series A Preferred, Series B Preferred, Series C Preferred and Series C-1 Preferred unless and until the holders of the Series D Preferred shall have redeemed or waived the right to redeem all shares of the Series D Preferred (which right will be deemed to be waived by a holder if such holder does not give the Corporation notice of redemption pursuant to this Section 4(c) before September 1, 2008, provided that the Corporation provided such holder with the notice set forth in the first two sentences of this Section 4(d)).

e. Status of Redeemed Preferred. From and after the Redemption Date for any shares of Preferred, all dividends on such shares shall cease to accrue (to the extent applicable) and all rights of holders of such shares shall cease.

5. Voting Rights.

a. General Voting Rights. Each holder of shares of Preferred shall be entitled to a number of votes equal to the number of shares of Common Stock into which the shares of Preferred held by such holder could be converted, shall have voting rights and powers equal to the voting rights and powers of the holders of Common Stock (except otherwise expressly provided herein or as required by law) and shall be entitled to notice of any stockholder meeting in accordance with the Bylaws of the Corporation. Except as provided by law, this Corporation's Seventh Amended and Restated Certificate of Incorporation or the provisions establishing any outstanding series of Preferred Stock, holders of shares of Preferred shall vote together with the holders of all outstanding shares of Common Stock as a single class.

b. Required Class Vote. In addition to any other rights provided by law, for so long as at least One Hundred Fifty Thousand (150,000) shares of Preferred (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) shall be outstanding, this Corporation shall not, without first obtaining the affirmative vote or written consent of each of the holders of not less than sixty percent (60%) of the voting power of the then outstanding shares of Preferred, voting as a single class, on an as-converted basis:

(i) except as set forth in Sections 1, 2, 4 and 8, and subject to Sections 5(c) and 5(d), purchase, redeem or set aside any sums for the purchase or redemption of, or pay any dividend or make any distribution on, any shares of capital stock, except for dividends or other distributions payable on the Common Stock solely in the form of additional shares of Common Stock and except for the purchase of shares of Common Stock from employees, consultants or service providers or former employees, consultants or service providers of the Corporation who acquired such shares directly from the Corporation, if each such purchase is made pursuant to contractual rights held by the Corporation under agreements entered into with persons in connection with their employment with or provision of services to the Corporation or pursuant to employee benefit plans;

(ii) authorize a Liquidation Event;

(iii) subject to Sections 5(c) and 5(d), authorize any action (including without limitation the amendment or repeal of any provision of, or the addition of any provision to, this Corporation's Certificate of Incorporation or Bylaws), if such action would materially alter or change the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of, any series of Preferred;

(iv) subject to Sections 5(c) and 5(d), increase or decrease the total number of authorized shares of the Preferred (or any such series thereof); or

(v) subject to Sections 5(c) and 5(d), authorize shares of any series or class of capital stock or any other security convertible into or exchangeable for shares of any series or class of capital stock which is senior to or on parity with any series of Preferred.

c. Special Series D Vote. For so long as at least One Hundred Fifty Thousand (150,000) shares (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) of the Series D Preferred shall be outstanding, notwithstanding Section 5(b), without first obtaining the affirmative vote or written consent of the holders of not less than a two-thirds (2/3) supermajority of the voting power of the then outstanding shares of Series D Preferred, the Corporation shall not:

(i) declare or pay a dividend on any shares of its capital stock (including, without limitation, the Series E Preferred);

(ii) increase the total number of authorized shares of the Series D Preferred;

(iii) authorize any action (including, without limitation, the amendment or repeal of any provision of, or the addition of any provision to, this Corporation's Certificate of Incorporation or Bylaws), if such action would materially alter or change the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of, the Series D Preferred, unless such vote is taken (A) in connection with the creation or amendment of one or more management carveout, incentive or bonus pools or similar arrangements so long as (x) such pools or arrangements are approved by the Corporation's Board of Directors and the holders of a majority of Preferred Stock (on an as-converted to Common Stock basis) and (y) are payable based on the occurrence of a Liquidation Event or in the good faith judgment of the Board of Directors are otherwise necessary for the retention of management, or (B) in connection with any action taken to approve (1) a convertible debt bridge financing in contemplation of an equity financing or an equity financing of the Corporation that is approved by the Corporation's Board of Directors, or (2) any Liquidation Event (provided that, with respect to (B), such action does not affect the Series D Preferred disproportionately relative to the other series of Preferred). For purposes of determining whether an action affects the Series D Preferred disproportionately relative to the other series of Preferred for purposes of Section 5(c)(iii)(B), the liquidation preference of the Series D Preferred at any time of measurement shall include the accretion resulting from the Liquidation Increment (subject to the cap set forth in the proviso to Section 2(a)(ii)), compounded annually from the issue date (which amount shall be pro-rated for any partial year)). For avoidance of doubt, the creation of a class or series of security having rights, preferences or privileges pari passu with or prior to the shares of any class of security of the Corporation shall not be deemed to affect the Series D Preferred disproportionately relative to the other series of Preferred or to materially alter or change the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of the Series D Preferred;

(iv) notwithstanding anything contained in Section 5(c)(iii)(B), reduce the liquidation preference per share of the Series D Preferred below the Original Series D Issue Price (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares); or

(v) notwithstanding anything contained in Section 5(c)(iii)(B), convert shares of Series D Preferred into Common Stock in connection with transactions described in Section 5(c)(iii)(B) (except in connection with a voluntary conversion in accordance with Section 3(a)), unless the Series D Conversion Rate (as defined in Section 3(a)) with respect to the shares of Series D Preferred that are required to be converted shall be increased by an amount equal to 1.25 times the Series D Conversion Rate otherwise in effect per year, compounded annually from the Series D Original Issue Date through the date of such conversion (which amount shall be pro-rated for any partial year) (provided that the Series D Conversion Rate shall not be adjusted as a result of this Section 5(c)(iii) to a number more the 2.5 times the Series D Conversion Rate otherwise in effect). For the avoidance of doubt, no adjustment to the conversion rates or Conversion Prices of any shares of any series of Preferred other than the Series D Preferred, or any antidilution adjustment to any series of Preferred other than the Series D Preferred, shall occur as a result of this Section 5(c)(iii) and (3) an Automatic Recapitalization pursuant to Section 7 shall not require a supermajority vote of the Series D Preferred.

d. Special Series E Vote. For so long as at least One Hundred Fifty Thousand (150,000) shares (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) of the Series E Preferred shall be outstanding, notwithstanding Section 5(b) or 5(c), without first obtaining the affirmative vote or written consent of the holders of not less than a majority of the voting power of the then outstanding shares of Series E Preferred, the Corporation shall not:

(i) except as provided in Section 4, purchase, redeem or set aside any sums for the purchase or redemption of, or pay any dividend or make any distribution on, any shares of capital stock, except for dividends or other distributions payable on the Common Stock solely in the form of additional shares of Common Stock and except for the purchase of shares of Common Stock from employees, consultants or service providers or former employees, consultants or service providers of the Corporation who acquired such shares directly from the Corporation, if each such purchase is made pursuant to contractual rights held by the Corporation under agreements entered into with persons in connection with their employment with or provision of services to the Corporation or pursuant to employee benefit plans, provided that, to the extent holders of Series E Preferred approve a purchase, redemption, payment of dividends or other distribution in respect of Series E Preferred, such holders shall not be entitled to vote to approve any purchase, redemption, dividend or distribution on any other series of stock;

(ii) authorize any action (including without limitation the amendment or repeal of any provision of, or the addition of any provision to, this Corporation's Certificate of Incorporation or Bylaws), if such action would materially alter or change the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of, the Series E Preferred. For the avoidance of doubt, the authorization of shares which are senior to or on parity with the Series E Preferred in accordance with the terms of Section 5(d) (iii) shall not be deemed to materially alter or change the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of the Series E Preferred

(iii) authorize shares of any series or class of capital stock or any other security convertible into or exchangeable for shares of any series or class of capital stock which is senior to or on parity with the Series E Preferred, unless such shares shall have preferences, rights, privileges, powers, restrictions and other terms set forth in this Amended and Restated Certificate of Incorporation, including with respect to dividends, liquidation, conversion, redemption and voting, which are no more favorable to such new series than the terms of the Series E Preferred, except that such shares may be senior to the Series E Preferred with respect to priorities on dividend, liquidation and redemption; or

(iv) increase the total number of authorized shares of the Series E Preferred.

e. Board Size. The authorized number of directors of the Corporation's Board of Directors shall be fixed by, or in the manner provided in, the Bylaws of the Corporation.

f. Board of Directors Election. For so long as at least Two Hundred Thousand (200,000) shares of Series A Preferred (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) remain outstanding, the holders of the Series A Preferred, voting together as a separate class, shall be entitled to elect two (2) directors of the Corporation. For so long as at least Two Hundred Thousand (200,000) shares of Series C Preferred (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) remain outstanding, the holders of the Series C Preferred, voting together as a separate class, shall be entitled to elect one (1) director of the Corporation. For so long as at least One Hundred Fifty Thousand (150,000) shares of Series D

Preferred (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) remain outstanding, the holders of the Series D Preferred voting together as a separate class, shall be entitled to elect one (1) director of the Corporation. For so long as at least Two Hundred Thousand (200,000) shares of Series E Preferred (as adjusted for any stock dividends, stock distributions, combinations, consolidations or splits with respect to such shares) remain outstanding, the holders of the Series E Preferred, voting together as a separate class, shall be entitled to elect one (1) director of the Corporation. The holders of a majority of the Preferred and the Common Stock, voting together as a single class (with the Preferred voting on an as-converted basis), shall be entitled to elect the remaining number of directors authorized, if any.

6. Status of Converted or Exchanged Preferred. In the event any shares of Preferred shall be converted pursuant to Section 3 or exchanged for another series of Preferred pursuant to a transaction authorized by a majority of the Board of Directors, the shares so converted or exchanged shall be canceled and shall not thereafter be issuable by the Corporation.

7. Automatic Recapitalization.

a. Financing Event. In connection with, and effective upon (i) the Corporation's sale of its Common Stock in an underwritten public offering pursuant to a Registration Statement under the Securities Act other than a Qualified IPO or (ii) a sale of equity securities by the Corporation in which the Corporation receives gross proceeds of at least $5 million from a third party investor (i.e., an entity or person who is not a current stockholder or affiliated with a current stockholder) (a "***Third Party Investor***")(each, a "***Financing Event***"), the holders of at least sixty percent (60%) of the then outstanding Preferred, voting together as a single class on an as-if converted basis (the "***Proposing Holders***"), may effectuate a recapitalization of the capital stock of the Corporation as set forth in this Section 7 (an "***Automatic Recapitalization***"). No holder of Common Stock shall be entitled to vote with respect to an Automatic Recapitalization under this Section 7, and Common Stock is redeemable as provided in this Section 7.

b. Recapitalization. If the Proposing Holders elect to effect an Automatic Recapitalization of the Corporation under this Section 7, the following shall take place:

(i) Prior to the consummation of such Financing Event, all Preferred Stock held by each stockholder shall be converted into, and all Common Stock held by each stockholder shall be exchanged for, the number of new shares of Common Stock (if any) such that the percentage of the total number of shares of Common Stock (on a fully-diluted basis) (such total, the "***Recap Post-Money Fully Diluted Total***") such stockholder shall hold immediately prior to such Financing Event is equal to the percentage determined by dividing (A) the net economic proceeds such stockholder would have received with respect to such stockholder's equity interest in the Corporation if the Corporation had been liquidated immediately after such Financing Event (assuming that the existing Preferred Stock had not been converted into and the existing Common Stock exchanged for new Common Stock under this Section 7, and new securities were issued to the new stockholders in connection with the Financing Event) for an amount equal to the fully diluted post-money valuation established by such Financing Event (the "***Post-Money Value***"), by (B) the net economic proceeds all existing stockholders of the Corporation (i.e., stockholders other than any new investor(s) in connection with such Financing Event) would have received with respect to their existing equity interest in the Corporation (i.e. not with respect to their participation, if any, in the Financing Event) if the Corporation had been liquidated immediately after such Financing Event (assuming that the existing Preferred Stock had not been converted into, and the existing Common Stock exchanged for, new Common Stock under this Section 7) for an amount equal to the Post-Money Value. For purposes of determining the net economic proceeds a stockholder would receive if the Corporation had been liquidated immediately after such Financing Event, any security to be issued in connection with such Financing Event shall be deemed to be senior to all existing classes of capital stock with respect to its liquidation preference. The Recap Post-Money Fully Diluted Total shall have been proposed in writing in the form of a pro-forma capitalization table provided by the underwriters of the public offering referenced in Section 7(a) above or the Proposing Holders. If the number of shares to be received by any holder of Preferred or Common Stock pursuant to this Section 7(b)(i) would result in the issuance of a fractional share, notwithstanding Section 3(i) hereof, the Company shall issue such holder such fractional share.

(ii) If any holder of Preferred Stock would not be entitled to receive any new shares of Common Stock under Section 7(b)(i), all the shares of Preferred Stock held by such stockholder shall be immediately redeemed at par value in accordance with Sections 154 and 160(a) of DGCL. Only after any and all shares of Preferred Stock have been redeemed, (A) the Corporation may redeem the shares of Common Stock held by any stockholder who is not entitled to receive any shares of Common Stock under Section 7(b)(i), and (B) all such shares of Common Stock shall be redeemed at par value, both (A) and (B) in accordance with Sections 154 and 160(a) of DGCL. Upon any redemption under this Section 7(b)(ii), any shares redeemed shall be retired and the capital of the Corporation adjusted in accordance with Sections 243 and 244 of DGCL. For the avoidance of doubt and ignoring for this purpose only any proceeds distributable under the Plan or any shares of Common Stock issuable under Section 7(b)(iii), the number of shares of Common Stock that each stockholder shall hold after application of this Section 7(b)(i)-(ii) shall be a number of shares such that if the Corporation were to be liquidated immediately after an Automatic Recapitalization and the consummation of the Financing Event for a price equal to the Post-Money Value, such stockholder would receive the identical amount of economic proceeds that such stockholder would have received had the Automatic Recapitalization not been effectuated (i.e., the Preferred Stock had not been converted or redeemed and Common Stock had not been exchanged or redeemed pursuant to Section 7) and the Corporation had been liquidated at a price equal to the Post-Money Value.

(iii) After all Preferred and Common Stock have been converted, exchanged or redeemed in accordance with Sections 7(b)(i) and 7(b)(ii) and prior to the consummation of the Financing Event, the Plan shall be terminated. After giving effect to Section 7(b)(i)-(ii), the Participants in the aggregate may hold shares of Common Stock or securities convertible or exercisable into Common Stock (the "***Management Common***"), which represent less than ten (10%) of the total number of shares of Common Stock (on a fully-diluted basis) prior to giving effect to the Financing Event (such total, the "***Recap Pre-Money Fully Diluted Total***"). In such event, in consideration for the Participants' agreement to terminate the Corporation's obligations under the Plan, the Corporation shall issue to the Participants an additional number of shares of Common Stock (the "***Plan Shares***"), such that the sum of the Management Common and the Plan Shares held by all Participants in the aggregate equals ten percent (10%) of the Recap Pre-Money Fully Diluted Total. The Plan Shares shall be allocated in accordance with the manner in which proceeds are allocated to Participants under the Plan and shall be subject to adjustment pursuant to the terms thereof, including Section 5.2 thereof. If the number of shares to be received by any Participant would result in the issuance of a fractional share, notwithstanding Section 3(i) hereof, the Company shall issue such Participant such fractional share.

(iv) All instruments exercisable or convertible into shares of capital stock of the Corporation shall be convertible or exercisable into the number of shares of Common Stock, if any, that such instrument would have received in an Automatic Recapitalization under this Section 8 had such instrument been exercised or converted immediately prior to such Automatic Recapitalization.

c. Appraisal. Any holder or group of holders of at least 800,000 shares of Preferred (as adjusted for any stock splits, stock dividends, stock distributions, combinations, consolidation, or splits with respect to such shares) (each, a "***Major Holder***") shall have the right to request an independent appraisal of the Post-Money Value in the event of an Automatic Recapitalization, as set forth by the procedures below:

(i) The Proposing Holders shall, no later than twenty (20) days prior to the consummation of an Automatic Recapitalization, provide notice to all Major Holders (the "***Recapitalization Notice***"). This Recapitalization Notice shall contain the terms and conditions of the proposed Automatic Recapitalization, including the Post-Money Value.

(ii) Any Major Holder may, within five (5) business days of receiving a Recapitalization Notice, give written notice to the Corporation and the Proposing Holders that such Holder objects to the calculation of the Post-Money Value or the pro-forma capitalization of the Corporation (the "***Notice of Objection***"). If any Major Holder delivers a Notice of Objection, the Automatic Recapitalization may not be consummated until the Appraiser (as defined below) delivers the Appraisal (as defined below).

(iii) Within ten (10) days of receiving a Notice of Objection, the Board of Directors of the Corporation shall designate a third party to conduct an independent determination of the Post-Money Value (the "***Appraisal***"). By a majority vote, the Board of Directors shall select a nationally-recognized, reputable investment bank or financial advisory firm (the "***Appraiser***") to conduct the Appraisal. The Major Holder requesting such Appraisal shall pay such Appraiser's expenses and fees.

(iv) Within twenty (20) days of being designated by the Board, the Appraiser shall deliver the Appraisal, which shall be final and binding upon all parties.

8. Adjustment Factor for Liquidation Preference and Redemption.

a. Assumed Return. For the purposes of calculation of the adjustment factor used in connection with calculations under Sections 2 and 4, in the event of any Liquidation Event or redemption, assuming the absence of any such adjustment factor, each holder of Series A Preferred shall be assumed to be entitled to receive an amount per share for each share of Series A Preferred held of record by such holder equal to their respective Pre-Cap Series A Return, each holder of

Series B Preferred shall be assumed to be entitled to receive an amount per share for each share of Series B Preferred held of record by such holder equal to their respective Pre-Cap Series B Return, each holder of Series C Preferred shall be assumed to be entitled to receive an amount per share for each share of Series C Preferred held of record by such holder equal to their respective Pre-Cap Series C Return, each holder of Series C-1 Preferred shall be assumed to be entitled to receive an amount per share for each share of Series C-1 Preferred held of record by such holder equal to their respective Pre-Cap Series C-1 Return and each holder of Series D Preferred shall be assumed to be entitled to receive an amount per share for each share of Series D Preferred held of record by such holder equal to their respective Pre-Cap Series D Return. The aggregate amount assumed to be distributable to all holders of the Series A Preferred, the Series B Preferred, the Series C Preferred, the Series C-1 Preferred and the Series D Preferred under Sections 2(a)(ii)-2(a)(iii) or Section 4 is the sum of (i) the product of (A) the Pre-Cap Series A Return and (B) the number of shares of Series A Preferred outstanding, (ii) the product of (A) the Pre-Cap Series B Return and (B) the number of shares of Series B Preferred outstanding, (iii) the product of (A) the Pre-Cap Series C Return and (B) the number of shares of Series C Preferred outstanding, (iv) the product of (A) the Pre-Cap Series C-1 Return and (B) the number of shares of Series C-1 Preferred outstanding and (v) the product of (A) the Pre-Cap Series D Return and (B) the number of shares of Series D Preferred outstanding (the "***Total Aggregate Pre-Cap Return***").

b. Adjustment Factor. The maximum aggregate liquidation preference or redemption price which may actually be distributed pursuant to Section 2(a)(ii)-2(a)(iii) or Section 4 to all holders of the Series A Preferred, the Series B Preferred, the Series C Preferred, the Series C-1 Preferred and the Series D Preferred is $88,392,465 (the "***Cap***"). The adjustment factor applicable to the aggregate Pre-Cap Return of each holder of the Series A Preferred, the Series B Preferred, the Series C Preferred, the Series C-1 Preferred and the Series D Preferred is the quotient obtained by dividing (x) the Cap by (y) the Total Aggregate Pre-Cap Return (the "***Adjustment Factor***").

C. Common Stock.

1. Dividend Rights. Subject to the prior rights of holders of all classes of stock at the time outstanding having prior rights as to dividends, the holders of the Common Stock shall be entitled to receive, when, if and as declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

2. Liquidation Rights. Upon a Liquidation Event, the assets of the Corporation shall be distributed as provided in Section 2 of Article IV(B) hereof.

3. Voting Rights. Each holder of Common Stock shall be entitled to one (1) vote for each share of Common Stock held, shall be entitled to notice of any stockholder meeting in accordance with the Bylaws of the Corporation, and shall be entitled to vote upon such matters and in such manner as is otherwise provided herein or as may be provided by law. Except as provided by law, this Amended and Restated Certificate of Incorporation or the provisions establishing any outstanding series of Preferred, holders of shares of Common Stock shall vote together with the holders of all outstanding shares of Preferred.

4. Increase or Decrease in Authorized Shares. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by an affirmative vote of the holders of a majority of the outstanding shares of capital stock of the Corporation, on an as-converted to Common Stock basis, irrespective of Section 242(b)(2) of the Delaware General Corporation Law.

ARTICLE V

A. Number of Directors. Effective upon the effective date of the Corporation's initial public offering (the "***Effective Date***"), at each annual meeting of stockholders, directors of the Corporation shall be elected to hold office until the expiration of the term for which they are elected and until their successors have been duly elected and qualified or until their earlier resignation or removal; except that if any such election shall not be so held, such election shall take place at a stockholders' meeting called and held in accordance with the DGCL.

B. Classification of Directors. Upon the Effective Date, the directors of the Corporation shall be divided into three classes as nearly equal in size as is practicable, hereby designated Class I, Class II and Class III. The Board of Directors may assign members of the Board of Directors already in office to such classes at the time such classification becomes effective. The term of office of the initial Class I directors shall expire at the first regularly-scheduled annual meeting of the stockholders following the Effective Date, the term of office of the initial Class II directors shall expire at the second annual meeting of the stockholders following the Effective Date and the term of office of the initial Class III directors shall expire at the third annual meeting of the stockholders following the Effective Date. At each annual meeting of stockholders, commencing with the first regularly-scheduled annual meeting of stockholders following the Effective Date, each of the successors elected to replace the directors of a class whose term shall have expired at such annual meeting shall be elected to hold office until the third annual meeting next succeeding his or her election and until his or her respective successor shall have been duly elected and qualified.

C. Removal and Vacancies. Upon the Effective Date, notwithstanding the foregoing provisions of this Article V, each director shall serve until his or her successor is duly elected and qualified or until his or her death, resignation, or removal. If the number of directors is hereafter changed, any newly created directorships or decrease in directorships shall be so apportioned among any classes of directors as designated hereby as to make all such classes as nearly equal in number as is practicable, provided that no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Upon the Effective Date, vacancies occurring on the Board of Directors for any reason and newly created directorships resulting from an increase in the authorized number of directors may be filled only by vote of a majority of the remaining members of the Board of Directors, although less than a quorum, or by a sole remaining director, at any meeting of the Board of Directors. A person so elected by the Board of Directors to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall be duly elected and qualified.

Notwithstanding the foregoing, upon the Effective Date, any director may be removed from office by the stockholders of the Corporation only for cause.

ARTICLE VI

The Corporation is to have perpetual existence.

ARTICLE VII

A. Except as otherwise provided in this Amended and Restated Certificate of Incorporation, the Board of Directors may make, repeal, alter, amend or rescind any or all of the Bylaws of the Corporation. Any adoption, amendment or repeal of the Bylaws of the Corporation by the Board of Directors shall require the approval of a majority of the Board of Directors.

B. Upon the Effective Date, notwithstanding the power granted to the Board of Directors of the Corporation in Section A of this Article VII, stockholders shall also have power to adopt, amend or repeal the Bylaws of the Corporation; provided, however, that, in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by this Amended and Restated Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the then outstanding shares of voting stock entitled to vote generally in the election of directors, voting together as a single class, shall be required to adopt, amend or repeal all or any portion of Article II, Section 3.2, Section 3.3, Section 3.4, Section 3.14, Article VI or Article IX of the Bylaws of the Corporation.

ARTICLE VIII

A. Written Ballots. Elections of directors at an annual or special meeting need not be by written ballot unless the Bylaws of the Corporation shall so provide.

B. Location of Meetings and Books and Records. 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 statutes) 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.

C. No Action by Written Consent of Stockholders. Effective upon the closing of a firm commitment underwritten public offering of Common Stock of the Corporation, no action shall be taken by the stockholders of the Corporation except at an annual or special meeting of the stockholders called in accordance with the Bylaws, and no action shall be taken by the stockholders by written consent.

D. Special Meetings. Upon the Effective Date, special meetings of stockholders of the Corporation may be called only by the Chairman of the Board of Directors, the Chief Executive Officer of the Corporation, or the Board of Directors acting pursuant to a resolution adopted by a majority of the Board of Directors and any power of stockholders to call a special meeting is specifically denied. Only such business shall be considered at a special meeting of stockholders as shall have been stated in the notice for such meeting.

E. Advance Notice Provisions. Upon the Effective Date, advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the Bylaws of the Corporation.

ARTICLE IX

A. Subject to the provisions of Article IV, the Corporation may amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute. All rights conferred on stockholders herein are granted subject to this reservation.

Notwithstanding the foregoing first paragraph of this Article IX, except as permitted under Article IV, Section B.5(c): (i) no amendment, modification or waiver shall be binding or effective which changes or alters the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of, the Series D Preferred, without the prior written consent of the holders of the requisite percentage in interest of the Series D Preferred outstanding at the time such action is taken (as set forth in Article IV, Section B.5(c)); and (ii) except in connection with a Liquidation Event, no change in the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of, the Series D Preferred may be accomplished by merger, consolidation or otherwise of the Corporation with another corporation unless the Corporation has obtained the prior written consent of the holders of two-thirds of the Series D Preferred then outstanding.

Notwithstanding the foregoing first paragraph of this Article IX: (i) no amendment, modification or waiver shall be binding or effective which changes or alters the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of, the Series E Preferred, without the prior written consent of the holders of a majority of the Series E Preferred outstanding at the time such action is taken; and (ii) except in connection with a Liquidation Event, no change in the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of, the Series E Preferred may be accomplished by merger, consolidation or otherwise of the Corporation with another corporation unless the Corporation has obtained the prior written consent of the holders of a majority of the Series E Preferred then outstanding.

B. Upon the Effective Date, the Corporation reserves the right to amend or repeal any provision contained in this Amended and Restated Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware and all rights conferred upon stockholders are granted subject to this reservation; *provided*, *however*, that, notwithstanding any other provision of this Amended and Restated Certificate of Incorporation, or any provision of law that might otherwise permit a lesser vote or no vote, but in addition to any vote of the holders of any class or series of the stock of this Corporation required by law or by this Amended and Restated Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the then outstanding shares of voting stock entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend or repeal this Article IX, Article V, Article VII, Sections C, D and E of Article VIII, or Article X.

ARTICLE X

To the fullest extent permitted by the DGCL, as it presently exists or may hereafter be amended from time to time, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the DGCL is amended 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.

The Corporation shall indemnify, to the fullest extent permitted by applicable law, any director or officer of the Corporation 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 (a "***Proceeding***") by reason of the fact that he or she 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, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding. The Corporation shall be required to indemnify a person in connection with a Proceeding initiated by such person only if the Proceeding was authorized by the Board.

The Corporation shall have the power to indemnify, to the extent permitted by the DGCL, as it presently exists or may hereafter be amended from time to time, any employee or agent of the Corporation who was or is a party or is threatened to be made a party to any Proceeding by reason of the fact that he or she 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, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding.

Neither any amendment nor repeal of this Article X, nor the adoption of any provision of this Corporation's Certificate of Incorporation inconsistent with this Article X, shall eliminate or reduce the effect of this Article X in respect of any matter occurring, or any cause of action, suit or proceeding accruing or arising or that, but for this Article X, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

* * *

IN WITNESS WHEREOF, the undersigned has executed this certificate on __________, 2007.

COMSCORE, INC.

By: ____
Magid Abraham,
President and Chief Executive Officer

Exhibit 3.3

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF COMSCORE, INC.
a Delaware corporation

comScore, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "***Corporation***"), does hereby certify that:

1. The name of the Corporation is comScore, Inc., originally incorporated as comScore, inc. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on August 18, 1999.

2. The amendment and restatement herein set forth has been duly approved by the Board of Directors of the Corporation and by the stockholders of the Corporation pursuant to Sections 141, 228 and 242 of the General Corporation Law of the State of Delaware ("***DGCL***"). Approval of this amendment and restatement was approved by a written consent signed by the stockholders of the Corporation pursuant to Section 228 of the DGCL.

3. The restatement herein set forth has been duly adopted pursuant to Section 245 of the DGCL. This Amended and Restated Certificate of Incorporation restates and integrates and amends the provisions of the Corporation's Certificate of Incorporation.

4. The text of the Certificate of Incorporation is hereby amended and restated to read in its entirety as follows:

ARTICLE I

The name of the Corporation is comScore, Inc.

ARTICLE II

The address of the registered office of the Corporation in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, Delaware 19081. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE III

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV

A. Capital Stock.

1. This Corporation is authorized to issue two classes of stock, to be designated, respectively, "***Common Stock***" and "***Preferred Stock***." The total number of shares which the Corporation is authorized to issue is One Hundred and Five Million (105,000,000) shares. One Hundred Million (100,000,000) shares shall be Common Stock, par value $0.001 per share, and Five Million (5,000,000) shares shall be Preferred Stock, par value $0.001 per share.

2. The Board of Directors is further authorized to increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any series, the number of which was fixed by it, subsequent to the issuance of shares of such series then outstanding, subject to the powers, preferences and rights, and the qualifications, limitations and restrictions thereof stated in this Amended and Restated Certificate of Incorporation or the resolution of the Board of Directors originally fixing the number of shares of such series. If the number of shares of any series is so decreased, then the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series.

B. Common Stock.

1. Dividend Rights. Subject to the prior rights of holders of all classes of stock at the time outstanding having prior rights as to dividends, the holders of the Common Stock shall be entitled to receive, when, if and as declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

2. Voting Rights. Each holder of Common Stock shall be entitled to one (1) vote for each share of Common Stock held, shall be entitled to notice of any stockholder meeting in accordance with the Bylaws of the Corporation, and shall be entitled to vote upon such matters and in such manner as is otherwise provided herein or as may be provided by law.

3. Increase or Decrease in Authorized Shares. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by an affirmative vote of the holders of a majority of the outstanding shares of capital stock of the Corporation, on an as-converted to Common Stock basis, irrespective of Section 242(b)(2) of the Delaware General Corporation Law.

ARTICLE V

A. Number of Directors. The number of directors that constitutes the entire Board of Directors of the Corporation shall be fixed by, or in the manner provided in, the Bylaws of the Corporation. At each annual meeting of stockholders, directors of the Corporation shall be elected to hold office until the expiration of the term for which they are elected and until their successors have been duly elected and qualified or until their earlier resignation or removal; except that if any such election shall not be so held, such election shall take place at a stockholders' meeting called and held in accordance with the DGCL.

B. Classification of Directors. The directors of the Corporation shall be divided into three classes as nearly equal in size as is practicable, hereby designated Class I, Class II and Class III. The term of office of the initial Class I directors shall expire at the first regularly-scheduled annual meeting of the stockholders following the effective date of the Corporation's initial public offering (the "***Effective Date***"), the term of office of the initial Class II directors shall expire at the second annual meeting of the stockholders following the Effective Date and the term of office of the initial Class III directors shall expire at the third annual meeting of the stockholders following the Effective Date. At each annual meeting of stockholders, commencing with the first regularly-scheduled annual meeting of stockholders following the Effective Date, each of the successors elected to replace the directors of a class whose term shall have expired at such annual meeting shall be elected to hold office until the third annual meeting next succeeding his or her election and until his or her respective successor shall have been duly elected and qualified.

C. Removal and Vacancies. Notwithstanding the foregoing provisions of this Article, each director shall serve until his or her successor is duly elected and qualified or until his or her death, resignation, or removal. If the number of directors is hereafter changed, any newly created directorships or decrease in directorships shall be so apportioned among any classes of directors as designated hereby as to make all such classes as nearly equal in number as is practicable, provided that no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Vacancies occurring on the Board of Directors for any reason and newly created directorships resulting from an increase in the authorized number of directors may be filled only by vote of a majority of the remaining members of the Board of Directors, although less than a quorum, or by a sole remaining director, at any meeting of the Board of Directors. A person so elected by the Board of Directors to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall be duly elected and qualified.

Notwithstanding the foregoing, any director may be removed from office by the stockholders of the Corporation only for cause.

ARTICLE VI

The Corporation is to have perpetual existence.

ARTICLE VII

A. Except as otherwise provided in this Amended and Restated Certificate of Incorporation, the Board of Directors may make, repeal, alter, amend or rescind any or all of the Bylaws of the Corporation. Any adoption, amendment or repeal of the Bylaws of the Corporation by the Board of Directors shall require the approval of a majority of the Board of Directors.

B. The stockholders shall also have power to adopt, amend or repeal the Bylaws of the Corporation; provided, however, that, in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by this Amended and Restated Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the then outstanding shares of voting stock entitled to vote generally in the election of directors, voting together as a single class, shall be required to adopt, amend or repeal all or any portion of Article II, Section 3.2, Section 3.3, Section 3.4, Section 3.14, Article VI or Article IX of the Bylaws of the Corporation.

ARTICLE VIII

A. Written Ballots. Elections of directors at an annual or special meeting need not be by written ballot unless the Bylaws of the Corporation shall so provide.

B. Location of Meetings and Books and Records. 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 statutes) 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.

C. No Action by Written Consent of Stockholders. No action shall be taken by the stockholders of the Corporation except at an annual or special meeting of the stockholders called in accordance with the Bylaws, and no action shall be taken by the stockholders by written consent.

D. Special Meetings. Special meetings of stockholders of the Corporation may be called only by the Chairman of the Board of Directors, the Chief Executive Officer of the Corporation, or the Board of Directors acting pursuant to a resolution adopted by a majority of the Board of Directors and any power of stockholders to call a special meeting is specifically denied. Only such business shall be considered at a special meeting of stockholders as shall have been stated in the notice for such meeting.

E. Advance Notice Provisions. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the Bylaws of the Corporation.

ARTICLE IX

The Corporation reserves the right to amend or repeal any provision contained in this Amended and Restated Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware and all rights conferred upon stockholders are granted subject to this reservation; *provided*, *however*, that, notwithstanding any other provision of this Amended and Restated Certificate of Incorporation, or any provision of law that might otherwise permit a lesser vote or no vote, but in addition to any vote of the holders of any class or series of the stock of this Corporation required by law or by this Amended and Restated Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the then outstanding shares of voting stock entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend or repeal this Article IX, Article V, Article VII, Sections C, D and E of Article VIII, or Article X.

ARTICLE X

To the fullest extent permitted by the DGCL, as it presently exists or may hereafter be amended from time to time, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the DGCL is amended 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.

The Corporation shall indemnify, to the fullest extent permitted by applicable law, any director or officer of the Corporation 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 (a "***Proceeding***") by reason of the fact that he or she 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, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding. The Corporation shall be required to indemnify a person in connection with a Proceeding initiated by such person only if the Proceeding was authorized by the Board.

The Corporation shall have the power to indemnify, to the extent permitted by the DGCL, as it presently exists or may hereafter be amended from time to time, any employee or agent of the Corporation who was or is a party or is threatened to be made a party to any Proceeding by reason of the fact that he or she 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, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding.

Neither any amendment nor repeal of this Article X, nor the adoption of any provision of this Corporation's Certificate of Incorporation inconsistent with this Article X, shall eliminate or reduce the effect of this Article X in respect of any matter occurring, or any cause of action, suit or proceeding accruing or arising or that, but for this Article X, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

* * *

IN WITNESS WHEREOF, the undersigned has executed this certificate on __________, 2007.

COMSCORE, INC.

By: ______________________________

Magid Abraham,
President and Chief Executive Officer

Exhibit 3.4

AMENDED AND RESTATED

BYLAWS

OF

COMSCORE, INC.

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BYLAWS

OF

COMSCORE, INC.

ARTICLE I

CORPORATE OFFICES

1.1 REGISTERED OFFICE

The address of the Corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The name of the registered agent at such address is The Corporation Trust Company.

1.2 OTHER OFFICES

The Board of Directors of the corporation (the "**Board**") may at any time establish other offices at any place or places where the corporation is qualified to do business.

ARTICLE II

MEETINGS OF STOCKHOLDERS

2.1 PLACE OF MEETINGS

Meetings of stockholders shall be held at any place, within or outside the State of Delaware, designated by the Board. In the absence of any such designation, stockholders' meetings shall be held at the corporation's principal executive office.

2.2 ANNUAL MEETING

The annual meeting of stockholders shall be held each year on a date and at a time designated by the Board. At the annual meeting, directors shall be elected and any other proper business may be transacted.

2.3 SPECIAL MEETING

A special meeting of the stockholders may be called at any time by the Board, or by the Chairman of the Board, the Chief Executive Officer or the President, or by one or more stockholders holding shares in the aggregate entitled to cast votes not less than 10% of the votes at that meeting.

Effective upon the closing of a firm commitment underwritten public offering of Common Stock of the Corporation and subject to the rights of the holders of any series of Preferred Stock then outstanding, special meetings of the stockholders may be called at any time only by the Board acting pursuant to a resolution duly adopted by a majority of the Board, the Chairman of the Board, the Chief Executive Officer or the President, but such special meetings may not be called by any other person or persons.

Only such business shall be considered at a special meeting of stockholders as shall have been stated in the notice for such meeting. Nothing contained in this paragraph of this Section 2.3 shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board may be held.

2.4 NOTICE OF STOCKHOLDERS' MEETINGS; EXCEPTION TO REQUIREMENTS OF NOTICE

All notices of meetings with stockholders shall be in writing and shall be sent or otherwise given in accordance with Section 2.5 of these Bylaws not less than ten (10) nor more than sixty (60) calendar days before the date of the meeting to each stockholder entitled to vote at such meeting. The notice shall specify the place, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting (as authorized by the Board in its sole discretion pursuant to Section 211(a)(2) of the General Corporation Law of Delaware), and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Any previously scheduled meeting of stockholders may be postponed, and, unless the Certificate of Incorporation of the corporation, as the same may be amended and/or restated from time to time (as so amended and restated, the "**Certificate**") provides otherwise, any special meeting of the stockholders may be cancelled by resolution duly adopted by a majority of the Board members then in office upon public notice given prior to the date previously scheduled for such meeting of stockholders.

Whenever notice is required to be given, under the General Corporation Law of Delaware, the Certificate or these Bylaws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate with the Secretary of State of Delaware, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

Whenever notice is required to be given, under any provision of the General Corporation Law of Delaware, the Certificate or these Bylaws, to any stockholder, and such stockholder has received (a) notice of two (2) consecutive annual meetings, or (b) at least two (2) payments (if sent by first-class mail) of dividends or interest on securities during a twelve (12) month period, having been mailed such notice addressed to such person at such person's address as shown on the records of the corporation and have been returned undeliverable, the giving of such notice to such person shall not be required. Any actions or meeting which shall be taken or held without notice to such person shall have the same force and effect as if such notice had been duly given. If any such person shall deliver to the corporation a written notice setting forth such person's then current address, the requirement that notice be given to such person shall be reinstated. In the event that the action taken by the corporation is such as to require the filing of a certificate with the Secretary of State of Delaware, the certificate need not state that notice was not given to persons to whom notice was not required to be given pursuant to Section 230(b) of the General Corporation Law of Delaware.

The exception in subsection (a) of the above paragraph to the requirement that notice be given shall not be applicable to any notice returned as undeliverable if the notice was given by electronic transmission.

2.5 MANNER OF GIVING NOTICE; AFFIDAVIT OF NOTICE

Written notice of any meeting of stockholders, if mailed, is given when deposited in the United States mail, postage prepaid, directed to the stockholder at his, her or its address as it appears on the records of the corporation and otherwise is given when delivered. An affidavit of the Secretary or an Assistant Secretary, the transfer agent or other agent of the corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

2.6 QUORUM

The holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business, except as otherwise provided by statute or the Certificate. If, however, such quorum is not present or represented at any meeting of the stockholders, then a majority of the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented. At such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed. The stockholders present at a duly called meeting at which quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

2.7 ADJOURNED MEETING; NOTICE

When a meeting is adjourned to another time or place, unless these Bylaws otherwise require, notice need not be given of the adjourned meeting if the time and place thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting (as authorized by the Board in its sole discretion pursuant to Section 211(a)(2) of the General Corporation Law of Delaware), are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. The Chairman of the meeting shall have the power to adjourn any meeting of stockholders for any reason, and the stockholders shall have the power to adjourn any meeting of stockholders in accordance with Section 2.6 of these Bylaws.

2.8 VOTING

The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.11 of these Bylaws, subject to the provisions of Sections 217 and 218 of the General Corporation Law of Delaware (relating to voting rights of fiduciaries, pledgors and joint owners of stock and to voting trusts and other voting agreements).

Except as otherwise provided in the provisions of Section 213 of the General Corporation Law of Delaware (relating to the fixing of a date for determination of stockholders of record), or as may be otherwise provided in the Certificate, each stockholder shall be entitled to one (1) vote for each share of capital stock held by such stockholder.

In all matters, other than the election of directors and except as otherwise required by law, the affirmative vote of the majority of shares present or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders. Directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors.

2.9 WAIVER OF NOTICE

Whenever notice is required to be given under any provision of the General Corporation Law of Delaware, the Certificate or these Bylaws, a written waiver thereof, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice, or any waiver by electronic transmission, unless so required by the Certificate or these Bylaws.

2.10 STOCKHOLDER ACTION BY WRITTEN CONSENT

Unless otherwise provided in the Certificate, any action required by the DGCL to be taken at any annual or special meeting of stockholders of a corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Company as provided in Section 228 of the DGCL. In the event that the action which is consented to is such as would have required the filing of a certificate under any provision of the DGCL, if such action had been voted on by stockholders at a meeting thereof, the certificate filed under such provision shall state, in lieu of any statement required by such provision concerning any vote of stockholders, that written consent has been given in accordance with Section 228 of the DGCL.

Effective upon the closing of a firm commitment underwritten public offering of Common Stock of the Corporation, any action required or permitted to be taken by the stockholders of the corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders.

2.11 RECORD DATE FOR STOCKHOLDER NOTICE

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 may fix, in advance, a record date, which such date shall not precede the date upon which the resolution fixing the record date is adopted by the Board and which such date shall not be more than sixty (60) nor less than ten (10) calendar days before the date of such meeting, nor more than sixty (60) days prior to any other action.

If the Board does not so fix a record date:

(a) 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.

(b) The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however*, that the Board may fix a new record date for the adjourned meeting.

2.12 PROXIES

Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for him, her or it by a written proxy, signed by the stockholder and filed with the Secretary of the corporation, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. A stockholder may authorize another person or persons to act for him, her or it as proxy in the manner(s) provided under Section 212(c) of the General Corporate Law of Delaware or as otherwise provided under Delaware law. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212(e) of the General Corporation Law of Delaware.

2.13 LIST OF STOCKHOLDERS ENTITLED TO VOTE; STOCK LEDGER

The officer who has charge of the stock ledger of a corporation shall prepare and make, at least ten (10) calendar days before every 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. Nothing contained in this Section 2.13 shall require the corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting: (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (b) for a period of at least ten (10) calendar days prior to the meeting during ordinary business hours at the principal place of business of the corporation.

In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to the stockholders of the corporation. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

2.14 NOMINATIONS AND PROPOSALS BY STOCKHOLDERS AT ANNUAL MEETING

(a) Only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be: (A) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board, (B) otherwise properly brought before the meeting by or at the direction of the Board, or (C) otherwise properly brought before the meeting by a stockholder (i) who is a stockholder of record on the date of the giving of notice provided for in this Section 2.14(a) and on the record date for the determination of stockholders entitled to vote at such annual meeting and (ii) who complies with the notice procedures set forth in this Section 2.14(a). For business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the corporation. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the corporation not less than ninety (90) calendar days in advance of the date that is the one year anniversary of the date on which the corporation first mailed its proxy statement to stockholders in connection with the previous year's annual meeting of stockholders; *provided, however*, that in the event that no annual meeting was held in the previous year or the date of the annual meeting has been changed by more than thirty (30) days from the date of the prior year's meeting, notice by the stockholder to be timely must be so received not later than the close of business on the tenth (10^{th}) day following the day notice of the date of the meeting was mailed or such public disclosure was made, whichever occurs first. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting: (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and address, as they appear on the corporation's books, of the stockholder proposing such business, (iii) the class and number of shares of the corporation which are beneficially owned by the stockholder, (iv) any material interest of the stockholder in such business and (v) any other information that is required to be provided by the stockholder pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), in such stockholder's capacity as a proponent to a stockholder proposal. Notwithstanding the foregoing, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholder's meeting, stockholders must provide notice as required by the regulations promulgated under the Exchange Act. Notwithstanding anything in these Bylaws to the contrary, no business shall be conducted at any annual meeting except in accordance with the procedures set forth in this paragraph (a). The chairman of the annual meeting shall, if the facts warrant, determine and declare at the meeting that business was not properly brought before the meeting and in accordance with the provisions of this paragraph (a), and, if he should so determine, he shall so declare at the meeting that any such business not properly brought before the meeting shall not be transacted.

(b) Only persons who are nominated in accordance with the procedures set forth in this paragraph (b) shall be eligible for election as directors, except as otherwise provided in the Certificate of Incorporation with respect to the right of holders of preferred stock of the corporation. Nominations of persons for election to the Board of the corporation may be made at a meeting of stockholders by or at the direction of the Board or by any stockholder of the corporation entitled to vote in the election of directors at the meeting who complies with the notice procedures set forth in this paragraph (b). Such nominations, other than those made by or at the direction of the Board, shall be made pursuant to timely notice in writing to the Secretary of the corporation in accordance with the provisions of paragraph (a) of this Section 2.14. Such stockholder's notice shall set forth

(i) as to each person, if any, whom the stockholder proposes to nominate for election or re-election as a director: (A) the name, age, business address and residence address of such person, (B) the principal occupation or employment of such person, (C) the class and number of shares of the corporation which are beneficially owned by such person, (D) a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nominations are to be made by the stockholder, and (E) any other information relating to such person that is required to be disclosed in solicitations of proxies for elections of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including without limitation such person's written consent to being named in the proxy statement, if any, as a nominee and to serving as a director if elected); and (ii) as to such stockholder giving notice, the information required to be provided pursuant to paragraph (a) of this Section 2.14. At the request of the Board, any person nominated by a stockholder for election as a director shall furnish to the Secretary of the corporation that information required to be set forth in the stockholder's notice of nomination, which pertains to the nominee. No person shall be eligible for election as a director of the corporation unless nominated in accordance with the procedures set forth in this paragraph (b). The chairman of the meeting shall, if the facts warrants, determine and declare at the meeting that a nomination was not made in accordance with the procedures prescribed by these Bylaws, and if he should so determine, he shall so declare at the meeting, and the defective nomination shall be disregarded.

(c) Notwithstanding the foregoing provisions of this Section 2.14, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to matters set forth in this Section 2.14. Nothing in this Section 2.14 shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under he Exch0nge Act.

2.15 ORGANIZATION

Meetings of stockholders shall be presided over by (a) the Chairman of the Board or, in the absence thereof, (b) such person as the Chairman of the Board shall appoint or, in the absence thereof or in the event that the Chairman of the Board shall fail to make such appointment, (c) such person as the Chairman of the executive committee of the corporation shall appoint or, in the absence thereof or in the event that the Chairman of the executive committee of the corporation shall fail to make such appointment, any officer of the corporation elected by the Board. In the absence of the Secretary of the corporation, the secretary of the meeting shall be such person as the Chairman of the meeting appoints.

The Board shall, in advance of any meeting of stockholders, appoint one (1) or more inspector(s), who may include individual(s) who serve the corporation in other capacities, including without limitation as officers, employees or agents, to act at the meeting of stockholders and make a written report thereof. The Board may designate one (1) or more persons as alternate inspector(s) to replace any inspector, who fails to act. If no inspector or alternate has been appointed or is able to act at a meeting of stockholders, the Chairman of the meeting shall appoint one (1) or more inspector(s) to act at the meeting. Each inspector, before discharging his or her duties, shall take and sign an oath to faithfully execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector(s) or alternate(s) shall have the duties prescribed pursuant to Section 231 of the General Corporate Laws of Delaware or other applicable law.

The Board shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations, if any, the Chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all acts as, in the judgment of such Chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including without limitation establishing an agenda of business of the meeting, rules or regulations to maintain order, restrictions on entry to the meeting after the time fixed for commencement thereof and the fixing of the date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at a meeting (and shall announce such at the meeting).

2.16 NOTICE BY ELECTRONIC TRANSMISSION

Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the corporation under any provision of the General Corporation Law of Delaware, the Certificate or these Bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any such consent shall be deemed revoked if (a) the corporation is unable to deliver by electronic transmission two (2) consecutive notices given by the corporation in accordance with such consent, and (b) such inability becomes known to the Secretary or an Assistant Secretary of the corporation, the transfer agent or other person responsible for the giving of notice; *provided, however*, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Notice given pursuant to the above paragraph shall be deemed given (a) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice, (b) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice, (c) if by a posting on an electronic network together with a separate notice to the stockholder of such specific posting, upon the later of (i) such posting, and (ii) the giving of such separate notice, and (d) if by any other form of electronic transmission, when directed to the stockholder. An affidavit of the Secretary or Assistant Secretary, the transfer agent or other agent of the corporation that the notice has been given by a form of electronic transmission shall in the absence of fraud, be prima facie evidence of the facts stated therein.

For purposes of these Bylaws, "**electronic transmission**" means any form of communication, not directly involving the physical transmission of paper, which creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process. This Section 2.16 shall not apply to Section 164 (failure to pay for stock; remedies), Section 296 (adjudication of claims; appeal), Section 311 (revocation of voluntary dissolution), Section 312 (renewal, revival, extension and restoration of certificate of incorporation) or Section 324 (attachment of shares of stock) of the General Corporation Law of Delaware.

ARTICLE III

DIRECTORS

3.1 POWERS

The business and affairs of the corporation shall be managed by or under the direction of the Board. In addition to the power and authorities these Bylaws expressly confer upon them, the Board may exercise all such powers of the corporation and do all such lawful acts and things as are not required by statute, the Certificate or these Bylaws to be exercised or done by the stockholders.

3.2 NUMBER OF DIRECTORS

Subject to the rights of the holders of any Preferred Stock of the corporation to elect additional directors under specified circumstances, the authorized number of directors of the corporation shall be fixed from time to time exclusively by the Board pursuant to a resolution duly adopted by a majority of the Board members then in office.

No reduction of the authorized number of directors shall have the effect of removing any director before such director's term of office expires.

3.3 ELECTION, QUALIFICATION AND TERM OF OFFICE OF DIRECTORS

Except as provided in the Certificate or Section 3.4 of these Bylaws, directors shall be classified, with respect to the time for which they severally hold office, into three (3) classes, as nearly equal in number as possible, one (1) class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 2008, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 2009, and another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 2010, with each class to hold office until its successor is duly elected and qualified. At each succeeding annual meeting of stockholders, commencing with the first annual meeting (a) directors elected to succeed those directors whose terms then expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election, with each director to hold office until his or her successor shall have been duly elected and qualified, and (b) if authorized by a resolution of the Board, directors may be elected to fill any vacancy on the Board, regardless of how such vacancy shall have been created (as set forth in Section 3.4 below).

Directors need not be stockholders unless so required by the Certificate or these Bylaws, wherein other qualifications for directors may be prescribed.

Elections of directors at all meetings of the stockholders at which directors are to be elected shall be by ballot and, subject to the rights of the holders of any Preferred Stock of the corporation to elect additional directors under specified circumstances, a plurality of the votes cast thereat shall elect directors. The ballot shall state the name of the stockholder or proxy voting or such other information as may be required under the procedure established by the Chairman of the meeting. If authorized by the Board, such requirement of a ballot shall be satisfied by a ballot submitted by electronic transmission provided that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic submission was authorized.

3.4 RESIGNATION AND VACANCIES

Any director may resign at any time upon written notice or by electronic transmission to the corporation.

Subject to the rights of the holders of any series of Preferred Stock of the corporation then outstanding and unless the Board otherwise determines, newly created directorships resulting from any increase in the authorized number of directors, or any vacancies on the Board resulting from the death, resignation, retirement, disqualification, removal from office or other cause shall, unless otherwise provided by law or resolution of the Board, be filled only by a majority vote of the directors then in office, whether or not less than a quorum, and directors so chosen shall hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which they have been elected expires.

3.5 PLACE OF MEETINGS; MEETINGS BY TELEPHONE

The Board may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the Certificate or these Bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

3.6 FIRST MEETINGS

The first meeting of each newly elected Board shall be held immediately after, and at the same location as, the annual meeting of stockholders, unless the Board shall fix another time and place and give notice thereof (or obtain waivers of notice thereof) in the manner required herein for special meetings of directors, and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, except as provided in this Section 3.6 and provided that a quorum shall be present.

3.7 REGULAR MEETINGS

Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board.

3.8 SPECIAL MEETINGS; NOTICE

Special meetings of the Board for any purpose(s) may be called at any time by the Chairman of the Board, the Chief Executive Officer, the President or a majority of the members of the Board then in office. The person(s) authorized to call special meetings of the Board may fix the place and time of the meetings.

The Secretary shall give notice of any special meeting to each director personally or by telephone, or sent by first-class mail, overnight mail, courier service or telegram, postage or charges prepaid, addressed to each director at that director's address as it is shown on the records of the corporation. If the notice is mailed, it shall be deposited in the United States mail at least four (4) calendar days before the time of the holding of the meeting. If the notice is delivered by telegram, overnight mail or courier, it shall be deemed adequately delivered when the telegram is delivered to the telegraph company or the notice is delivered to the overnight mail or courier service company at least forty-eight (48) hours before such meeting. If by facsimile transmission, such notice shall be deemed adequately delivered when the notice is transmitted at least twelve (12) hours before such meeting. If by telephone or hand delivery the notice shall be given at least twelve (12) hours prior to the time set for the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose or the place of the meeting, if the meeting is to be held at the principal executive office of the corporation.

3.9 QUORUM

At all meetings of the Board, a majority of the Whole Board (as defined below) shall constitute a quorum for all purposes, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by statute or by the Certificate. The directors present at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough directors to leave less than quorum. The term "**Whole Board**" shall mean the total number of authorized directors of the corporation whether or not there exist any vacancies in previously authorized directorships.

3.10 WAIVER OF NOTICE

Whenever notice is required to be given under any provisions of the General Corporation Law of Delaware of the Certificate or these Bylaws, a written waiver thereof, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors, or members of a committee of directors, need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the Certificate or these Bylaws.

3.11 ADJOURNED MEETING; NOTICE

If a quorum is not present at any meeting of the Board, then a majority of the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

3.12 BOARD ACTION BY WRITTEN CONSENT WITHOUT A MEETING

Unless otherwise restricted by the Certificate or these Bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing(s) or electronic transmission(s) are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

3.13 FEES AND COMPENSATION OF DIRECTORS

Unless otherwise restricted by the Certificate or these Bylaws, the Board shall have the authority to fix the compensation of directors.

3.14 REMOVAL OF DIRECTORS

Unless otherwise restricted by statute, the Certificate or these Bylaws, any director or the entire Board may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors.

Effective upon the closing of a firm commitment underwritten public offering of Common Stock of the Corporation and subject to the rights of the holders of any series of Preferred Stock of the corporation then outstanding, unless otherwise restricted by statute, the Certificate or these Bylaws, any director, or all of the directors, may be removed from the Board, but only for cause, but only by the affirmative vote of the holders of at least a majority of the voting power of all the then outstanding shares of capital stock of the corporation then entitled to vote at the election of directors, voting together as a single class.

For purposes of the foregoing paragraph, "**cause**" shall mean (i) continued willful failure to perform the obligations of a director, (ii) gross negligence by the director, (iii) engaging in transactions that defraud the corporation, (iv) fraud or intentional misrepresentation, including falsifying use of funds and intentional misstatements made in financial statements, books, records or reports to stockholders or governmental agencies, (v) material violation of any agreement between the director and the corporation, (vi) knowingly causing the corporation to commit violations of applicable law (including by failure to act), (vii) acts of moral turpitude or (viii) conviction of a felony.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

ARTICLE IV

COMMITTEES

4.1 COMMITTEES OF DIRECTORS

The Board may from time to time, by resolution passed by a majority of the Whole Board, designate one (1) or more committees of the Board, with such lawfully delegable powers and duties as it thereby confers, with each committee to consist of one (1) or more of the directors of the corporation. The Board may designate one (1) or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member(s) thereof present at any meeting and not disqualified from voting, whether or not such member(s) constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member.

4.2 COMMITTEE MINUTES

Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

4.3 MEETINGS AND ACTION OF COMMITTEES

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Article III of these Bylaws, Section 3.5 (place of meetings and meetings by telephone), Section 3.7 (regular meetings), Section 3.8 (special meetings and notice), Section 3.9 (quorum), Section 3.10 (waiver of notice), Section 3.11 (adjournment and notice of adjournment), and Section 3.12 (action without a meeting), with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board and its members; *provided, however*, that the time of regular and special meetings of committees may also be called by resolution of the Board. The Board may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws.

ARTICLE V

OFFICERS

5.1 OFFICERS

The officers of the corporation shall be a President and a Secretary. The corporation may also have, at the discretion of the Board, a Chairman of the Board, a Vice Chairman of the Board, a Chief Executive Officer, a Chief Financial Officer, a Treasurer, one or more Vice Presidents, Assistant Vice Presidents, Assistant Secretaries, and Assistant Treasurers, and any such other officers as may be appointed in accordance with the provisions of Section 5.3 of these Bylaws. Any number of offices may be held by the same person.

5.2 ELECTION OF OFFICERS

The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 5.3 of these Bylaws, shall be chosen by the Board, which shall consider such subject at its first meeting after every annual meeting of stockholders, subject to the rights, if any, of an officer under any contract of employment. Each officer shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal. A failure to elect officers shall not dissolve or otherwise affect the corporation.

5.3 SUBORDINATE OFFICERS

The Board may appoint, or empower the Chief Executive Officer or, in the absence of a Chief Executive Officer, the President, to appoint, such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

5.4 REMOVAL AND RESIGNATION OF OFFICERS

Subject to the rights, if any, of an officer under contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board at any regular or special meeting of the Board.

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in such notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

5.5 VACANCIES IN OFFICES

Any vacancy occurring in any office of the corporation shall be filled by the Board.

5.6 CHAIRMAN OF THE BOARD

The Chairman of the Board, if such an officer be elected, shall, if present, preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him or her by the Board or as may be prescribed by these Bylaws. If there is no Chief Executive Officer or President, then the Chairman of the Board shall also be the Chief Executive Officer of the corporation and as such shall also have the powers and duties prescribed in Section 5.7 of these Bylaws.

5.7 CHIEF EXECUTIVE OFFICER

Subject to such supervisory powers, if any, as the Board may give to the Chairman of the Board, the Chief Executive Officer, if any, shall, subject to the control of the Board, have general supervision, direction, and control of the business and affairs of the corporation and shall report directly to the Board. All other officers, officials, employees and agents shall report directly or indirectly to the Chief Executive Officer. The Chief Executive Officer shall see that all orders and resolutions of the Board are carried into effect. The Chief Executive Officer shall serve as chairperson of and preside at all meetings of the stockholders. In the absence of a Chairman of the Board, the Chief Executive Officer shall preside at all meetings of the Board.

5.8 PRESIDENT

In the absence or disability of the Chief Executive Officer, the President shall perform all the duties of the Chief Executive Officer. When acting as the Chief Executive Officer, the President shall have all the powers of, and be subject to all the restrictions upon, the Chief Executive Officer. The President shall have such other powers and perform such other duties as from time to time may be prescribed for him or her by the Board, these Bylaws, the Chief Executive Officer or the Chairman of the Board.

5.9 VICE PRESIDENT

In the absence or disability of the President, the Vice President(s), if any, in order of their rank as fixed by the Board or, if not ranked, a Vice President designated by the Board, shall perform all the duties of the President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President(s) shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board, these Bylaws, the Chairman of the Board, the Chief Executive Officer or, in the absence of a Chief Executive Officer, the President.

5.10 SECRETARY

The Secretary shall keep or cause to be kept, at the principal executive office of the corporation or such other place as the Board may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders. The minutes shall show the time and place of each meeting, whether regular or special (and, if special, how authorized and the notice given), the names of those present at directors' meetings or committee meetings, the number of shares present or represented at stockholders' meetings, and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal executive office of the corporation or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates evidencing such shares, and the number and date of cancellation of every certificate surrendered for cancellation. Such share register shall be the "**stock ledger**" for purposes of Section 2.13 of these Bylaws.

The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board, or committee of the Board, required to be given by law or by these Bylaws. He or she shall keep the seal of the corporation, if one be adopted, in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board or by these Bylaws.

5.11 CHIEF FINANCIAL OFFICER

The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and retained earnings.

The Chief Financial Officer shall deposit all money and other valuables in the name and to the credit of the corporation with such depositaries as may be designated by the Board or Chief Executive Officer. The Chief Financial Officer shall disburse the funds of the corporation as may be ordered by the Board, shall render to the Board and Chief Executive Officer, or in the absence of a Chief Executive Officer the President, whenever they request, an account of all of his or her transactions as Chief Financial Officer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws. In lieu of any contrary resolution duly adopted by the Board, the Chief Financial Officer shall be the Treasurer of the corporation.

5.12 ASSISTANT SECRETARY

The Assistant Secretary(ies), if any, in the order determined by the Board (or if there be no such determination, then in the order of their election) shall, in the absence of the Secretary or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the

Secretary and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

5.13 ASSISTANT TREASURER

The Assistant Treasurer(s), if any, in the order determined by the Board (or if there be no such determination, then in the order of their election), shall, in the absence of the Chief Financial Officer or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Chief Financial Officer and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

5.14 AUTHORITY AND DUTIES OF OFFICERS

In addition to the foregoing authority and duties, all officers of the corporation shall respectively have such authority and perform such duties in the management of the business of the corporation as may be designated from time to time by the Board.

ARTICLE VI

INDEMNITY

6.1 RIGHT TO INDEMNIFICATION IN ACTIONS, SUITS OR PROCEEDINGS OTHER THAN THOSE BY OR IN THE RIGHTS OF THE CORPORATION

Subject to Section 6.3 of this Article VI, the corporation shall 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 or officer of the corporation, or is or was a director or officer of the corporation serving at the request of the corporation as a director or officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan 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 such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the 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.

6.2 RIGHT TO INDEMNIFICATION IN ACTIONS, SUITS OR PROCEEDINGS BY OR IN THE RIGHT OF THE CORPORATION

Subject to Section 6.3 of this Article VI, the corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the corporation, or is or was a director or officer of the corporation serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise 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 or not opposed to the best interests of the corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been 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 shall determine 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 shall deem proper.

6.3 AUTHORIZATION OF INDEMNIFICATION

Any indemnification under this Article VI (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 6.1 or Section 6.2 of this Article VI, as the case may be. Such determination shall be made, with respect to a person who is a director or officer at the time of such determination, (a) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (b) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, or (c) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion or (d) by the stockholders (but only if a majority of the directors who are not parties to such action, suit or proceeding, if they constitute a quorum of the board of directors, presents the issue of entitlement to indemnification to the stockholders for their determination). Any person or persons having the authority to act on the matter on behalf of the corporation shall make such determination, with respect to former directors and officers. To the extent, however, that a present or former director or officer of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding described above, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith, without the necessity of authorization in the specific case.

6.4 GOOD FAITH DEFINED

For purposes of any determination under Section 6.3 of this Article VI, a person shall be deemed to have 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, or, with respect to any criminal action or proceeding, to have had no reasonable cause to believe such person's conduct was unlawful, if such person's action is based on the records or books of account of the corporation or another enterprise, or on information supplied to such person by the officers of the corporation or another enterprise in the course of their duties, or on the advice of legal counsel for the corporation or another enterprise or on information or records given or reports made to the corporation or another enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the corporation or another enterprise. The term "**another enterprise**" as used in this Section 6.4 shall mean any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise of which such person is or was serving at the request of the corporation as a director, officer, employee or agent. The provisions of this Section 6.4 shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth in Section 6.1 or Section 6.2 of this Article VI, as the case may be.

6.5 INDEMNIFICATION BY A COURT

Notwithstanding any contrary determination in the specific case under Section 6.3 of this Article VI, and not withstanding the absence of any determination thereunder, any director or officer may apply to the Court of Chancery in the State of Delaware (but in no event later than forty-five (45) days after written receipt of the written request by said director or officer) for indemnification to the extent otherwise permissible under Section 6.1 and Section 6.2 of this Article VI. The basis of such indemnification by a court shall be a determination by such court that indemnification of the director or officer is proper in the circumstances because such person has met the applicable standards of conduct set forth in Section 6.1 or Section 6.2 of this Article VI, as the case may be. Neither a contrary determination in the specific case under Section 6.3 of this Article VI nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the director or officer seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 6.5 shall be given to the corporation promptly upon the filing of such application. If successful, in whole or in part, the director or officer seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

6.6 EXPENSES PAYABLE IN ADVANCE

Expenses incurred by a director or officer in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the corporation as authorized in this Article VI.

6.7 NONEXCLUSIVITY OF INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

The indemnification and advancement of expenses provided by or granted pursuant to this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Certificate, any Bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, it being the policy of the corporation that indemnification of the persons specified in Section 6.1 and Section 6.2 of this Article VI shall be made to the fullest extent permitted by law. The provisions of this Article VI shall not be deemed to preclude the indemnification of any person who is not specified in Section 6.1 or Section 6.2 of this Article VI but whom the corporation has the power or obligation to indemnify under the provisions of the General Corporation Law of the State of Delaware, or otherwise.

6.8 INSURANCE

The corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, or is or was a director or officer of the corporation serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against such person and incurred by 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 or the obligation to indemnify such person against such liability under the provisions of this Article VI.

6.9 CERTAIN DEFINITIONS

For purposes of this Article VI, references to the "**corporation**" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors or officers, so that any person who is or was a director or officer of such constituent corporation, or is or was a director or officer of such constituent corporation serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Article VI with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article VI, references to "**fines**" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "**serving at the request of the corporation**" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "**not opposed to the best interests of the corporation**" as referred to in this Article VI.

6.10 SURVIVAL OF INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VI shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

6.11 LIMITATION ON INDEMNIFICATION

Notwithstanding anything contained in this Article VI to the contrary, except for proceedings to enforce rights to indemnification (which shall be governed by Section 6.5 hereof), the corporation shall not be obligated to indemnify any director or officer in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the board of directors of the corporation.

6.12 INDEMNIFICATION OF EMPLOYEES AND AGENTS

The corporation may, to the extent authorized from time to time by the board of directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the corporation similar to those conferred in this Article VI to directors and officers of the corporation.

ARTICLE VII

RECORDS AND REPORTS

7.1 MAINTENANCE AND INSPECTION OF RECORDS

The corporation shall, either at its principal executive office or at such place or places as designated by the Board, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these Bylaws, as may be amended to date, minute books, accounting books and other records.

Any such records maintained by the corporation may be kept on, or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time. The corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to the provisions of the General Corporation Law of Delaware. When records are kept in such manner, a clearly legible paper form produced from or by means of the information storage device or method shall be admissible in evidence, and accepted for all other purposes, to the same extent as an original paper form accurately portrays the record.

Any stockholder of record, in person or by attorney or other agent, shall, upon written demand under oath stating the purpose thereof, have the right during the usual hours for business to inspect for any proper purpose the corporation’s stock ledger, a list of its stockholders, and its other books and records and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to such person's interest as a stockholder. In every instance where an attorney or other agent is the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing that authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the corporation at its registered office in Delaware or at its principal place of business.

7.2 INSPECTION BY DIRECTORS

Any director shall have the right to examine the corporation's stock ledger, a list of its stockholders, and its other books and records for a purpose reasonably related to his or her position as a director. The Court of Chancery is hereby vested with the exclusive jurisdiction to determine whether a director is entitled to the inspection sought. The Court may summarily order the corporation to permit the director to inspect any and all books and records, the stock ledger, and the stock list and to make copies or extracts therefrom. The Court may, in its discretion, prescribe any limitations or conditions with reference to the inspection, or award such other and further relief as the Court may deem just and proper.

7.3 REPRESENTATION OF SHARES OF OTHER CORPORATIONS

Unless otherwise directed by the Board, the Chief Executive Officer, the President, or any other person authorized by the President, is authorized to vote, represent, and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation(s) standing in the name of the corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

ARTICLE VIII

GENERAL MATTERS

8.1 CHECKS

From time to time, the Board shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other evidences of indebtedness that are issued in the name of or payable to the corporation, and only the persons so authorized shall sign or endorse those instruments.

8.2 EXECUTION OF CORPORATE CONTRACTS AND INSTRUMENTS

The Board, except as otherwise provided in these Bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

8.3 STOCK CERTIFICATES; PARTLY PAID SHARES

The shares of a corporation shall be represented by certificates, provided that the Board may provide by resolution that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the corporation. Notwithstanding the adoption of such a resolution by the Board, every holder of stock represented by certificates and upon request every holder of uncertificated shares shall be entitled to have a certificate signed by, or in the name of the corporation by the Chairman of the Board or Chief Executive Officer, or the President or Vice-President, and by the Chief Financial Officer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the corporation representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

The corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, upon the books and records of the corporation in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

8.4 SPECIAL DESIGNATION ON CERTIFICATES

If the corporation is authorized to issue more than one (1) class of stock or more than one (1) series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the corporation shall issue to represent such class or series of stock; *provided, however*, that, except as otherwise provided in Section 202 of the General Corporation Law of Delaware, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate that the corporation shall issue to represent such class or series of stock a statement that the corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

8.5 LOST CERTIFICATES

Except as provided in this Section 8.5, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the corporation and cancelled at the same time. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require, or may require any transfer agent, if any, for the shares to require, the owner of the lost, stolen or destroyed certificate, or his, her or its legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

8.6 CONSTRUCTION; DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the Delaware General Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "**person**" includes both a corporation and a natural person.

8.7 DIVIDENDS

The directors of the corporation, subject to any restrictions contained in the Certificate, may declare and pay dividends upon the shares of its capital stock pursuant to the General Corporation Law of Delaware. Dividends may be paid in cash, in property or in shares of the corporation's capital stock.

The directors of the corporation may set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the corporation, and meeting contingencies.

8.8 FISCAL YEAR

The fiscal year of the corporation shall be fixed by resolution of the Board and may be changed by resolution of the Board.

8.9 SEAL

This corporation may have a corporate seal, which may be adopted or altered at the pleasure of the Board, and may use the same by causing it or a facsimile thereof, to be impressed or affixed or in any other manner reproduced.

8.10 TRANSFER OF STOCK

Upon surrender to the corporation or the transfer agent of the corporation, if any, of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer (as determined by legal counsel to the corporation), it shall be the duty of the corporation, as the corporation may so instruct its transfer agent, if any, to issue a new certificate to the person entitled thereto, cancel the old certificate, and record the transaction in its books.

8.11 REGISTERED STOCKHOLDERS

The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE IX

AMENDMENTS

The Bylaws of the corporation may be adopted, amended or repealed by the stockholders entitled to vote; *provided, however*, that the corporation may, in its Certificate, confer the power to adopt, amend or repeal bylaws upon the Board. The fact that such power has been so conferred upon the Board shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal bylaws.

Effective upon the closing of a firm commitment underwritten public offering of Common Stock of the Corporation and notwithstanding the foregoing, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by the Certificate, the amendment or repeal of all or any portion of Article II, Section 3.2 (number of directors), Section 3.3 (election, qualification and term of office of directors), Section 3.4 (resignation and vacancies), Section 3.14 (removal of directors), Article VI or this Article IX by the stockholders of the corporation shall require the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the then outstanding shares of voting stock entitled to vote generally in the election of directors, voting together as a single class.

COMMON STOCK

PAR VALUE $0.001

COMMON STOCK

THIS CERTIFICATE IS TRANSFERABLE IN CANTON, MA AND JERSEY CITY, NJ

comScore.

Certificate Number

ZQ 000000

Shares

600620****
600620**
****600620****
*****600620***
******600620**

COMSCORE, INC.

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

THIS CERTIFIES THAT MR. SAMPLE & MRS. SAMPLE & MR. SAMPLE & MRS. SAMPLE

CUSIP 20564W 10 5

SEE REVERSE FOR CERTAIN DEFINITIONS

is the owner of SIX HUNDRED THOUSAND SIX HUNDRED AND TWENTY***

FULLY PAID AND NONASSESSABLE SHARES OF THE COMMON STOCK, $0.001 PAR VALUE, of **comScore, Inc.,**

hereinafter called the "Corporation", transferable only on the books of the Corporation by the holder hereof in person or by duly authorized attorney upon surrender of this Certificate properly endorsed. This Certificate is not valid until countersigned by the Transfer Agent and registered by the Registrar.

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

DATED <<Month Day, Year>>

FACSIMILE SIGNATURE TO COME

President

COMSCORE, INC. SEAL DATE DELAWARE

COUNTERSIGNED AND REGISTERED:
COMPUTERSHARE TRUST COMPANY, N.A.
TRANSFER AGENT AND REGISTRAR,

FACSIMILE SIGNATURE TO COME

Secretary

By____________________
AUTHORIZED SIGNATURE

SECURITY INSTRUCTIONS ON REVERSE

1234567

COMSCORE, INC.

THE CORPORATION IS AUTHORIZED TO ISSUE MORE THAN ONE CLASS OR SERIES OF STOCK. THE CORPORATION WILL FURNISH UPON REQUEST AND WITHOUT CHARGE TO EACH STOCKHOLDER THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL AND OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK AND SERIES WITHIN A CLASS OF STOCK OF THE CORPORATION, AS WELL AS THE QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS RELATING TO THOSE PREFERENCES AND/OR RIGHTS. A STOCKHOLDER MAY MAKE THE REQUEST TO THE CORPORATION OR TO THE TRANSFER AGENT AND REGISTRAR.

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 . . . . (Cust) (Minor) under Uniform Gifts to Minors Act . . . . (State)
TEN ENT	- as tenants by the entireties		
JT TEN	- as joint tenants with right of survivorship and not as tenants in common	UNIF TRF MIN ACT	. . . . .Custodian (until age. . .). . . . . (Cust) (Minor) under Uniform Transfers to Minors Act. . . . . (State)

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

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

For value received, ___________________________hereby sell, assign and transfer unto

____

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

____

____

____ Shares

of the common 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 with full power of substitution in the premises.

Dated: ____20__________________

Signature: ____

Signature: ____

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: Medallion Guarantee Stamp

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.

SECURITY INSTRUCTIONS

THIS IS WATERMARKED PAPER. DO NOT ACCEPT WITHOUT NOTING WATERMARK. HOLD TO LIGHT TO VERIFY WATERMARK.

Exhibit 10.19

[comScore, Inc. letterhead]

June 4, 2007

VIA HAND DELIVERY

11465 SH I, LC
11465 Sunset Hills Road, Suite 620
Reston, VA 20190
Attn: Christopher Clemente, Managing Member

Re: Lease Agreement dated June 23, 2003 by and between comScore Networks, Inc. (now comScore, Inc.) ("comScore"), as Tenant, and 11465 SH I, LC, f/k/a Comstock Partners, L.C. ("Comstock"), as Landlord, as amended by the First Amendment to Lease Agreement dated February 3, 2005 and the Second Amendment to Lease Agreement dated April 26, 2007 (as amended, the "Lease") with respect to premises located at 11465 Sunset Hills Road, Suite 200, Reston, Virginia

Dear Mr. Clemente:

Pursuant to our earlier discussions, this will confirm that, notwithstanding the referenced entity name changes and any scrivener's errors which may exist, 11465 SH I, LC, the Landlord under the Lease, is the holder of the three warrants issued "to our landlord," as identified in the amended registration statement filed by comScore with the Securities Exchange Commission.

In light of comScore's pending initial public offering, comScore would like to amend the Lease to delete certain obligations of comScore therein to deliver to Comstock certain financial and other information. Accordingly, by executing this letter agreement, Comstock agrees that, effective immediately prior to the closing of an underwritten initial public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, covering the offer and sale of comScore's common stock, the following provisions shall be deleted from the Lease and shall have no full force and effect: (i) the definitions of "Tenant's Financial Reports" and "Tenant's Board Reports" in Section 1(b) of the Lease and any obligations under the Lease to deliver the documents and materials described in such definitions and (ii) Exhibit J to the Lease (Form of Financial Statement Certification) and any obligations under the Lease to deliver such certification.

Please acknowledge Comstock's agreement to the foregoing by executing this letter agreement in the space provided below and returning the same to my attention. Please do not hesitate to contact me at (703) 438-2111 with any questions.

Sincerely,

COMSCORE, INC.,
a Delaware corporation

By: /s/ Christiana Lin
Name: Christiana Lin
Title: General Counsel

ACCEPTED AND AGREED:

11465 SH I, LC,
a Virginia limited liability company

By: /s/ Christopher Clemente
Name: Christopher Clemente
Title: Managing Member

Date: June 6, 2007

cc: Mr. Marc Bettius
Cohen, Gettings, & Caulkins
2200 Wilson Blvd.
Arlington, VA 22201

The Rockcrest Group
14800 Conference Center Drive, Suite 201
Chantilly, VA 22151-3180

Exhibit 10.20

AMENDMENT, WAIVER AND TERMINATION AGREEMENT

This Amendment, Waiver and Termination Agreement (this "**Agreement**") is made and entered into as of this 8th day of June, 2007 by and among comScore, Inc., a Delaware corporation (the "**Company**") and the holders of Preferred Stock (as defined below) whose names appear on the signature pages to this Agreement (each a "**Holder**" and together the "**Holders**").

RECITALS

WHEREAS, the Company is proposing to sell and issue shares of its common stock, par value $0.001 per share (the "**Common Stock**"), in an underwritten initial public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "**IPO**");

WHEREAS, pursuant to that certain Series A Preferred Stock Purchase Agreement, dated as of September 27, 1999 (the "**Series A Purchase Agreement**"), by and among the Company and the Purchasers (as defined therein), the Company issued and sold to the Purchasers shares of its Series A Preferred Stock (the "**Series A Preferred**");

WHEREAS, pursuant to that certain Series B Preferred Stock Purchase Agreement, dated as of July 5, 2000 (the "**Series B Purchase Agreement**"), by and among the Company and the Purchasers (as defined therein), the Company issued and sold to the Purchasers shares of its Series B Preferred Stock (the "**Series B Preferred**");

WHEREAS, pursuant to that certain Series C Preferred Stock Purchase Agreement, dated as of August 8, 2001 (the "**Series C Purchase Agreement**"), by and among the Company and the Purchasers (as defined therein), the Company issued and sold to the Purchasers shares of its Series C Preferred Stock (the "**Series C Preferred**");

WHEREAS, pursuant to that certain Series C-1 Preferred Stock Purchase Agreement, dated as of June 6, 2002 (the "**Series C-1 Purchase Agreement**"), by and among the Company and the Purchasers (as defined therein), the Company issued and sold to the Purchasers shares of its Series C-1 Preferred Stock (the "**Series C-1 Preferred**");

WHEREAS, pursuant to that certain Series D Preferred Stock Purchase Agreement, dated as of June 6, 2002 (the "**Series D Purchase Agreement**"), by and among the Company and the Purchasers (as defined therein), the Company issued and sold to the Purchasers shares of its Series D Preferred Stock (the "**Series D Preferred**");

WHEREAS, pursuant to that certain Series E Preferred Stock Purchase Agreement, dated as of August 1, 2003 (the "**Series E Purchase Agreement**," and together with the Series A Purchase Agreement, Series B Purchase Agreement, Series C Purchase Agreement, Series C-1 Purchase Agreement and Series D Purchase Agreement, the "**Preferred Stock Purchase Agreements**"), by and among the Company and the Purchasers (as defined therein), the Company issued and sold to the Purchasers shares of its Series E Preferred Stock (the "**Series E Preferred**," and together with the Series A Preferred, Series B Preferred, Series C Preferred, Series C-1 Preferred and Series D Preferred, the "**Preferred Stock**");

WHEREAS, Section 6 of each of the Preferred Stock Purchase Agreements contains ongoing covenants that govern the conduct of the Company (the "**Purchase Agreement Covenants**");

WHEREAS, the Company and the Holders, constituting the holders of a sufficient number of shares of Preferred Stock to effect an amendment or waiver to each Preferred Stock Purchase Agreement, desire that the Purchase Agreement Covenants terminate immediately prior to the closing of the IPO;

WHEREAS, pursuant to Section 1(c) of that certain Fourth Amended and Restated Investor Rights Agreement, dated as of August 1, 2003 (the "**Investor Rights Agreement**"), by and among the Company, the Purchasers and the Founders (as such terms are defined therein), the Company is required to provide prompt written notice to each Holder of Registrable Securities (as such terms are defined in the Investor Rights Agreement) of its intention to effect an IPO (the "**Notice Rights**");

WHEREAS, pursuant to Section 4 of the Investor Rights Agreement, each Holder and Founder (as such terms are defined in the Investor Rights Agreement) agrees to cooperate with the Company in complying with the terms and provisions of the Regulatory Side Letters (as defined in the Investor Rights Agreement) and, together with the Company, agrees not to amend or waive the Company's certificate of incorporation or bylaws if such amendment or waiver would cause a Regulated Holder to have a Regulatory Problem (as such terms are defined in the Investor Rights Agreement) (the "**Regulatory Side Letter Covenants**");

WHEREAS, pursuant to Section 6 of the Investor Rights Agreement, Lehman Brothers Venture Partners L.P. and vSpring SBIC, L.P. have the right to designate one individual as an observer at all meetings of the Company's Board of Directors (and any committees thereof) and to receive any materials distributed to the members of the Company's Board of Directors (and any committees thereof) (the "**Board Observer Rights**");

WHEREAS, the Company and the Holders constituting the holders of a sufficient number of shares of Preferred Stock to effect an amendment or waiver to the applicable provisions of the Investor Rights Agreement desire that, in connection with the IPO, the Notice Rights be waived and the Regulatory Side Letter Covenants and the Board Observer Rights be terminated

WHEREAS, pursuant to Section 1(c) of the Investor Rights Agreement, (i) the underwriters of the IPO may determine in their sole discretion to exclude all of the Registrable Securities (as defined in the Investor Rights Agreement) held by the Holders from participating in the IPO, (ii) the allocation of any Registrable Securities included in the IPO shall be made on a pro-rata basis (the "**Selling Stockholder Pro Rata Allocation Right**") and (iii) the number of shares of Registrable Securities to be included in the IPO shall not be reduced unless all other securities (other than the shares to be issued by the Company) are first entirely excluded from the IPO (the "**Selling Stockholder Exclusion Right**");

WHEREAS, the Company and the Holders constituting the holders of a sufficient number of shares of Preferred Stock to effect an amendment or waiver to the applicable provisions of the Investor Rights Agreement desire that, in connection with the IPO, the Selling Stockholder Pro Rata Allocation Right and the Selling Stockholder Exclusion Right be waived;

WHEREAS, the Company and J.P. Morgan Partners (BHCA), L.P. are parties to that certain Regulatory Side Letter Agreement, dated as of August 1, 2003 (the "**J.P. Morgan Regulatory Side Letter Agreement**") and desire that the J.P. Morgan Regulatory Side Letter Agreement be terminated in connection with the IPO; and

WHEREAS, the Investor Rights Agreement contemplates the Company's entering into a regulatory side letter agreement with vSpring SBIC, L.P. (the "**vSpring Regulatory Side Letter Agreement**") and, if such letter agreement is or has been entered into prior to the closing of the IPO, the Company and vSpring SBIC, L.P. desire that the vSpring Regulatory Side Letter Agreement be terminated in connection with the IPO.

NOW, THEREFORE, BE IT RESOLVED, that in consideration of the foregoing premises and of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Holders and the Company agree as follows:

1. **Termination of Purchase Agreement Covenants.** The Holders and the Company hereby agree that each Preferred Stock Purchase Agreement shall be amended such that the Purchase Agreement Covenants shall terminate and be of no further force or effect immediately prior to the closing of the IPO.

2. **Waiver of Notice Rights**. The Holders hereby waive the Notice Rights in connection with the IPO.

3. **Termination of Regulatory Side Letter Covenants and the Board Observer Rights**. The Holders and the Company hereby agree that the Investor Rights Agreement shall be amended such that the Regulatory Side Letter Covenants and the Board Observer Rights shall terminate and be of no further force or effect immediately prior to the closing of the IPO.

4. **Waiver of Selling Stockholder Pro Rata Allocation Right and Selling Stockholder Exclusion Right**. The Holders and the Company hereby waive the Selling Stockholder Pro Rata Allocation Right and the Selling Stockholder Exclusion Right in connection with the IPO.

5. **Termination of Regulatory Side Letter Agreements**. The Company and J.P. Morgan Partners (BHCA), L.P. hereby agree that the J.P. Morgan Regulatory Side Letter Agreement shall terminate and be of no further force or effect immediately prior to the closing of the IPO. The Company and vSpring SBIC, L.P. hereby agree that the vSpring Regulatory Side Letter Agreement shall terminate and be of no further force or effect immediately prior to the closing of the IPO.

6. **Additional Provisions.**

(a) **Governing Law**. This Agreement shall be governed by the laws of the State of Delaware, without regard to conflict of laws provisions.

(b) **Severability**. In the event that any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect as if such provision had never been contained herein.

(c) **Integration**. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements, written or oral.

(d) Amendment and Waiver. No term of this Agreement may be amended nor the observance of any term of this Agreement be waived except in a writing signed by the Company and the Holders constituting a majority of the capital stock of the Company (on an as-converted basis) held by such Holders.

(e) **Successors and Assigns**. The provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors, and administrators of the parties hereto.

(f) **Headings**. Headings are used in this Agreement for reference only and shall not be considered when interpreting this Agreement.

(g) **Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall have the same force and effect as an original and shall constitute an effective, binding agreement on the part of each of the undersigned.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment, Waiver and Termination Agreement as of the date first set forth above.

COMSCORE, INC.

By: /s/ Magid Abraham
Magid Abraham
President and Chief Executive Officer

[Signature Page to Amendment, Waiver and Termination Agreement]

ACCEL VII L.P.
By: Accel VII Associates L.L.C.
Its General Partner

By: /s/ Tracey L. Sedlock
Attorney-in-Fact

ACCEL INTERNET FUND III L.P.
By: Accel Internet Fund III Associates L.L.C.
Its General Partner

By: /s/ Tracey L. Sedlock
Attorney-in-Fact

ACCEL INVESTORS '99 L.P.

By: /s/ Tracey L. Sedlock
Attorney-in-Fact

[Signature Page to Amendment, Waiver and Termination Agreement]

ADAMS STREET PARTNERS

BVCF IV, L.P.

By: J.W. Puth Associates, LLC, its General Partner
By: Brinson Venture Management, LLC, its
Attorney-in fact
By: Adams Street Partners, LLC, its
Administrative Member

By: ______________________________

Thomas D. Berman
Partner

[Signature Page to Amendment, Waiver and Termination Agreement]

INSTITUTIONAL VENTURE PARTNERS X, L.P.

By: Institutional Venture Management X, LLC
Its: General Partner

By: /s/ Todd Chaffee
Managing Director

INSTITUTIONAL VENTURE PARTNERS X GmbH & CO. BETEILIGUNGS KG

By: Institutional Venture Management X, LLC
Its: Managing Limited Partner

By: /s/ Todd Chaffee
Managing Director

[Signature Page to Amendment, Waiver and Termination Agreement]

J.P. MORGAN PARTNERS (BHCA), L.P.

By: /s/ Michael H. Hannon
Name: Michael H. Hannon
Title: Managing Director

JP MORGAN PARTNERS (SBIC), LLC

By: CCMP Capital Advisors, LLC
As Attorney in Fact

By: /s/ Michael H. Hannon
Name: Michael H. Hannon
Its: Managing Director

[Signature Page to Amendment, Waiver and Termination Agreement]

FLATIRON ASSOCIATES II, LLC

By: Flatiron Partners, LLC
Its: Manager

By: /s/ Fred Wilson
Managing Partner

THE FLATIRON FUNDS, LLC

By: /s/ Fred Wilson
Managing Member

FLATIRON ASSOCIATES, LLC
By: Flatiron Partners, LLC
Its Manager

By: /s/ Fred Wilson
Managing Partner

[Signature Page to Amendment, Waiver and Termination Agreement]

LEHMAN BROTHERS VENTURE CAPITAL PARTNERS I, L.P.

By: LB I Group Inc., as General Partner

By: /s/ James A. Hinson
Name: James A. Hinson
Its: Vice President

LEHMAN BROTHERS VENTURE PARTNERS L.P.

By: Lehman Brothers Venture G.P. Partnership L.P., as General Partner

By: Lehman Brothers Venture Associates Inc., as General Partner

By: /s/ James A. Hinson
Name: James A. Hinson
Its: Vice President

LB I GROUP INC.

By: /s/ James A. Hinson
By: James A. Hinson
Its: Vice President

[Signature Page to Amendment, Waiver and Termination Agreement]

TOPSPIN PARTNERS, L.P.

By: Topspin Management, LLC
By: LG Capital Appreciation, LLC

By: /s/ Leo Guthart
Leo Guthart
Member, LG Capital Appreciation, LLC

TOPSPIN ASSOCIATES, L.P.

By: Topspin Management, LLC
By: LG Capital Appreciation, LLC

By: /s/ Leo Guthart
Leo Guthart
Member, LG Capital Appreciation, LLC

[Signature Page to Amendment, Waiver and Termination Agreement]

/s/ Magid Abraham
Magid Abraham

/s/ Gian Fulgoni
Gian Fulgoni

[Signature Page to Amendment, Waiver and Termination Agreement]

vSPRING SBIC, L.P., a Delaware limited partnership

By: vSpring SBIC Management, L.L.C., a Delaware limited liability company, its General Partner

By: /s/ Scott Petty
Scott Petty, Managing Member

[Signature Page to Amendment, Waiver and Termination Agreement]

Exhibit 10.21

comScore, Inc.
11465 Sunset Hills Road, Suite 200
Reston, Virginia 20190

May 25, 2007

Citadel Equity Fund Ltd.
131 South Dearborn
37th Floor
Chicago, IL 60603
Fax: (312) 977-0250

Re: Termination of Board Observer Right

Dear Sir or Madam:

Pursuant to Section 6 of that certain Fourth Amended and Restated Investor Rights Agreement, dated as of August 1, 2003 (the "**Investor Rights Agreement**"), by and among the comScore Networks, Inc. (now comScore, Inc.) (the "**Company**"), the Purchasers and the Founders (as such terms are defined therein), Citadel Equity Fund Ltd. or its affiliates ("**Citadel**") have the right to designate one individual as an observer at all meetings of the Company's Board of Directors (and any committees thereof) and to receive any materials distributed to the members of the Company's Board of Directors (and any committees thereof) (the "**Board Observer Rights**").

In light of the fact that Citadel sold all of its capital stock of the Company on November 27, 2006, comScore would like to clarify that Citadel no longer holds Board Observer Rights. Accordingly, by executing this letter agreement, Citadel agrees that the Board Observer Rights are terminated and that the Investor Rights Agreement shall be amended such that the Board Observer Rights that Citadel may still hold are deleted from the Investor Rights Agreement and shall have no further force and effect.

[Signature Page Follows]

Please acknowledge Citadel's agreement to the foregoing by executing this letter agreement in the space provided below and returning the same to my attention. Please do not hesitate to contact me at (703) 438-2111 with any questions.

Sincerely,

COMSCORE, INC.,
a Delaware corporation

By: /s/ Christiana Lin
Name: Christiana Lin
Title: General Counsel

ACCEPTED AND AGREED:

CITADEL EQUITY FUND LTD.

By: Citadel Limited Partnership, Portfolio Manager
By: GLB Partners, L.P., its General Partner
By: Citadel Investment Group, L.L.C., its General Partner

By: /s/ Matthew Hinerfeld
Name: Matthew Hinerfeld
Title: Managing Director and Deputy General Counsel

Exhibit 10.22

CONFIDENTIAL TREATMENT REQUESTED: Certain portions of this document have been omitted pursuant to a request for confidential treatment and, where applicable, have been marked with an asterisk (“[****]”) to denote where omissions have been made. The confidential material has been filed separately with the Securities and Exchange Commission.

LICENSING AND SERVICES AGREEMENT

by and between

Citadel Investment Group, L.L.C.

and

comScore Networks, Inc.

August 1, 2003

LICENSING AND SERVICES AGREEMENT

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LICENSING AND SERVICES AGREEMENT

THIS LICENSING AND SERVICES AGREEMENT (this "Agreement") is made and entered into as of August 1, 2003 (the "Effective Date") by and between Citadel Investment Group, L.L.C., a Delaware limited liability company having its principal offices at 131 South Dearborn Street, 37th Floor, Chicago, Illinois 60603, U.S.A. ("Citadel"), and comScore Networks, Inc., a Delaware corporation having its principal offices at 11465 Sunset Hills Road, Suite 200, Reston, Virginia 20190 U.S.A. ("comScore").

WHEREAS, comScore desires to consolidate its business relationships of licensing certain proprietary data, software and other intellectual property for purposes of trading and investing;

WHEREAS, pursuant to such desire, comScore has pursued discussions with Citadel regarding an exclusive strategic data licensing and consulting arrangement (with certain rights reservations) in the field of trading and investing;

WHEREAS, resulting from such discussions, Citadel and comScore desire to enter into an exclusive strategic data licensing and consulting arrangement (with certain rights reservations), pursuant to which Citadel will license, among other things, certain proprietary data, software and other intellectual property;

WHEREAS, Citadel desires to have, and comScore is willing to provide, real-time access to certain proprietary data, software and other intellectual property, as set forth below;

WHEREAS, Citadel concurrently herewith has made an equity investment in comScore; and

WHEREAS, the terms of such equity investment have induced Citadel to enter into this Agreement, and the terms of this Agreement have induced Citadel to make such equity investment;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Citadel and comScore agree as follows:

1. **DEFINITIONS**

The terms used in this Agreement with initial capital letters shall have the respective meanings set forth in the Agreement (including this Article 1).

1.1 **comScore Materials**. "comScore Materials" means all tangibles and intangibles owned, controlled or licensed by comScore or its Affiliates whether created pursuant to this Agreement or otherwise including, but not limited to, the Core Materials, Non-Core Materials, comScore Trademarks, comScore Developed Materials, Know-How, Intellectual Property and Documentation. For purposes of this Agreement, Core Materials, Non-Core Materials, comScore Trademarks and comScore Developed Materials (including Know-How, Intellectual Property and Documentation related thereto) are collectively referred to herein as "Licensed Materials."

1.1.1. **Core Materials**. "Core Materials" shall mean the following:

1.1.1.1 comScore Data. "comScore Data" shall mean the comScore Raw Data (including Visitor Data and Transaction Data) and comScore Processed Data, whether or not collected or produced prior to or during the Term. comScore Data does not include any information that personally identifies the comScore panelist or any data (other than comScore Syndicated Products) that are specifically and solely provided by, provided to, processed or collected for, and funded by, (a) a single comScore client other than Citadel or (b) more than one comScore client other than Citadel if independently requested by, and processed or collected for, such clients, and any data generated by the establishment of a Private Panel (as defined in Section 1.4 below) for such comScore client and/or the administering of Survey Services (as defined in Section 1.7 below) solely on behalf of such comScore client.

1.1.1.1.1 comScore Raw Data. "comScore Raw Data" shall mean any and all data (other than Processed Data) collected or produced by comScore or its Affiliates. comScore Raw Data includes but is not limited to the following: (i) the data further described in Schedule 1.1.1.1, (ii) comScore Visitor Data, (iii) comScore Transaction Data, (iv) data as collected or produced by comScore, both prior to and after the application by comScore of weighting and projection factors, transaction coding and other "screen scraping" techniques, and data hygiene procedures, (v) data collected from comScore's panelists, (vi) any research, experimental and test data under development, and (vii) the consumer behavior data compiled or used by comScore or any of its Affiliates, some of which are illustrated in Schedule 1.1.1.1 attached hereto.

(i) Visitor Data. "Visitor Data" shall mean data regarding Internet site usage, traffic patterns and details, and other information that identifies the characteristics of visitors to individual Internet sites. At a minimum, Visitor Data shall be comprised of the data elements set forth under the heading "Visitor Data" in Schedule 1.1.1.1.

(ii) **Transaction Data**. "Transaction Data" shall mean data comprising the details of consumer interactions and transactions with individual Internet sites or site pages captured by the application of comScore Technology, including but not limited to Custom Coded Data and data resulting from the application of transaction coding to comScore Data as requested by Third Parties. At a minimum, Transaction Data shall be comprised of the data elements set forth under the heading "Transaction Data" in Schedule 1.1.1.1.

(a) **Custom Coded Data.** "Custom Coded Data" shall mean the data resulting from the application of transaction coding to comScore Data as specifically requested and funded by Citadel. By way of example only, if Citadel requests that comScore provide data regarding shipping method choices made by panelists visiting certain Internet sites, and comScore already collects such data in the course of collecting data from its panelists, for instance, by collecting all information of a panelist's visit to an Internet site but has not segregated or specifically identified such data through the application of transaction coding, then the shipping data generated by the subsequent segregation or identification of the original data collection through the application of transaction coding shall be considered Custom Coded Data.

1.1.1.1.2 **comScore Processed Data**. "comScore Processed Data" shall mean any and all data collected or produced by comScore or its Affiliates as generated by comScore or its Affiliates pursuant to the application to the Raw Data of comScore Technology, Know-How, comScore Software and/or third party data licensed by comScore, including but not limited to the comScore Syndicated Products and the Processed Data set forth under the heading "Processed Data" in Schedule 1.1.1.1; provided, however, comScore Visitor Data and comScore Transaction Data shall be considered Raw Data. Further, comScore Data that has only been subject to transaction coding or "screen scraping" or hygiene procedures shall be considered Raw Data.

(i) **comScore Syndicated Products.** "comScore Syndicated Products" shall mean any products or services that are developed by comScore or its Affiliates (or developed or distributed jointly by comScore and Third Parties) during the Term for distribution to more than one client and that are based upon one (1) set of processed data derived from the Licensed Materials and do not require incremental processing, and any other modifications, enhancements or improvements made by comScore to the Licensed Materials or derivative works of the Licensed Materials, including but not limited to the comScore Media Metrix product suite, the comScore Macro Report and comScore Signals. comScore Syndicated Products shall not include any products or services customized for use solely by a single Third Party comScore client, so long as such client has no right to further resell or sublicense such product or service.

(a) **comScore Macro Report.** "comScore Macro Report" shall mean a report of consumer behavioral dynamics produced by [* * * *], that is based on information that is derived from comScore Data. A weekly comScore Macro Report is, usually but not required to be issued on Monday or Tuesday of each week, and a monthly comScore Macro Report is, usually but not required to be issued during the first week of the following month.

(b) **comScore Signals.** "comScore Signals" shall mean reports or analyses produced by comScore on the equities set forth in Schedule 1.1.1.1 (b).

1.1.1.2 comScore Software. "comScore Software" shall mean the object code versions of any computer software, and any updates or upgrades relating to any of the foregoing, used, licensed or developed by comScore or any of its Affiliates to access or manipulate the comScore Data including but not limited to the software listed on Schedule 1.1.1.2. The Third Party applications listed on Schedule 1.1.1.2 and any Third Party applications licensed by comScore following the Effective Date that require additional fees to sublicense to Citadel are the only applications excluded from this definition. Source code for Third Party applications will be provided to the extent permitted by the applicable Third Party. In addition, the Visual Sciences software is expressly excluded from this definition.

1.1.1.3 comScore Technology. "comScore Technology" shall mean comScore's or any Affiliate's proprietary, data-based statistical models and algorithms and any other analytical tools used, licensed or developed by comScore or its Affiliates (including any and all transaction coding or "screen scraping" technology and any and all weighting and projection factors) including but not limited to the models, algorithms, tools and factors described in Schedule 1.1.1.3.

1.1.2. **Non-Core Materials.** "Non-Core Materials" shall mean all tangibles and intangibles owned, controlled or licensed by comScore, whether created pursuant to this Agreement or otherwise, other than the Core Materials, comScore Trademarks, comScore Developed Materials, Know-How, Intellectual Property and Documentation specifically identified in Section 1.1, used in connection with the accessing, collection, processing and analysis of the comScore Data.

1.1.3. **comScore Trademarks.** "comScore Trademarks" shall mean the trademarks, trade names and logos of comScore or any of its Affiliates as set forth on Schedule 1.1.3, attached hereto, as such Schedule 1.1.3 may be amended in writing by agreement of the parties from time to time.

1.1.4. **comScore Developed Materials.** "comScore Developed Materials" shall mean: (i) all tangibles and intangibles, other than Citadel Owned Developed Materials, that are specifically prepared or developed by comScore as part of or in connection with this Agreement; and (ii) all tangibles and intangibles identified as comScore Developed Materials on a Statement of Work.

1.1.5. **Know-How**. "Know-How" shall mean the ideas, concepts, work product, information, designs, inventions, discoveries, improvements, techniques and know-how, now existing or hereafter coming into existence, owned or used by comScore or any of its Affiliates that are necessary or useful to access, use, operate, maintain, copy, modify, create derivative works from, enhance, improve and otherwise obtain the full benefit of the comScore Materials and any Citadel Owned Developed Materials.

1.1.6. **Intellectual Property.** "Intellectual Property**"** shall mean any and all rights under any and all United States and foreign patents, copyrights, trade secrets or other intellectual property of comScore or its Affiliates now existing or hereafter coming into existence.

1.1.7. **Documentation.** "Documentation" means any and all user and technical documentation supplied or developed by comScore.

1.2 **Citadel Owned Developed Materials.** "Citadel Owned Developed Materials" means (i) all models, algorithms, inventions, know-how, software, technologies and analytical tools that are (a) applicable to investing, trading, and dealing in securities, commodities, financial instruments and derivatives including but not limited to equities, fixed-income securities, options, mortgage-backed securities and energy-related products and the analysis of how online consumer behavior information can be used for competitive advantage in the activities described in this clause; and (b) prepared, developed, delivered or made available as part of or in connection with this Agreement; (ii) all tangibles and intangibles that are developed primarily or solely by Citadel including any that are materially based upon, incorporate or use any of the comScore Materials and any data generated by the application of weighting and projection factors developed by Citadel; and (iii) all tangibles and intangibles identified as Citadel Owned Developed Materials on a Statement of Work. Citadel Owned Developed Materials shall also include the following:

1.2.1. **Custom Collected Data.** "Custom Collected Data" shall mean any data (other than comScore Data or Custom Coded Data) that are specifically collected for Citadel including but not limited to data derived from public domain data or third party data obtained or licensed by Citadel from third parties for use with the comScore Data, data collected from Private Panels (as defined in Section 1.4 below) requested by Citadel and any data generated by the administering of Survey Services on behalf of Citadel (including the Know-How, Intellectual Property and Documentation related to all of the above).

1.3 **Field of Use.** "Field of Use" shall mean [* * * *]

1.4 **Financial Company**. "Financial Company" shall mean any natural person, corporation, limited liability company, limited liability partnership, general partnership, limited partnership, trust, association, or other legal person or legally constituted entity of any kind that earns more than twenty-five percent (25%) of its revenues from the businesses or activities described in this Section 1.4 and Schedule 1.4 , and either (a) owns, manages, operates, finances, controls, or participates in the ownership, management, operation, financing or control of, any business or enterprise that is engaged in the business or activities of any of the types of enterprises set forth in Schedule 1.4 and any enterprises providing financial, investment or trading services, or (b) competes with any of the types of enterprises set forth in Schedule 1.4.

1.5 **Private Panel.** "Private Panel" shall mean a group of persons or machines recruited by comScore for the purpose of collecting data pursuant to the request of Citadel or other comScore clients.

1.6 **Real Time.** "Real Time," with respect to the comScore Data, Custom Coded Data and Custom Collected Data, shall mean the making available of the comScore Data to Citadel as soon as possible after their collection (and after their processing, for Processed Data) by comScore or its Affiliates; provided, however, comScore must apply quality controls, data integrity assurance controls and legal controls (including the privacy policy controls specified in Schedule 1.6), prior to the release of the comScore Data; provided further that comScore must commence its application of such controls within one (1) day following initial collection of the applicable data or as soon as reasonably practicable. "Real Time," with respect to the comScore Syndicated Products, shall mean the making available of the comScore Syndicated Product to Citadel as soon as possible after its creation and processing by comScore, its Affiliates or any Third Party, if applicable. Without limiting comScore's obligation to make available the comScore Data and comScore Syndicated Products sooner, (i) Citadel shall receive comScore Syndicated Products (excluding comScore Macro Reports, which shall be made available as set forth in Section 3.3.2.3) immediately after the internal analysts of comScore or Third Party, as applicable, have completed preparing the comScore Syndicated Products and (ii) Citadel shall receive access to the comScore Data no later than the point in time any Grandfathered Data Clients or any Third Parties receive access to such data and no later than the point in time Citadel's internal analysts receive access to such data or comScore otherwise accesses the comScore Data for any purpose other than the application of quality, data integrity and legal controls.

1.7 **Services.** "Services" shall mean any and all services provided by comScore hereunder including but not limited to the provision of comScore Materials, Real Time services and access, the Additional Services (as defined in Section 3.6) and Citadel Owned Developed Materials, Survey Services and those comScore services not specifically delineated in this Agreement, but are consistent with, and reasonably inferable to be within, the scope of this Agreement. For purposes hereof, "Survey Services" shall mean the administering by comScore of online or offline surveys to comScore panelists or other consumers.

1.8 **Specifications**. "Specifications" shall mean the descriptions of the comScore Software, comScore Data and comScore Technology and all other deliverables and Services hereunder, their components, and their capacities, functions, features or methods, set forth in this Agreement (including all Schedules) and any Documentation provided to Citadel by comScore in writing (including electronically).

2. **LICENSE**

2.1 **Grant.**

2.1.1. **Licensed Materials**. comScore hereby grants to Citadel and its Affiliates a worldwide, exclusive (except as set forth in Section 2.4), fully paid license to access, use, operate, maintain, copy, modify, create derivative works from, enhance, and improve the Licensed Materials for any purpose within the Field of Use; provided, however, this license shall be perpetual with respect to any comScore Data made available to Citadel during the Term, Custom Coded Data and comScore Developed Materials, without any right to resell or grant sublicenses thereto. Without limiting the generality of the exclusive license granted above and subject to the reservations expressly set forth in Sections 2.4 and 10.2.2, during the Term and for the eighteen (18) month period following termination or expiration thereof, comScore shall expressly prohibit any and all Third Parties that have access to the Licensed Materials from using the Licensed Materials in any manner or for any purpose within the Field of Use. In no event shall comScore or its Affiliates grant any Third Party any rights to the Licensed Materials within the Field of Use, and in no event shall comScore or its Affiliates or any officers, directors or employees of any of the foregoing (other than Citadel representatives holding such positions) use the Licensed Materials within the Field of Use, whether or not for their own account. Notwithstanding anything to the contrary, Citadel acknowledges that the comScore clients set forth in Schedule 2.1.1—A (the "Grandfathered Signal Clients") and the comScore clients set forth in Schedule 2.1.1-B (the "Grandfathered Data Clients") may use certain Licensed Materials within the Field of Use as set forth in Section 2.4, and comScore may provide Licensed Materials to the comScore clients listed in Schedule 2.4.1.5 as expressly set forth in Section 2.4.1.5.

2.1.2. **comScore Materials**. Without limiting the scope of the license granted in Section 2.1.1, comScore hereby grants to Citadel and its Affiliates a worldwide, non-exclusive, fully paid license to access, use, operate, maintain, copy, modify, create derivative works from, enhance, and improve the comScore Materials (including the Know-How, Intellectual Property and Documentation related thereto) for any internal purposes, without any right to resell or grant sublicenses. To the extent comScore Materials are included in any Citadel Owned Developed Materials, the license set forth in this Section 2.1.2 shall be perpetual.

2.2 **Outsourcers and Service Providers**. Citadel may make the comScore Materials available to its service providers, outsourcers and independent contractors, and such parties may exercise the rights granted to Citadel herein, in connection with the provision of services to Citadel. In each case the comScore Materials may only be shared so long as such parties are bound by obligations of confidentiality substantially similar to those set forth in this Agreement. In no event does this Section 2 grant Citadel any right to make comScore Materials available to Netratings, Compete, Red Sheriff or Hitwise (each, a "comScore Competitor"). comScore may update this list of comScore Competitors to include third parties that are direct competitors with comScore, subject to the prior written consent of Citadel, such consent not to be unreasonably withheld.

2.3 **Certain Other comScore Restrictions**.

2.3.1. **Citadel Competitors**. Notwithstanding anything to the contrary contained in this Agreement, except as set forth in Section 2.4, in no event shall comScore or its Affiliates license or otherwise make available the Licensed Materials to any Citadel Competitor even if such license or availability would be outside the Field of Use. For purposes of this Agreement, "Citadel Competitor" means [* * * *]

2.3.2. **Certain Restrictions on Services and Data**. Without limiting the scope of the license granted under Section 2.1.1, except as set forth in Section 2.4, in no event shall comScore, its Affiliates or any designee of comScore perform any services (including but not limited to any Survey Services or services utilizing Private Panels or Third Party data) for or make available any Licensed Materials or other data, software, technology, know-how or intellectual property to (i) any Third Party for use within the Field of Use or (ii) any Citadel Competitor, whether or not for use within the Field of Use. Notwithstanding the above, comScore may perform any services (including any Survey Services or services utilizing Private Panels or Third Party data) and make available any data generated by the establishment of a Private Panel for such comScore client and/or the administering of Survey Services to the Grandfathered Data Clients and Grandfathered Signal Clients; provided, however, comScore has advised Citadel that: (i) comScore's agreements with the Grandfathered Data Clients and Grandfathered Signal Clients shall expire as set forth in Section 2.4.1, (ii) comScore has no obligation to renew or extend such agreements, and the Grandfathered Data Clients and Grandfathered Signal Clients have no right to renew or extend such agreements (iii) no other agreements with the Grandfathered Data Clients and Grandfathered Signal Clients exist, (iv) comScore and the Grandfathered Data Clients and Grandfathered Signal Clients shall not renew or extend such agreements, and (v) following such expiration date comScore shall not perform any services (including any Survey Services or services utilizing Private Panels or Third Party data) or make available any data to the Grandfathered Data Clients and Grandfathered Signal Clients for any purpose.

2.4 **Reservation of Rights**. comScore acknowledges and agrees that in no event shall the rights granted to Citadel and its Affiliates be limited, and comScore reserves no rights with respect thereto, except as expressly set forth in this Section 2.4.

2.4.1. **Grandfathered Agreements and comScore Signals.**

2.4.1.1 **[* * * *]**. comScore reserves the right to permit [* * * *] to access and use the Licensed Materials within the Field of Use on a Real Time basis; provided, however, comScore has advised Citadel that: (i) comScore's agreement with [* * * *] regarding the Licensed Materials expires on August 31, 2003, (ii) comScore has no obligation to renew or extend such agreement, and [* * * *] has no right to renew or extend such agreement, (iii) no other agreements with [* * * *] exist, (iv) comScore shall not renew or extend such agreement, and (v) following such expiration date [* * * *] will have no right to access or use, and will not access or use, the Licensed Materials for any purpose, whether or not outside the Field of Use and whether or not whether or not on a Real Time Basis.

2.4.1.2 **[* * * *]**. comScore reserves the right to permit [* * * *] to access and use the Licensed Materials and receive reasonable analytical support from comScore within the Field of Use on a Real Time basis; provided, however, comScore has advised Citadel that: (i) comScore's agreement with [* * * *] regarding the Licensed Materials expires on December 19, 2013, (ii) comScore has no obligation to renew or extend such agreement, and [* * * *] has no right to renew or extend such agreement, (iii) no other agreements with [* * * *] exist, (iv) comScore shall not renew or extend such agreement, and (v) following such expiration date [* * * *] will have no right to access or use, and will not access or use, the Licensed Materials for any purpose, whether or not outside the Field of Use and whether or not on a Real Time Basis.

2.4.1.3 **[* * * *]**. comScore reserves the right to permit [* * * *], [* * * *] and [* * * *] to access and use the comScore Signals (and only the comScore Signals) and receive reasonable analytical support from comScore on a Real Time basis solely for their internal purposes, without any right to market, distribute or resell; provided, however, comScore has advised Citadel that: (i) comScore's agreements with [* * * *] regarding the comScore Signals expire on December 31, 2003, September 30, 2003 and June 30, 2004, respectively, (ii) comScore has no obligation to renew or extend such agreements, and such parties have no right to renew or extend such agreements, (iii) no other agreements with such parties exist, (iv) comScore shall not renew or extend such agreements, and (v) following such dates neither [* * * *] nor any of their Affiliates will have any right to access or use the comScore Signals for any purpose, and neither [* * * *] nor any of their Affiliates will access or use the comScore Signals.

2.4.1.4 **[* * * *]**. comScore reserves the right to provide [* * * *] with access to or use of the Licensed Materials and receive reasonable analytical and sales support from comScore on a Real Time basis solely for the purposes of performing research, development, analytical and reselling services for comScore to comScore's clients, provided that [* * * *] only releases its analyses, products or services (excluding the comScore Macro Report, which shall be released as set forth in Section 3.3.2.3) either: (i) five (5) days after Citadel has received access to the relevant comScore Signals; or (ii) seven (7) days after the date that the relevant comScore Data was first made available to Citadel. comScore has advised Citadel that: (i) comScore's agreement with [* * * *] regarding the Licensed Materials expires on March 1, 2005, subject to certain conditions of the agreement; (ii) comScore has no obligation to renew or extend such agreement, and [* * * *] has no right to renew or extend such agreement, (iii) no other agreements with [* * * *] exist, (iv) comScore shall not renew or extend such agreement, and (v) following such expiration date [* * * *] will have no right to access or use, and will not access or use, the Licensed Materials for any purpose, whether or not outside the Field of Use and whether or not whether or not on a Real Time Basis.

2.4.1.5 **Additional Grandfathered Agreements**. comScore represents and warrants that Schedule 2.4.1.5 lists each and every agreement between comScore and Third Parties that provides such Third Parties with access to the Licensed Materials or with any services utilizing or otherwise related to the Licensed Materials (other than the agreements referred to in Sections

2.4.1.1, 2.4.1.2 and 2.4.1.4). Further, comScore has advised Citadel that: (i) such agreements do not expressly prohibit nor expressly permit use of such Licensed Materials within the Field of Use; (ii) all such agreements expire on the dates specified on Schedule 2.4.1.5); (iii) comScore has no obligation to renew or extend such agreement, and such Third Parties have no right to renew or extend such agreement; (iv) no other agreements with such Third Parties exist; (v) comScore shall not renew or extend such agreement unless such Third Parties expressly agree that they shall have no right to use the Licensed Materials in any manner or for any purpose within the Field of Use, except to the extent expressly permitted pursuant to Section 2.4.2, if applicable; and (vi) following each such expiration date, each such Third Party will have no right to access or use, and will not access or use, the applicable Licensed Materials in any manner or for any purpose, within the Field of Use, except to the extent expressly permitted pursuant to Section 2.4.2, if applicable.

2.4.2. **Additional Reservation of Rights**.

2.4.2.1 Financial Publishers. comScore reserves the right to provide access to and use of comScore Transaction Data solely for purposes of publishing financial data to entities in the business of publishing financial data (“Financial Publishers”), including the “sell-side” divisions of investment advisers and mutual fund complexes publishing investment analyses, issuers of market letters, and financial news organizations; provided that (i) comScore shall not make such comScore Transaction Data available to such Financial Publishers within [* * * *] business days of the date of availability to Citadel of the comScore Transaction Data and (ii) comScore shall require that such Financial Publishers do not disclose [* * * *]. There shall be no restriction on the ability of a Financial Publisher to receive and publish equity-specific comScore Visitor Data. Subject to comScore’s obligations under Section 2.1.1 and this Section 2.4.2.1 and subject to the license granted under Section 2.1.1, Financial Publishers may receive comScore Data for purposes outside of the Field of Use.

2.4.2.2 General Media. comScore reserves the right to provide the general media with access to and use of the comScore Transaction Data and comScore Visitor Data from time to time as part of comScore’s corporate marketing programs; provided, however, such access and use must be provided free of charge and comScore shall use its best efforts to preserve the trading and investing value to Citadel of the Licensed Materials by limiting and delaying such access and use by the general media. Subject to comScore's obligations under Section 2.1.1 and this Section 2.4.2.2 and subject to the license granted under Section 2.1.1, there shall be no restriction on the ability of the general media to publish the comScore Transaction Data and the comScore Visitor Data, or to receive the comScore Data for purposes outside of the Field of Use.

2.4.2.3 Strategic Acquisitions. comScore reserves the right to provide Third Parties (other than Citadel Competitors) that are not Financial Companies with access to the comScore Data for the limited use by such Third Parties solely to determine whether to acquire capital stock or assets of, or otherwise consolidate or merge with, a target company primarily for strategic, not financial, reasons. comScore reserves the right to provide Third Parties (other than Citadel Competitors) that are Financial Companies with access to the comScore Data for the limited use by such Third Parties solely to determine whether to acquire all or substantially all of the capital stock or assets of, or otherwise consolidate or merge with, a target company primarily for strategic, not financial, reasons; provided, however, comScore shall not provide such comScore Data until [* * * *] business days following the date such comScore Data is made available to Citadel. comScore shall require that such Third Party only uses the comScore Data as expressly permitted by this Section 2.4.2.3. By way of example, a Third Party that desires to acquire or invest in a company primarily based on how such company's current operations would fit into the Third Party's current operations may use the comScore Data to solely evaluate an acquisition or investment of such company.

2.4.2.4 Non-Financial Companies. Notwithstanding comScore's obligations or the scope of the license granted under Section 2.1.1, comScore is not required to expressly prohibit any Third Parties that are not Financial Companies from using the Licensed Materials within the Field of Use; provided, however, comScore shall not grant any rights to such Third Parties within the Field of Use and shall use its best efforts to cause such Third Parties to expressly agree not to use the comScore Data for any purpose within the Field of Use.

2.4.2.5 Third Parties. Without limiting comScore's obligations or the scope of the license granted under Section 2.1.1 and notwithstanding compliance with Section 2.4.2.4, comScore shall use its best efforts to prevent all Third Parties from using the comScore Data within the Field of Use. Notwithstanding anything to the contrary contained in this Agreement (other than as expressly permitted under Sections 2.4.1.1, 2.4.1.2, 2.4.1.3, and 2.4.1.4), comScore shall not grant any rights to, or otherwise provide or make available, comScore Data to any Third Party that comScore knows, or should have known, will use, has used or uses the comScore Data within the Field of Use.

2.4.2.6 Use of comScore Data by Director Position held by Citadel. Notwithstanding anything to the contrary, this Agreement does not restrict the use of the Licensed Materials by any individual serving as a corporate director of comScore on behalf of Citadel.

2.5 **Escrow of Source Code**.

2.5.1. As soon as practicable, but in any event within 45 days, after the execution of this Agreement, comScore shall place and maintain a copy of all source code and together with all documentation reasonably necessary for Citadel to fully maintain, modify and utilize the comScore Software (excluding any Third Party applications) (hereinafter referred to as "Source Code") for any comScore Software provided or made available under this Agreement to the extent comScore does not deliver complete source code to Citadel, including updates and upgrades thereto (to be deposited from time to time, and in any event not later than thirty (30) days after delivery of any enhancements, updates, upgrades, or releases of the comScore Software), in an escrow account with a nationally recognized, independent, financially sound third party reasonably acceptable to Citadel (the "Escrow Agent"), pursuant to the terms of a master escrow agreement (the "Escrow Agreement") among comScore, Citadel and the Escrow Agent. The Escrow Agreement shall contain mutually agreeable provisions for release of the Source Code to Citadel (including, at a minimum, the release conditions for the Source Code contained in Section 2.5.6 below). Citadel shall be responsible for the costs associated with set up and maintenance of such Escrow Account.

2.5.2. Without limiting the generality of the rights granted in Section 2.1, comScore hereby grants to Citadel a worldwide, fully paid nonexclusive license to access, use, operate, maintain, copy, modify, create derivative works from, install, enhance, and improve the Source Code, all to support and maintain the comScore Software (and all enhancements) for the purpose of accessing, operating, maintaining, copying, modifying, creating derivative works form, installing, enhancing, improving, developing and otherwise using the comScore Software, and for no other purpose. Such license shall be effective upon the proper release of the Source Code from the Escrow Agent, in accordance with the terms of the Escrow Agreement. comScore shall have no obligation to support or maintain any Source Code modified by any party other than comScore.

2.5.3. comScore shall retain all ownership rights, title and interest in and to the Source Code, including without limitation all patents, copyrights, trademarks, trade secrets and other intellectual property rights inherent therein.

2.5.4. Any Source Code that Citadel receives under the Escrow Agreement shall be subject to the confidentiality provisions in this Agreement.

2.5.5. Citadel may, at its expense, conduct an audit not more than once each calendar year of the Source Code held by the Escrow Agent to confirm the completeness and currency of such Source Code. To the extent such audit reveals that the Source Code maintained by the Escrow Agent is incomplete or not current, comScore shall promptly deliver current Source Code to the Escrow Agent and shall reimburse Citadel for the fees and expenses of such audit. Escrow Agent shall, at Citadel's cost, provide Citadel a quarterly update regarding the version and release of any source code held in escrow.

2.5.6. The Escrow Agreement shall provide for the release of the Source Code held by Escrow Agent to Citadel upon any of the following conditions: (i) comScore ceases to support the comScore Software in the manner required by this Agreement; (ii) comScore is adjudicated insolvent, or consents or acquiesces to the appointment of a receiver or liquidator; (iii) comScore's board of directors or a majority of its shareholders take any action authorizing the dissolution or liquidation of comScore; (iv) comScore voluntarily or involuntarily becomes a debtor subject to proceedings under the United States Bankruptcy Code, comScore makes an assignment for the benefit of creditors, or a receiver is appointed for comScore; (v) comScore fails to continue to do business as a going concern; (vi) the termination of substantially all of comScore's ongoing business operations relating to the subject to this Agreement; or (vii) any liquidation of comScore (excluding any assignment or change of control contemplated in Section 13.3), or any sale, assignment or foreclosure of or upon assets that are necessary for the performance by comScore of its responsibility under this Agreement.

3. **SERVICES**

3.1 **Engagement.** Citadel hereby engages comScore to provide the Services and comScore Materials and comScore accepts such engagement.

3.2 **Implementation**. comScore shall provide personnel, its expertise and the technical, professional and project management services as are reasonably requested by Citadel. comScore shall also provide personnel, its expertise and the technical, professional and project management services necessary to provide, implement, deploy, provide training on and integrate the comScore Materials. comScore shall provide its own tools, equipment and other resources, including computer software and hardware, in order to carry out its responsibilities in performing the Services.

3.3 **Delivery and Access.**

3.3.1. **comScore Data**.

3.3.1.1 Real Time. Commencing no later than fifteen calendar days following the Services Commencement Date, comScore shall provide Citadel, in a manner and media reasonably requested by Citadel, with Real Time access to the comScore Data twenty-four hours per day, seven days per week, subject only to the following:

3.3.1.1.1 Raw Data comprising Visitor Data (as described in Section 1.1.1.1.1(i)) may be unavailable while comScore performs scheduled maintenance between the hours of 9 a.m. and 3 p.m. EST and during any unscheduled outages, such unscheduled outages not to exceed eighteen (18) hours per month. Notwithstanding the above, comScore shall make reasonable efforts to cause scheduled maintenance to occur outside of business hours.

3.3.1.1.2 comScore Data (other than the data described in Section 3.3.1.1.1) shall not be unavailable for more than ten (10) hours per month during any unscheduled outages (and there shall be no scheduled outages).

3.3.1.2 Identification. At all times, comScore shall identify such characteristics of all comScore Data as reasonably requested by Citadel, and at a minimum, shall identify the quality assurance, data integrity and privacy policy controls that have been applied to the comScore Data.

3.3.1.3 Duty to Collect and Update. During the Term, comScore shall continuously collect, produce and update the comScore Data.

3.3.2. **comScore Software, comScore Technology, comScore Syndicated Products, Non-Core Materials, comScore Developed Materials, Documentation and Know-How**.

3.3.2.1 Delivery. Commencing on the Services Commencement Date, comScore shall provide to Citadel, in a manner and media reasonably requested by Citadel, the comScore Software, comScore Technology (including but not limited to detailed methodologies for weighting and projection factors), comScore Syndicated Products, Non-Core Materials, comScore Developed Materials, Documentation and those portions of the Know-How then-existing in tangible form.

3.3.2.2 **Certain Delivery Terms Regarding comScore Syndicated Products**. Commencing on the Services Commencement Date, comScore shall provide Citadel with Real Time access to the comScore Syndicated Products. With respect to the comScore Signals in particular, in the event a comScore Signal is only available less than five days before the event to which it is directed, then Citadel, Grandfathered Data Clients, and Grandfathered Signal Clients shall have exclusive access for the initial half ($^1/_2$) of the time interval between issuance of the comScore Signal and the event. In the event a comScore Signal is issued so close in time to its event that it may only be issued and effectively utilized a single time, then comScore may release the comScore Signal to Citadel and the Grandfathered Signal Clients simultaneously. Upon expiration of comScore's agreements with the Grandfathered Data Clients and the Grandfathered Signal Clients, comScore shall have no obligation to continue producing the comScore Signals.

3.3.2.3 **Certain Delivery Terms Regarding comScore Macro Report.** With respect to the comScore Macro Report, Citadel and the Grandfathered Data Clients shall receive access to the comScore Data utilized in the weekly report four (4) trading hours before any other parties receive access to the weekly report, and as to the monthly comScore Macro Report, Citadel shall receive such report concurrent with all other recipients. It is agreed that there may be circumstances where the comScore Data utilized in a weekly comScore Macro Report is only available less than four (4) trading hours before events or developments which would limit or eliminate the trading advantage provided by such report, and in such cases comScore will ensure that only Citadel and the Grandfathered Data Clients have advance access to such data for the initial half ($^1/_2$) of the time interval between availability of the report and the above referenced event or development. Upon expiration of comScore's agreement with [* * * *], comScore shall have no obligation to continue producing the comScore Macro Report.

3.3.2.4 **Duty to Update**. comScore shall provide to Citadel, in a manner and media acceptable to Citadel in its reasonable discretion, updates, modifications, enhancements, patches, bug fixes and upgrades to the comScore Software, comScore Technology, comScore Syndicated Products, Non-Core Materials, comScore Developed Materials, Documentation and comScore Know How, as soon as such updates are used, licensed or developed by comScore or its Affiliates. comScore shall update the weighting and projection factors using its best practices and shall notify Citadel of such changes as set forth in Section 3.8.

3.3.3. **Custom Collected Data.** Commencing as set forth in the applicable Statement of Work, comScore shall provide Citadel, in a manner and media reasonably requested by Citadel, with Real Time access to the applicable Custom Collected Data, subject to the availability requirements set forth in Section 3.3.1.1 and any other terms and conditions set forth in the applicable Statement of Work.

3.3.4. **Telecommunications and Related Costs.** Citadel shall be responsible for all telecommunication and data transfer charges and facilities required to provide Citadel with access to the comScore Data; provided, however, that comScore shall reasonably cooperate with Citadel so as to minimize Citadel's expenses in connection therewith.

3.4 **comScore Personnel — Services Commitment**. Commencing on the date that is fifteen (15) calendar days following the Effective Date (the "Service Commencement Date") and continuing throughout the Term, comScore shall provide Citadel with four thousand (4,000) hours per year (four thousand one hundred (4,100) hours during the one year period from the Service Commencement Date to the first anniversary thereof) (the "Services Commitment") of comScore personnel time to perform Services requested by Citadel (including but not limited to any training as defined in Section 3.5, support, development or other services related to the comScore Materials requested by Citadel such as the development of a procedures manual or the delivery of comScore Data in formats and media requested by Citadel that differ from the format and media used by comScore in the ordinary course of its business). To the extent Citadel does not utilize the entire Services Commitment in a given year, the balance (not to exceed one thousand (1,000) hours per year) shall be carried forward until such hours are utilized. Each month, comScore shall provide Citadel with a written report detailing the Services performed by comScore and charged against the Services Commitment, the time spent on such Services (on a per resource, per hour basis), and such other information reasonably requested by Citadel. comScore personnel shall provide up to twenty-four (24) hours of Services per week at Citadel's Chicago offices, as required by Citadel. Citadel shall provide comScore personnel performing Services at Citadel's Chicago offices with work space as reasonably required to perform the applicable Services. Citadel will reimburse comScore for reasonable transportation and room and board expenses for comScore personnel providing Services at Citadel's Chicago offices pursuant to the Services Commitment. At Citadel's request, comScore shall provide resources in excess of the Services Commitment at an hourly rate equal to comScore's Labor Cost (as defined in Section 3.6.3.3) multiplied by 1.43. comScore shall not assign any employee to provide Services to Citadel unless such comScore employee understands and has agreed to be bound by the obligation to maintain in strict confidence and not to misuse Citadel's Confidential Information by executing and delivering Citadel's form of nondisclosure agreement.

3.5 **Training**. As part of the Services Commitment as requested by Citadel, comScore will provide training to Citadel in the use, operation and maintenance of the comScore Materials. The training programs will be conducted on dates and at times reasonably requested by Citadel. The training programs will be designed and conducted in a manner so as to enable an adequate number, as determined by Citadel in its reasonable discretion, of Citadel's personnel to utilize the comScore Materials as contemplated by this Agreement upon completion of such training and to provide ongoing training for Citadel's other personnel. At Citadel's option, training will be conducted at Citadel's offices in Chicago at times reasonably requested by Citadel. comScore and Citadel will assume and be responsible for the payment of all transportation, room and board expenses of their respective employees in connection with such training.

3.6 **Change Management; comScore Developed Materials; Citadel Owned Developed Materials**. comScore and Citadel may enter into additional statements of work for the performance of additional services (including the provision of comScore Developed Materials and Citadel Owned Developed Materials) ("Additional Services"), whether related to the Licensed Materials or otherwise (each, a "Statement of Work"). In the absence of a specific, express agreement to the contrary, any such Statement of Work shall be governed by the terms and conditions of this Agreement. Citadel and comScore agree to process proposals for Additional Services, as follows:

3.6.1. **Requests**. Citadel may at any time, and from time to time, request that comScore perform Additional Services for Citadel with reasonable advance written notice that includes a reasonably detailed specification of the nature, extent and desired timeframe for the work to be performed and specifies the desired pricing proposal.

3.6.2. **Proposals**. Within a reasonable period (not to exceed ten (10) days, except in the case of requests that Citadel reasonably designates as constituting minor or urgent projects, in which case not to exceed three (3) business days) after receiving such a request from Citadel, comScore shall prepare and submit an initial proposal to Citadel that includes good faith pricing estimates and timelines for the project. If Citadel chooses to pursue its request further, comScore shall, within a reasonable period, prepare a written proposal that:

3.6.2.1 assesses the expected impact of such request on any Services or deliverables then being provided hereunder;

3.6.2.2 meets the pricing requirements set forth below;

3.6.2.3 defines and describes how comScore would fulfill or satisfy such request, and describes any additional Services and deliverables to be provided by comScore pursuant thereto;

3.6.2.4 sets forth cost estimates, specifications, implementation plans and time schedules, with appropriate milestone and completion dates, anticipated by comScore in connection with fulfilling such request;

3.6.2.5 contains proposed completion and acceptance criteria; and

3.6.2.6 sets forth any other information comScore considers appropriate for inclusion.

3.6.3. **Pricing**.

3.6.3.1 With respect to any request for Additional Services, comScore shall provide such Additional Services at prices not to exceed the sum of (i) comScore's Labor Cost multiplied by 1.43, and (ii) the incremental increase in infrastructure costs required to provide such Additional Services (such as costs for additional servers, bandwidth and storage and other out-of-pocket costs incurred by comScore and agreed to by Citadel in advance including, for example, incentive costs to induce panelists to complete a survey) multiplied by 1.43 (collectively, the "Additional Services Fee"). The calculation of the Additional Services Fee shall not include travel, lodging, and living expenses of comScore personnel incurred in connection with the provision of Additional Services; provided, however, Citadel shall reimburse comScore for such actual reasonable expenses. Notwithstanding the above, Citadel may utilize hours available under the Services Commitment for the performance of Additional Services in lieu of the payment of the amount set forth in clause (i) in the preceding sentence; provided, however, the hours available under the Services Commitment shall be reduced at a rate of two (2) hours for each hour of Survey Services or services related to the generation or management of Private Panels actually performed by comScore's Survey Services and Private Panel experts. Further, comScore shall provide such additional resources necessary to provide the requested Additional Services according to the schedule reasonably required by Citadel.

3.6.3.2 In the event Citadel provides comScore a license to Custom Collected Data as more particularly set forth in Section 4.2.3, Citadel shall receive a discount of ten percent (10%) on the Additional Services Fee.

3.6.3.3 For purposes of this Agreement, “Labor Cost” shall mean, for each comScore employee performing services pursuant to a request by Citadel under this Section 3.6.3.1 or a request for hours in excess of the Services Commitment, the product of two (2) multiplied by the actual hourly salary of such employee multiplied by the number of hours such employee performed services pursuant to such request; and “actual hourly salary” shall mean the actual annual salary of such employee (not including any benefits, bonuses, incentive stock option compensation and any other non-cash compensation) divided by 2,000 hours.

3.6.4. **Acceptance of Proposal**. If Citadel shall deem such proposal acceptable, and shall so notify comScore by a written purchase order or other writing executed by an authorized signatory of Citadel.

3.6.5. **Other Providers**. As to any proposed Additional Services, comScore agrees that Citadel may solicit or accept bids from any service provider that it may also have requested comScore to perform and may award such work to any such bidder for any reason. Citadel shall use good faith and commercially reasonable efforts to notify comScore of any opportunities to bid for and subsequently to bid on the provision of services to Citadel that Citadel considers appropriate for comScore participation.

3.7 **Cooperation**. comScore shall cooperate as reasonably requested with other service providers of Citadel (excluding comScore Competitors) to coordinate the provision of Services with the services and systems of such other service providers, including any service provider providing services as described in Section 3.6.5.

3.8 **comScore Methodologies**. No later than the first day of each calendar quarter, comScore shall deliver to Citadel a written report setting forth the methodologies used to collect and process the comScore Data in sufficient detail to permit Citadel’s trading personnel to comprehend such methodologies in all material respects. Without limiting comScore’s obligation to provide such quarterly report, in the event comScore implements a material change to such methodologies during any quarter, comScore shall provide Citadel with a written summary of such change as soon as possible but no later than one (1) business day following the implementation of such change. Further, at any time, and from time to time, upon Citadel’s request, comScore shall provide Citadel with a written report on comScore’s methodologies at the level of detail required for the quarterly report described above, and the hours consumed by the preparation of such report shall be deducted from the Services Commitment.

3.9 **Continuous Improvement**. Throughout the Term, comScore shall develop and provide the comScore Materials and Services under quality assurance programs, and comScore shall pursue, from time to time, new technologies and procedures to improve the comScore Materials and Services or the delivery or provision thereof. comScore shall, as part of such pursuit, identify and apply proven techniques and tools from other non-proprietary installations within comScore's operations or knowledge that could benefit Citadel's use of the comScore Materials or Services either operationally or financially. Without limiting comScore's obligations to provide the comScore Software, comScore shall use commercially reasonable efforts to make available to Citadel additional software and related tools to aid Citadel's direct access and manipulation of the comScore Materials.

3.10 **Root Cause Analysis**. Upon comScore's discovery of, or, if earlier, comScore's receipt of a notice from Citadel in respect of comScore's failure to provide any of the Services or comScore Materials in accordance with this Agreement, comScore shall promptly (and in any event within five (5) business days), perform a root-cause analysis to identify the cause of such failure. comScore shall use best efforts to, within ten (10) business days after such discovery or notice, provide Citadel with a written report detailing the cause of, and procedure for correcting, such failure and provide Citadel with reasonable evidence that such failures within comScore's control will not likely recur. In any event, comScore shall provide such report within thirty (30) calendar days.

3.11 **Disaster Recovery Plan**. Within sixty (60) calendar days following the Effective Date, comScore shall develop and deliver to Citadel a disaster recovery plan (the "Disaster Recovery Plan") applicable to the Services and comScore Materials and in accordance with market research industry best practices. Such Disaster Recovery Plan shall be subject to the review and approval of Citadel, such approval not to be unreasonably withheld. In connection with such review and approval, Citadel or its representatives may perform an operational audit of comScore's facilities, networks, data centers, systems and service providers with respect to such Disaster Recovery Plan at its expense, and such audit shall not be counted as an operational audit for purposes of Section 14.14.3. Any parties conducting such review or audit must be bound by obligations of confidentiality substantially similar to those set forth in this Agreement. Citadel reserves the right to identify (at any time, and from time to time, during the one year period following the Effective Date) and notify comScore of such other items, in addition to the foregoing, as Citadel shall reasonably determine to be appropriate for inclusion in such Disaster Recovery Plan. Prior to each anniversary of the Effective Date during the Term, comScore shall revise the Disaster Recovery Plan as appropriate to reflect any changes to the comScore Materials, Services or related requirements and submit it to Citadel for review, comment, and approval, which shall not be unreasonably withheld. comScore shall implement and comply with the Disaster Recovery Plan.

3.12 **Reports**. During the Term, comScore shall provide Citadel with quarterly written reports detailing the metrics measured in connection with Section 3.3.1.1, Section 7.1.2 and Section 7.1.3.

4. **CERTAIN PROPRIETARY RIGHTS**

4.1 **Citadel Proprietary Rights**.

4.1.1. **Ownership of Citadel Owned Developed Materials**. Notwithstanding anything to the contrary contained in this Agreement, all Citadel Owned Developed Materials shall be owned exclusively by Citadel (including all patents, copyrights, trade secrets or other intellectual property related thereto). To the extent that exclusive title and/or ownership rights may not originally vest in Citadel as contemplated herein, comScore hereby irrevocably assigns all right title and interest, including all patents, copyrights, trade secrets or other intellectual property and ownership rights, in the Citadel Owned Developed Materials to Citadel. comScore agrees and will cause its approved subcontractors and agents to agree, that with respect to any Citadel Owned Developed Materials that may qualify as a Work Made for Hire as defined in 17 U.S.C. §101, such Citadel Owned Developed Materials are and will be deemed a Work Made for Hire and Citadel will have the sole right to the copyright (or, in the event that any such Citadel Owned Developed Materials do not qualify as a Work Made for Hire, the copyright and all other rights thereto will be assigned as above. comScore is hereby granted a non-exclusive license to Citadel Owned Developed Materials solely for purposes of and during the term of carrying out its duties hereunder during the Term. To the extent that Citadel Owned Developed Materials are created by the embedding or compiling of comScore Materials with newly created tangible or intangible work product or developments, Citadel's ownership interest shall not extend to the comScore Materials (including pre-existing or independently developed comScore Materials) included therein (which shall be licensed to Citadel pursuant to Section 2.1.1) but shall include the compilation or combination of tangible or intangible work product or developments that is a part of the Citadel Owned Developed Materials. comScore acknowledges that Citadel does not intend comScore to be a joint author of the Citadel Owned Developed Materials within the meaning of the Copyright Act of 1976, as amended, and that in no event shall any Citadel Owned Developed Materials be deemed to have been developed with the intent that comScore be a joint author thereof. comScore hereby agrees to deliver to Citadel all Citadel Owned Developed Materials (including, as to any Citadel Owned Developed Materials that consists of software, all source code and documentation). comScore acknowledges and agrees that the Custom Collected Data are owned by Citadel and shall not be used or disclosed by comScore except as set forth in this Section 4.1.1 and Section 4.2.3.

4.1.2. **Treatment of and Access to Internal Citadel Data**.

4.1.2.1 Notwithstanding anything to the contrary herein, Citadel shall be and remain, at all times, the sole and exclusive owner of the

Internal Citadel Data (including any modification, compilation, or derivative work therefrom and all intellectual property and proprietary rights contained therein or pertaining thereto) and, effective in each case upon the creation of such items, comScore hereby assigns the same to Citadel. For purposes of this Agreement, "Internal Citadel Data" shall mean, in or on any media or form of any kind: (a) all data or summarized data related to Citadel, and all data indexing such data, including data that is in Citadel's databases or otherwise in Citadel's possession on the Service Commencement Date or at any time from such date; (b) all other Citadel records, data, files, input materials, processed data, reports and forms that may be received, computed, developed, used, or stored by comScore, or by any of comScore's permitted subcontractors, for Citadel in the performance of comScore's duties under this Agreement; and (c) any information, output or material generated by Citadel running the comScore Software or using the comScore Technology.

4.1.2.2 Solely to the extent made available to comScore and permitted by any applicable Third Parties, comScore is hereby granted a license to use the Internal Citadel Data solely for purposes of and during the term of carrying out its duties hereunder and solely to the extent that comScore requires access to such data to provide the Services as contemplated by this Agreement during the Term. comScore shall not commercially exploit the Internal Citadel Data, or do any other thing that may in any manner adversely affect the integrity, security or confidentiality of such items.

4.2 **comScore Proprietary Rights**.

4.2.1. **comScore Materials**. Except as provided in Section 2 and Section 4.1.1, comScore shall retain all proprietary and intellectual property rights in and to the comScore Materials.

4.2.2. **Certain Restrictions on Custom Coded Data**. In no event shall comScore or its Affiliates grant any Third Party any rights to the Custom Coded Data within the Field of Use and in no event shall comScore or its Affiliates use the Custom Coded Data within the Field of Use (except as expressly permitted in Section 2.4.2.4), whether or not for its own account; provided, however, Citadel acknowledges that comScore may license the Custom Coded Data to Grandfathered Data Clients solely in the event each such Grandfathered Data Client (i) expressly requests such Custom Coded Data without any solicitation from comScore (it being acknowledged that the existence of Custom Coded Data is Confidential Information of Citadel and that comScore shall not disclose the existence thereof to the Grandfathered Data Clients) and (ii) pays comScore no less than the amounts paid by Citadel to comScore for such Custom Coded Data. Subject to Section 2.3.2 and in accordance with the reservations of rights set forth in Section 2.4.2.4, comScore may use and disclose the Custom Coded Data outside the Field of Use.

4.2.3. **License to Custom Collected Data**. Subject to the prior written consent of Citadel in each instance (which consent may be withheld in Citadel's sole discretion) and the provision of the ten percent (10%) reduction in the Additional Services Fee for the applicable Custom Collected Data, Citadel shall grant to comScore and its Affiliates a perpetual, non-transferable, worldwide, royalty-free, non-exclusive license to use, distribute and sublicense the Custom Collected Data solely for purposes outside the Field of Use; provided, however, (i) in no event shall comScore distribute or make the Custom Collected Data available to [* * * *] or any other Citadel Competitor, and (ii) comScore shall require that Custom Collected Data is not further resold by its clients or other sublicensees, subject to the reservation of rights set forth in Section 2.4.2.4.

5. **RELATIONSHIP MANAGEMENT**

5.1 **Steering Committee**. The parties shall establish and maintain an advisory oversight committee (the "Steering Committee"), which shall be composed of an equal number of comScore's representatives and Citadel's representatives. The initial representatives and their positions with Citadel and comScore, respectively, are set forth in Schedule 5. The members appointed by either party may be replaced at the discretion of such party. The general responsibilities of the Steering Committee shall be: (i) to monitor the general progress of the performance of this Agreement; (ii) to analyze and attempt to resolve matters referred by the Contract Executives; (iii) to review comScore's service performance and recommend remedial actions to resolve any performance deficiencies; (iv) to consider and recommend to authorized management approval or rejection of proposed Statements of Work. The Steering Committee shall meet once per month, or more frequently as requested with ten (10) days' prior written notice, by either Citadel and comScore, and at these meetings shall discuss reports prepared by the Contract Executives with respect to the status of the performance of this Agreement and significant events that have occurred since the previous meeting. Such meetings shall be in person in or near Chicago, Illinois, provided that they may be by telephone if requested by Citadel.

5.2 **Contract Executives**. Each party shall appoint an individual (the "Contract Executive") to act as the primary liaison between the parties with respect to the management of this Agreement and the parties' relationship hereunder. The initial Contract Executives and their positions with Citadel and comScore, respectively, are set forth on Schedule 5. comScore's Contract Executive shall have overall responsibility for directing all of comScore's activities hereunder, and shall be vested with all necessary authority to fulfill that responsibility.

5.3 **Individual Performance**. If Citadel believes that the performance or conduct of any comScore employee or independent contractor is, for any lawful reason, unsatisfactory to Citadel or is not in compliance with the provisions of this Agreement, Citadel may so notify comScore and upon any such notice comScore shall promptly remedy the performance or conduct of such person, or, if the conduct or performance has not been corrected within fourteen (14) days after Citadel provides comScore notice of the problem, then, at Citadel's request, comScore shall replace such person with another person.

5.4 **Specific Personnel**. comScore shall use its best efforts to provide Citadel with its personnel most capable to perform the particular Services required or requested hereunder. Without limiting the generality of the foregoing, Citadel may request that comScore provide specified individuals to perform Services hereunder, and comScore shall use its best efforts to accommodate such requests. Following the assignment of any comScore personnel to perform Services for Citadel under this Agreement, comScore shall use its best efforts to retain such personnel, maintain the assignment of such personnel to Citadel and otherwise continue to deploy such personnel to provide Services to Citadel. In no event shall comScore induce or attempt to induce any such personnel to transfer or request a transfer from such personnel's assignment on Citadel projects.

5.5 **Transfer of Certain Personnel**. With respect to each person who provides Services to Citadel under this Agreement, without the prior written consent of Citadel, such consent not to be unreasonably withheld, comScore shall not permit such person, either during the time such individual is engaged or assigned to provide Services to Citadel or during the two (2) years after such individual ceases to provide such Services, to provide services as a comScore employee to any Grandfathered Data Client, Grandfathered Signal Client, or any of their Affiliates.

5.6 **Dispute Resolution**.

5.6.1. **Problems**. In the event of a dispute hereunder, the Steering Committee shall discuss and make an effort to resolve such dispute at or prior to the next scheduled Steering Committee meeting. If the Steering Committee shall have executed a written resolution of the dispute, each party shall begin performance in accordance with such resolution, provided that no agreement of the Steering Committee may amend or modify the terms of this Agreement without the concurrence of authorized management from both parties. At any time, a party may refer a dispute to be resolved by the Chief Operating Officer of Citadel and the Chairman of comScore (the "Senior Executives").

5.6.2. **Unresolved Disputes**. If any dispute arises between the parties, and the disputed matter has not been resolved by the Steering Committee within ten (10) days after such dispute has come to their attention, and the disputed matter has not been resolved by the Senior Executives, within twenty (20) additional calendar days, or such longer period as agreed to in writing by the parties, and without regard to whether either party has contested whether these procedures, including the duty of good faith, have been followed, each party shall have the right to commence any legal proceeding in a court of competent jurisdiction as permitted by law.

5.7 **No Termination or Suspension of Services**. Notwithstanding anything to the contrary contained herein, and even if any dispute arises between the parties and regardless of whether or not it requires at any time the use of the dispute resolution procedures described above, in no event nor for any reason shall comScore interrupt or delay the provision of Services or comScore Materials to Citadel on a Real Time basis, disable the comScore Materials or any portion thereof or any deliverable hereunder, or perform any other action that prevents, slows down, or reduces in any way the provision of the comScore Materials or Services or Citadel's ability to conduct its business, unless: (i) authority to do so is granted by Citadel in writing or conferred by a court of competent jurisdiction; or (ii) this Agreement has been terminated by Citadel pursuant to Section 11.3.

5.8 **Injunctive relief**. Neither party shall be obligated to follow the procedures set forth in Sections 5.6.1 and 5.6.2 in order to seek injunctive relief for violations of Sections 2, 4, 9 and 10.

6. **LICENSE FEES AND PAYMENT TERMS**

6.1 **Total Price.** Except for amounts payable for Additional Services, resources in excess of the Services Commitment, travel, room and board reimbursements for services provided as part of the Services Commitment as specified in Section 3.4, telecommunications cost reimbursements as specified in Section 3.3.4 and approved by Citadel in writing, applicable Third Party license fees as specified in Section 6.8, and the Revenue Share Reimbursement, the total consideration payable to comScore under this Agreement shall consist of the license fee payments set forth below (the "License Fee"). No other fees or charges of any kind whatsoever shall be payable or reimbursable under this Agreement in respect of the comScore Materials or comScore's obligations to provide any Services hereunder.

6.2 **License Fees.**

6.2.1. **Initial Term**. For each Contract Year of the Initial Term, Citadel shall pay to comScore an annual License Fee as follows:

6.2.1.1 Six Million Five Hundred Thousand Dollars ($6,500,000), payable on the Effective Date; and

6.2.1.2 Three Million Dollars ($3,000,000), payable on the first, second, third and fourth anniversaries of the Effective Date.

6.2.2. **Renewal Terms**. For each Contract Year during any Renewal Term, Citadel shall pay to comScore an annual License Fee equal to the Renewal License Fee. Each Renewal License Fee payment will be made as follows:

6.2.2.1 On the first day of the Renewal Term and on each anniversary thereafter, Citadel shall pay the Preliminary Renewal License Fee; and

6.2.2.2 Within thirty (30) days following receipt of comScore's audited financial statements for the then completed fiscal year, audited by an independent certified public accountant (the parties acknowledge that such accountant may be the accountant approved by the comScore board of directors to prepare comScore's audited financial statements), if the Renewal License Fee exceeds the Preliminary Renewal License Fee, Citadel shall pay an amount equal to the underpayment, subject to the Maximum License Fee. Otherwise, if the Renewal License Fee is less than the Preliminary Renewal License Fee, then comScore shall refund an amount equal to the overpayment no later than thirty (30) days following the availability of audited financial statements (approximately one hundred twenty (120) days from the end of the completed fiscal year), subject to the Minimum License Fee. comScore acknowledges that its fiscal year ends January 31st, and comScore shall promptly notify Citadel of any change to its fiscal year end.

6.2.3. **Payment of Final Annual License Fee of the Initial Term or Renewal Term**. Notwithstanding anything to the contrary contained in this Agreement, in the event Citadel gives written notice of termination pursuant to Section 11.1, then Citadel shall pay the final annual License Fee as follows:

6.2.3.1 If during the Initial Term, Citadel shall pay One Million Dollars ($1,000,000), payable on the fourth anniversary of the Effective Date, and Five Hundred Thousand ($500,000), payable on each of the dates that are three, six, nine and twelve months following the fourth anniversary; and

6.2.3.2 If during a Renewal Term, Citadel shall pay one-third of the Preliminary Renewal License Fee, payable on the second anniversary of the first day of the Renewal Term, and one-sixth of the Preliminary Renewal License Fee, payable on each of the dates that are three, six, nine and twelve months following the second anniversary of the Renewal Term; provided, however, such payments shall be subject to the true-up set forth in Section 6.2.2.2, and any additional payments owed by Citadel shall be paid on a pro rata basis over the remaining payment dates and any overpayments shall be refunded by comScore pursuant to the terms of Section 6.2.2.2.

6.2.4. **Definitions**.

6.2.4.1 "Contract Year" shall mean the yearly period commencing on the Service Commencement Date and each yearly period commencing on the anniversary of the Service Commencement Date during the Term.

6.2.4.2 "CPI Change" shall mean the percentage change between (i) the Consumer Price Index, All Urban Consumers, U.S. City Average, all items, most recently published (at the time of calculation) by the Bureau of Labor Statistics of the United States Department of Labor (or a successor agency of the United States government) and (ii) the comparable statistic published for the same month of the previous year. In the event the specified CPI statistic is not reasonably available for both the then current and previous year, the "CPI Change" shall be a reasonable measure of change in consumer prices reasonably determined by Citadel.

6.2.4.3 "Minimum License Fee" shall mean Two Million Seven Hundred Fifty Thousand Dollars ($2,750,000) for the first Contract Year of the first Renewal Term. Thereafter, the Minimum License Fee shall increase or decrease each Contract Year by the CPI Change plus an increase of two percent (2%) over the Minimum License Fee for the prior Contract Year. In no event shall the Minimum License Fee decrease below Two Million Seven Hundred Fifty Thousand Dollars ($2,750,000).

6.2.4.4 "Maximum License Fee" shall mean Four Million Five Hundred Thousand Dollars ($4,500,000) for the first Contract Year of the first Renewal Term. Thereafter, the Maximum License Fee shall increase or decrease each Contract Year by the CPI Change plus an increase of two percent (2%) over the Maximum License Fee for the prior Contract Year. In no event shall the Maximum License Fee decrease below Four Million Five Hundred Thousand Dollars ($4,500,000).

6.2.4.5 "Preliminary Renewal License Fee" shall mean an amount equal to 3.75% of the product of the Fee Calculation Revenue for comScore's last complete fiscal year multiplied by 110%; provided, however, in no event shall the Preliminary Renewal License Fee for any Contract Year be less than the Minimum License Fee or greater than the Maximum License Fee.

6.2.4.6 “Renewal License Fee” shall mean an amount equal to 3.75% of the Fee Calculation Revenue for comScore’s then current fiscal year; provided, however, in no event shall the Renewal License Fee for any Contract Year be less than the Minimum License Fee or greater than the Maximum License Fee.

6.2.4.7 “Revenue” shall mean the audited net revenue of comScore for a fiscal year, determined in accordance with then-current United States generally accepted accounting principles, applied by comScore on a basis consistent with all prior accounting periods.

6.2.4.8 “Fee Calculation Revenue” shall mean Revenue less any and all amounts paid by Citadel to comScore under this Agreement during the applicable fiscal year plus One Million Dollars ($1,000,000).

6.3 **Panel Credits.** Each month, comScore shall provide Citadel with a report setting forth the number of Panelists Under Measurement for the immediately preceding thirty (30) day period, categorized according to panelists monitored outside the United States, at work, at home, and at school or university. For purposes hereof, “Panelists Under Measurement” shall mean the number of individuals aged two or older in a household for which comScore has measured any Internet activity and generated comScore Data in the thirty (30) day period immediately preceding such measurement. In the event the number of Panelists Under Measurement over any thirty (30) day period ending in a calendar month falls below [* * * *] in total, or [* * * *] people resident outside the U.S. or [* * * *] people monitored at work, or [* * * *] people monitored at school or university, or [* * * *] people resident in the U.S. that are using broadband or other high-speed means (including DSL, Cable, Satellite, T1 and T3) to access the Internet, Citadel shall receive a credit (the “Panel Credit”) as set forth below. Panel Credits shall be applied by Citadel against any amounts otherwise owed for Additional Services (if any) and against future License Fee payments and shall be carried forward until fully credited to Citadel. Upon any termination or expiration of the Agreement, comScore shall pay Citadel an amount equal to any Panel Credits.

6.3.1. In the event the number of Panelists Under Measurement for the comScore Data falls below [* * * *] in total in any given month, Citadel shall receive a credit of $[* * * *] and an additional $[* * * *] for every [* * * *] Panelists Under Measurement less than [* * * *] for each such month that the number of Panelists Under Measurement falls below [* * * *].

6.3.2. In the event the number of Panelists Under Measurement for the comScore Data falls below [* * * *] people resident outside the U.S in any given month, Citadel shall receive a credit of $[* * * *] and an additional $[* * * *] for every [* * * *] Panelists Under Measurement less than [* * * *] for each such month that the number of Panelists Under Measurement falls below [* * * *].

6.3.3. In the event the number of Panelists Under Measurement for the comScore Data falls below [* * * *] people monitored at work in any given month, Citadel shall receive a credit of $[* * * *] and an additional $[* * * *] for every [* * * *] Panelists Under Measurement less than [* * * *] for each such month that the number of Panelists Under Measurement falls below [* * * *].

6.3.4. In the event the number of Panelists Under Measurement for the comScore Data falls below [* * * *] people monitored at school or university in any given month, Citadel shall receive a credit of $[* * * *] and an additional $[* * * *] for every [* * * *] Panelists Under Measurement less than [* * * *] for each such month that the number of Panelists Under Measurement falls below [* * * *].

6.3.5. In the event the number of Panelists Under Measurement for the comScore Data falls below [* * * *] people resident in the U.S. that are using broadband or other high-speed means to access the Internet in any given month, Citadel shall receive a credit of $[* * * *] and an additional $[* * * *] for every [* * * *] Panelists Under Measurement less than [* * * *] for each such month that the number of Panelists Under Measurement falls below [* * * *].

6.4 **Certain Payments for comScore Syndicated Products.** In the event comScore must pay any revenue share amounts to a Third Party partner in connection with any comScore Syndicated Products delivered to Citadel pursuant to this Agreement, then Citadel shall pay comScore an amount equal to the actual revenue share paid by comScore to such Third Party partner (the "Revenue Share Reimbursement"); provided, however, Citadel shall have no obligation to make such payment unless (i) comScore provides Citadel with written notice of such payment (and the amount of such payment) prior to delivery of the applicable comScore Syndicated Product, (ii) Citadel notifies comScore in writing that it desires the applicable comScore Syndicated Product, and (iii) comScore provides Citadel with documentation sufficient to evidence comScore's revenue share payment obligation and the actual payment thereof. In the event the comScore Syndicated Product is to be provided directly by a Third Party partner, then comScore shall ensure that the price to be paid by Citadel is no greater than the price paid by any Third Party customer and that such price shall be net of any revenue share otherwise payable to comScore. This Section shall not apply to the comScore Macro Report, comScore Signals or any "syndicated" products or services produced as of the Effective Date by comScore or a Third Party that are based upon, incorporate or use comScore Materials.

6.5 **Payment of Invoices.** Citadel shall pay all invoices properly issued in compliance with this Agreement within thirty (30) calendar days after receipt thereof. Citadel may, however, after giving comScore prior written notice with a reasonable description of the reasons, withhold payment of that portion of any invoiced amounts that Citadel disputes in good faith, pending resolution of the matter;

provided, however, Citadel acknowledges it may not withhold more than fifty percent (50%) of the annual License Fee.

6.6 **Taxes and Duties.** Citadel shall be responsible for applicable state and local sales and use taxes imposed on charges for goods and services provided by comScore to Citadel under this Agreement. If Citadel is required by law to pay any withholding taxes imposed on any amount owed by Citadel to comScore hereunder, Citadel may deduct such taxes from such amount, provided that Citadel furnishes comScore (no later than the date on which such amount was due) with tax receipts certifying the payment of such withholding taxes. Citadel shall not be responsible for any taxes imposed on comScore arising from comScore's consumption of goods and services in connection with this Agreement. Citadel shall not be responsible for any other taxes, assessments, duties, permits, tariffs, fees or other charges of any kind.

6.7 **Services under Statements of Work**. Citadel shall pay for any services under a Statement of Work on the basis set forth in such Statement of Work.

6.8 **Third Party Fees**. If the payment of fees to Third Parties are required for the use by Citadel of the Third Party applications listed on Schedule 1.1.1.2, or any Third Party applications, models, algorithms, or analytical tools licensed by comScore following the Effective Date, then Citadel shall bear all such Third Party fees if Citadel requests license rights thereto; provided, however, that comScore shall reasonably cooperate with Citadel so as to minimize Citadel's expenses in connection with obtaining such licenses. ComScore shall pay the Third Party fees referenced herein for any Third Party applications licensed by comScore as of the Effective Date unless the amount of such fees are expressly set forth in Schedule 1.1.1.2.

6.9 **Most Favored Customer.**

6.9.1. **Most Favored Price Obligation**. On an annual basis and at least thirty (30) calendar days prior to the anniversary of the Services Commencement Date, comScore shall review the pricing of Additional Services to Citadel and the pricing of all other substantially similar services provided to other established comScore customers. If, after using its best efforts to compare the pricing on said services, it is determined that, on average, any established client is receiving services at materially lower prices than Citadel for substantially similar services, a proportionate reduction will be made in the Labor Cost and the margin applied to the Labor Cost pursuant to Section 3.6.3.1, and the incremental infrastructure costs for the ensuing year. For purposes hereof, "established customer" shall be defined as a customer who has an annual contract with the Company for no less than $500,000 per year.

6.9.2. **Certification**. From time to time, but in any event no more than once annually, comScore's Chief Financial Officer shall, upon written request from Citadel, promptly certify in writing that comScore is in compliance with this Section.

7. **REPRESENTATIONS AND WARRANTIES**

7.1 **Representations and Warranties of comScore.** comScore represents, warrants and covenants solely for the benefit of Citadel and its Affiliates as follows.

7.1.1. **Data**. During the Term the comScore Data will be collected and processed in accordance with the methodology described in the Specifications and Schedule 7.1.1 (including the quality control procedures described therein), will be reasonably free from any material delays or material errors related to the collection of comScore Data, the application of projection and weighting factors to the comScore Data and panels to map actual consumer online activity from work, home and university, the maintenance and construction of panels, and will include the data described in the Schedule 1.1.1.1. Subject to comScore's obligation to notify Citadel of changes to the methodology as specified in Section 3.8, Citadel acknowledges that comScore may enhance or otherwise improve its methodology as it deems appropriate.

7.1.2. **Certain Standards**. During the Term, comScore's systems and processes shall meet or exceed the minimum standards set forth in Schedule 7.1.2.

7.1.3. **Panelists**. As of the June 30, 2003, the number and type of Panelists Under Measurement used by comScore to generate the comScore Data shall be as set forth in Schedule 7.1.3, and there has been no material change in the number and type of such panelists since June 30, 2003. The number and type of Panelists Under Measurement shall not fall below [* * * *] in total, or [* * * *] people resident outside the U.S. or [* * * *] people monitored at work, or [* * * *] people monitored at school or university, or [* * * *] people resident in the U.S. that are using broadband or other high-speed means to access the Internet.

7.1.4. **comScore Materials; Citadel Owned Developed Materials**. During the Term the comScore Materials will conform to Schedule 7.1.1, and will be reasonably free from any material defects, and will perform in accordance with the applicable Specifications. During the Term, the comScore Software (other than Third Party applications specified on Schedule 1.1.1.2) and Technology will include all the functionality described in Schedules 1.1.1.2 and 1.1.1.3. The Citadel Owned Developed Materials (other than Citadel Owned Developed Materials developed solely or primarily by Citadel) will be free from any material defects and will perform in accordance with the applicable Specifications.

7.1.5. **Services**. The Services (including but not limited to the collection and processing of comScore Data) will be performed in a timely, competent, professional manner and in accordance with the requirements hereof and the highest applicable industry standards and practices.

7.1.6. **Documentation**. The Documentation will be an accurate description of the comScore Materials, will provide sufficient information for the operation and use thereof and will meet industry standards for detail and accuracy.

7.1.7. **Computer Viruses**. comScore shall use comScore's best practices (and in no event less than commercially reasonable practices) regularly to identify, screen, and prevent any Disabling Device in resources utilized by comScore or made available by comScore to Citadel and used by Citadel in connection with the receipt of the Services, comScore Materials and Citadel Owned Developed Materials, and shall not itself intentionally or negligently install any Disabling Device in resources utilized by comScore, Citadel, or any permitted subcontractor, in connection with the provision or receipt of the Services, comScore Materials or Citadel Owned Developed Materials. comScore shall assist Citadel in reducing the effects of any Disabling Device discovered in any resource related to the provision or receipt of the Services, comScore Materials or Citadel Owned Developed Materials, especially if causing a loss of operating efficiency or data, and comScore shall, to the extent authorized and requested by Citadel, be responsible for modifying or repairing Citadel's systems and restoring Citadel's data in the event of any breach of this Section by comScore. For purposes of this Agreement, "Disabling Device" means any timer, clock, counter, or other limiting design or routine that may cause software or any data generated or used by it to be erased, become inoperable or inaccessible, or that may otherwise cause such software to become temporarily or permanently incapable of performing in accordance with this Agreement, including, without limitation any Disabling Device that is triggered after use or copying of such software or a component thereof a certain number of times, or after the lapse of a period of time, or in the absence of a hardware device or after the occurrence or lapse of any other triggering factor or event. Disabling Device also includes any software commonly referred to as a computer virus, Trojan horse or other malicious or surreptitious code.

7.1.8. **Authority**. comScore has the full right, power and authority to enter into this Agreement and to fully perform its obligations hereunder including, without limitation to grant the exclusive licenses provided for herein, provide the Services and deliver the comScore Materials and Citadel Owned Developed Materials (other than Citadel Owned Developed Materials developed solely or primarily by Citadel) as provided herein.

7.1.9. **Title**. comScore has good title to the comScore Materials, free and clear of any security interests, liens, covenants, restrictions and other encumbrances which would interfere with Citadel's rights hereunder.

7.1.10. **Non-contravention**. The performance of its obligations and the grant of any and all rights to Citadel under this Agreement (including exclusive rights) do not and shall not constitute a breach (or an event which, with the passage of time or giving of notice, would constitute a default or breach) or violation of, or conflict with or constitute a default, or give rise to any right of termination or acceleration under, any separate agreement or order of any court or governmental agency by which comScore or any of its personnel performing Services are bound.

7.1.11. **Intellectual Property**. The Services, comScore Materials and Citadel Owned Developed Materials (other than Citadel Owned Developed Materials developed solely or primarily by Citadel) (including the Know-How, Intellectual Property and Documentation related thereto), or any portion thereof, do not and shall not infringe, violate, misappropriate or dilute any intellectual property rights of any third party (including but not limited to any patents, copyrights, trademarks or trade secrets), and neither performance hereunder nor Citadel's exercise of its rights hereunder, will infringe or otherwise violate any statutory or other rights of any third party in or to any intellectual property rights therein including but not limited to patents, copyrights, trademarks or trade secrets; and, no third party has asserted, is asserting or, to comScore's knowledge, has or will have any reasonable basis to assert a claim of any of the foregoing.

7.1.12. **Third Party Infringement**. To the best of comScore's knowledge, no Third Party is infringing or has misappropriated any of comScore rights in and to the comScore Materials.

7.1.13. **Third Party Licenses**. Except as expressly provided herein, comScore currently is not licensing comScore Materials to any Third Party to be used, distributed or resold within the Field of Use.

7.1.14. **Applicable Laws**. comScore shall at all times perform its obligations hereunder in compliance with all applicable foreign, domestic, state, and local laws and regulations of all applicable foreign and domestic jurisdictions, and in such a manner as not to cause Citadel to be in material violation of any applicable laws or regulations, including but not limited to any banking and securities laws and regulations and investment advisory laws or regulations (including without limitation the Securities Act of 1933, the Investment Advisers Act and any successor law, and regulations and rules issued pursuant to such acts or successor laws), and applicable laws and regulations of any foreign, domestic, state, or local authority regulating health, safety, employment, the environment, security, exportation, privacy, personally identifiable information or telecommunications. comScore represents, warrants and covenants that its collection, processing, access, use, distribution and disclosure of comScore Data and any other data made available to Citadel in connection with this Agreement, at all times have complied with and shall comply with all applicable foreign, domestic, state, and local laws and regulations of all applicable foreign and domestic jurisdictions as they may be amended from time to time.

7.1.15. **Future Agreements**. During the Term, comScore shall not enter into any agreement with any third party that is inconsistent with any of the provisions hereof.

7.1.16. **Additional Rights**. comScore has secured all appropriate Third Party software and other proprietary rights necessary for Citadel to exercise its rights to any software, method, know-how or data (including the comScore Software, the comScore Know How and the comScore Technology) provided or made available to Citadel to aid use of the comScore Materials under this Agreement.

7.1.17. **Information Delivered to Citadel**. As of the date furnished, no statement contained in writing in any comScore proposal materials (including all communications received by Citadel from comScore) contained any untrue statement of a material fact or omitted any material fact necessary to make the statements made not misleading.

7.1.18. **Misrepresentations**. comScore has not made, in any written or oral communication with or provided to Citadel or its Affiliates (including the negotiation of this Agreement), any material misrepresentations (whether through any untrue statement of a material fact or an omission of any material fact necessary to make such communication not misleading) regarding or concerning comScore, or, individually or collectively: (i) their capabilities as competent, qualified, experienced providers of Services; (ii) their abilities to, or the manner in which they shall, perform the Services, provide the comScore Materials , and develop, implement, operate, support, and maintain the comScore Materials , in accordance with this Agreement; (iii) their businesses, operations, or financial condition or any financial statements, reports, and other similar materials or information furnished to Citadel in connection herewith; or (iv) any of the specific Services to be performed or deliverables to be provided hereunder.

7.1.19. **Pending Litigation**. As of the Effective Date, there is no outstanding litigation, arbitrated matter or other dispute to which comScore is a party that, if decided unfavorably to comScore, would reasonably be expected to have a potential or actual material adverse effect on comScore’s ability to fulfill its obligations hereunder

7.2 **Further Assurances**. comScore acknowledges that concurrently herewith it has delivered to Citadel such documents, in form and scope acceptable to Citadel, to assure Citadel that (i) comScore has the full right, power and authority to enter into this Agreement and to fully perform its obligations hereunder including, without limitation to grant the licenses provided for herein, provide the Services and deliver the comScore Materials as provided herein, (ii) the performance of comScore's obligations and the grant of any and all rights to Citadel under this Agreement (including exclusive rights) do not and shall not constitute a breach (or an event which, with the passage of time or giving of notice, would constitute a default or breach) or violation of, or conflict with or constitute a default, or give rise to any right of termination or acceleration under, any separate agreement or order of any court or governmental agency by which comScore or any of its personnel performing services to comScore are bound. Following the Effective Date, without further consideration, comScore shall take all such other action and shall procure or execute or have executed, acknowledge, and deliver all such further documents as Citadel may reasonably request to assure Citadel as to the matters described in this Section 7.2.

7.3 **Representations and Warranties of Citadel.** Citadel represents, warrants and covenants solely for the benefit of comScore as follows:

7.3.1. Citadel has the full, right, power and authority to enter into this Agreement and to fully perform its obligations hereunder.

7.3.2. The performance of its obligations under this Agreement shall not be a breach of any separate agreement by which Citadel is bound.

In addition, Citadel acknowledges that the representation and warranty provided by comScore in Section 7.1.14 is not intended to relieve Citadel of its obligations to comply with all foreign, domestic, state, and local laws and regulations that apply to Citadel.

7.4 **Disclaimer**. THE FOREGOING, TOGETHER WITH ALL EXPRESS WARRANTIES CONTAINED IN THIS AGREEMENT, CONSTITUTES AND EXPRESSES THE ENTIRE STATEMENT OF THE PARTIES WITH RESPECT TO WARRANTIES. COMSCORE AND CITADEL DISCLAIM ALL OTHER WARRANTIES WITH RESPECT TO THIS AGREEMENT, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

8. **INDEMNIFICATION**

8.1 **Indemnification by comScore.** comScore shall defend, indemnify and hold Citadel and its Affiliates, and any of their respective shareholders, members, partners or other beneficial owners, directors, officers, employees and agents harmless and shall pay all third party claims, losses, damages, fees, expenses or costs (including reasonable attorneys' fees): (i) based on allegations of bodily injury (including death) or damage to tangible personal or real property, to the extent that such injury or damage arises from the negligence of, or breach of this Agreement by, comScore in connection with the matters that are the subject of this Agreement; (ii) arising from or relating to comScore's material breach of its obligations, representations, warranties or covenants hereunder; or (iii) arising from or relating to any infringement, misappropriation or dilution of any Third Party's intellectual property rights (including but not limited to patents, copyrights, trademarks and trade secrets) by any of the Services, comScore Materials or Citadel Owned Developed Materials (or any portion or use thereof). In the event that any Services, comScore Materials or Citadel Owned Developed Materials (other than Citadel Owned Developed Materials developed solely or primarily by Citadel) provided or made available by comScore is alleged or found to be misappropriated from, or to infringe on the intellectual property rights of, a third party, comScore shall, in addition to the foregoing indemnification obligation, endeavor, at its option and expense, to either: (x) secure a license to use such portion to enable such Services, comScore Materials or Citadel Owned Developed Materials (other than Citadel Owned Developed Materials developed solely or primarily by Citadel) to be utilized in a manner consistent with the terms of this Agreement, or (y) replace the same with other intellectual property assets as are needed to enable comScore to continue performing, and Citadel to continue receiving the full benefit of, the Services, comScore Materials and Citadel Owned Developed Materials in accordance with the terms of this Agreement, or (z) modify the Services, comScore Materials or Citadel Owned Developed Materials, as applicable, so that it no longer infringes or misappropriates the rights of others, while still meeting the requirements of this Agreement.

8.2 **Indemnification by Citadel.** Citadel shall defend, indemnify and hold comScore and its Affiliates, and their respective shareholders, members, partners or other beneficial owners, directors, officers, employees and agents harmless and shall pay all third party claims, losses, damages, fees, expenses or costs (including reasonable attorneys' fees) based on allegations of bodily injury (including death) or damage to tangible personal or real property, to the extent that such injury or damage arises from the negligence of, or breach of this Agreement by, Citadel in connection with the matters that are the subject of this Agreement.

8.3 **Procedure.** The obligations set forth in Sections 8.1 and 8.2 shall apply only if the party seeking indemnification (the "Indemnified Party"): (i) notifies in writing the party against whom indemnification is sought (the "Indemnifying Party") of the existence of any such claims, losses, damages, fees, expenses or costs; (ii) tenders sole control of the defense and settlement of any such claims, losses, damages, fees, expenses or costs to the Indemnifying Party, except as provided hereunder; and (iii) provides reasonable assistance to the Indemnifying Party with respect to the defense and settlement of any such claims, losses, damages, fees, expenses or costs, at the Indemnifying Party's sole cost and expense. No settlement of a claim that involves a remedy other than the payment of money by Indemnifying Party shall be entered into without the consent of Indemnified Party, which consent will not be unreasonably withheld or delayed. The Indemnified Party shall have the right to participate, at its sole cost and expense, in the defense and settlement of any such claims, losses, damages, fees, expenses or costs.

8.4 **Contribution.** If the indemnification provided for in Sections 8.1 and 8.2 is held by a court of competent jurisdiction to be unenforceable in favor of an Indemnified Party with respect to any loss, liability, claim, damage, or expense referred to therein, 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 that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations. If any claim, action or proceeding is described in both Sections 8.1(i) and 8.2 and is brought against both comScore and Citadel and both comScore and Citadel suffer losses, liability damages, or expenses, the parties shall contribute to the amount of such losses, damages, fees and expenses in such proportion as is appropriate to reflect the relative fault of the parties in connection with the matter that resulted in such loss, liability, damage, or expense as well as any other relevant equitable considerations. The relative fault of the parties shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent the subject matter that resulted in such loss, liability, damage, or expense.

8.5 **Potential Infringement.** Each party (the "Notifying Party") shall give the other party prompt written notice of any potential infringement, misappropriation or dilution of a party's intellectual property rights (including but not limited to patents, copyrights, trademarks and trade secrets) by a Third Party of which the Notifying Party has knowledge and any potential infringement, misappropriation or dilution by the Notifying Party of any third party's intellectual property rights (including but not limited to patents, copyrights, trademarks and trade secrets) of which the Notifying Party has knowledge. comScore shall give Citadel prompt written notice of any potential infringement, misappropriation, dilution, or violation of the Field of Use by any Third Party of which comScore has knowledge or reason to believe is infringing, misappropriating, diluting, or violating.

9. **CONFIDENTIAL INFORMATION**

9.1 **Definition.** For purposes of this Agreement, "Confidential Information" shall mean all data and information of a confidential nature (in any form whatsoever) that are disclosed or made available by one party (the "Disclosing Party") to the other party (the "Receiving Party") under or in connection with this Agreement (regardless of whether such data or information is marked confidential) including but not limited to the existence and terms of this Agreement. comScore Confidential Information shall include, without limitation, all of the comScore Materials, and any and all of comScore's business or financial information, plans, strategies, forecasts, forecast assumptions, business practices, marketing information and material, customer names, proprietary ideas, concepts, know-how, methodologies and all other proprietary information related to comScore's business and/or the business of any of its Affiliates, and Citadel Confidential Information shall include, without limitation, all Citadel Owned Developed Materials, and any and all of Citadel's business or financial information, plans, strategies, forecasts, forecast assumptions, business practices, marketing information and material, customer names, proprietary ideas, concepts, know-how, methodologies and all other proprietary information related to Citadel's business and/or the business of any of its Affiliates. Notwithstanding anything to the contrary, Confidential Information shall not include information or data that the Receiving Party can demonstrate: (i) are now or hereafter become part of the public domain through no fault of the Receiving Party; (ii) were in the Receiving Party's possession prior to its disclosure to the Receiving Party by the Disclosing Party; (iii) were disclosed to the Receiving Party by a third party on a non-confidential basis, provided that such disclosure by the third party did not breach any confidentiality obligations; (iv) were independently developed by the Receiving Party; or (v) are disclosed pursuant to applicable law or court order (but only with respect to such disclosure); provided that the Receiving Party shall give the Disclosing Party prior written notice of such requirement or order and cooperate with the Disclosing Party in connection with such disclosure of the Confidential Information.

9.2 **Confidentiality Obligations.** With respect to any Confidential Information, the Receiving Party (including its principals, directors, officers, employees and other agents) shall: (i) keep strictly confidential the Disclosing Party's Confidential Information, protecting the confidentiality thereof with the same level of efforts that it employs to protect the confidentiality of its own proprietary and confidential information of like importance to it and in any event, by reasonable means; (ii) not disclose any of the Disclosing Party's Confidential Information to any third party without the prior written consent of the Disclosing Party; and (iii) not use or utilize any of the Disclosing Party's Confidential Information for any purposes other than those as necessary in and during the performance of this Agreement or expressly contemplated or licensed under this Agreement. Notwithstanding the foregoing, comScore and Citadel may disclose the existence and terms of this agreement and other necessary Confidential Information to its debt or equity sources of funding, attorneys and accountants, subject to a confidentiality agreement entered into between comScore or Citadel, as applicable, and such sources. Each party may, however, disclose the Confidential Information of the other to those of such party's personnel, subcontractors, or agents engaged in a use permitted by this Agreement (excluding the comScore and Citadel Competitors) and with a need to know, provided that such personnel, subcontractors, or agents: (i) are directed to treat such Confidential Information confidentially and not to use it other than as permitted hereby and (ii) are subject to a legal duty to maintain the confidentiality thereof. Each party shall be responsible for any improper use or disclosure of any Confidential Information of the other by such party's and its subcontractors' officers, partners, principals, employees, agents or independent contractors (including individuals who hereafter become former partners, principals, employee, agents or independent contractors).

9.3 **Required Disclosure.** The Receiving Party shall not be liable to the Disclosing Party for disclosure of any of the Disclosing Party's Confidential Information if such disclosure is made pursuant to a governmental or judicial mandate, provided that the Receiving Party shall have given the Disclosing Party immediate notice of such mandate prior to the submission of said Confidential Information and taken all reasonable steps and cooperated with the Disclosing Party to limit or restrict such disclosure and further provided that the Receiving Party shall have taken no action to prevent or interfere with any lawful efforts the Disclosing Party might take to intervene in any such proceedings or otherwise prevent such disclosure.

9.4 **Confidentiality Agreements**. comScore covenants that each of its employees and the employees of any and all permitted subcontractors performing Services shall be subject to the terms of an employment or other agreement that (a) requires such employee to protect comScore's clients' confidential information, including Internal Citadel Data, and that offers no less degree of protection than that which is required hereunder and (b) in the case of employees, requires such employee to grant its employer ownership of, or in the case of permitted subcontractors, requires the grant of ownership to comScore of any and all comScore Materials and Citadel Owned Developed Materials created or developed by such employee. Without regard to whether any individual is subject to any such agreement and without regard to its terms, comScore shall be responsible for, and shall remain fully liable for, any action or inaction by each of its agents and permitted subcontractors, and each of their employees, with respect to the Confidential Information and Internal Citadel Data that results in a breach of this Section 9.

9.5 **Injunctive Relief**. Each party acknowledges that any breach of any provision of this Section by either party, or its personnel or subcontractors, will cause immediate and irreparable injury to the other party, and in the event of such breach, the injured party shall be entitled to seek injunctive relief, without bond or other security, and any and all other remedies available at law or in equity.

9.6 **Return of Confidential Information**. Unless a party is expressly authorized by this Agreement to retain the other party's Confidential Information, such party shall promptly return or destroy, at the disclosing party's option, the disclosing party's Confidential Information, and all copies thereof, within five (5) days of the disclosing party's written request, and shall certify to the disclosing party that it no longer has in its possession or under its control any Confidential Information in any form whatsoever, or any copy thereof.

10. **NONSOLICITATION; NONCOMPETITION; ADDITIONAL RESTRICTIONS**

10.1 **Nonsolicitation.** Except as otherwise provided in this Agreement, and excluding either party's standard recruitment practice which may include solicitation of employees through employment agencies, advertisements in newspapers, magazines, trade journals, or Internet Web sites, each party agrees that, so long as the other party is not in breach of this Agreement, it will not, during the Term and in the six-month period after the expiration of the Term, without the prior written consent of the other party, directly or indirectly:

10.1.1. induce or attempt to induce any employee of the other party to leave the employ of the other party;

10.1.2. take any action that would reasonably be expected to interfere with the relationship between the other party and any such party's employee; or

10.1.3. employ or otherwise engage as an employee, independent contractor or otherwise an employee of the other party; unless the parties otherwise agree in writing.

Each party agrees that this covenant is reasonable with respect to its duration and scope.

10.2 **Noncompetition; Licensing Forbearance**.

10.2.1. During the Term and for the eighteen month period following termination or expiration thereof, so long as comScore is not in material breach of any of the terms or conditions of this Agreement (or, the surviving terms and conditions of this Agreement, with respect to any material breaches during the eighteen month period following termination or expiration of this Agreement), in no event shall Citadel (i) develop a solution to collect Internet transaction data from panels of Internet users by utilizing electronic means to monitor the Internet activity of such users (without requiring the consent or cooperation of Internet sites) and route all Internet activity through Citadel's or its agent's network, or (ii) acquire all or substantially all of the capital stock or assets of, a Third Party for purposes of developing a solution to collect Internet transaction data as described in clause (i) above, and

10.2.2. For the eighteen month period following termination or expiration thereof: (i) in no event shall comScore or its Affiliates grant any Third Party any rights to the comScore Materials within the Field of Use and in no event shall comScore or its Affiliates or any officers, directors or employees of any of the foregoing (other than any Citadel representatives holding such positions) use the comScore Materials within the Field of Use, whether or not for its own account, and (ii) in no event shall comScore, its Affiliates or any designee of comScore perform any services (including any Survey Services or services utilizing Private Panels or Third Party data) for or make available any data to any Third Party for use within the Field of Use; provided, however, comScore may provide those comScore Syndicated Products for use within the Field of Use that any Third Party may acquire at comScore's list price (whether or not developed during the Term) to Third Parties five (5) business days after delivery of the comScore Syndicated Products to Citadel, and comScore shall provide such comScore Syndicated Products to Citadel at no charge under a worldwide, non-exclusive, irrevocable, fully paid up license to access, use, operate, maintain, copy, modify, create derivative works from, enhance, and improve such comScore Syndicated Products for any internal purposes.

10.2.3. During the Term and for an eighteen month period following the termination or expiration thereof, in no event shall Citadel engage a Third Party to (i) develop or assist in development of a solution to collect Internet transaction data from panels of Internet users by utilizing software to monitor the Internet activity of such users (without requiring the consent or cooperation of Internet sites) and route Internet activity through Citadel's or its agent's network, or (ii) provide to Citadel, Internet transaction data collected using a solution to collect Internet transaction data from panels of Internet users by utilizing electronic means to monitor the Internet activity of such users (without requiring the consent or cooperation of Internet sites); provided, however, nothing in this Agreement shall prohibit Citadel from acquiring any products or services that are developed independently by Third Parties for distribution to more than one client.

10.3 **Remedies.** If a party (the "breaching party") breaches the covenants set forth in Section 10.1, the other party (the "non-breaching party") will be entitled to seek the following remedies:

10.3.1. damages from the breaching party; and

10.3.2. in addition to its right to damages and any other rights the non-breaching party may have, injunctive or other equitable relief to restrain any breach or threatened breach or otherwise to specifically enforce the provisions of Section 10.1 and 10.2 of this Agreement, it being agreed that money damages alone would be inadequate to compensate the non-breaching party and would be an inadequate remedy for such breach.

10.3.3. The rights and remedies of the parties to this Agreement are cumulative and not alternative.

11. **TERM AND TERMINATION**

11.1 **Initial Term; Automatic Renewal.** The initial term of this Agreement shall commence on the Effective Date and shall continue until the fifth anniversary of the Service Commencement Date (the "Initial Term"), unless earlier terminated in accordance with the provisions of this Article 11. THIS AGREEMENT SHALL BE AUTOMATICALLY EXTENDED FOLLOWING THE INITIAL TERM FOR ADDITIONAL, SUCCESSIVE 3-YEAR TERMS (EACH, A "RENEWAL TERM"), UNLESS CITADEL GIVES WRITTEN NOTICE OF TERMINATION AT LEAST TWELVE (12) MONTHS PRIOR TO THE END OF THE THEN-CURRENT TERM. comScore shall provide written notice to Citadel sixteen (16) months prior to the end of the Initial Term and each Renewal Term if Citadel shall not have previously provided written notice to comScore of its intent to terminate the Agreement prior to such dates. The Initial Term and Renewal Terms are collectively referred to herein as the "Term."

11.2 **Termination by comScore.** comScore shall have the right to terminate this Agreement immediately upon written notice to Citadel, without prejudice to any other rights or remedies of comScore, solely if: (a) Citadel has failed to make a material amount of any payment due under Section 6, (b) such payment is not subject to a good faith dispute, (c) no earlier than thirty (30) calendar days after the payment's due date comScore gives written notice of its intent to terminate; and (d) no less than ten (10) additional calendar days pass after the giving of such notice, such payment not having been made. Notwithstanding the foregoing, Citadel acknowledges it may not withhold more than fifty percent (50%) of the annual License Fee.

11.3 **Termination by Citadel.** Citadel shall have the right to terminate this Agreement immediately upon written notice to comScore, without prejudice to any other rights or remedies of comScore, following the occurrence of any of the following events:

11.3.1. (i)comScore is adjudicated insolvent, or consents or acquiesces to the appointment of a receiver or liquidator; (ii) comScore's board of directors or a majority of its shareholders take any action authorizing the dissolution or liquidation of comScore; (iii) comScore voluntarily or involuntarily becomes a debtor subject to proceedings under the United States Bankruptcy Code, comScore makes an assignment for the benefit of creditors, or a receiver is appointed for comScore; (iv) comScore fails to continue to do business as a going concern; (v) the termination of substantially all of comScore's ongoing business operations relating to the subject to this Agreement; or (vi) any liquidation of comScore, or any sale, assignment (excluding any assignment or change of control contemplated in Section 13.3) or foreclosure of or upon assets that are necessary for the performance by comScore of its responsibility under this Agreement; or

11.3.2. comScore materially breaches any of the terms or conditions of this Agreement and such breach is not cured within 30 days after its receipt of written notice of such breach; provided, however, no cure period shall be applicable to breaches of Section 7.1.8 or Section 7.1.10;

11.3.3. comScore's performance hereunder is delayed by a Force Majeure for more than twenty (20) days in the aggregate in any ninety (90) day period; or

11.3.4. Effective as of the expiration of the then current Contract Year, if comScore's Revenue for the following fiscal years falls below the following amount:

Fiscal Year 2004 (ending January 2004): $20 million;

Fiscal Year 2005 (ending January 2005): $30 million;

Fiscal Year 2006 (ending January 2006): $35 million;

Fiscal Year 2007 (ending January 2007): $40 million;

Fiscal Year 2008 (ending January 2008): $45 million; or

11.3.5. If the number of Panelists Under Measurement at any time falls below [* * * *] million in total, or [* * * *] people resident outside the U.S. or [* * * *] people monitored at work or [* * * *] people monitored at school or university or [* * * *] people resident in the U.S. that are using broadband or other high-speed means (including DSL, Cable, Satellite, T1 and T3) to access the Internet. comScore shall notify Citadel in writing immediately in the event the number of Panelists Under Measurement falls below the levels set forth herein.

11.4 **Effect of Termination.** Upon expiration or termination of this Agreement:

11.4.1. The licenses granted under Sections 2.1.1 and 2.1.2 and this Agreement shall immediately terminate and revert to comScore; provided, however, the perpetual licenses to the comScore Data, comScore Developed Materials, Custom Coded Data and comScore Materials granted thereunder shall remain in full force and effect, subject to the terms and conditions set forth in Section 4.2; provided, further that the perpetual license to the comScore Developed Materials granted under Section 2.1.1 shall become non-exclusive on the eighteen (18) month anniversary of the termination or expiration of the Agreement;

11.4.2. Citadel shall immediately cease using the comScore Trademarks and promptly destroy all materials bearing the comScore Trademarks or remove the comScore Trademarks from such materials except to the extent that Citadel is required to maintain records to comply with applicable regulatory requirements;

11.4.3. with respect to any Confidential Information, the Receiving Party shall immediately cease using any of the Disclosing Party's Confidential Information and promptly return to the Disclosing Party or destroy any and all tangible embodiments of the Disclosing Party's Confidential Information in the Receiving Party's possession or under the Receiving Party's control (and deliver written certification of such destruction); provided, however, Citadel shall be entitled to retain the comScore Confidential Information in its possession for archival and regulatory compliance purposes and to otherwise continue to use and retain comScore Confidential Information to receive the benefits of the Citadel

Owned Developed Materials and any perpetual licenses granted under this Agreement;

11.4.4. Citadel shall have no obligation to make any further payments to comScore under this Agreement;

11.4.5. if terminated by Citadel under Sections 11.3.1, 11.3.2, or 11.3.3, comScore shall immediately refund a pro rata portion of the royalty paid by Citadel for the then current contract year based on the number of days remaining in such contract year.

11.5 **Survival.** Sections 1, 2.2, 4, 5.5, 6.3, 7 through 10, 11.4, 11.5, 12 and 14 and all perpetual licenses shall survive any expiration or termination of this Agreement and remain in full force and effect thereafter.

12. **LIMITATION OF LIABILITY**

12.1 **General Limitation**. Neither party shall be liable hereunder for consequential, incidental, special or punitive damages (including trading losses, lost profits or savings) even if it has been advised of their possible existence; provided, however, that the foregoing limitation shall in no event limit a party's ability to recover direct damages for breach hereof, including the costs of cover or obtaining replacement Services, data and other deliverables complying with the terms hereof. In no event shall the total and cumulative liability of either party to the other under this Agreement for any claim or claims hereunder concerning performance or nonperformance hereunder exceed the Cap Amount (as defined below).

12.2 **Exclusions**. Notwithstanding the foregoing, there shall be no limitation on the amount of liability, and no exclusion of any types of damages for the following: (i) either party's indemnification obligations; (ii) losses arising out of either party's willful, intentional or grossly negligent misconduct or comScore's intentional and wrongful repudiation of this Agreement; (iii) damages to real and tangible personal property caused by negligent or other tortious conduct of comScore; (iv) personal injury or death caused by negligent or other tortious conduct of a party or its agents; (v) intentional or negligent breaches of Section 9; (vi) breaches by comScore of the license granted under Section 2.1.1; or (vii) breaches by comScore of Sections 5.7, 7.1.8 or 7.1.10.

12.3 **Cap Amount**. For purposes of this Agreement, the "Cap Amount" shall mean:

12.3.1. Six Million Five Hundred Thousand Dollars ($6,500,000) for any claim or claims made during the period from the Effective Date to the second anniversary of the Service Commencement Date;

12.3.2. Seven Million Five Hundred Thousand Dollars ($7,500,000) for any claim or claims made during the period from the second anniversary of the

Service Commencement Date to and including the fifth anniversary of the Service Commencement Date; and

12.3.3. For any claim or claims made during a Contract Year of a Renewal Term, Two and one-half (2.5) times the annual License Fee paid during such Contract Year; and for any claim or claims made following the Term, Two and one-half (2.5) times the annual License Fee paid during the final Contract Year of the Term.

13. **COMPLIANCE MATTERS**

13.1 **Citadel Corporate Policies**. comScore shall, and shall cause its permitted subcontractors and employees to, abide by the following:

13.1.1. **Security**. All comScore personnel (including personnel of any permitted subcontractors) shall be subject to and shall at all times conform to Citadel's security rules and requirements for the protection of Citadel's plant, materials, equipment and personnel while on Citadel premises. Any violations or disregard of these rules shall be cause for denial of access to Citadel's property.

13.1.2. **Computer Information and Access**. comScore will comply with all rules of Citadel concerning access to Citadel's computers and use of computer data and software. Prior to performing any Services pursuant to this Agreement, comScore's personnel shall execute Citadel's standard forms concerning access protection and data/software security. Citadel shall issue to comScore personnel access mechanisms including, but not limited to, access IDs, passwords, and access cards that are to be used only by the comScore personnel to whom they are issued. Citadel's computer data and software shall be used by comScore personnel only in connection with comScore's obligations hereunder. Failure of comScore to comply with these rules may result in Citadel restricting offending personnel from access to Citadel computer systems or immediate termination of this Agreement.

13.1.3. **Other Policies**. comScore agrees that as part of its provision of Services hereunder, it shall ensure that its personnel are trained, qualified, and available to perform all Services required in work areas requiring specific health, security, or safety precautions. comScore shall, and shall cause its Subcontractors and employees to, abide by all Citadel corporate policies that may be established by Citadel from time to time.

14. **GENERAL PROVISIONS**

14.1 **Affiliates; Third Parties; Days.** For purposes of this Agreement, "Affiliate," with respect to any person or entity, shall mean any other person or entity which directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with such person or entity. For purposes of this definition, control of a person means the power, direct or indirect, to direct or cause the direction of the management and policies of such person or entity whether through the ownership or trading of securities, by contract or otherwise. Citadel Affiliates shall include, without limitation, funds managed by Citadel or its Affiliates as portfolio manager, funds for which Citadel or its Affiliates serves as a general partner, funds managed by senior managing directors of Citadel, and any entity for which Kenneth C. Griffin or his Affiliates provide the majority of the investment capital. For purposes of this Agreement, "Third Party" shall mean any third party. Affiliates of Citadel shall not be considered third parties. Unless specified herein, any reference to "day" or "days" shall mean calendar day or days.

14.2 **Amendments.** This Agreement may be amended, modified or changed only by a written instrument duly executed by the authorized representatives of both parties. Both parties agree that, at any time during the Term, if either party sees a need to adjust or change any part of the provisions hereof, the other party will agree to discuss such adjustments or changes, provided that each party may, in its sole discretion, decide not to agree to make any such adjustments or changes.

14.3 **Assignment; Binding Effect.** Neither party shall assign this Agreement nor delegate any of its duties, in whole or in part, without the prior written consent of the other party; provided, however, that each party shall be entitled to assign, sell, or dispose of, this Agreement, its interest herein and its rights and obligations hereunder, to any successor of such party without the consent of the other party in the event of a merger, reorganization, acquisition, change of control, or sale of all or substantially all of the assets of the assigning party, provided that such successor, in comScore's case, is not a Citadel Competitor. In no event shall Citadel's consent be construed as discharging or releasing comScore in any way from the performance of the Services or the fulfillment of any obligation under this Agreement. An assignee of either party authorized hereunder shall be bound by the terms of this Agreement and shall have all of the rights and obligations of the assigning party set forth in this Agreement. comScore shall not sell or dispose of all or substantially all of its assets unless the acquirer agrees to the assignment and assumption of this Agreement, provided that in no event shall this Agreement be assigned to a Citadel Competitor.

14.4 **Choice of Law; Consent to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of Illinois. Each party consents to the jurisdiction of the United States district court for the Northern District of Illinois and, if applicable, the state courts located in Cook County, Illinois, for any legal action, suit, or proceeding arising under or relating to of this Agreement, and agrees that any such action, suit, or proceeding may be brought only in such courts. Each party further waives any objection to the laying of venue for any such suit, action, or proceeding in such courts or for the purpose of enforcing any such decisions or rulings. Each party agrees to accept and acknowledge service of any and all process that may be served in any such action, suit or proceeding or for the purpose of enforcing any such decisions or rulings. Each party agrees that any service of process upon it mailed by registered or certified mail, return receipt requested to such party at the address provided in Section 14.12 shall be deemed in every respect effective service of process upon such party in any such action, suit or proceeding or for the purpose of enforcing any such decisions or rulings.

14.5 **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement.

14.6 **Entire Agreement; No Beneficiaries.** This Agreement (together with all of the Exhibits referenced herein and attached hereto) shall constitute the entire agreement between the parties regarding the subject matter hereof, and supersedes any and all prior negotiation, representations, warranties, undertakings or agreements, written or oral, between the parties regarding such subject matter. Nothing herein is intended to or shall be construed to confer upon any party, other than the parties hereto, any interests, rights, remedies or other benefits in connection with any agreement or provision contained herein or contemplated hereby. In the event comScore submits work orders, change orders, invoices or other similar documents for accounting or administrative purposes or otherwise, no pre-printed or similar terms and conditions contained in any such form shall be deemed to supersede any of the terms and conditions herein without express approval (making specific reference to this Section 14.6) by Citadel. Neither shall any pre-printed or similar terms and conditions contained in any purchase order issued by Citadel hereunder be deemed to supersede any of the terms and conditions herein

14.7 **Execution.** The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event of an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if jointly drafted by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision herein.

14.8 **Force Majeure**. Neither party shall be liable for any failure or delay in performing its obligations under this Agreement due to causes beyond its control (each, a “Force Majeure”), including, but not limited to, acts of God, the public enemy, terrorism, riots, fires, natural catastrophes or epidemics except that “Force Majeure” expressly excludes the following: any event that comScore could reasonably have prevented by compliance with the Disaster Recovery Plan, or by testing, work-around, or other exercise of diligence, including, but not limited to, any failure to provide Services in accordance with the provisions of this Agreement as a result of any power failure that could have been prevented by access to redundant power supplies; any strike, walkout, or other labor shortage; any failure of any software, system, facilities, or hardware that could have been prevented by testing, and any cause or event caused by the negligence of a party or a breach or default by a party under this Agreement. In the event of such a Force Majeure, the date of delivery or performance hereunder shall be extended for a period not to exceed the time lost by reason of the failure or delay; provided that the party affected by the Force Majeure is using commercially reasonable efforts to mitigate or eliminate the cause of such delay or its effects and, if events in the nature of the Force Majeure event were foreseeable, used commercially reasonable efforts prior to its occurrence to anticipate and avoid its occurrence or effect. Each party shall notify the other in writing promptly of any failure or delay in, and the effect on, its performance.

14.9 **Headings.** Headings of the sections used in this Agreement are inserted for convenience of reference only and shall in no way affect the interpretation hereof.

14.10 **Independent Contractor**. comScore is an independent contractor; nothing in this Agreement shall be construed to create a partnership, joint venture, or agency relationship between the parties. Each party will be solely responsible for payment of all compensation owed to its employees and agents, as well as employment related taxes. Subject only to the terms of this Agreement, comScore shall have complete control of its agents and employees engaged in the Services. comScore shall ensure that neither it nor its agents or employees shall act or hold themselves out as agents or employees of Citadel. comScore shall (or shall cause its subcontractors to) (i) maintain all necessary personnel and payroll records for its employees, (ii) calculate and pay their wages and withhold all required taxes and other government-mandated charges, if any, (iii) remit such taxes, employer contributions, and other levies or charges to the appropriate government entity, including, but not limited to, withholding taxes, employment insurance, workers' compensation assessments, employer health tax, vacation pay, and cost on vacation pay, and (iv) pay net wages and fringe benefits in accordance with applicable law directly to its employees.

14.11 **Insurance.** comScore shall carry such worker's compensation, commercial general liability, automobile liability, umbrella or excess liability and professional liability (errors and omissions) insurance as is reasonable and customary for similar enterprises and such insurance as is required by law; provided, however, in any event, but without limiting the generality of the foregoing, comScore shall carry the following:

14.11.1. General Liability and Professional Liability (Errors and Omissions) — \$3,000,000 combined single limit per occurrence, \$5,000,000 annual aggregate, or \$2,000,000 bodily injury and \$4,000,000 property damage (comScore's Professional Liability coverage of \$2,000,000 shall include Citadel as a named beneficiary solely for claims made in connection with this Agreement and shall remain in force for the five year period following any expiration or termination of this Agreement); and

14.11.2. Workers' Compensation — statutory requirement and \$500,000 employer's liability and providing that every underwriter will waive all of its rights of recovery under subrogation or otherwise, against Citadel, comScore and their Affiliates.

Such insurance shall be written with insurers of good standing and licensed to do business in the locations where the Services are to be performed and having policy holder ratings no lower than "A-" and financial ratings not lower than "VII" in the Best's Insurance Guide, latest edition in effect as of the Effective Date. comScore shall provide Citadel with a Certificate of Insurance specifically evidencing the coverages required above, naming Citadel as an additional insured and stating the policy numbers and the inception and expiration dates of all policies, effective on and following the Services Commencement Date. The Certificate of Insurance shall also provide for thirty (30) calendar days prior written notice to Citadel in the event of cancellation or any material alteration of any policy. The Certificate of Insurance shall be furnished to and/or be on file with Citadel prior to commencement of any work under this Agreement by comScore or any of its permitted subcontractors, if applicable.

14.12 **Notices.** Any and all notices, requests, demands and other communications required or otherwise contemplated to be made under this Agreement shall be in writing and shall be deemed to have been duly given: (i) if delivered personally, when received, (ii) if transmitted by facsimile, upon receipt of a confirmation of receipt, (iii) if by certified U.S. mail, return receipt requested, postage prepaid, or by reputable overnight courier, when received. All such notices, requests, demands and other communications shall be addressed as follows;

If to Citadel:

Citadel Investment Group, L.L.C.
131 South Dearborn Street, 37th Floor
Chicago, Illinois 60603
Attention: Chief Executive Officer
Facsimile: 312-267-7501

with a mandatory copy to:

Citadel Investment Group, L.L.C.
131 South Dearborn Street, 32nd Floor
Chicago, Illinois 60603
Attention: General Counsel
Facsimile: 312-977-0280

If to comScore:

comScore Networks, Inc.
500 West Madison, Suite 2980
Chicago, IL 60661
Attention: Chairman
Facsimile: 703-438-2051

with a copy to:

comScore Networks, Inc.
11465 Sunset Hills Road, #200
Reston, Virginia 20190
Attention: Corporate Counsel
Facsimile: 703-997-0887

Or in each case to such other address or facsimile number as one party may have furnished to the other party in writing.

14.13 **Publicity**. Without the express written consent of the other party, which consent shall be given only in the other party's sole discretion, neither party shall use: (i) the other party's name or the name of any Affiliate of the other party, or any divisions or business units of any of them; (ii) the name of any officer, director, employee, or independent contractor of the other party or its Affiliates; (iii) the name of any product or service of any of the other party or its Affiliates; or (iv) the name of any customer of the other party, in connection with any marketing, advertising, or other publicity or business proposal.

14.14 **Recordkeeping and Audits.**

14.14.1. **Financial Audits**.

14.14.1.1 **Annual Audits**. comScore, at its sole expense, shall conduct a self audit, on not less than an annual basis, of the accuracy of invoices submitted to Citadel and of comScore's permitted subcontractors' invoices for licenses and services provided to Citadel or comScore, and the respective agreements between comScore and comScore's permitted subcontractors. comScore shall deliver a copy of the report of such audit to Citadel within fourteen (14) calendar days after the end of each audit year. comScore, at its sole expense, shall also engage independent certified public accountants to audit and prepare annual financial statements each fiscal year.

14.14.1.2 **Optional Citadel Audit**. Notwithstanding the foregoing, Citadel, at any time and from time to time but no more than once per year, upon reasonable notice to comScore and at Citadel's sole expense, may also audit or cause to be audited the relevant portion of the financial records of comScore and comScore's permitted subcontractors to verify the accuracy of comScore's invoices to Citadel and comScore's permitted subcontractors' invoices to comScore. Citadel and its authorized agents and representatives will have access to inspect and copy such records for purposes of such audit during normal business hours; provided, however, that if such audit discloses that an error of five percent (5%) or more regarding invoices during the audited period was made in favor of comScore or any permitted subcontractors, comScore shall pay the entire cost of such audit. comScore shall bind each of its relevant subcontractors in writing, as part of the agreements between comScore and the respective Subcontractor, to make its financial records available for audit and inspection as required by this Section 14.14.

14.14.1.3 **Adjusting Payment Upon Audit**. To the extent that any audit as provided in this Section 14.14 discloses an overpayment or underpayment, comScore or Citadel, as the case may be, shall promptly refund or pay to the other, as the case may be, the amount of such overpayment or underpayment.

14.14.2. **Recordkeeping Requirements**. comScore shall maintain, and shall use its reasonable efforts to cause each of its relevant subcontractors to maintain, complete and accurate accounting records in a form in accordance with generally accepted accounting principles and complying in all respects with all applicable laws, to permit substantiation of the charges and prices of comScore and comScore's permitted subcontractors hereunder and to permit verification of compliance by comScore with the terms of this Agreement. comScore shall retain, and shall use reasonable efforts to cause each of comScore's relevant subcontractors to retain, such records for a period of five (5) years from the date to which each such record pertains.

14.14.3. **Operational Audits**. No more than once per year, Citadel and its authorized representatives shall have the right, at any time, upon reasonable notice, to perform an operational audit with respect to comScore's performance of the Services and provision of the comScore Materials, including, but not limited to, comScore's plans and operations related to security, disaster recover, fail-over planning, networks, data centers and systems and the number and type of panelists and machines used by comScore to generate the comScore Data. For purposes of such audit, comScore shall grant Citadel and its representatives full and complete access, during normal business hours and upon reasonable notice, to the relevant portion of comScore's books, records, documents, data, information, networks, data centers and systems as they relate to this Agreement, or as they may be required in order for Citadel to ascertain any facts relative to comScore's performance hereunder. comScore shall provide Citadel and its authorized representatives such information and assistance as reasonably requested in order to perform such audits; provided, however, that the parties shall endeavor to arrange such assistance in such a way that it does not interfere with the performance of comScore's duties and obligations hereunder. Any third parties performing this audit shall do so only after executing nondisclosure agreements reasonably satisfactory to comScore. If any audit pursuant to this Section reveals a material inadequacy or insufficiency of comScore's performance of the Services or any obligation of comScore related to security, then comScore shall promptly develop and provide to Citadel a corrective action plan, such plan to be reasonably satisfactory to Citadel, and promptly thereafter implement such plan at comScore's sole cost and expense.

14.14.4. **Contract Audit**. At any time, and from time to time, upon Citadel's request, comScore shall provide Citadel with a list of all Third Parties receiving products or services from comScore. Such list shall identify Third Parties as Financial Companies and non-Financial Companies, and in the event comScore is prohibited from a particular Third Party from disclosing the name of such Third Party, then comScore shall assign a unique identifier to such Third Party and use such identifier in the list. comScore acknowledges and agrees that it shall deliver a current list within thirty (30) days of the Effective Date with all Third Parties identified as Financial Companies and non-Financial Companies. Citadel shall have the right, no more than once a year, upon reasonable notice, to appoint an independent auditor to perform an audit with respect to comScore's compliance with the exclusive rights and other limitations on use and access to the comScore Materials by Third Parties. In connection with such audits, upon Citadel's request, comScore shall provide such independent auditor with a list of all Third Parties receiving products or services from comScore and copies of all contracts with such Third Parties, redacted solely to the extent required by an applicable Third Party but in no event shall comScore redact such contract in such a manner as to prevent Citadel from determining whether the terms and conditions of this Agreement have been breached. Any independent auditors performing this audit shall do so only after executing nondisclosure agreements reasonably satisfactory to comScore; provided, however, such nondisclosure agreements shall not prevent such independent auditors from disclosing the results of such audit. Notwithstanding the foregoing, the independent auditor shall not disclose information regarding comScore customers except as reasonably required to determine whether the terms and conditions of this Agreement have been breached. comScore and Citadel shall bear the cost of such audits equally.

14.15 **Remedies.** comScore shall, with respect to any breach during the Term of this Agreement, promptly and at no charge to Citadel, (i) reperform any Services that do not meet the requirements of this Agreement and (ii) correct all failures of the comScore Materials or Citadel Owned Developed Materials (other than Citadel Owned Developed Materials developed solely or primarily by Citadel) to perform in accordance with the requirements of this Agreement. No remedy set forth in this Agreement (except to the extent specifically stated herein) is intended to be exclusive of any other remedy including setoff or the withholding of disputed payments. Each remedy shall be in addition to every other remedy given hereunder, or now or hereafter existing at law, in equity, by statute, or otherwise.

14.16 **Severability.** If any provision or any portion thereof shall be held to be void or unenforceable in any jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

14.17 **Trademarks**. Any use of such comScore Trademarks must be in compliance with comScore's then-current trademark usage guidelines as disclosed to Citadel in writing. comScore may request from time to time upon reasonable prior notice to Citadel that Citadel provide specimens of its use of the comScore Trademarks to ensure compliance with the trademark usage guidelines. All goodwill arising from Citadel's use of the comScore Trademarks will inure to the benefit of comScore.

14.18 **Waiver.** No waiver by either party, whether expressed or implied, of any provision of this Agreement, or of any breach or default, shall constitute a continuing waiver of such breach or default of such provision or any other future breach under this Agreement.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Licensing and Services Agreement to be duly executed as of the Effective Date.

CITADEL INVESTMENT GROUP, L.L.C.

By: /s/ Adam Cooper
Adam C. Cooper
Senior Managing Director & General Counsel

COMSCORE NETWORKS, INC.

By: /s/ Magid Abraham
Magid Abraham
Chief Executive Officer

LIST OF SCHEDULES

Description	Reference
comScore Data (including Raw Data (including Visitor Data and Transaction Data), Processed Data, Third Party Data and Data Elements)	Schedule 1.1.1.1
comScore Signals	Schedule 1.1.1.1(b)
comScore Software	Schedule 1.1.1.2
comScore Technology	Schedule 1.1.1.3
comScore Trademarks	Schedule 1.1.3
Financial Company	Schedule 1.4
Privacy Controls	Schedule 1.6
Grandfathered Signal Clients	Schedule 2.1.1-A
Grandfathered Data Clients	Schedule 2.1.1-B
Grandfathered Agreements	Schedule 2.4.1.5
Levels of Specificity	Schedule 2.4.2.1
Steering Committee and Contract Executives	Schedule 5
Methodology	Schedule 7.1.1
Certain Standards	Schedule 7.1.2
Panel Information	Schedule 7.1.3

SCHEDULE 1.1.1.1

COMSCORE DATA

Without limiting comScore's obligations to provide the comScore Data as specified in the Agreement, at a minimum, the comScore Raw Data and comScore Processed Data shall contain sufficient data to derive the information contained below under the headings "Transaction Data", "Visitor Data" and "Visitor Data: Browsing Data Metrics". ComScore represents, warrants and covenants that the information contained under the heading "Data Warehouse Tables and Data Field Information" is and shall be an accurate list of the database tables and data fields portions of the comScore Raw Data and comScore Processed Data as of the Effective Date and Services Commencement Date, but is subject to modification at comScore's reasonable discretion, provided however that comScore notifies Citadel of such changes in a timely manner.

1. Transaction Data

Daily data showing online transactions (i.e. purchases, subscriptions, registrations and virtual transactions such as credit card applications) at the sites coded by comScore and tabulated by individual computer:

- Computer location (i.e. home, work, university, country)
- Type of transaction
- Alpha description of item purchased
- Category classification
- Domain where transaction occurred
- Date
- Method of payment, including credit card type
- Price paid and shipping information
- Demographics of household owning computer
- comScore weighting / projection factor for individual computer

2. Visitor Data

Daily and weekly browsing data tabulated by individual computer for the 10,000 most visited U.S. sites:

- Computer location (i.e. home, work, university, country)

- Number of unique visitors, visits, page views and visit duration
- Domain visited
- Date
- Demographics of household owning computer
- comScore weighting / projection factor for individual computer

3. Visitor Data: Browsing Data Metrics

- Unique Visitors (UV)
- Minutes of Usage (MOU)
- Page Views (PV)
- Avg Visits per Visitor (calculated as day visits)
- Avg Minutes per Visitor
- Avg Pages per Visitor
- Audience composition Indexes

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4. Data Warehouse Tables and Data Field Information

Data Warehouse Table Name	Description	Time Period Available
	[* * * *]	

Name	Column Name	Data Type	Length	Name	Column Name	Data Type	Length
				[* * * *]			

Name	Column Name	Data Type	Length	Name	Column Name	Data Type	Length
				[* * * *]			

Name	Column Name	Data Type	Length	Name	Column Name	Data Type	Length

[* * * *]

Name	Column Name	Data Type	Length	Name	Column Name	Data Type	Length
				[* * * *]			

Name	Column Name	Data Type	Length	Name	Column Name	Data Type	Length

[* * * *]

Name	Column Name	Data Type	Length	Name	Column Name	Data Type	Length
			[* * * *]				

Name	Column Name	Data Type	Length	Name	Column Name	Data Type	Length
				[* * * *]			

SCHEDULE 1.1.1.1(b)

COMSCORE SIGNALS

Amazon

Travelocity Sabre Group

Interactive Corp.

Orbitz

Yahoo

Southwest Airlines

SCHEDULE 1.1.1.2

COMSCORE SOFTWARE

Query	Description
Domain Basket Distribution Monthly (use integer breaks)	Projected Domain Sales by specified price breaks
Domain UNIT PRICE Distribution (use integer breaks)	Returns Distribution of product item sales by unit price break
HF — Adjusted Merchant Monthly Sales	Daily Statement Viewing Adjusted Merchant Level Sales Report over a given range of Months by Issuer
HF — AMZN Monthly Revenue	Explicit AMZN ecommerce Transaction Data Supporting Revenue Estimates
HF — Ebay Listings	Ebay Listings by category by day
HF — FRIDAY End Week Data	Friday Ending Week Category Sales Data
HF — SUNDAY End Week Data	Sunday Ending Week Category Sales
HF — Travel Dates — DOMAIN Prod Item sales by month	Domain Travel date dump
HF — Travel Dates — Ecomm Domain Prod Item sales by month	Product Item Level list of Travel Transactions by Domain by month
HF — Travel Subcat Breakdown	Travel Subcategory Sales — Monthly (built on trav date refresh)
HF — Yahoo Premium Service Sales	Monthly Sales for each of Yahoo's major Premium Service offerings
HF Alert — Ecomm – Dynamic	Enter Month_ids seperated by commas, Group 1 vs. Group 2, Group 3 vs. Group 4
Priceline — Monthly Bids, Bidders, Amounts by Type	Monthly summary of Priceline.com bid activity
Priceline — Quarterly Bids, Bidders, Amounts by Type	Quarterly summary of Priceline.com bid activity
Proj Category Item Sales by Domain	Projected Category Sales for single domain for single month
Proj Category Sales by ECOMM Domain	Projected Category Sales for single ecommerce Domain
Travel Category Sales	Projected Travel Item Sales by Travel Category (Air, Hotel, Car, Packages, Other)
Travel Category Sales DAILY	Projected Travel Item Sales DAILY by Travel Category (Air, Hotel, Car, Packages, Other)
Total Ecommerce Category Spending Estimates	The Total Ecommerce Category Spending Estimates provide category spending estimates calibrated to Commerce Dept. Ecommerce sales estimates.
Monthly Projected Site Sales	The Monthly Projected Site Sales report provides the projected sales data for a given domain or e-commerce domain, stratified by population and month.

Query	Description
Weekly Projected Site Sales	The Weekly Projected Site Sales report provides the projected sales data for a given domain or e-commerce domain, stratified by population and week.
Daily Projected Site Sales	The Daily Projected Site Sales report provides the projected sales data for a given domain or e-commerce domain, stratified by population and day.
Monthly Product Category Sales	The Monthly Product Category Sales report provides an in-depth look at the Product Category spending. Category spending is broken out by category, domain, time, and demographics.
Weekly Product Category Sales	The Weekly Product Category Sales repoprt is identical to the Monthly Product Category spending report but stratifies upon week.
URL Traffic Report	The URL Traffic Report provides machines, visits, and hits for specific URL strings or all URL string, for a give domain or list of domains.

Netscore or a successor service Access Including Demographic Analysis
Mymetrix Access
ProClarity Access to the following Cubes
- Internet Traffic to Top 10,000 Domains
- Weekly Internet Traffic to Top 10,000 Domains
- Product Category Sales
- Website Sales

Third Party Software:
SQL query analyzer
Sybase query tool
Cisco VPN client
Sybase ASE Interactive SQL — Version 7.0
Sybase SQL Advantage 11.5/PC

SCHEDULE 1.1.1.3

COMSCORE TECHNOLOGY

comScore
Population Size Estimation, Panelist Description,
In-Tab Sample Selection & Projection Weight Calculation

Models, algorithms and analytical tools related to the following:

1. **Population Definitions**

comScore currently provides measurements for these four populations:

U.S. Home. This is the population of computers used to access the Internet for more than e-mail in the last [* * * *] days from private residences in the U.S., excluding those that are in private residences for which a head of household is a fulltime student and those that are in a home office. A fulltime student is someone who was enrolled fulltime at a post-secondary, title IV institution in the most recent October. A home office is a place in a private residence from which a resident operates a business.

U.S. Work. This is the population of computers used to access the Internet for more than e-mail in the last [* * * *] days from workplaces in the U.S., except for those computers that have more than one user and those for which Internet access is significantly restricted. Workplaces include home offices, where a home office is a place in a private residence from which a resident operates a business. There are four categories of Internet access: unrestricted, screened, targeted, and e-mail only. A computer's access to the Internet is significantly restricted if the access is only "targeted" access, which means that a user can view pages only from domains in some list of domains, like an intranet plus documented research sites, or if the computer can only send and receive email. A computer's access to the Internet is not significantly restricted if the access is "screened," which means that a user cannot view pages from domains in some list of domains, like known adult or gambling sites, or if the access is unrestricted.

U.S. School. This is the population of computers owned by full-time students that have been used to access the Internet for more than e-mail in the last [* * * *] days from group quarters or a private residence for which a head of household is a full-time student. A fulltime student is someone who was enrolled full-time at a post-secondary, title IV institution in the most recent October. Group quarters include dormitories and fraternity and sorority houses. This population excludes computers that are not privately owned, such as the computers owned by educational institutions.

International. This is the population of computers used to access the Internet for more than e-mail in the last [* * * *] days by people who are not residents of the U.S.

2. **Population Size Estimation**

U.S. Home. The size of the U.S. Home population in any month is estimated in these three steps:

1. We estimate the proportion of households that have at least one member accessing the Internet from a computer in the U.S. Home population. The data used to estimate this proportion are from a continuously administered telephone survey, that we call the Population Survey ([* * * *] completed interviews every month) of adults living in private residences in the U.S. The survey is administered by [* * * *] effective September 2003. Only one adult in any household is interviewed. For any month, the estimate of the proportion is the average calculated with the data collected during the 20 weeks ending with the week containing the last day of the month. This same survey also yields estimates of the average number of computers in the U.S. Home population calculated across households that have at least one.
2. We estimate the total number of households in any month by linearly interpolating between projections purchased from another company, [* * * *], that are based on both the decennial census and the Current Population Survey.
3. We multiply the estimated number of households by the estimate of the proportion of households with at least one member accessing the Internet from a computer in the U.S. Home population. This then is multiplied by the average number of computers in the U.S. Home population calculated across households with at least one.

U.S. Work. The size of the U.S. Work population is similarly estimated in three steps:

1. We estimate the proportion of adults who access the Internet from a computer in the U.S. Work population, and we calculate the average number of such computers across adults who use at least one. The same Population Survey that provides data for estimating the size of the U.S. Home population also yields the information required to estimate this proportion of adults. The proportion is an average calculated with the data from the 20 weeks ending with the week containing the last day of the month.
2. We use data acquired from [* * * *] and linear interpolation to estimate the number of adults in any month.
3. We multiply the estimated number of adults by the estimate of the proportion of adults accessing the Internet from a U.S. Work computer. This then is multiplied by the average number of U.S. Work computers calculated across adults who use at least one.

U.S. School. We use information from both primary research and secondary sources to estimate the total number of computers owned by students and used to access the Internet.

The U.S. School population consists of two segments: computers belonging to students living in group quarters (21%) and computers belonging to students living in a private residence headed by a full-time student (79%). To estimate the size of the first segment, we ask respondents [* * * *] survey how many of their family members are students living in group quarters and how many of them own a computer that they use to access the Internet. From this we derive the rate at which students living in group quarters own computers and use them to access the Internet. We then apply this rate to estimates of the total number of students living in group quarters obtained from [* * * *].

To estimate the size of the second segment, we use responses to the Population Survey from people in households headed by fulltime students. We estimate the proportion of households that are headed by fulltime students, the proportion of those for which at least one member uses the Internet, and the average number of computers used to access the Internet among those households with at least one such computer. We take the product of these and multiply it by our estimate of the number of households in the U.S.

We corroborate our estimates of U.S. School computers by looking for consistency with information from a periodic survey of college students called [* * * *], information published by institutions that require computer ownership, and other public or syndicated research of students.

International. We currently do both primary and secondary research to estimate the numbers of computers used to access the Internet in each of 240 countries. In Canada, we have commissioned [* * * *] to do a quarterly survey. We also purchase data from periodic surveys executed by other research companies, such as [* * * *], which enables population enumeration for about 40 countries. Finally, to estimate the sizes of populations in remaining countries, we use summarized data from a large number of reports from inter-governmental agencies, like the [* * * *] and the [* * * *]; from government statistical agencies, such as [* * * *], the [* * * *], and the [* * * *]; from private research organizations, such as the [* * * *]; from news releases; and from companies making mechanical measurements of the size of the Internet, such as [* * * *].

3. **Panelist Description**

Our projection process includes post-stratification and so requires descriptive information about the computers in our samples and the households that use them. Most of this information is obtained in the "registration process," the online process required of someone who has been persuaded to include one's computer in [* * * *]. However, sometimes a participant does not answer all questions, answers some questions falsely or, over time, a participant's answers become outdated.

For U.S. panelists, we test for incorrect information. For all U.S. panelists, we purchase demographic data from [* * * *], and we also have block-varying projections of household characteristics based on Census data. We compare information provided during the registration process to the [* * * *] and Census data and search for inconsistencies that suggest that the data from the registration process are false. In cases where we do not have a response to a registration or we suspect the response we have is false or outdated, we will substitute information acquired from [* * * *] or inferred from the Census data. For the work sample, the [* * * *] data does not provide information about the company size in the place of work. This limits comScore's ability to adjust for company size in its work projections.

For panelists outside of the U.S., we do not currently buy data from [* * * *] or any similar company.

For all panelists, including those not in the U.S., we automatically search the data we continuously accumulate for evidence of panelists' ages and genders, and we record and use this information in cases where panelists did not provide the information during the registration process. We also use the data we continuously accumulate to detect a panelist's current ISP, connection type (broadband or non-broadband), and use of languages (we count the numbers of pages requested that use each of the major languages).

4. **In-Tab Sample Selection.**

For any month, we select a subset (the "in-tab sample") of the computers that have been registered for [* * * *] for the calculation of measurements for the month. The criteria for that a computer must satisfy to qualify for the in-tab sample for a month include:

- [* * * *]
- [* * * *]
- [* * * *]

- [* * * *]

The in-tab sample selection process is the same for all populations.

5. **Projection Weight Calculation**

To calculate projection weights for computers in the U.S. Home population, we stratify them on characteristics of the computers and of the households that use them, including certain aggregate measures of Internet activity. These include:

[* * * *]

The underlying assumption, behind the projection weights, is that the sample (both machine and people) within each strata is representative of the population in the same strata. There maybe other strata that are appropriate and practical in the future, that take into account other demographic variables, Computer Characteristics such as the number of machines used in the household to explicitly adjust for multiple machines in the household that are not monitored by [* * * *], or other more detailed Internet Activity.

Our information about the distribution of these characteristics in the population has three sources. We estimate the joint frequencies of the demographic variables with data from the Population Survey. The marginal distributions of service provider, browser used and connection type are also estimated with data from the Population Survey.

Joint frequencies of the measures of Internet activities are projected from a *calibration sample*. A calibration sample is a relatively small probability sample of computers recruited so that it will not have the biases of a panel recruited using primarily online advertising and e-mail solicitations, which are the primary means of recruiting computers for the [* * * *] panel. Although much smaller than the in-tab sample, it is sufficiently large to estimate the frequency distribution of Internet user sessions and the frequency of visits to any domain in a cluster of domains. The calibration sample consists of the computers used by [* * * *] households, the panel of households acquired when Media Metrix assets were purchased, which are households recruited from among those with telephone numbers in random samples. We continuously recruit households for the [* * * *] panel to replace those that leave the panel. Samples are purchased from [* * * *] and the recruitment is done by [* * * *].

To project population distributions from the calibration sample, projection weights are calculated for computers in this sample. This is done by stratifying them on region of residence, total income and total size of the households that own them. The number of U.S. Home computers in each stratum is estimated using the responses to the Population Survey obtained during the [* * * *] weeks ending with the week that includes the last day of the period for which weights are required. The weight for each computer in a stratum is this estimate divided by the number of calibration sample computers in the stratum.

[* * * *]

Bishop, Fienberg and Holland, **Discrete Multivariate Analysis: Theory and Practice**, 1975

Agresti, **Categorical Data Analysis**, 1990

To calculate projection weights for the sample of computers used to access the Internet by people not in the U.S., we stratify first on country group, and then have different methods for calculating weights for different country groups. Many country groups consist of a single country, such as Canada.

For Canada, we stratify on characteristics of the households using the Internet, on characteristics of their members, and on a measure of the intensity of use of “Canadian sites”.

- [* * * *]
    - [* * * *]
    - [* * * *]
    - [* * * *]
    - [* * * *]
- [* * * *]
    - [* * * *]

[* * * *]

The distribution of the population by frequency of use of Canadian sites is projected from a calibration sample, which is the subset of Canadian panelists who are [* * * *] panelists.

For the UK, France, and Germany, we stratify on:

[* * * *]

For 20 other countries, we stratify on:

[* * * *]

We stratify on language use because large numbers of panelists from these countries registered at our English-language registration sites. The source of distributions of the populations of Internet users in other countries by language use is [* * * *] survey.

For purposes of this Schedule, “we” and “our” refer to comScore.

MEDIA METRIX 2.0 TECHNOLOGY

MyMetrix
Media Metrix 2.0

ABOUT OUR STUDY PROCEDURES
AND REPORTING STANDARDS

PAGE TOPICS:

BACKGROUND

Media Metrix 2.0 presents marketers, ad agencies and content providers with the most comprehensive Internet audience measurement system in the industry. Media Metrix 2.0 was introduced in November ’02 and is the end result of the integration of:

Media Metrix who created online media measurement and set the industry standard for Internet reporting	+	**comScore Networks’** enhanced capabilities to capture online transactions & niche audiences

The following discusses Media Metrix 2.0 study procedures, highlighting major changes and benefits incorporated from the legacy Media Metrix service. Please feel free to contact your account representative with any additional questions or comments.

SAMPLE AND FIELDWORK

Media Metrix 2.0 is based upon a core panel of Internet users that is recruited using Random Digit Dial (RDD) methodology, supplemented by sizable numbers of work and university panels recruited online. Integration of the latter two panelist groups provides increased granularity of reporting. As a result, Media Metrix 2.0 now provides increased data detail and reliability essential to making better informed decisions for online advertising, marketing, and commerce.

CORE PANEL SAMPLE AND RECRUITMENT

comScore Media Metrix uses Random Digit Dial (RDD) recruitment methodology to build the core U.S. panel that has served as the industry standard in Internet audience measurement. RDD procedures are essential to building representative panels that minimize bias in the initial contact and subsequent recruitment. The panel was comprised primarily of Internet users from home and work, with some limited representation among university students.

Recruitment starts with the acquisition of random-generated samples of telephone numbers from working exchanges and then matched to national directories to obtain mailable addresses where possible. Households with matching phone numbers and mailing addresses are mailed a recruitment package seeking their participation in the panel. This mailer is designed to encourage panel membership by more fully describing the benefits of panel membership. It allows for fuller discussion of how panelist's behavior is measured unobtrusively and provides potential panelists with the information and time to make an informed decision on whether to join the panel.

All non-responders to the mailing, as well as households with non-matching phone numbers, are called directly by telephone to enlist their participation in the panel. Up to [* * * *] recontacts via phone/mail are made to everyone in the sample to ensure as complete coverage of all potential panel members, as possible.

Persons agreeing to panel membership are re-screened to confirm eligibility (must use Internet). They join the panel by entering into a panel membership contract, including an expressed privacy agreement, and completing a short survey describing Internet users in the household. Note: other eligible household members (2+ years old) are enrolled at this time.

Persons who use the Internet at work are directed to set-up measurement of their online behavior at this location, if they are the primary user of their work PC. These persons comprise a very important sub-group within the core panel and comprise the base for at-work Internet reporting. Students (18+) living in dormitories or off-campus apartments are now included in the College/University sample rather than Home sample.

WORK AND UNIVERSITY SUPPLEMENT SAMPLES AND RECRUITMENT

The Media Metrix 2.0 panel also includes supplementary samples representing usage from the workplace and college/university environments. The addition of these panelists improves the robustness and reliability of information on Internet usage data from these locations that are increasingly critical to a fuller understanding of the online marketplace.

Workplace Measurement: Historically Media Metrix reported at-work Internet usage from panelists recruited via RDD (as described above).

Despite a lengthy and intense effort over the last four years to increase the effectiveness of RDD in building a more robust workplace panel, the total at-work panelists never exceeded [* * * *] users. The at-work sample was adequate for reporting overall workplace Internet usage, but limited when providing detailed coverage of smaller sites, business-to-business vendors, and critical volume of online transactions during workday hours. It became clear that broader recruitment strategies would have to be implemented.

After extensive study, comScore Media Metrix adopted a hybrid recruiting methodology which maintains RDD recruitment while using online recruiting to supplement the at-work sample. The latter online procedure is akin to research procedures of over-sampling of hard to reach sub groups that are then weighted-back to proper representation.

That RDD procedures alone are insufficient for building meaningful work samples was buttressed by the ARF in a recent analysis of comScore recruitment methodology for the netScore product (the sister service to Media Metrix 2.0). The ARF noted that:

> The industry's veneration of probability samples stems from the conviction that we are less likely to have bias in our measurement with this sampling, and that if bias does somehow sneak in, with random sampling, we are equipped to find it and root it out. However, that conviction has weakened with the continuing declines in response rates to levels that, for some, has made "random" a dubious promise.[1]

The ARF also found great benefit in the use of increased sample sizes "to take media measurement the "final mile" – from media exposure to advertising exposure and even to linking that exposure to behavioral response."[2]

As already stated: The Media Metrix 2.0 work sample includes the sample of users recruited via traditional RDD and originally included within prior Media Metrix reporting supplemented by a diverse sample of employed Internet users recruited via online.

UNIVERSITY MEASUREMENT

Like the workplace sample described above, the Media Metrix 2.0 sample includes college/university students (18+) recruited via RDD supplemented by a diverse student sample recruited via electronic means. The RDD recruitment enlisted students in homes; the supplementary sampling also enlists students in dorms.

Historically, Media Metrix did not report university users separately, but they were counted as part of the home sample. The RDD and supplementary university sample was implemented in response to marketer's desire for in-depth coverage.

This change not only provides the ability to analyze Internet usage of full-time students, but also provides a sharper picture of at-home only usage, without potentially confounding activity from college users who may reflect usage different from that of the typical home use

PANEL MEMBERSHIP

Panelists receive incentives ranging from [* * * *] quarterly to protection from viruses for their e-mail.

INTERNET UNIVERSE ESTIMATES

The release of Media Metrix 2.0 signaled two immediate changes in the universe estimates. The first is the projection of home, work, college, and total (home + work + college), that is consistent with the audience segments reportable in the service.

The second change involves the universe estimates for the total online-population, which shows an increase from prior Media Metrix reports because of a correction in the projection process made to address a slight understatement in legacy Media Metrix universe estimates. Note: This correction was being phased-in over time but the release of the 2.0 platform provided the opportunity for a quick fix. The methodology for projecting the US Internet universe has been maintained from legacy Media Metrix.

UNIVERSE ENUMERATION

Media Metrix has contracted Wirthlin International to conduct an ongoing survey of US households to enumerate who is using the World Wide Web. The surveys use probability sampling and random-digit dialing methodology. Each month, up to [* * * *] minutes telephone interviews are completed with one person per household.

The information gathered by the enumeration surveys is used to derive estimates of the proportion of the US population that currently uses the Internet. The enumeration survey provides the estimated proportion for:

- Persons 2+, using the Internet at home
- Adults 18+, using the Internet at home/work

A [* * * *] week rolling average is used to ensure stability in proportion-estimates derived from these surveys. The derived-proportions are then applied to [* * * *] to calculate target population sizes.

Enumeration of students accessing the Web is similar to the above. The school population is segmented into two groups of students, those living in group quarters and those in a private residence headed by a full time student. The population Survey provides the basic information used to derive at-college Internet population proportion, which is then applied to estimates of the total number of students obtained from [* * * *] to derive targets.

The enumeration is also used for determining variable-targets for sample balancing purposes. The variable-targets used include: gender, age, household income, # of people in households, presence of children and region. Iterative proportional fitting is used to the weight panelist sample to correct for panel imbalances and thereby enhance its representation of the Internet population.

The enumeration procedure outlined above is used to establish universe estimates for Total Digital Media. Internet activity currently reported for the US populations are shown in the table below:

Digital Media & World Wide Web Universes (October 2002)

	Digital Media (Millions)
Total population:	
Persons 2+, used the Internet	142.7
Persons 2+, used the Internet at Home	123.8
Adults 18+, used Internet at Work	47.9
Adults used Internet at both Home/College and Work	38.5
Adults 18+, used Internet at University	9.5

AUDIENCE ESTIMATES

Enhancements to Media Metrix 2.0 also provided the opportunity to re-examine the legacy-weighting scheme with regards to audience estimates, which led to a new weighting scheme for projecting unduplicated audiences. The new scheme better estimates Internet usage between dual usage locations.

Legacy audience projection: The integration of home and work panel data used in audience projections required identification of panelists who accessed the Internet at both locations. Simply adding panelists who visited a site from either location would double-count those who visited the same site from both sites. As a result, estimates of unduplicated site audience required a correction procedure that subtracted the total number of dual-location site-visitors from the sum of total visitors from home and total visitors from work. This procedure generally produced satisfactory, unbiased unduplicated audience projections.

However, since the combined home/work panel group is a sub-set of total home users and total work users, the correction procedure could provide volatile projections for sites with small audiences. The projected unique visits by people visiting the Internet from both home and work had the possibility of being larger than either the projections of the at home or at work estimates so that the resulting unduplicated audience could be smaller than the audience from one or both of the home/work panels. *This problem arose because of the large variance of estimates obtained as based on small size of this sample.*

Media Metrix 2.0 audience projection: Media Metrix had been considering the implementation of a new method for estimating total site audience based solely on visiting either from home or from work. The method is based on defining a function that includes a parameter whose value can be estimated from a "both" sample. This parameter represents the correlation of a visit to a web entity from home with a visit to the same entity from work among people using the Internet from both locations. For the current report, the parameter values were calculated by averaging across six months. The details of how the modeling is derived and how it is applied in audience projection are available upon request.

DATA COLLECTION TECHNOLOGY

Media Metrix 2.0 features comScore's proprietary, patent-pending *proxy* measurement platform. This advanced monitoring technology operates on a high-performance server network that captures usage data as it flows between each panelist's PC and the Internet. This represents a major improvement from the older approach of collecting data through a software "meter" installed on each user's PC. The comScore measurement platform provides uninterrupted reporting of all previously measured Internet behavior *including expanded coverage of AOL and other proprietary networks.* This platform also captures the details of crucial activities such as online buying, subscriptions, search engine queries, etc.

OVERVIEW OF PROXY METHODOLOGY

Upon agreement to join the comScore panel, members' browsers are configured to unobtrusively route their Internet activity through comScore's network of dedicated servers. At the start of Internet activity, panelists identify themselves from a list on the User Identification Screen (allowing for measurement of user age, gender, education and other demographics). The identification screen disappears and computer usage continues as normal. If the computer is inactive for more than 30 minutes during an online session, the user is again prompted for identification, to ensure that any change in user is properly reflected.

The panelist's Internet activity is captured regardless of type of browser used. This is important since many users use multiple browser brands and versions – sometimes simultaneously – when surfing the Web. Activity is captured regardless of whether an Internet connection is established via a commercial Internet Service Provider (ISP) or an office-hosted LAN. Information that can potentially be captured on an individual member basis includes site visited, page viewed, ad seen, promotion viewed, product or service bought, price paid, and more. This contrasts to the data collection system employed prior to Media Metrix 2.0, which was limited to capturing activity via the URL window in a panelist's browser. Data capture and reporting are conducted in adherence to strict, industry-leading privacy protection policies. Data provided by participating panel households about each Internet user's identity are stored in an encrypted, access-controlled database. Data is reported only in aggregate form.

BASIC URL CAPTURE

Media Metrix 2.0 data are collected via a proxy server methodology which is very similar to that used to track server logs. The proxy captures the details of communications to and from a panelists' computer on a site-specific, individual-specific basis. This capture ranges from outgoing browser commands to view a page (i.e. internet content) to incoming fulfillment including pages, ad banners, pop-ups etc. Currently, requests for image files (this would include most banner ads) are not routed through proxy servers but to servers serving these files.

The proxy captures the full URL address of each individual item that comprises a page (request fulfillment) such as banner, heading, etc. These are matched to a dictionary of URL addresses currently numbering over [* * * *] Internet sites. Capture of browser requests are important to in determining whether the Internet session is live or whether the in the background. Note: because the to and from communications are captured and stored on the proxy servers, actual pages can be called up for further coding and identification purposes.

DIGITAL APPLICATIONS MEASUREMENT

In addition to improving the capture of basic website visitation, the change to the proxy collection method has allowed for enhanced measurement of a number of digital media applications. The two most immediate affected applications are described below.

1. **AOL PROPRIETARY:** One of the most significant enhancements of the new proxy data collection system is an improved measurement of the AOL Proprietary network. In Media Metrix' legacy processes, measurement of AOL relied on collection of the titles in users' Blue Bars (the text that appears in the upper left hand corner of pages within the proprietary service).

   While this method was largely reliable for cataloging AOL proprietary pages, it required significant manual effort to link non-standard Blue Bar titles to respective channels within AOL. This effort was further complicated whenever the coding team encountered ambiguous Blue Bar titles that were not immediately identifiable with a particular channel. These were ultimately coded using a series of rules based on assumptions to approximate proper channel classification.

   The newly implemented system captures the unique proprietary URL that is associated with each page of the AOL service, thereby allowing to track and report the AOL Proprietary service in the same automated manner as standard websites. Each proprietary URL contains a code that is unique to a channel and these unique codes have been identified and attributed to the proper AOL Channel.

2. **INSTANT MESSENGER SERVICES:** The legacy meter was only able to see that a messenger application was active but could not determine any level of user interaction with the tool. The proxy technology observes instant message packets transmitted to and from panelists machines and can detect the difference between when a user sends an instant message, and when information is forced to the user's messenger application, (i.e. when a stock quote is automatically updated in an instant messenger application.) Records of when users actually send instant messages are now used to calculate measures of Unique Visitors.

Updated: Fall 2002

SCHEDULE 1.1.3

COMSCORE TRADEMARKS

comScore

comScore Networks

comScore Investment Pulse

comScore Macro Report

comScore Media Metrix

SCHEDULE 1.4

FINANCIAL COMPANY

Banks, Thrifts, Savings & Loans
- Central Banks
- Commercial Banks US/Foreign
- Cooperative Banks
- Fiduciary Banks
- Money Center Banks
- Mortgage Banks
- Regional Banks- US/Foreign
- Super Regional Banks US/Foreign
- Special Purpose Banks
- S&L
- Thrifts

Insurance Companies
- Financial Guarantee Ins
- Insurance Brokers
- Life/Health Insurance
- Multi-line Insurance
- Mutual Insurance
- Property/Casualty Insurance
- Reinsurance

Investment Firms
- Capital Pools
- Internet Investment
- Investment Companies
- Invest Comp — Resources
- Investment Funds
- Closed-end Funds
- Venture Capital

Real Estate Management Firms
- REITS
- Housing Authority
- Property Trust
- Real Estate Operations/Development
- Real Estate Management/Services

Diversified Financial Services Companies
- Derivatives
- Diversified Financial Services
- Finance-Auto Loans
- Finance-Commercial
- Finance-Consumer Loans
- Finance-Credit Card
- Finance-Investment Banker/Broker
- Finance-Leasing Company
- Finance-Mortgage Loan/Banker
- Finance-Other Services
- Investment Management/Advisory Services

SCHEDULE 1.6

PRIVACY CONTROLS

At a minimum, the following privacy controls will be in place:

- All sensitive captured data is encrypted at the point of capture.
- During processing it is required for certain applications, that the sensitive data be decrypted and analyzed; however, only limited comScore personnel are provided with the ability to perform such decryption and analysis.
- Whenever sensitive data is placed into a table, specific access restrictions are established, and no external parties are permitted to view this data.
- comScore will maintain and operate under the privacy policy controls defined below under the heading "Report of [* * * *] Management on the Privacy Controls for the [* * * *] Internet Accelerator".

For purposes of this Schedule, "[* * * *]", "[* * * *]", "we" and "our" refer to comScore.

comScore may, at its sole discretion, modify its privacy policy controls subject toits compliance with the representations, warranties and covenants set forth in Section 7.1.14.

**Report of [* * * *] Management on the Privacy Controls for the [* * * *]
Internet Accelerator**

We have adopted a privacy statement and established an array of privacy protection mechanisms so you can understand our commitment to the fair handling of information about our members. To go further and actively demonstrate this commitment to fair information principles, we have undertaken an independent, third party review of our privacy practices. We have engaged Ernst & Young LLP, a global assurance services firm, to periodically review and report to our members our compliance with our statements to you. Specifically, as the management of [* * * *], we are responsible for establishing and maintaining effective controls over the privacy and security of personally identifiable information about our members. The controls that we have established have been designed to provide you reasonable assurance that personally identifiable information is protected in conformity with [* * * *] disclosed privacy practices. We have established these controls based on the accompanying criteria of the WebTrust for Online Privacy issued by the American Institute of Certified Public Accountants' (AICPA) and Canadian Institute of Chartered Accountants (CICA). We have also assessed these controls in relation to these criteria. In doing this, the specific procedures and controls we have implemented include the following:

– [* * * *] maintains a privacy statement that addresses the fair information principles. This privacy statement, located on the [* * * *] web site, is accessible to all consumers.

– Personally identifiable information about members is not released in the statistical Internet activity reporting provided to [* * * *] customers.

- Terms and conditions have been included in [* * * *] legal agreements that prohibit other parties, who act on the behalf of [* * * *], from using personally identifiable information that [* * * *] provides to them for any purpose other than to serve [* * * *].
- Members are given the ability to "opt-out" of any promotional messages or other targeting communications from [* * * *]. [* * * *] contact lists are validated against the list of members who have "opted-out" to ensure that such communications are not sent to those individuals. These member's preferences regarding secondary usage are automatically updated and recorded in the [* * * *] member database.
- [* * * *] members can submit changes to their account profiles through online access to their registration and account information. These changes are automatically updated and recorded in the [* * * *] member database.
- Information security policies and procedures are documented and communicated to personnel responsible for the [* * * *].
- The [* * * *] architecture employs technologies to logically restrict access to the [* * * *] environment and to protect against unauthorized access. For example, the [* * * *] web site uses the Secure Socket Layer (SSL) transmission protocol to allow the encryption of member information while it is being transmitted across the Internet.
- [* * * *] employees are trained as to how member information can be collected, used, and shared through employee orientation, ongoing communications, and the use of documented member information handling guidelines.
- [* * * *] maintains an effective dispute resolution process to handle member concerns regarding privacy and displays such recourse and resolution procedures within its posted privacy statement.

SCHEDULE 2.1.1-A

GRANDFATHERED SIGNAL CLIENTS

[* * * *]

SCHEDULE 2.1.1-B

GRANDFATHERED DATA CLIENTS

[* * * *]

SCHEDULE 2.4.1.5

ADDITIONAL GRANDFATHERED AGREEMENTS

(comScore Networks, Inc. Privileged and Confidential)

Customer	Contract Begin Date	Contract End Date
[* * * *]		

Customer		Contract Begin Date	Contract End Date
	[* * * *]		

Customer		Contract Begin Date	Contract End Date
	[* * * *]		

Customer	Contract Begin Date	Contract End Date
[* * * *]		

Customer		Contract Begin Date	Contract End Date
	[* * * *]		

Customer		Contract Begin Date	Contract End Date
	[* * * *]		

Customer	Contract Begin Date	Contract End Date
[* * * *]		

Items in bold refer to contracts that are not yet executed but are in the signature stage at the client.

Within 30 days of the Effective Date of this Agreement, the items in this Schedule will be re-organized by comScore into two groups and delivered to Citadel: Financial Companies and Non-Financial Companies (as defined in Schedule 1.4).

SCHEDULE 2.4.2.1

LEVELS OF SPECIFICITY

Product Category ID	Product Category Name
1	APPAREL
2	SHOES
3	ACCESSORIES
4	JEWELRY & WATCHES
5	OTHER APPAREL ITEMS
6	HOME FURNITURE
7	HOME APPLIANCES
8	TOOLS & EQUIPMENT
9	KITCHEN & DINING
10	BED & BATH
11	GARDEN & PATIO
12	PET SUPPLIES
13	FOOD & BEVERAGE
14	AUTOMOTIVE ACCESSORIES
15	SPORT & FITNESS
16	HEALTH & BEAUTY
17	ART & COLLECTIBLES
18	TOBACCO PRODUCTS
19	BABY SUPPLIES
20	OTHER HOME & LIVING ITEMS
21	BOOKS & MAGAZINES
22	MUSIC
23	MOVIES & VIDEOS
24	OTHER BMV
25	DESKTOP COMPUTERS
26	LAPTOP COMPUTERS
27	HANDHELDS, PDAS & PORTABLE DEVICES
28	PRINTERS, MONITORS & PERIPHERALS
29	COMPUTER SOFTWARE (X PC GAMES)
30	OTHER COMPUTER SUPPLIES
31	AUDIO & VIDEO EQUIPMENT
32	CAMERAS & EQUIPMENT
33	MOBILE PHONES & PLANS
34	OTHER ELECTRONICS & SUPPLIES
35	PC VIDEO GAMES
36	CONSOLE VIDEO GAMES
37	VIDEO GAME CONSOLES & ACCESSORIES
38	BUSINESS MACHINES
39	OFFICE FURNITURE
40	OFFICE SUPPLIES
41	MOVIE TICKETS

Product Category ID	Product Category Name
42	EVENT TICKETS
43	AIR TRAVEL
44	HOTEL RESERVATIONS
45	CAR RENTAL
46	TRAVEL PACKAGES
47	OTHER TRAVEL
48	ONLINE CONTENT SALES
49	ONLINE SERVICE SUBSCRIPTIONS
50	PERSONALS & DATING
51	PHOTO PRINTING SERVICES
52	SHIPPING SERVICES
53	OTHER SERVICES
54	TOYS & GAMES (X VIDEO GAMES)
55	ARTS, CRAFTS & PARTY SUPPLIES
56	OTHER TOY & GAME ITEMS
57	FLOWERS
58	GREETINGS
59	GIFT CERTIFICATES & COUPONS
60	OTHER FLOWER & GIFT ITEMS
99	UNCLASSIFIED

SCHEDULE 5

STEERING COMMITTEE AND CONTRACT EXECUTIVES

This Schedule will be completed by the parties no later than thirty (30) days following the Effective Date.

SCHEDULE 7.1.1

METHODOLOGY

Panel Recruitment and Composition

Inclusive of all samples under measurement, comScore Networks collects data from a total panel of approximately 1.5 million global Internet users.

comScore Networks uses an industry-standard Random Digit Dial (RDD) telephone and Random Direct Mail (RDM) methodology to recruit a core U.S. panel of up to [* * * *] Internet users.

Recruited participants join the comScore panel by entering into a panel membership contract that gives comScore explicit permission to monitor all online activity that occurs on their computers. Each panelist provides their name and household address, and completes a short survey identifying all Internet users in the household and key demographic characteristics in the household. Panelists also agree to receive periodic online consumer surveys from comScore.

comScore enhances this core panel with the addition of three unique samples:

- [* * * *]-person U.S. at-work panel
- [* * * *]-person university panel
- [* * * *]-person “megapanel” – allowing analysis at the worldwide level, across dozens of countries and regions, and nearly [* * * *] local markets across the U.S.

These three groups have been recruited using opt-in online techniques.

Population Estimates

comScore conducts regular surveys, again using an RDD methodology, to enumerate the size and characteristics (e.g., demographics, type of Internet connection, etc.) of the Internet-using population. These universe estimates are updated on a monthly basis to account for the growth of Web users. Using a sophisticated and proprietary systems, all comScore sample data are stratified and then balanced and weighted according to the enumeration data to ensure accurate representation of the online population. Projection weights are developed through iterative proportional fitting and the target population percentages are derived from the monthly enumeration data.

comScore Data Collection Technology

Upon agreeing to join the comScore panel, participants’ browsers are configured to unobtrusively route all of their computers’ Internet activity through comScore’s network of several hundred dedicated servers. This technology captures the details of all online sessions, including all communication to and from each individual’s computer, on a site-specific, individual-specific basis.

comScore's systems capture the majority of http and https requests of consumer interest, across publicly accessible Internet sites, and the majority of Internet browers used. This is relevant since some people use multiple browsers – sometimes simultaneously – when surfing the Web. Activity is also captured regardless of whether an Internet connection is established via a commercial Internet Service Provider (ISP) or an office-hosted LAN.

comScore's technology operates throughout non-secure and secure (SSL) connections, and across HTML and proprietary (e.g., AOL) content. The information comScore routinely captures goes far beyond the limitation of traditional clickstream data, by encompassing data on every site visited, page viewed, ad seen, promotion used, product or service bought, price paid, and more. comScore also collects merchant-specific information contained in the credit card statements that are viewed online by panelists, allowing for the estimation of both online and offline spending. comScore's data capturing and coding technology can also be customized to identify and capture virtually any event or sequence of events or content deemed to be critical to a client analysis.

SCHEDULE 7.1.2

CERTAIN STANDARDS

1. comScore will conduct monthly Mystery Shops on randomly selected sites with an emphasis on the top [* * * *] visited sites. Each month Mystery Shops will occur at no less than [* * * *]% of the sites/domains at which comScore coded ecommerce and travel transactions during that month. The average number of improperly captured pages in a transaction during the monthly Mystery Shops shall not exceed [* * * *]%. "Mystery Shops" is defined as having properly instrumented machines conduct actual ecommerce and travel transactions at sites/domains coded by comScore and comparing the transaction detail as it happened on the machine to the transaction detail as it was captured and recorded by the comScore Data collection system.

2. comScore will maintain a comScore Data collection system record loss of less than [* * * *] percent [* * * *]% per month.

3. comScore's data collection network for its collection of comScore Data shall be operating and available at least 99% of the time in any given month.

4. comScore shall operate its comScore's data collection network across a minimum of [* * * *] separate Internet backbones.

5. Each data center will have at least [* * * *] autonomous uplinks.

6. [* * * *] percent [* * * *]% of comScore's data center network equipment shall have fully automated failover.

7. comScore shall provide centralized real-time monitoring and alerts on all of its production systems.

8. comScore shall ensure access to production management staff twenty-four hours a day, seven days a week for the reporting of network problems.

9. The average utilization of the proxy server network shall be less then [* * * *] percent [* * * *]%.

10. The comScore proxy server network shall be configured to tolerate the ability to lose the use of [* * * *] of its proxy servers without data loss.

11. All comScore Data composed of source data shall be backed up to offsite tapes and [* * * *] copies shall be backed up online.

12. comScore shall maintain at least [* * * *] copies of comScore Data composed of processed URL, Page Level, and Transaction Data.

13. comScore shall maintain version control management of source code and transaction processing agents.

14. comScore shall maintain current tracking metrics on quality of major production processes.

15. comScore shall ensure that network latency is monitored on all uplinks to major providers.

SCHEDULE 7.1.3

PANEL INFORMATION

For 90 day period ending June, 2003

	Home	Work	College
United States			
Households	[* * * *]	[* * * *]	[* * * *]
Computers	[* * * *]	[* * * *]	[* * * *]
Household Members	[* * * *]	[* * * *]	[* * * *]
International			
Households	[* * * *]	[* * * *]	[* * * *]
Computers	[* * * *]	[* * * *]	[* * * *]
Household Members	[* * * *]	[* * * *]	[* * * *]

For 30 day period ending June, 2003

	Distributions	
	Households Under Measurement (i.e. unprojected panel)	**All Online Households (i.e. population estimates)**
Country of Origin		
Hispanic	[* * * *]%	[* * * *]%
Non Hispanic	[* * * *]%	[* * * *]%
Total	100.0%	100.0%
Racial Background		
White	[* * * *]%	[* * * *]%
Black	[* * * *]%	[* * * *]%
Asian	[* * * *]%	[* * * *]%
Other	[* * * *]%	[* * * *]%
	100.0%	100.0%
Census Region of Residence		
North East	[* * * *]%	[* * * *]%

	Distributions	
	Households Under Measurement (i.e. unprojected panel)	**All Online Households (i.e. population estimates)**
North Central	[* * * *]%	[* * * *]%
South	[* * * *]%	[* * * *]%
West	[* * * *]%	[* * * *]%
Total	100.0%	100.0%
Age of Eldest Head of Household		
18-24	[* * * *]%	[* * * *]%
25-34	[* * * *]%	[* * * *]%
35-44	[* * * *]%	[* * * *]%
45-54	[* * * *]%	[* * * *]%
55-64	[* * * *]%	[* * * *]%
65+	[* * * *]%	[* * * *]%
Total	100.0%	100.0%
Household Income		
Less than 25k	[* * * *]%	[* * * *]%
25-35k	[* * * *]%	[* * * *]%
35k-50k	[* * * *]%	[* * * *]%
50k-75k	[* * * *]%	[* * * *]%
75k-100k	[* * * *]%	[* * * *]%
100k+	[* * * *]%	[* * * *]%
Total	100.0%	100.0%
Household Size		
1	[* * * *]%	[* * * *]%
2	[* * * *]%	[* * * *]%
3 or 4	[* * * *]%	[* * * *]%
5 or more	[* * * *]%	[* * * *]%
Total	100.0%	100.0%
Child Present		
No	[* * * *]%	[* * * *]%
Yes	[* * * *]%	[* * * *]%
Total	100.0%	100.0%
Teenager Present		

	Distributions	
	Households Under Measurement (i.e. unprojected panel)	All Online Households (i.e. population estimates)
No	[* * * *]%	[* * * *]%
Yes	[* * * *]%	[* * * *]%
Total	100.0%	100.0%

Broadband

No	[* * * *]%	[* * * *]%
Yes	[* * * *]%	[* * * *]%
Total	100.0%	100.0%

AMENDMENT NUMBER 1 TO
LICENSING AND SERVICES AGREEMENT

This Amendment Number 1 to the Licensing and Services Agreement (this “Amendment”), is made as of April 12, 2004 (the “Effective Date”), by and between Citadel Investment Group, L.L.C., a Delaware limited liability company having its principal offices at 131 South Dearborn Street, 37th Floor, Chicago, Illinois 60603, U.S.A. (“Citadel”), and comScore Networks, Inc., a Delaware corporation having its principal offices at 11465 Sunset Hills Road, Suite 200, Reston, Virginia 20190 U.S.A. (“comScore”).

BACKGROUND

A. Citadel and comScore entered into a Licensing and Services Agreement dated as of August 1, 2003 (the “Agreement”); and

B. Citadel and comScore now wish to amend and supplement the Agreement.

AGREEMENTS

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows (capitalized terms herein not otherwise defined being used as defined in the Agreement):

1. **Grandfathered Agreements.** The Section 2.4.1.4 of the Agreement is deleted in its entirety and replaced with the following language:

[* * * *] comScore reserves the right to provide [* * * *] with access to or use of the Licensed Materials and receive reasonable analytical and sales support from comScore on a Real Time basis solely for the purposes of performing research, development, analytical and reselling services for comScore to [* * * *] **and/or** comScore’s clients, provided that [* * * *] only releases its analyses, products or services (excluding the comScore Macro Report, which shall be released as set forth in Section 3.3.2.2 either: (i) five (5) days after Citadel has received access to the relevant comScore Signals; or (ii) seven (7) days after the date that the relevant comScore Data was first made available to Citadel. comScore has advised Citadel that: (i) comScore’s agreement with [* * * *] regarding the Licensed Materials expires on March 1, 2006; (ii) comScore has no obligation to renew or extend such agreement, and [* * * *] has no right to renew or extend such agreement, (iii) no other agreements with [* * * *] exist, (iv) comScore shall not renew or extend such agreement, (v) following March 1, 2005, [* * * *] will have no right to resell comScore Data to new clients, (vi) on or before September 1, 2004, comScore will remind [* * * *] of these expiration dates and other restrictions by written notice, (vi) following such expiration date [* * * *] will have no right to access, use, resell or deliver, and will not access, use, resell or deliver, the Licensed Materials for any purpose, whether or not outside the Field of Use and whether or not on a Real Time Basis, (vii) without limiting the generality of Section 2.1.1, following such expiration date, comScore will not make the Licensed Materials or any reports, data or information derived from such Licensed Materials to any subscribers of any reports, data or information previously provided, serviced or sold by [* * * *].

2. **comScore Personnel – Services Commitment.** comScore hereby grants Citadel an additional two thousand (2,000) hours of comScore personnel time to perform services requested by Citadel (the "Supplemental Services Commitment"). Such hours shall expire in April 2007 and shall not be included in any calculation of the carry-forward of Services Commitment hours as specified in Section 3.4. Unless specified by Citadel in writing, Services performed under the Agreement shall first be applied to the existing balance of Services Commitment hours and then to the balance of Supplemental Services Commitment hours. The hours available under the Supplemental Services Commitment may be used by Citadel in the same manner as the hours available under the Services Commitment.

3. **comScore Personnel – Key Personnel.** The parties shall designate at least one (1) comScore employee (the "Key Personnel") to perform Services for Citadel at Citadel's offices, Monday through Friday, eight (8) hours per day, subject to Citadel's holiday schedule, unforeseen personal events requiring that such Key Personnel take leave (e.g., illness, jury duty, etc.), Key Personnel's personal vacations, Key Personnel's attendance at periodic employee and team meetings reasonably required by comScore (e.g., seminar on benefits, meeting on state of the company, etc.) and Key Personnel's attendance at comScore-sponsored training or professional development opportunities as reasonably required by comScore. Prior to his/her assignment as Key Personnel, the comScore employee selected for such assignment must agree to accept such assignment for a twelve (12) month period without the ability to request a transfer within comScore. Commencing on April 20, 2004, the initial Key Personnel is [* * * *], who has agreed to accept his assignment through April 20, 2005. The first date on which a comScore employee serves as Key Personnel shall be referred to as the "Key Personnel Start Date." The last date on which a comScore employee serves as Key Personnel shall be referred to as the "Key Personnel End Date." The twelve-month period during which the Key Personnel serves as Key Personnel shall be referred to as the "Key Personnel Term". Except as set forth herein, during the Term, comScore shall not: (i) replace or reassign the Key Personnel, except if such Key Personnel is incapacitated or resigns; or (ii) terminate the employment of any of comScore's Key Personnel, except with regard to termination for "good cause" (which term, as used in this Agreement, shall mean cause for termination as determined in accordance with comScore's employment policies, consistently applied). No less than ninety (90) days prior to the then-current Key Personnel End Date, comScore shall notify Citadel either (a) of its intent to extend the then-current Key Personnel Term by an additional twelve (12) month period commencing on the anniversary of the then-current Key Personnel Start Date, or (b) replace the existing Key Personnel with a new Key Personnel, such replacement to be effective on a date specified by comScore, which date shall be no less than ninety (90) days after Citadel's receipt of such notice (except to the extent that such period is made impossible, due to unforeseeable circumstances beyond Vendor's reasonable control). Thirty (30) days following such notice (except to the extent that such period is made impossible, due to unforeseeable circumstances beyond Vendor's reasonable control), comScore shall designate the replacement Key Personnel that is at least as well qualified to perform such functions and responsibilities as the person being replaced, such replacement to be subject to the consent of Citadel, such consent not to be unreasonably withheld. In making any such replacement, comScore shall ensure that there is at least a sixty (60) day period of overlap during which the person being replaced transfers appropriate knowledge and provides appropriate training to the new holder of the position (except to the extent that such period is made impossible, due to unforeseeable circumstances beyond Vendor's reasonable control). For each new Key Personnel and to cover the overlap period, Citadel shall receive two hundred (200) hours of Services from such new Key Personnel at no additional cost to mitigate the costs of transitioning to such new Key Personnel.

4. **Miscellaneous**

4.1 Effect of Amendment. As amended and supplemented hereby, the Agreement shall continue in full force and effect in accordance with its terms. In the event of any conflict between the terms and conditions of this Amendment and the Agreement, this Amendment shall control to the extent of such conflict.

4.2 Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

4.3 Governing Law. This Amendment shall be governed by the internal substantive laws of the State of Illinois.

4.4 Notices. All notices, requests, demands, claims, and other communications hereunder shall be given in the manner and with the effect provided in the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Licensing and Services Agreement to be duly executed. Each party warrants and represents that its respective signatories whose signatures appear below have been and are on the date of signature duly authorized to execute this Amendment.

CITADEL INVESTMENT GROUP, L.L.C.		COMSCORE NETWORKS, INC.	
By:	/s/ Adam Cooper	By:	/s/ Sheri Huston
Name:	Adam Cooper	Name:	Sheri Huston
Title:	General Counsel	Title:	Chief Financial Officer

AMENDMENT NUMBER 2 TO
LICENSING AND SERVICES AGREEMENT

This Amendment Number 2 to the Licensing and Services Agreement, as amended (this "Amendment"), is made as of January 14, 2005 (the "Amendment Effective Date"), by and between Citadel Investment Group, L.L.C., a Delaware limited liability company having its principal offices at 131 South Dearborn Street, 37th Floor, Chicago, Illinois 60603, U.S.A. ("Citadel"), and comScore Networks, Inc., a Delaware corporation having its principal offices at 11465 Sunset Hills Road, Suite 200, Reston, Virginia 20190 U.S.A. ("comScore").

BACKGROUND

A. Citadel and comScore entered into a Licensing and Services Agreement dated as of August 1, 2003, as amended (the "Agreement");

B. Citadel and comScore now wish to further amend the Agreement.

AGREEMENTS

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows (capitalized terms herein not otherwise defined being used as defined in the Agreement):

1. Grandfathered Agreements. The following provisions shall be added to the end of Section 2.4.1.4 of the Agreement:

> Notwithstanding anything to the contrary under this Section 2.4.1.4, as of the Amendment Effective Date, comScore may allow [****] to access and use the comScore transaction data and the comScore Visitor Data pursuant to and in accordance with Section 2.4.2.1 of the Agreement.

2. Miscellaneous

2.1 Effect of Amendment. As amended and supplemented hereby, the Agreement shall continue in full force and effect in accordance with its terms. In the event of any conflict between the terms and conditions of this Amendment and the Agreement, this Amendment shall control to the extent of such conflict.

2.2 Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

2.3 Governing Law. This Amendment shall be governed by the internal substantive laws of the State of Illinois.

2.4 Notices. All notices, requests, demands, claims, and other communications hereunder shall be given in the manner and with the effect provided in the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Number 2 to the Licensing and Services Agreement to be duly executed. Each party warrants and represents that its respective signatories whose signatures appear below have been and are on the date of signature duly authorized to execute this Amendment.

CITADEL INVESTMENT GROUP, L.L.C.		COMSCORE NETWORKS, INC.	
By:	/s/ David Hirschfeld	By:	/s/ Christiana Lin
Name:	David Hirschfeld	Name:	Christiana L. Lin
Title:	Managing Director	Title:	Corporate Counsel

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our reports dated March 29, 2007 (except for Note 15, as to which the date is ______, 2007), in Amendment No. 3 to the Registration Statement (Form S-1 No. 333-141740) and related Prospectus of comScore, Inc. for the registration of 5,750,000 shares of its common stock.

Ernst & Young LLP

McLean, Virginia

The foregoing consent is in the form that will be signed upon the completion of the restatement of capital accounts described in Note 15 to the consolidated financial statements.

/s/ Ernst & Young LLP

McLean, Virginia
June 8, 2007

June 12, 2007

VIA EDGAR AND COURIER

U.S. Securities and Exchange Commission
Division of Corporation Finance
100 F Street, N.E.
Washington, DC 20549

Mail Stop 6010

Attn: Russell Mancuso
Eduardo Aleman
Brian Cascio
Lynn Dicker

Re: comScore, Inc.
Registration Statement on Form S-1
File No. 333-141740
Initially filed on April 2, 2007
Amendment No. 3 filed on June 12, 2007

Ladies and Gentlemen:

On behalf of comScore, Inc. (the "**Company**"), we are transmitting for filing Amendment No. 3 to the above referenced registration statement ("**Amendment No. 2**"), marked in accordance with Rule 310 of Regulation S-T. For the convenience of the Staff, we are supplementally providing marked copies, complete with exhibits, of Amendment No. 3.

We are also submitting with Amendment No. 3 the Company's response (the "**Company Response**") to the comments from the staff of the Securities and Exchange Commission received by letter dated June 8, 2007.

Please direct your questions or comments regarding Amendment No. 3 or the Company Response to the undersigned at (202) 973-8800 or Robert G. Day at (650) 493-9300. Thank you for your assistance.

Respectfully submitted,

WILSON SONSINI GOODRICH & ROSATI
Professional Corporation

/s/ Mark R. Fitzgerald

Mark R. Fitzgerald

cc: Magid M. Abraham, Ph.D., comScore, Inc.
John M. Green, comScore, Inc.
Christiana L. Lin, comScore, Inc.
Robert G. Day
Andrew J. Pitts, Cravath, Swaine & Moore LLP

CERTAIN PORTIONS OF THIS LETTER AS FILED VIA EDGAR HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION. CONFIDENTIAL TREATMENT HAS BEEN REQUESTED WITH RESPECT TO THE OMITTED PORTIONS. OMITTED INFORMATION HAS BEEN REPLACED IN THIS LETTER AS SUBMITTED VIA EDGAR WITH A PLACEHOLDER IDENTIFIED BY THE MARK "[****]". THE OMITTED PORTIONS ARE BRACKETED IN THE PAPER FILING NOT SUBMITTED VIA EDGAR FOR EASE OF IDENTIFICATION.

June 12, 2007

VIA EDGAR AND OVERNIGHT COURIER

U.S. Securities and Exchange Commission
Division of Corporation Finance
100 F Street, N.E.
Washington, DC 20549

Mail Stop 6010

Attn: Russell Mancuso
Eduardo Aleman
Brian Cascio
Lynn Dicker

Re: comScore, Inc.
Registration Statement on Form S-1
File No. 333-141740
Initially filed on April 2, 2007
Amendment No. 3 filed on June 12, 2007

Ladies and Gentlemen:

On behalf of comScore, Inc. (the "**Company**"), we submit this letter in response to comments from the staff (the "**Staff**") of the Securities and Exchange Commission (the "**Commission**") received by letter dated June 8, 2007 (the "**June 8 Staff Letter**"), relating to Amendment No. 2 to the Company's Registration Statement on Form S-1 (File No. 333-141740) (the "**Registration Statement**") filed with the Commission on May 25, 2007 ("**Amendment No.**

2”). This letter is also prepared with reference to separate telephone discussions with Eduardo Aleman of the Staff on June 11, 2007 (the “**June 11th Legal Call**”) and Lynn Dicker of the Staff on June 11, 2007 (the “**June 11th Accounting Call**”).

The Company is concurrently filing via EDGAR Amendment No. 3 to the Registration Statement (“**Amendment No. 3**”), marked in accordance with Rule 310 of Regulation S-T. For the convenience of the Staff, we are supplementally providing marked copies, complete with exhibits, of Amendment No. 3.

In this letter, we have recited the comments from the Staff in bold and italicized type and have followed each comment with the Company’s response. Capitalized terms used but not defined herein shall have the meanings ascribed thereto in Amendment No. 3. Except as otherwise specifically indicated, page references herein correspond to the page of Amendment No. 3. References to “we,” “our” or “us” mean the Company or its advisors, as the context may require.

Compensation Discussion and Analysis, page 86

1. ***We note your disclosure in response to prior comment 9. Please provide more specific disclosure regarding what you mean by “competitive” and “compare favorably.” For example, does this mean that you provide compensation that exceeds the compensation in a defined industry?***

RESPONSE TO COMMENT 1:

The Company has revised its disclosure at pages 86, 87 and 90 to remove references to the terms “competitive” and “compare favorably” and to replace such terms with a more detailed description of the Company’s compensation levels. As discussed during the June 11th Legal Call, the Company has specifically revised its disclosure to clarify that although it has not previously conducted formal analyses of compensation levels in various marketplaces or engaged compensation consultants to do so on its behalf, the Company generally seeks to compensate its executives at levels that the Company’s board of directors (the “**Board**”) believes are consistent with or more attractive than other opportunities available to executives. This belief is based on the collective experience and knowledge of the Board and executive management, as well as an informal review of compensation information gained through marketplace contacts and service providers. As disclosed at page 90 of Amendment No. 3, in the future, the Company intends to engage a compensation consultant to assist it in obtaining information regarding compensation levels within the marketplace relevant to particular executives.

2. Please expand your response to prior comment 10 to demonstrate how the disclosure of the omitted information would cause competitive harm under the same standard that applies when you request confidential treatment of confidential trade secrets or confidential commercial or financial information pursuant to Securities Act Rule 406.

RESPONSE TO COMMENT 2:

As discussed during the June 11th Legal Call, the Company has revised its disclosure at page 88 of Amendment No. 3 to provide additional detail regarding quantitative target bonuses as well as targets based on qualitative factors. [****]

Executive Compensation, page 91

3. Please expand the disclosure mentioned in your response to prior comment 10 to discuss how the different bonus percentages were established for the named officers.

RESPONSE TO COMMENT 3:

The Company has revised its disclosure at page 88 of Amendment No. 3 in response to the Staff's comment to clarify that bonus percentages were established for the named executive officers as a specified percentage of base salary. As discussed during the June 11th Legal Call, the Company has further revised its disclosure at page 88 of Amendment No. 3 to provide further information as to the methodology used by the Company in awarding different bonus percentages to the named officers.

Policies and procedures, page 100

4. Please clarify how the factors you cite in response to prior comment 14 are applied. For example, if a transaction affects a director's independence, does the audit committee reject the transaction?

RESPONSE TO COMMENT 4:

In response to the Staff's comment, the Company has revised the disclosure at page 101 to clarify how the Company's audit committee and the Board apply the factors that are considered when reviewing related party transactions. As disclosed in the Registration Statement, because of their variability and complexity, related person transactions are reviewed by the audit committee and the Board with a flexible approach that considers all of the circumstances of the transaction. Nonetheless, all such transactions are reviewed in light of what is in the Company's best interests. In most cases, the relevant analysis is whether the transaction was executed on terms no less favorable than those that the Company could obtain from unrelated third parties. The Company believes that all of the related person transactions disclosed in the Registration Statement were entered into on such terms.

Principal and Selling Stockholders, page 101

5. We note the second paragraph of your response to prior comment 15. However, a transaction in the past three years during which the registrant issued the very securities now offered to the public by the selling stockholders is a relationship that should be disclosed in this section per Regulation S-K Item 507.

RESPONSE TO COMMENT 5:

As discussed during the June 11th Legal Call, the Company has revised the disclosure at pages 103 and 106 to disclose any transactions in the past three years pursuant to which the Company issued securities to the selling stockholders that may be sold by the selling stockholders in the offering.

6. We note your revised disclosure in response to comment 35 in our letter to you dated April 27, 2007 that one of your selling stockholders is an affiliate of a registered broker-dealer. Unless this selling stockholder is able to make the representations in comment 35, it must be identified in the prospectus as an underwriter.

RESPONSE TO COMMENT 6:

As discussed during the June 11th Legal Call, the Company has obtained the requested representations from the selling stockholders and has revised the disclosure at page 106 accordingly.

Certain Relationships and Related Party Transactions, page 100

7. It appears that you included the disclosure in the prospectus because of the status of the entity as a significant security holder at the time of your transactions with the entity. Therefore, your related-party agreement should not be omitted from your registration statement.

RESPONSE TO COMMENT 7:

The Company has filed the Licensing and Services Agreement with Citadel Investment Group, L.L.C. (and all amendments thereto) as Exhibit 10.22 to Amendment No. 3. As discussed during the June 11th Legal Call, please note that the Company has requested confidential treatment for certain portions of the agreement.

Registration Rights, page 107

8. We will continue our evaluation of your response to comment 40 in our Apri1 27, 2007 letter to you when you provide the information mentioned in the second paragraph of response 1 in your May 25 letter.

RESPONSE TO COMMENT 8:

As discussed during the June 11th Legal Call, the Company has filed an Amendment, Waiver and Termination Agreement as Exhibit 10.20 to Amendment No. 3 and a letter agreement as Exhibit 10.21 to Amendment No. 3, which govern the termination of sections four and six of the Fourth Amended and Restated Investor Rights Agreement.

* * * *

Supplemental Response to the Company's May 25, 2007 Comment Response Letter

During the June 11th Accounting Call, the Company provided supplemental information to the Staff regarding its prior response on May 25, 2007 (the "**Second Response Letter**") to Comment 21 of the Staff's letter dated May 22, 2007. The Company advised the Staff in the Second Response Letter that [****]

[****]

* * * *

Please direct your questions or comments regarding this letter or Amendment No. 3 to the undersigned at (202) 973-8800 or Robert G. Day at (650) 493-9300. Thank you for your assistance.

Respectfully submitted,

WILSON SONSINI GOODRICH & ROSATI
Professional Corporation

/s/ Mark R. Fitzgerald

Mark R. Fitzgerald

cc: Magid M. Abraham, Ph.D., comScore, Inc.
John M. Green, comScore, Inc.
Christiana L. Lin, comScore, Inc.
Robert G. Day
Andrew J. Pitts, Cravath, Swaine & Moore LLP