

Information Services Group Inc.  
Form DEF 14A  
April 06, 2012

Table of Contents

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**Information Services Group, Inc.**

---

(Name of Registrant as Specified In Its Charter)

---

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:

Edgar Filing: Information Services Group Inc. - Form DEF 14A

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

---

Table of Contents

**Information Services Group, Inc.**  
**Two Stamford Plaza**  
**281 Tresser Boulevard**  
**Stamford, Connecticut**  
**(203) 517-3100**

April 6, 2012

TO THE STOCKHOLDERS OF  
Information Services Group, Inc.:

You are cordially invited to attend the Annual Meeting of Stockholders of Information Services Group, Inc. (the "Company") on May 14, 2012, at 10:00 a.m. Eastern Time, which will be held at the offices of the Company, Two Stamford Plaza, 281 Tresser Boulevard, Stamford, Connecticut.

Details of business to be conducted at the Annual Meeting are given in the attached Notice of Annual Meeting of Stockholders and Proxy Statement.

Accompanying this Proxy Statement is the Company's 2011 Annual Report to Stockholders.

We hope that you will attend the Annual Meeting. Whether or not you plan to attend, you can ensure that your shares are represented at the meeting by promptly voting and submitting your proxy by completing, signing, dating and returning your proxy form in the enclosed envelope.

Sincerely yours,

Michael P. Connors  
*Chairman and Chief Executive Officer*

**YOUR VOTE IS VERY IMPORTANT. Whether or not you plan to attend the Annual Meeting of Stockholders, we urge you to vote and submit your proxy by mail in order to ensure the presence of a quorum. If you attend the meeting and do not hold your shares through an account with a brokerage firm, bank or other nominee, you will have the right to revoke the proxy and vote your shares in person. If you hold your shares through an account with a brokerage firm, bank or other nominee, please follow the instructions you receive from them to vote your shares and revoke your vote, if necessary.**

---

Table of Contents

**Information Services Group, Inc.  
Two Stamford Plaza  
281 Tresser Boulevard  
Stamford, Connecticut  
(203) 517-3100**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**To Be Held May 14, 2012**

TO THE STOCKHOLDERS:

Notice is hereby given that the Annual Meeting of Stockholders of Information Services Group, Inc. (the "Company") will be held at the Company's offices, Two Stamford Plaza, 281 Tresser Boulevard, Stamford, Connecticut on May 14, 2012, at 10:00 a.m. Eastern Time, for the following purposes:

1. To elect two directors to serve for a three-year term and until their successors have been elected and qualified.
2. To ratify the engagement of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2012.
3. To approve, in a non-binding advisory vote, the compensation paid to our named executive officers as described herein.
4. To transact such other business as may properly come before the meeting.

Stockholders of record at the close of business on March 30, 2012 are entitled to notice of, and to vote at, the meeting and any adjournment or postponement thereof. For ten days prior to the meeting, a complete list of stockholders entitled to vote at the meeting will be available for examination by any stockholder, for any purpose relating to the meeting, during ordinary business hours at our principal offices located at Two Stamford Plaza, 281 Tresser Boulevard, Stamford, Connecticut.

Beginning April 6, 2012, this Notice and this Proxy Statement are being sent to stockholders of record.

By Order of the Board of Directors,

Michael P. Connors  
*Chairman and Chief Executive Officer*

Stamford, Connecticut  
April 6, 2012

**IMPORTANT: Your vote is important. Proxy voting permits stockholders unable to attend the Annual Meeting to vote their shares through a proxy. Most stockholders are unable to attend the Annual Meeting. By appointing a proxy your shares will be represented and voted in accordance with your instructions. If you do not provide instructions on how to vote, the proxies will vote as recommended by the Board of Directors. You can vote your shares by completing and returning your proxy card. You can change your voting instructions or revoke your proxy at any time prior to the Annual Meeting by following the instructions on the proxy card.**

---

Table of Contents

**TABLE OF CONTENTS**

	<b>Page</b>
<u>PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS</u>	<u>2</u>
<u>SOLICITATION AND VOTING</u>	<u>2</u>
<u>PROPOSAL NO. 1 ELECTION OF DIRECTORS</u>	<u>3</u>
<u>CORPORATE GOVERNANCE</u>	<u>5</u>
<u>PROPOSAL NO. 2 RATIFICATION OF ENGAGEMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	<u>12</u>
<u>REPORT OF THE AUDIT COMMITTEE</u>	<u>14</u>
<u>PROPOSAL NO. 3 NON-BINDING ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	<u>15</u>
<u>MANAGEMENT</u>	<u>16</u>
<u>COMPENSATION OF OFFICERS AND DIRECTORS</u>	<u>19</u>
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS</u>	<u>33</u>
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	<u>35</u>
<u>STOCKHOLDER PROPOSALS AND NOMINATIONS</u>	<u>35</u>
<u>TRANSACTION OF OTHER BUSINESS</u>	<u>35</u>

Table of Contents

**PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS**

The accompanying proxy is solicited by the Board of Directors of Information Services Group, Inc., a Delaware corporation ("ISG," "Company," "we," "us," and "our"), for use at its Annual Meeting of Stockholders to be held on May 14, 2012 (the "Annual Meeting"), or any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders. This Proxy Statement and the enclosed proxy are being mailed to stockholders on or about April 6, 2012.

Pursuant to e-proxy rules promulgated by the SEC, we are providing access to this Proxy Statement and our 2011 Annual Report to Stockholders (collectively, "proxy materials") both by sending you this full set of proxy materials as well as a proxy card and by notifying you of the availability of our proxy materials on the Internet. SEC rules allow companies to avoid sending to their stockholders paper copies of their proxy materials if, instead, they furnish the proxy materials over the Internet and mail to their stockholders a Notice of Internet Availability of Proxy Materials. Companies, however, are not required to use e-proxy and, in lieu of doing so, may continue to send to stockholders a full set of their proxy materials. We have chosen to follow this latter approach, but are still obligated to provide you with the following notice:

**Important Notice Regarding the Availability of Proxy Materials  
for the Stockholder Meeting to Be Held on May 14, 2012**

The Notice of Annual Meeting of Stockholders, Proxy Statement and 2011 Annual Report to Stockholders are available free of charge at [www.isg-one.com](http://www.isg-one.com).

**SOLICITATION AND VOTING**

Only stockholders of record as of the close of business on March 30, 2012 will be entitled to vote at the meeting and any postponement or adjournment thereof. As of that time, we had 36,170,721 shares of common stock outstanding, all of which are entitled to vote with respect to all matters to be acted upon at the Annual Meeting. Each stockholder of record as of that date is entitled to one vote for each share of common stock held by him or her. Our Bylaws require that a quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if the holders of a majority of the shares entitled to vote are present in person or by proxy. Shares will be counted towards the quorum only if the stockholder submits a valid proxy (or one is submitted on his behalf by his broker, bank or other nominee) or if the stockholder votes in person at the Annual Meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, a majority of the votes present at the Annual Meeting may adjourn the Annual Meeting until a quorum is present.

The proxy accompanying this proxy statement is solicited on behalf of our Board of Directors for use at the Annual Meeting and any adjournments of the Annual Meeting, and the expenses of solicitation of proxies will be borne by us. The solicitation will be made primarily by mail, but our officers and regular employees may also solicit proxies by telephone, facsimile, via the Internet or in person. We also have retained Innisfree M&A Incorporated ("Innisfree") to assist in soliciting proxies. ISG expects to pay Innisfree approximately \$10,000 plus expenses in connection with its solicitation of proxies.

Stockholders whose shares are registered in their own names may vote by returning a proxy card. Please complete, sign and return the proxy card in the self-addressed, postage paid envelope provided.

All valid proxies received before the meeting will be exercised. All shares represented by a proxy will be voted, and where a proxy specifies a stockholder's choice with respect to any matter to be acted upon, the shares will be voted in accordance with that specification. **If no choice is indicated on the proxy, the shares will be voted for the election of the nominees named in this Proxy Statement and in**

Table of Contents

**favor of the proposals described in this Proxy Statement.** A stockholder whose shares are registered in their own name has the power to revoke his or her proxy at any time before it is exercised by delivering to the Chief Financial Officer of the Company a written instrument revoking the proxy or a duly executed proxy with a later date, or by attending the meeting and voting in person. If you hold shares in street name, through a bank, broker or other nominee, please contact the bank, broker or other nominee to revoke your proxy.

**PROPOSAL NO. 1  
ELECTION OF DIRECTORS**

Our amended and restated certificate of incorporation provides that the Board of Directors of the Company is divided into three classes with one class of directors being elected each year and each class serving a three-year term. Kalpana Raina and Donald C. Waite III constitute a class with a term that expires at this Annual Meeting (the "Class II Directors"); Michael P. Connors, Guillermo G. Marmol and Robert E. Weissman constitute a class with a term that expires at the annual meeting in 2013 (the "Class III Directors"); and Neil G. Budnick and Gerald S. Hobbs constitute a class with a term that expires at the annual meeting in 2014 (the "Class I Directors").

The Board of Directors has considered and nominated the following Class II nominees for a three-year term expiring in 2015: Kalpana Raina and Donald C. Waite III. Action will be taken at the Annual Meeting for the election of these Class II nominees. Set forth below is information regarding the nominees to the Board of Directors for election as directors.

It is intended that the proxies delivered pursuant to this solicitation will be voted in favor of the election of Kalpana Raina and Donald C. Waite III. The nominees have agreed to be named in this Proxy Statement and to serve if elected. If the nominees decline to serve or become unavailable for any reason, or if a vacancy occurs before the election (although we know of no reason to anticipate that this will occur), the proxies may be voted for such substitute nominee(s) as we may designate.

If a quorum is present and voting, the nominees receiving a plurality of votes cast will be elected. Proxies cannot be voted for more than two nominees. Abstentions and broker non-votes will have no effect on the outcome of the vote.

The nominees to the Board of Directors to serve until the third succeeding annual meeting of stockholders after their election and until their successors have been elected and qualified are:

Name	Age	Director Since
Kalpana Raina	56	2009
Donald C. Waite III	70	2008

The principal occupations and qualifications of the nominees for director are as follows. There are no family relationships among any of our directors or executive officers.

***Kalpana Raina*** has served as our Director since August 2009. Ms. Raina is the managing partner of 252 Solutions, LLC, an advisory firm that specializes in strategic development and implementation. Previously, Ms. Raina was a senior executive with The Bank of New York, a global financial services company. She joined the Bank in 1989 and held a variety of leadership positions, most recently Executive Vice President and Head of European Country Management and Corporate Banking. Prior to that, she served in Mumbai, India as the bank's Executive Vice President, International. During her eighteen-year career with the bank she had responsibility for clients in the Media, Telecommunications, Healthcare, Retailing, Hotels and Leisure and Financial services industries in Asia, Europe, and the United States. Ms. Raina also is a director of RealNetworks (NASDAQ: RNWK), where she serves on the Audit committee and chairs the Nominating and Corporate Governance Committee, and John Wiley & Son (NYSE: JWa and JWb), where she is a member of the Compensation Committee. She is a

## Edgar Filing: Information Services Group Inc. - Form DEF 14A

### Table of Contents

member of Women Corporate Directors and The National Association of Corporate Directors and a past member of The U.S.-India Business Council.

**Donald C. Waite III** has served as our Director since January 2008. Mr. Waite is the Director of the Executives-in-Residence Program at Columbia Graduate School of Business, where he is an adjunct professor. Mr. Waite retired from McKinsey & Company, the international management consulting firm, in February 2002 after 36 years of service. From 1996-2002, he was one of three members of the Firm's Office of the Managing Director, and Chairman of the Firm's Investment Committee and Compensation Committee. Mr. Waite is a Director Emeritus of McKinsey & Company and sits on the McKinsey Investment Committee. Mr. Waite sits on the Board of Overseers of the Columbia Graduate School of Business as well as serving as Director of Presstek, Inc, where he is Chairman of the Compensation Committee and member of the Audit Committee and The Guardian Life Insurance Company of America, where he is Lead Director and member of the Human Resources & Governance Committee and Product & Distribution Committee.

**The Board of Directors recommends a vote "FOR" the nominees named above.**



Table of Contents

**CORPORATE GOVERNANCE**

**Responsibilities of the Board of Directors**

Our Board of Directors directs the management of our business and affairs, as provided by Delaware law, and conducts its business through meetings of the Board of Directors and three standing committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. In addition, from time to time, special committees may be established under the direction of the Board of Directors when necessary to address specific issues.

**Leadership Structure**

The Board of Directors determined that combining the CEO and Chairman positions, coupled with a Lead Independent Director position, strengthens the Company's governance structure and is the appropriate leadership model for the Company at this time. The Board of Directors believes that "one-size" does not fit all, and the decision of whether to combine or separate the positions of CEO and Chairman will vary from company to company, depend upon a company's particular circumstances at a given point in time and may change from time to time. Accordingly, the Board of Directors carefully considers from time to time whether the CEO and Chairman positions should be combined based on what the Board believes is best for the Company and its stockholders.

Board structures vary greatly among U.S. public corporations. The Board of Directors does not believe that any one leadership structure is more effective at creating long-term stockholder value. The Board of Directors believes that an effective leadership structure could be achieved either by combining or separating the CEO and Chairman positions so long as the structure encourages the free and open dialogue of competing views and provides for strong checks and balances. Specifically, an effective governance structure must balance the powers of the CEO and the independent directors and ensure that the independent directors are fully informed, able to discuss and debate the issues that they deem important, and able to provide effective oversight of management.

Since March 2009, Mr. Robert E. Weissman has served as the Lead Independent Director. In addition to presiding at executive sessions of the independent directors, the responsibilities of the Lead Independent Director also include:

- leading the Board's processes for selecting and evaluating the Chief Executive Officer and Chairman;
- presiding at all meetings of the Board at which the Chairman is not present;
- calling additional meetings of the independent directors as appropriate;
- assisting in scheduling Board meetings;
- providing the Board of Directors with input as to the preparation of Board meeting agendas;
- specifically requesting the inclusion of certain materials for Board meetings;
- recommending, as appropriate, that the Board of Directors retain consultants who will report directly to the Board of Directors; and
- acting as a liaison between the independent directors and the Chairman on sensitive issues.

The Board of Directors believes that the responsibilities delegated to the Lead Independent Director are substantially similar to many of the functions typically fulfilled by a board chairman. The Board of Directors believes that its Lead Independent Director position balances the need for effective and independent oversight of management with the need for strong, unified leadership.



Table of Contents

The Board of Directors believes that this structure is in the best interests of the Company at this time as it will allow for a balance of power between the CEO and the independent directors and will provide an environment in which its independent directors are fully informed, have significant input into the content of Board meeting agendas and are able to provide objective and thoughtful oversight of management.

**Board Composition**

The Board of Directors seeks to ensure that the Board is composed of members whose particular experience, qualifications, attributes and skills, when taken together, will allow the Board to satisfy its oversight responsibilities effectively. In that regard, the Nominating and Corporate Governance Committee is responsible for recommending candidates for all directorships to be filled by the Board or by the stockholders at an annual or special meeting. In identifying candidates for membership on the Board of Directors, the Nominating and Corporate Governance Committee takes into account (1) minimum individual qualifications, such as strength of character, mature judgment, industry knowledge or experience and an ability to work collegially with the other members of the Board of Directors and (2) all other factors it considers appropriate. In addition, although the Board does not have a policy with regard to the consideration of diversity in identifying director nominees, among the many factors that the Nominating and Corporate Governance Committee carefully considers are the benefits to the Company of diversity, including gender and racial diversity, in board composition.

After conducting an initial evaluation of a candidate, the Nominating and Corporate Governance Committee will interview that candidate if it believes the candidate might be suitable to be a director and may also ask the candidate to meet with other directors and management. If the Nominating and Corporate Governance Committee believes a candidate would be a valuable addition to the Board of Directors, it will recommend to the full Board of Directors that candidate's election.

When considering whether the Board's directors and nominees have the experience, qualifications, attributes and skills, taken as a whole, to enable the Board to satisfy its oversight responsibilities effectively in light of the Company's business and structure, the Board focused primarily on the information discussed in each of the Board members' or nominees' biographical information set forth on pages 16 to 18. In particular, with regards to Mr. Connors, the Board considered his extensive knowledge of the Company's business and his position as Chief Executive Officer of the Company with the responsibility for the day-to-day oversight of the Company's business operations. With regards to Messrs. Budnick, Hobbs, Marmol, Waite and Weissman and Ms. Raina, the Board considered their significant experience, expertise and background with regard to business, accounting and financial matters. With regards to Mr. Budnick, the Board of Directors considered his extensive experience as Managing Director at Channel Rock Partners, a management consulting firm, and as Chief Financial Officer of MBIA Insurance Corporation, a major financial services Company. With regards to Mr. Hobbs, the Board of Directors considered his extensive experience as the Chairman and CEO of various information and media companies, including VNU, Inc. With regards to Mr. Marmol, the Board of Directors considered his significant background in information technology and systems and his long tenure as a management consultant focusing on strategic analysis and business processes. With regards to Ms. Raina, the Board of Directors considered her role as a senior executive with The Bank of New York and her service on the Audit Committee of RealNetworks. With regards to Mr. Waite, the Board considered his extensive experience in management consulting as a Managing Director with McKinsey & Company and his service as one of three members of McKinsey's Office of the Managing Director. With regards to Mr. Weissman, the Board considered his extensive experience as Chairman and CEO of various information and media companies, including The Dun & Bradstreet Corporation and IMS Health Incorporated. In addition, in connection with the nomination of Ms. Raina and Mr. Waite for election as directors at the 2012 Annual Meeting, the Board considered their valuable contributions to the Company's success during their years of Board service.

Table of Contents**Director Independence**

Our Board of Directors has seven directors and the Board of Directors has affirmatively determined that all of the directors, other than Mr. Connors, including those who serve on the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee are "independent" for purposes of the The Nasdaq Stock Market LLC ("Nasdaq") listing standards and federal securities laws. In the course of the Board of Directors' determination regarding the independence of each non-management director, it considered any transactions, relationships and arrangements as required by the applicable Nasdaq rules and the rules and regulations of the Securities and Exchange Commission (the "SEC").

**Executive Sessions**

Our independent directors hold regularly scheduled meetings at which only independent directors are present.

**Meeting Attendance**

Directors are expected to attend Board meetings and meetings of the committees on which they serve and to spend the time needed, and meet as frequently as necessary, in order to properly discharge their responsibilities. The Board of Directors held six meetings during 2011. Each of the standing committees of the Board of Directors held the number of meetings indicated in the table below. Each of our directors serving during 2011 attended at least 75% of the total number of meetings of the Board of Directors and all of the committees of the Board of Directors on which such director served held during that period. Mr. Marmol did not serve as a director during 2011 and is therefore excluded from the table below.

This Annual Meeting will be our fifth annual stockholder meeting. ISG's policy is to invite each director to attend the Company's annual meeting of stockholders, but does not require attendance by all directors. ISG periodically monitors and reassesses this policy to ensure the Board remains open and available for stockholder communications.

**Committees of the Board of Directors**

The Audit, Compensation, and Nominating and Corporate Governance Committees each operate under a written charter adopted by the Board of Directors. Copies of these charters are available on our website ([www.isg-one.com/governance](http://www.isg-one.com/governance)).

The following table sets forth the three standing committees of the Board of Directors, the members of each committee during the last fiscal year and the number of meetings held by each committee during the last fiscal year:

<b>Name of Director</b>	<b>Audit</b>	<b>Compensation</b>	<b>Nominating and Corporate Governance</b>
Michael P. Connors			
Neil G. Budnick	Chairman	Member	Member
Gerald S. Hobbs	Member	Member	Member
Kalpana Raina	Member	Member	Member
Donald C. Waite III	Member	Member	Chairman
Robert E. Weissman	Member	Chairman	Member
	4 Meetings	2 Meetings	1 Meeting

## Edgar Filing: Information Services Group Inc. - Form DEF 14A

### Table of Contents

#### ***Audit Committee***

Our Audit Committee consists of Mr. Budnick, as Chairman, Mr. Hobbs, Mr. Marmol, Ms. Raina, Mr. Waite and Mr. Weissman. The Audit Committee is responsible for, among other things:

selecting, appointing, compensating, retaining and terminating our independent registered public accounting firm;

overseeing the auditing work of any independent registered public accounting firm employed by us, including the resolution of any disagreement between management and the independent registered public accounting firm regarding financial reporting, for the purpose of preparing or issuing an audit report or performing other audit, review or attest services;

pre-approving audit, other audit, audit related and permitted non-audit services to be performed by the independent registered public accounting firm and related fees;

meeting with our independent registered public accounting firm to review the proposed scope of the annual audit of our financial statements and to discuss such other matters that it deems appropriate;

reviewing the findings of the independent registered public accounting firm with respect to the annual audit;

meeting to review and discuss with management and the independent registered public accounting firm our periodic financial reports prior to our filing them with the SEC and reporting annually to the Board of Directors with respect to such matters;

reviewing with our financial and accounting management, the independent registered public accounting firm and internal auditor the adequacy and effectiveness of our internal control over financial reporting, financial reporting process and disclosure controls and procedures; and

reviewing the internal audit function.

In accordance with applicable federal securities laws and the rules of Nasdaq, we have adopted an Audit Committee charter that incorporates these duties and responsibilities.

The Audit Committee will at all times be composed exclusively of "independent directors" who are able to read and understand fundamental financial statements. In addition, ISG must certify to Nasdaq that it has, and will continue to have, at least one member of the Audit Committee who has past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication. The Board of Directors has determined that each of the Audit Committee members satisfies Nasdaq's definition of financial sophistication and also qualifies as an "audit committee financial expert," as defined under the rules and regulations of the SEC.

Additional information regarding the Audit Committee is set forth in the Report of the Audit Committee immediately following Proposal No. 2.

#### ***Compensation Committee***

The Compensation Committee consists of Mr. Weissman, as Chairman, Mr. Budnick, Mr. Hobbs, Ms. Raina and Mr. Waite. The Compensation Committee is responsible for overseeing the compensation and employee benefit plans and practices of the Company, including administering the Amended and Restated 2007 Equity Incentive Plan and the 2007 Employee Stock Purchase Plan. The Compensation Committee is also responsible for, among other things:

reviewing and approving corporate goals and objectives relevant to Chief Executive Officer compensation;

Table of Contents

reviewing with the Chief Executive Officer the performance and compensation of all other executive officers;

reviewing and discussing the Compensation Discussion and Analysis section contained in this Proxy Statement; and

reviewing and establishing policies concerning any management perquisite and similar benefits.

In accordance with applicable federal securities laws and the rules of Nasdaq, ISG has adopted a Compensation Committee charter that delineates these duties and responsibilities.

The Board of Directors has determined that all of the members of the Compensation Committee meet the independence requirements mandated by Nasdaq, the rules of the SEC, the Internal Revenue Service, in each case as they are applicable to serving on the Compensation Committee, and our standards of independence.

The Compensation Committee has retained Steven Hall & Partners ("SH&P") to advise it in connection with fulfilling its responsibilities with respect to the Company's executive and Board of Director compensation programs. For a discussion of the nature and scope of SH&P's assignment, and the material elements of the instructions or directions given to SH&P with respect to the performance of their duties under the engagement, please see: "Use of Third Party Consultants" on page 19. SH&P maintains no other direct or indirect business relationships with the Company.

***Nominating and Corporate Governance Committee***

The Nominating and Corporate Governance Committee consists of Mr. Waite, as Chairman, Mr. Budnick, Mr. Hobbs, Ms. Raina and Mr. Weissman. The Nominating and Corporate Governance Committee is responsible for, among other things:

developing, recommending and monitoring corporate governance guidelines for ISG and the Board of Directors;

identifying and reviewing the qualifications of candidates for Board membership;

recommending to the Board of Directors candidates to fill vacancies on the Board which occur between annual meetings of stockholders or for election at annual meetings;

recommending to the Board of Directors criteria regarding the composition of the Board, the total size of the Board and the proportion of employee and non-employee directors;

recommending to the Board of Directors committee memberships and chairpersons; and

consulting with the Board of Directors annually regarding the independence of each member of the Board.

In accordance with applicable federal securities laws and the rules of Nasdaq, ISG has adopted a Nominating and Corporate Governance Committee charter that delineates these duties and responsibilities.

The Board of Directors has determined that all of the members of the Nominating and Corporate Governance Committee meet the independence requirements mandated by Nasdaq, the rules of the SEC, in each case as they are applicable to serving on the Nominating and Corporate Governance Committee, and our standards of independence.

The Nominating and Corporate Governance Committee will consider candidates for nomination as a director recommended by stockholders, directors, officers, third party search firms and other sources. In identifying candidates for membership on the Board of Directors, the Nominating and Corporate Governance Committee takes into account, without limitation, factors such as judgment, skill, diversity,





Table of Contents

character, integrity, collegiality, willingness to act upon and be accountable for majority Board decisions, experience (particularly with businesses and other organizations of comparable size and within similar or related industries) and how that experience interplays with that of the other Board members, independence from management, and the ability of the candidate to attend Board and Committee meetings regularly and to devote an appropriate amount of time and effort in preparation for those meetings. Ultimately, the Nominating and Corporate Governance Committee will nominate those individuals who it believes will, in conjunction with other members of the Board, best collectively serve the long-term interests of the Company's stockholders.

In assessing stockholder nominees, the Nominating and Corporate Governance Committee will consider the same criteria utilized for other candidates, but will also consider whether the candidate can serve the best interests of all stockholders of the Company and not be beholden to the sponsoring person or group. Individuals recommended by stockholders for nomination as a director will be considered in accordance with the procedures described under "Stockholder Proposals and Nominations."

**Compensation Committee Interlocks and Insider Participation**

During the year ended December 31, 2011, members who served on our Compensation Committee included Mr. Weissman, as Chairman, Mr. Budnick, Mr. Hobbs, Ms. Raina and Mr. Waite. No member of our Compensation Committee during 2011 was an employee or officer or former employee or officer of the Company or had any relationships requiring disclosure under Item 404 of Regulation S-K. None of our executive officers has served on the board of directors or compensation committee of any other entity that has or has had one or more executive officers who served as a member of our Board or its Compensation Committee during 2011.

**Oversight of Risk Management**

On behalf of the Board of Directors, the Audit Committee is responsible for oversight of the Company's risk management policies and procedures. The Company is exposed to a number of risks including financial risks, operational risks and risks relating to regulatory and legal compliance. The Audit Committee discusses with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the guidelines and policies to govern the process by which risk assessment and risk management are undertaken. The Company's Chief Financial Officer is responsible for the Company's risk management function and regularly works closely with the Company's senior executives to identify risks material to the Company. The Chief Financial Officer reports regularly to the Chief Executive Officer and the Company's Audit Committee regarding the Company's risk management policies and procedures. In that regard, the Company's Chief Financial Officer meets with the Audit Committee at least four times a year to discuss the risks facing the Company, highlighting any new risks that may have arisen since they last met. The Audit Committee also reports to the Board on a regular basis to apprise the Board of their discussions with the Chief Financial Officer regarding the Company's risk management efforts.

With respect to risks related to compensation matters, the Compensation Committee considers, in establishing and reviewing the Company's executive compensation program, whether the program encourages unnecessary or excessive risk taking. The compensation programs generally are not believed to encourage risks that are reasonably likely to have material adverse effect on the Company.

**Code of Ethics**

We have adopted a code of ethics applicable to our directors, officers and employees in accordance with applicable federal securities laws and the rules of Nasdaq. You may obtain a copy of ISG's code of ethics, free of charge, by contacting our Chief Financial Officer. You can also find a link

Table of Contents

to the code on our website (*www.isg-one.com*). ISG intends to disclose amendments to or waivers from a required provision of its code on Form 8-K.

**Certain Relationships and Transactions with Related Persons**

ISG's policy is to require that any transaction with a related person required to be reported under applicable SEC rules, other than compensation-related matters, be reviewed and approved or ratified by a majority of independent, disinterested directors. Any compensation-related matters must be approved by the Compensation Committee of the Board of Directors or recommended by the Compensation Committee to the Board of Directors for its approval. ISG has not adopted procedures for review of, or standards for approval of, these transactions, but instead reviews such transactions on a case-by-case basis.

During 2011, we did not enter into any transactions with related persons that required review, approval or ratification under the Board of Directors' related person transaction policy.

**Stockholder Communications with Directors**

Stockholders may communicate with any and all members of our Board of Directors by transmitting correspondence by mail or facsimile addressed to one or more directors by name (or to the Chairman, for a communication addressed to the entire Board of Directors) at the following address and fax number:

Name of the Director(s)  
c/o Chief Financial Officer  
Information Services Group, Inc.  
Two Stamford Plaza  
281 Tresser Boulevard  
Stamford, Connecticut  
Fax: (203) 517-3199

Communications from our stockholders to one or more directors will be collected and organized by our Chief Financial Officer under procedures approved by our independent directors. The Chief Financial Officer will forward all communications to the Chairman of the Board of Directors or to the identified director(s) as soon as practicable, although communications that are abusive, in bad taste or that present safety or security concerns may be handled differently. If multiple communications are received on a similar topic, the Chief Financial Officer may, in his or her discretion, forward only representative correspondence.

The Chairman of the Board of Directors will determine whether any communication addressed to the entire Board of Directors should be properly addressed by the entire Board of Directors or a committee thereof. If a communication is sent to the Board of Directors or a committee, the Chairman of the Board or the Chairman of that committee, as the case may be, will determine whether a response to the communication is warranted. If a response to the communication is warranted, the content and method of the response will be coordinated with our Chief Financial Officer.

Table of Contents

**PROPOSAL NO. 2**  
**RATIFICATION OF ENGAGEMENT OF INDEPENDENT**  
**REGISTERED PUBLIC ACCOUNTING FIRM**

On March 7, 2012, the Audit Committee and the Board of Directors engaged PricewaterhouseCoopers LLP to continue in its capacity as independent registered public accounting firm for the fiscal year ending December 31, 2012. Stockholders will be asked at the Annual Meeting to ratify the engagement of PricewaterhouseCoopers LLP as its independent registered public accounting firm for the fiscal year ending December 31, 2012.

Although the engagement of PricewaterhouseCoopers LLP is not required to be submitted to a vote of the stockholders, the Board of Directors believes it appropriate as a matter of policy to request that the stockholders ratify the selection of its independent registered public accounting firm for the fiscal year ending December 31, 2012. If the stockholders fail to ratify the appointment, the Audit Committee of the Board of Directors will consider it as a direction to select other auditors for the subsequent year. Even if the selection is ratified, the Board of Directors or the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if the Board of Directors or Audit Committee feels that such a change would be in the best interests of the Company and our stockholders.

The Company anticipates that a representative of PricewaterhouseCoopers LLP will be present at the Annual Meeting. Such representative will be given the opportunity to make a statement if he or she desires to do so, and is expected to be available to respond to appropriate questions at the meeting.

The following table sets forth the aggregate fees billed to the Company for the fiscal years ended December 31, 2011 and 2010 by PricewaterhouseCoopers LLP:

	Fiscal Years	
	December 31, 2011	December 31, 2010
Audit Fees(1)	\$ 1,049,000	\$ 515,000
Audit-Related Fees(2)	1,919	604,919
Tax Fees(3)	95,000	97,961
 Total Fees	 \$ 1,145,919	 \$ 1,217,880

- 
- (1) Audit Fees consist of fees billed for professional services rendered for the audit of the Company's consolidated annual financial statements, audit procedures related to the Compass and STA Consulting acquisitions and review of the interim consolidated financial statements included in quarterly reports and services that are normally provided by our independent registered public accountants in connection with statutory and regulatory filings or engagements.
- (2) Audit-Related Fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under "Audit Fees." For the fiscal year ended December 31, 2011, this category includes fees related to software licenses, and for the fiscal year ended December 31, 2010, this category includes fees of \$578,000 for due diligence work in connection with the acquisitions of Compass and STA Consulting, fees for services rendered in connection with SEC registration statements and fees related to software licenses.
- (3) Includes fees for professional services rendered in fiscal 2011 and 2010 in connection with tax compliance (including U.S. federal and international returns) and tax consulting.

Table of Contents

The Audit Committee has considered whether the provisions of services described in the table above are compatible with maintaining auditor independence. Before the independent auditor is engaged by the Company or its subsidiaries to render audit or non-audit services, the Audit Committee shall pre-approve the engagement. Audit Committee pre-approval of audit and non-audit services will not be required if the engagement for the services is entered into pursuant to pre-approval policies and procedures established by the Audit Committee regarding the Company's engagement of the independent auditor, provided the policies and procedures are detailed as to the particular service, the Audit Committee is informed of each service provided and such policies and procedures do not include delegation of the Audit Committee's responsibilities under the Securities Exchange Act of 1934, as amended, to the Company's management.

Approval of this proposal requires the affirmative vote of a majority of the votes cast by holders of shares of ISG common stock represented in person or by proxy and entitled to vote at the Annual Meeting. Abstentions and broker non-votes will have no effect on the outcome of this proposal.

**The Board of Directors recommends a vote "FOR" the engagement of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2012.**

Table of Contents

**REPORT OF THE AUDIT COMMITTEE**

The directors who serve on the Audit Committee are all "independent" in accordance with Nasdaq requirements, the applicable SEC rules and regulations and our standards of independence. We have reviewed and discussed with management the Company's Annual Report on Form 10-K, which includes the Company's audited consolidated financial statements for the year ended December 31, 2011, management's report on internal control over financial reporting as of December 31, 2011 and the independent registered public accounting firm's attestation report (which are required pursuant to Section 404 of the Sarbanes-Oxley Act of 2002).

During 2011, the Audit Committee fulfilled all of its responsibilities under its charter that was effective during 2011. As part of the Company's governance practices, the Audit Committee reviews its charter on an annual basis and, when appropriate, recommends to the Board of Directors changes to its charter. The Board of Directors adopted changes to the Audit Committee charter in January 2008. The revised Audit Committee charter can be obtained through our website ([www.isg-one.com](http://www.isg-one.com)).

We have discussed with the independent registered public accounting firm, PricewaterhouseCoopers LLP, the matters covered by Public Company Accounting Oversight Board (PCAOB) standards, AU Section 380 *Communication with Audit Committees*.

We have received and reviewed the written disclosures and the letter from PricewaterhouseCoopers LLP, required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and have discussed with the registered public accounting firm their independence.

Based on the reviews and discussions referred to above, we recommended to the Company's Board of Directors that the Company's Annual Report on Form 10-K for the year ended December 31, 2011 be filed with the Securities and Exchange Commission.

During 2011, current directors Neil G. Budnick, Gerald S. Hobbs, Kalpana Raina, Donald C. Waite III and Robert E. Weissman and former director Robert J. Chrenc served as members of the Audit Committee. Mr. Marmol was added as a member of the Audit Committee on March 26, 2012 after the filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2011 with the Securities and Exchange Commission.

SUBMITTED BY THE AUDIT COMMITTEE  
OF THE BOARD OF DIRECTORS

THE AUDIT COMMITTEE

Mr. Neil G. Budnick

Mr. Gerald S. Hobbs

Ms. Kalpana Raina

Mr. Donald C. Waite III

Mr. Robert E. Weissman

14

---

Table of Contents

**PROPOSAL NO. 3  
NON-BINDING ADVISORY VOTE ON EXECUTIVE COMPENSATION**

In accordance with the requirements of Section 14A of the Exchange Act (which was added by the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act")) and the related rules of the SEC, we are including in this Proxy Statement a separate resolution subject to stockholder vote to approve, in a non-binding advisory vote, the compensation paid to our Named Executive Officers as disclosed in this Proxy Statement pursuant to the rules of the SEC on pages 19-31. The language of the resolution is as follows:

**"RESOLVED, THAT THE COMPENSATION PAID TO THE COMPANY'S NAMED EXECUTIVE OFFICERS, AS DISCLOSED IN THIS PROXY STATEMENT PURSUANT TO THE RULES OF THE SECURITIES AND EXCHANGE COMMISSION, INCLUDING THE COMPENSATION DISCUSSION AND ANALYSIS, COMPENSATION TABLES AND ANY RELATED NARRATIVE DISCUSSION IS HEREBY APPROVED."**

In considering your vote, you may wish to review with care the information on the Company's compensation policies and decisions regarding the Named Executive Officers presented in Compensation Discussion and Analysis on pages 19-31, as well as the discussion regarding the Compensation Committee on pages 8 to 9.

In particular, stockholders should note the following:

As noted in the Compensation Discussion and Analysis, the Company believes management compensation should be competitive with market practices, provide reward based on the attainment of Company objectives and tightly align management with the interests of stockholders.

At the discretion of the Compensation Committee, the material elements of the compensation system created for the Company's Named Executive Officers include a mix of base salary, annual performance-based cash incentive and an equity component with multi-year vesting.

The Company believes that the compensation provided to the Named Executive Officers is competitive with its peer group, is predicated on "pay for performance" and is tightly aligned with the interests of the Company's stockholders.

Because this vote is advisory and not binding on the Board of Directors, the Board and the Compensation Committee will review and consider the voting results, as well as other communication from stockholders relating to our compensation practices, and take them into account in future determinations concerning our executive compensation programs.

Approval of this proposal requires the affirmative vote of a majority of the votes cast by holders of shares of ISG common stock represented in person or by proxy and entitled to vote at the Annual Meeting. Abstentions and broker non-votes will have no effect on the outcome of this proposal.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" APPROVAL OF THE  
COMPENSATION PAID TO OUR NAMED EXECUTIVE OFFICERS.**

Table of Contents**MANAGEMENT**

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

<b>Name</b>	<b>Age</b>	<b>Position</b>
Michael P. Connors	56	Chairman of the Board and Chief Executive Officer
David Whitmore	52	Vice Chairman, President ISG Americas
David E. Berger	55	Executive Vice President and Chief Financial Officer
Harold K. Somerdyk	56	Executive Vice President and Chief Human Resources & Communications Officer
Neil G. Budnick	57	Director
Gerald S. Hobbs	70	Director
Guillermo G. Marmol	58	Director
Kalpana Raina	56	Director
Donald C. Waite III	70	Director
Robert E. Weissman	71	Director

**Management**

**Michael P. Connors** has served as our Chairman of the Board and Chief Executive Officer since our inception. Mr. Connors also served as our Secretary and Treasurer from the date of our inception until December 2006. Mr. Connors served as Chairman and CEO of VNU's Media Measurement and Information (MMI) Group from its creation in 2001 until his resignation in 2005. VNU is a leading global information and media company. Mr. Connors was instrumental in creating the MMI Group, which comprises VNU's media information, entertainment, software and internet businesses, including Nielsen Media Research, Nielsen Entertainment and NetRatings. In addition to leading the MMI Group, Mr. Connors served as chairman of VNU World Directories from 2003 to 2004, which included VNU's Yellow Pages and directory businesses operating in seven countries. Mr. Connors also served as a member of the VNU Executive Board. Prior to joining VNU, Mr. Connors was Vice Chairman of ACNielsen Corporation, one of the world's largest marketing information services companies, commencing November 1996. Prior to that, as Senior Vice President of The Dun & Bradstreet Corporation (D&B), Mr. Connors played a key role in the breakup of D&B into three separate, publicly traded companies, including ACNielsen. Mr. Connors currently serves as a director of both Eastman Chemical Company and ACE Group. Also, during the past five years, Mr. Connors served as a member of the Board of Directors of R.H. Donnelley Corporation.

**David Whitmore** has served as our Vice Chairman and Chief Executive Officer of Compass, a wholly-owned subsidiary of the Company, since January 2011 and effective January 2012 as Vice Chairman and President, Americas. Mr. Whitmore joined Compass in 2007. Prior to joining Compass, Mr. Whitmore was the Chief Executive of 4future, a UK based consulting firm, and was previously the European President of Proudfoot Consulting. Prior to that he spent over 20 years at Arthur Andersen where from 2001 he was Managing Partner of the European, Middle East and Africa Audit and Business Advisory (ABA) business and before that the Managing Partner of the firm's UK business. From 1994, Mr. Whitmore was appointed to a series of increasingly senior roles at Andersen, including service as head of the firm's UK Hospitality and Leisure Practice, head of the Commercial Practice, Managing Partner of the ABA Practice in the UK, and Managing Partner of the firm's 14,000-employee ABA business in Europe, Middle East and Africa. With the break-up of the global Andersen organization in 2002, Mr. Whitmore spent a year leading the wind-down of the firm's ABA network and the transition of the 85 country firms into successor networks. Mr. Whitmore is a graduate of the University of Warwick and a Fellow of the Institute of Chartered Accountants. He is a Non-Executive Director of the UK law firm Bevan Brittan.

Table of Contents

**David E. Berger** has served as our Executive Vice President and Chief Financial Officer since October 2009. Prior to joining ISG, Mr. Berger was Senior Vice President, Corporate Controller and Investor Relations with The Nielsen Company where he spent more than eight years. Prior to joining Nielsen in 2001 he had been employed for almost ten years at Simon & Schuster and Viacom in varying senior management capacities leaving as Senior Vice President, Finance and Development. Prior to his tenure at Simon & Schuster/Viacom, Mr. Berger worked at American National Can Company where he was Chief Financial Officer of one of its largest divisions. Mr. Berger started his professional career with the public accounting firm of Touche Ross and Company. Mr. Berger is a graduate of the Wharton School of the University of Pennsylvania and earned his Masters of Business Administration from the University of Chicago.

**Harold K. Somerdyk** has served as our Chief Human Resources & Communication Officer since October of 2010. In December 2011 he was promoted to Executive Vice President of the Company. Prior to joining ISG, Mr. Somerdyk was Senior Director & Partner of Spencer Stuart, the world's largest privately held executive search consulting firm. Prior to joining Spencer Stuart in 1999, he served as Senior Vice President of Marketing and Brand Development for McGraw-Hill's BusinessWeek franchise. Previous career roles included Publisher of Digital News and Review, an IT industry magazine serving the DEC market; head of sales and marketing for Air Miles/Loyalty Management, the consumer loyalty marketing company and Advertising Sales Director of Prodigy, a joint venture of IBM, CBS and Sears. Mr. Somerdyk spent more than 8 years with Fortune Magazine in various sales & marketing roles. He began his career in media research with The Reader's Digest.

**Directors**

**Neil G. Budnick** has served as our Director since June 2011. Mr. Budnick is currently the Managing Director at Channel Rock Partners, a management consulting firm that provides business strategy and opportunity analysis, operations improvement and risk management for corporations. Until April 2007, Mr. Budnick was President of MBIA Insurance Corporation, a major financial services company. During his 23 years at MBIA, Mr. Budnick held increasingly important positions including: Vice Chairman; Chief Financial Officer; President, Public and Corporate Finance Division; and Senior Vice President, Head of Municipal and Structure Finance. Earlier in his career, Mr. Budnick was also Vice President of the Public Finance Department of Standard & Poor's Corporation. He is a Board Member and Chair of the Audit Committee of RHR International, a management firm that specializes in executive development. Mr. Budnick holds a B.A. in Political Science from Boston College and an M.P.A. in Public Administration from the University of Colorado.

**Gerald S. Hobbs** has served as our Director since January 2008. Mr. Hobbs is a managing director and an operating partner at BV Investments, LLC. Previously, Mr. Hobbs was the Chairman and CEO of VNU, Inc., now The Nielsen Company, and Vice-Chairman of the Executive Board of VNU N.V. until his retirement in April 2003. Mr. Hobbs has served as Chairman, and Director of the American Business Media, BPA International and the Advertising Council, Inc. He recently retired from The Nielsen Company and BNA, Inc. board of directors. He was a member of the Audit Committee at both companies.

**Guillermo G. Marmol** has served as President of Marmol & Associates, a consulting firm that provides advisory services and investment capital to early stage technology companies, since March 2007 and, prior to that, from October 2000 to 2003. He served as Division Vice President and a member of the Executive Committee of Electronic Data Systems Corporation, a global technology services company, from 2003 to 2007, and as a director and Chief Executive Officer of Luminant Worldwide Corporation, an internet professional services company, from 1998 to 2000. He served as Vice President and Chair of the Operating Committee of Perot Systems Corporation, an information technology and business solutions company, from 1995 to 1998. He began his career at McKinsey & Company, a management consulting firm, rising to increasingly senior positions with the firm, including



Table of Contents

the positions of Director and Senior Partner from 1990 to 1995, and was a leader of the organization and business process redesign practices. Mr. Marmol is a member of the Board of Trustees of the Center for a Free Cuba in Arlington, Virginia and is a member of the Board of Directors of Foot Locker, Inc. where he is a member of the Audit Committee and Finance and Strategic Planning Committee.

**Kalpna Raina** has served as our Director since August 2009. Ms. Raina is the managing partner of 252 Solutions, LLC, an advisory firm that specializes in strategic development and implementation. Previously, Ms. Raina was a senior executive with The Bank of New York, a global financial services company. She joined the Bank in 1989 and held a variety of leadership positions, most recently Executive Vice President and Head of European Country Management and Corporate Banking. Prior to that, she served in Mumbai, India as the bank's Executive Vice President, International. During her eighteen-year career with the bank she had responsibility for clients in the Media, Telecommunications, Healthcare, Retailing, Hotels and Leisure and Financial services industries in Asia, Europe, and the United States. Ms. Raina also is a director of RealNetworks (NASDAQ: RNWK), where she serves on the Audit Committee and chairs the Nominating and Corporate Governance Committee, and John Wiley & Son (NYSE: JWa and JWb), where she is a member of the Compensation Committee. She is a member of Women Corporate Directors and The National Association of Corporate Directors and a past member of The U.S.-India Business Council.

**Donald C. Waite III** has served as our Director since January 2008. Mr. Waite is the Director of the Executives-in-Residence Program at Columbia Graduate School of Business, where he is an adjunct professor. Mr. Waite retired from McKinsey & Company, the international management consulting firm, in February 2002 after 36 years of service. From 1996 to 2002, he was one of three members of the Firm's Office of the Managing Director, and Chairman of the Firm's Investment Committee and Compensation Committee. Mr. Waite is a Director Emeritus of McKinsey & Company and sits on the McKinsey Investment Committee. Mr. Waite sits on the Board of Overseers of the Columbia Graduate School of Business as well as serving as Director of Presstek, Inc, where he is Chairman of the Compensation Committee and member of the Audit Committee and The Guardian Life Insurance Company of America, where he is Lead Director and member of the Human Resources & Governance Committee and Product & Distribution Committee.

**Robert E. Weissman** has served as our Director since August 2006. Mr. Weissman retired in January 2001 after years of experience as Chief Executive Officer for several public corporations. Most recently, Mr. Weissman was Chairman of the Board of Directors of IMS Health Incorporated (IMS), a provider of information to the pharmaceutical and healthcare industries. He served as both Chairman and Chief Executive Officer of IMS until March 1999 and he continued to serve as Chairman until 2001. Prior to his position with IMS, Mr. Weissman was Chairman and Chief Executive Officer of Cognizant Corporation, the former parent company of IMS, Nielsen Media Research, a provider of media data, and Gartner Group, an information technology research and advisory company, and prior to that, was Chairman and Chief Executive Officer of The Dun & Bradstreet Corporation (D&B) from 1994 to 1996. Prior to his election as Chairman and Chief Executive Officer of D&B, he held the position of President and Chief Operating Officer of that company since 1985. From 2001 to 2005, Mr. Weissman was active as Chairman of Shelburne Partners, a private investment company that works with emerging companies in the United States and Europe. In addition, Mr. Weissman currently serves as a director of State Street Corporation, Pitney Bowes, Inc., and Cognizant Technology Solutions Corporation.

Table of Contents

**COMPENSATION OF OFFICERS AND DIRECTORS**

**Background**

The Company was formed as a blank check company on July 20, 2006 to serve as a vehicle for the acquisition of a then unidentified operating business. On November 16, 2007, the Company completed the acquisition of TPI and 2008 was the Company's first full year as a public operating company. In January 2011, the Company completed the acquisitions of Compass and STA Consulting. This discussion addresses compensation as it relates to ISG's named executive officers: Michael P. Connors, Chairman and Chief Executive Officer; David E. Berger, Executive Vice President and Chief Financial Officer; Harold K. Somerdyk, Executive Vice President and Chief Human Resources & Communications Officer; David Whitmore, Vice Chairman and President, ISG Americas; and Ron Janci, Partner, Americas, TPI (herein referred to as the "Named Executive Officers").

**Oversight of Compensation**

The Compensation Committee is responsible for overseeing the compensation and employee benefit plans and practices of the Company. The Compensation Committee approves all executive compensation arrangements. The Compensation Committee charter sets forth the purpose of and other matters pertaining to the Compensation Committee. See pages 8 to 9 for further details regarding the duties and responsibilities of the Compensation Committee.

**Use of Third Party Consultants**

Pursuant to its charter, the Compensation Committee has the authority to retain, as needed, any independent counsel, compensation and benefits consultants and other outside experts or advisors as the Compensation Committee believes to be necessary or appropriate. The Compensation Committee has retained the firm of Steven Hall & Partners ("SH&P") as its independent compensation consultant to report and advise on matters related to executive and director compensation and related corporate governance concerns.

SH&P was engaged by and reports directly to the Compensation Committee. The Compensation Committee is responsible for approving payments to the consultant, and the Compensation Committee is solely responsible for engagement and termination of the consultant. While conducting assignments, the Compensation Committee anticipates that SH&P will interact with the Company's management when appropriate to gather internal perspectives and relevant company and compensation data. In addition, SH&P may seek feedback from the Compensation Committee Chairman, other members of the Compensation Committee or the Board of Directors, or the Chairman of the Board of Directors in developing recommendations for the Compensation Committee's consideration.

The Compensation Committee calls upon SH&P, as appropriate, to attend Compensation Committee meetings, meet with the Compensation Committee without management present and provide third-party data, advice and expertise on proposed executive compensation levels, programs and plan designs. The Compensation Committee may also ask SH&P to review and provide advice related to proposals prepared by management, including evaluating the consistency of such proposals with the Compensation Committee's compensation philosophy and in comparison to programs at other companies.

SH&P provides only executive compensation consulting services to us, and does not provide other services such as employee compensation, benefits administration or actuarial services.

**Role of Management in Compensation Decisions**

In determining compensation for the executive officers, the Compensation Committee may consult with the Company's executive officers at various times during the year to provide the Compensation

Table of Contents

Committee with information with which the Compensation Committee performs its own assessment of the individual performance of each executive officer. The Compensation Committee may also request input from the Chief Executive Officer, other members of the Board and the other committees of the Board as part of the Compensation Committee's evaluation of the executive officers and other key Company employees and their achievement of performance objectives. At the Compensation Committee's request, the Chief Executive Officer will review and discuss the performance and compensation of the Company's other Named Executive Officers. Executive officers, including the Chief Executive Officer, are neither consulted about their respective compensation nor present for the discussions or decisions regarding their compensation. The Compensation Committee may also consider the recommendations of the executive officers regarding total compensation for those key employees reporting to them. The Compensation Committee is assisted in the administration of its decisions by the Company's Chief Human Resources Officer. Notwithstanding this input, the Compensation Committee retains full discretion to approve the compensation of the Company's executive officers.

**Compensation Discussion and Analysis**

It is the Company's intent that its executive compensation programs achieve three fundamental objectives: (1) attract, motivate, retain and reward qualified executives; (2) hold executives accountable for performance; and (3) align executives' interests with the interests of our stockholders. In structuring the Company's executive compensation programs, we intend to be guided by the following basic philosophies:

*Alignment with Stockholder Interests.* A substantial portion of compensation should be contingent on the creation of stockholder value. As an executive officer's level of responsibility increases, a greater portion of the officer's total compensation should be dependent on the Company's performance and stockholder returns.

*Pay for Performance.* A substantial portion of compensation should be tied to achievement of Company and individual performance goals based on the Company's annual objectives and long-term business strategy. Such incentives should be appropriate to our Company's business mission and not encourage Named Executive Officers or other employees to expose the Company to risk that is reasonably likely to have a material adverse effect on the Company.

*Competition.* The Company should provide competitive compensation opportunities so that it can attract, motivate and retain executives qualified to lead and grow the Company.

***Elements of Compensation***

As described in more detail below, the material elements of our executive compensation program will include some or a mix of the following, at the discretion of the Compensation Committee: base salary, an annual cash incentive opportunity and an equity component. We believe that these elements of our executive compensation program are critical in helping us achieve our business objectives.

*Fixed Compensation.* Base salary is the element of our current executive compensation program where its value in any given year is generally not variable. Base salaries are paid on a current basis.

*Variable Incentive Compensation.* We anticipate that any annual incentive awards or the realization of compensation from equity awarded in any given year will depend on the performance of the individual and the performance of the Company. Any annual incentive award would generally be paid out on a short-term basis, such as at year end or upon completion of significant projects. Equity awards would generally be made on a longer-term basis. We believe that the proper balance of longer-term and short-term elements will focus our

Table of Contents

executives on achievement of annual objectives and fulfillment of our strategy to create long-term value for our stockholders.

These compensation elements are intended to create a total compensation package for each executive that we believe will achieve the Company's objectives and provide fair and competitive opportunities.

***Say-on-Pay and Say-on-Frequency Results***

The Compensation Committee considered the result of the 2011 advisory, non-binding say-on-pay vote in connection with the discharge of its responsibilities. A substantial majority of our stockholders (approximately 90% of the votes cast) approved the compensation programs described in our proxy statement for the 2011 Annual Meeting. The Compensation Committee has reviewed the voting results and considered whether any adjustments were warranted based on these results.

In light of the voting results with respect to the frequency of stockholder votes on executive compensation at the 2011 Annual Meeting, the Board decided that the Company will hold an advisory vote on the compensation of Named Executive Officers at each annual meeting of stockholders until the next required vote on the frequency of stockholder votes on executive compensation. As the Dodd-Frank Act requires that such stockholder votes on frequency be held at least once every six years, we currently expect the next stockholder vote on frequency to occur at the Company's 2017 Annual Meeting.

***Base Salary***

The Compensation Committee reviews and approves base salaries for executives, including Named Executive Officers, annually and in connection with promotions or other changes in responsibilities. The Compensation Committee considers market data, individual compensation history, pay in relation to other executives at the Company ("internal pay equity"), tax deductibility, individual job performance and future potential, as well as evaluations and recommendations by senior management in determining base salary. The weight given to each of these factors may differ from individual to individual, as the Compensation Committee deems appropriate.

On December 16, 2011, Mr. Connors entered into an Employment Agreement with ISG (the "Connors Employment Agreement") pursuant to which Mr. Connors began to receive a base salary of \$700,000 effective January 1, 2012. Prior to such date, Mr. Connors received a base salary of \$650,000. On September 24, 2009, Mr. Berger signed an employment letter with ISG (the "Berger Employment Letter"). Pursuant to the Berger Employment Letter, Mr. Berger receives an annual base salary of \$550,000. For 2011 and 2010, Messrs. Connors and Berger did not receive an increase in their respective base salaries. On December 13, 2011, Mr. Whitmore signed an employment letter with ISG (the "Whitmore Employment Letter"). Pursuant to the Whitmore Employment letter, Mr. Whitmore began to receive a base salary of \$475,000 effective January 1, 2012. On June 25, 2010, Mr. Somerdyk signed an employment letter with ISG (the "Somerdyk Employment Letter"). Pursuant to the Somerdyk Employment Letter, Mr. Somerdyk received a base salary of \$300,000. On December 13, 2011, Mr. Somerdyk was promoted to Executive Vice President and Chief Human Resources & Communications Officer to reflect his contribution to the Company and as a result his base salary was raised to \$325,000 effective January 1, 2012. During 2011, Mr. Janci received a base salary of \$400,000.

The Compensation Committee referred to a variety of data provided by SH&P for background information and took into account other information regarding the individuals. The data provided by SH&P was used for general reference and for perspective on market compensation practices, and not to specifically benchmark Named Executive Officer salary levels to any percentile or to within a range of percentiles derived from the background data.

Table of Contents

Individual factors considered by the Compensation Committee in reviewing and establishing the 2011 base salary for the Named Executive Officers, included:

*Mr. Connors:* (i) the experiences and capabilities that qualify Mr. Connors to hold comparable positions at significantly larger publicly held companies; (ii) Mr. Connors' salary and total compensation in prior positions; (iii) the current and anticipated future benefit to ISG from having a well-qualified Chief Executive Officer, which enables ISG to pursue its business strategy of acquiring, integrating and managing additional businesses under the leadership of an experienced manager who has achieved previous business success; (iv) the absence of any compensation for service to ISG prior to July 2009; (v) the absence of certain standard elements of compensation customarily provided to executive officers in comparable positions at other companies; and (vi) Mr. Connors' performance in his role as Chief Executive Officer to date.

*Mr. Berger:* (i) a competitive base salary in order to attract, retain and motivate our Chief Financial Officer; (ii) the experiences and capabilities of Mr. Berger which qualify him to hold a comparable position at a larger publicly held company; (iii) Mr. Berger's salary and total compensation in prior positions; and (iv) Mr. Berger's performance in his role as Chief Financial Officer to date.

*Messrs. Whitmore, Somerdyk and Janci:* (i) their responsibilities; (ii) their level of experience; (iii) individual performance in their roles to date; and (iv) equitable levels of salary in relation to compensation of other employees of the Company with high-level positions.

In making its determinations on base salary, the Compensation Committee took into account the fact that ISG evaluated each Named Executive Officer's overall job performance as highly satisfactory. The Compensation Committee's decision on base salaries represented an exercise of its judgment based on the considerations described above, without specifically weighing separate factors.

***Annual Bonus and Incentive Awards***

The Compensation Committee may award discretionary performance bonuses to certain executives. Any discretionary performance bonus will depend upon the financial results of the Company and the executive's contribution to such results based on the Compensation Committee's assessment of the Company's profitable growth and strategic progress, as well as the executive's own performance.

Based on the financial performance of the Company in 2011, Messrs. Connors, Berger, Whitmore and Janci were not awarded incentive bonuses. Pursuant to the Somerdyk Employment Letter, Mr. Somerdyk had a target bonus opportunity of \$150,000 for 2011 that was guaranteed if Mr. Somerdyk remained employed with the Company through December 31, 2011. This amount was paid as Mr. Somerdyk's 2011 bonus. The Compensation Committee agreed to this incentive award in connection with the hiring of Mr. Somerdyk based on its assessment of the competitive market pay levels for a Senior Vice President Chief Human Resources & Communications Officer and the need to attract, retain and motivate an executive with Mr. Somerdyk's experience.

For 2010, Mr. Connors was not awarded an incentive bonus. Pursuant to the Berger Employment Letter, Mr. Berger had a target bonus opportunity of \$350,000 for 2010 that was guaranteed if Mr. Berger remained employed with the Company through December 31, 2010. This amount was paid as Mr. Berger's 2010 bonus. The Compensation Committee agreed to this incentive award in connection with the hiring of Mr. Berger based on its assessment of the competitive market pay levels for a chief financial officer and the need to attract, retain and motivate an executive with Mr. Berger's experience.

For 2009, Messrs. Connors and Berger were not awarded incentive bonuses.

Table of Contents

***Long-Term Equity Incentive Awards***

The Compensation Committee has the authority to grant stock options, restricted stock and other awards under the Company's Amended and Restated 2007 Equity Incentive Plan to executives.

The Compensation Committee believes that the executives' long-term compensation should be directly linked to the Company's strategic progress and creation of stockholder value. The Company does not make regular annual awards of equity as part of its overall compensation program. Rather, at its discretion, the Compensation Committee periodically makes awards intended to create a meaningful stock incentive in light of the executive's current position with the Company, personal performance, potential impact and contributions to the growth of the enterprise and marketplace practice. In addition, the Compensation Committee uses long-term equity awards granted to new executives as a means to induce such persons to join the Company.

On January 7, 2011, the Company granted 200,000 restricted stock units to Mr. Connors, 75,000 restricted stock units to Mr. Berger and 100,000 restricted stock units to Mr. Janci. The restricted stock units granted to Messrs. Connors and Berger vest ratably on the first, second, third and fourth anniversaries of January 7, 2011 (or earlier in the event of a change of control of ISG or such officer's death or disability). The restricted stock units granted to Mr. Janci vest 25% on January 7, 2012 and 75% on July 1, 2012. Upon vesting, the restricted stock units will be settled in shares of ISG common stock. These restricted stock units were awarded to enhance retention of the Named Executive Officers. The Compensation Committee also considered that Mr. Connors had not received any long-term incentive awards since inception of the Company and that he did not begin receiving a base salary until July 1, 2009. Also considered was the fact that Messrs. Connors and Berger played a significant role in the successful acquisitions of Compass and STA Consulting.

For 2010, Messrs. Connors and Berger did not receive equity awards.

For 2009, Mr. Connors did not receive an equity award. Pursuant to the terms of the Berger Employment Letter, Mr. Berger was granted 125,000 restricted stock units that vest ratably on the first, second, third and fourth anniversaries of October 5, 2009 (or earlier in the event of a change of control of ISG or such officer's death or disability). Upon vesting, the restricted stock units will be settled in shares of common stock. The Compensation Committee awarded the restricted stock units to Mr. Berger in order to attract and retain him as the Chief Financial Officer of ISG and to align his interests with those of the ISG stockholders. The Compensation Committee considered the competitive market for an executive with Mr. Berger's talent and experience, and determined that the grant of restricted stock units was necessary and appropriate to induce Mr. Berger to join the Company.

Pursuant to the Whitmore Employment Letter, on January 1, 2012, the Company granted 100,000 restricted stock units to Mr. Whitmore. These restricted stock units granted vest ratably on the first, second, third and fourth anniversaries of January 1, 2012 (or earlier in the event of a change of control of ISG or such officer's death or disability). Upon vesting, the restricted stock units will be settled in shares of common stock. These restricted stock units were awarded to Mr. Whitmore in connection with his promotion to Vice Chairman, President ISG Americas. The award was granted in fiscal 2012, and therefore, is not shown in the compensation tables in this Proxy Statement, which reflect compensation for fiscal 2011 for Mr. Whitmore.

The Compensation Committee believes that restricted stock units enhance the retention of executives because they generally vest ratably over a four-year period. In the future, the Compensation Committee may consider establishing a program whereby executives' long-term incentive compensation may be granted on an annual basis.

Table of Contents

***Severance and Other Benefits Upon Termination of Employment***

In determining whether to enter into an agreement with an executive officer that provides for severance payments if the executive officer is involuntarily terminated, the Compensation Committee considers the significance of the executive officer's position with the Company, its ability to attract and retain talent as a result of executive management changes and the amount of time it would take the executive to locate another position. The Compensation Committee believes that offering severance commitments is necessary and appropriate in order to attract executives and retain them to provide long-term service to the Company.

On December 16, 2011, Mr. Connors entered into the Connors Employment Agreement which became effective immediately. Mr. Connors has been Chairman and Chief Executive Officer of the Company since the Company's inception. Prior to entering into the Connors Employment Agreement, Mr. Connors' employment with the Company was at-will. Mr. Connors' Change in Control Agreement with the Company as described below continues to apply pursuant to its terms. The Connors Employment Agreement provides for a fixed term of four years. Pursuant to the terms of the Connors Employment Agreement, Mr. Connors' base salary was increased to \$700,000 effective as of January 1, 2012. Mr. Connors will be eligible to earn an annual bonus with a target amount equal to 100% of his base salary and a maximum bonus opportunity equal to 200% of his base salary. In addition, Mr. Connors will be entitled to participate in the Company's employee benefits plans on the same basis as those plans are generally made available to other similarly situated executives. Subject to Mr. Connors executing a release of claims agreement in favor of the Company, in the event Mr. Connors is terminated by the Company without "Cause" or resigns for "Good Reason" (each as defined in the Connors Employment Agreement), the Company will provide him with two times his then applicable base salary plus two times his annual target bonus, payable over the 24-month period following his termination (but the Company may, in its sole discretion, pay this amount in a single lump sum). In addition, the Company will also provide Mr. Connors with a pro-rated annual bonus for the year in which he is terminated based on the Company's actual performance for such year. The pro-rated bonus will be payable at the time Mr. Connors' annual bonus would have otherwise been paid if his employment had not been terminated. If Mr. Connors is terminated without Cause or resigns for Good Reason at any time during the 24-month period following a Change in Control or within 60 days prior to a Change in Control, provided such termination is at the request of an acquirer or otherwise in anticipation of a Change in Control, Mr. Connors' severance payments will be governed by his Change in Control Agreement described below.

In connection with the hiring of Mr. Berger in 2009, the Company entered into an agreement with him on October 5, 2009 (the "Berger Severance Agreement"), which provides that, in the event of certain terminations of his employment, subject to Mr. Berger executing a release of claims agreement in favor of the Company, he will receive a lump sum severance payment in an amount equal to his then applicable base salary plus his target bonus for the applicable year. These severance obligations will be triggered if Mr. Berger is terminated by ISG without "Cause" or if Mr. Berger resigns for "Good Reason" (each as defined in the Berger Severance Agreement). If Mr. Berger is terminated without Cause or resigns for Good Reason at any time during the 24-month period following a Change in Control or within 60 days prior to a Change in Control, provided such termination is at the request of an acquirer or otherwise in anticipation of a Change in Control, Mr. Berger's severance payments will be governed by his Change in Control Agreement described below.

The Compensation Committee believes that the provisions in the Connors Employment Agreement and Berger Severance Agreement governing termination and severance arrangements are consistent with ISG's compensation objectives to attract, motivate and retain highly talented executive officers in a competitive environment.

Table of Contents

***Change in Control Arrangements***

To preserve morale and productivity and encourage retention in the face of the disruptive impact of an actual or rumored change in control, the Company entered into Change in Control Agreements with Messrs. Connors, Berger, Somerdyk and Janci on January 7, 2011, which became effective immediately, and with Mr. Whitmore on December 16, 2011, which became effective on January 4, 2012 (collectively, the "Change in Control Agreements"). The Change in Control Agreements are intended to align executive and stockholder interests by enabling each Named Executive Officer to consider corporate transactions that are in the best interests of the Company, its stockholders and other constituents without undue concern over whether the transactions may jeopardize the Named Executive Officer's own employment.

The Change in Control Agreements are in effect for a term of two years from the effective date, but will automatically extend for successive one-year terms unless a notice of non-renewal is given at least one year before the then scheduled expiration of the term. These agreements provide for a lump sum severance payment as a result of a termination of employment by the Company without "Cause" or by the executive for "Good Reason" (each as defined in the applicable Change in Control Agreement) during the two-year period following a Change in Control (as defined in the applicable Change in Control Agreement), plus protection for pre-change in control terminations that occur in the 60 days prior to a Change in Control at the request of an acquirer or otherwise in anticipation of a Change in Control. The severance payment for each Named Executive Officer is equal to the sum of: (i) a lump-sum cash payment equal to a multiple of two (for Mr. Connors) or one (for Messrs. Berger, Somerdyk, Janci and Whitmore) times the sum of the Named Executive Officer's then current base salary plus the greater of the annual target bonus for the year in which notice of termination is given or the year in which the Change in Control occurs; (ii) a lump-sum cash payment of (a) any accrued but unpaid base salary, (b) any unpaid bonus for the year prior to the year of termination that would have been paid if the executive had remained employed through the determination date of such bonus, (c) a pro rata portion of the target bonus for the year of termination, and (d) any accrued vacation pay; and (iii) a cash payment equal to the cost of continuation coverage for medical, dental and vision plans during the applicable COBRA continuation coverage period. Based in part upon information provided by SH&P, the Compensation Committee believes that the benefits and terms under the Change in Control Agreements are appropriate.

Pursuant to the terms of the Amended and Restated 2007 Equity Incentive Plan, in the event of a Change in Control (as defined therein), (i) if determined by the Compensation Committee and specified in the applicable award agreement or otherwise, any outstanding awards then held by participants which are unexercisable or otherwise unvested or subject to lapse and/or performance restrictions will automatically be deemed exercisable or otherwise vested or no longer subject to lapse and/or performance restrictions, as the case may be, immediately prior to such change in control and (ii) the Compensation Committee may, but will not be obligated to, (A) accelerate, vest or cause the restrictions to lapse with respect to all or any portion of an award, (B) cancel such awards for fair value (as determined in the sole discretion of the compensation committee) which, in the case of options and stock appreciation rights, may equal the excess, if any, of value of the consideration to be paid in the change in control transaction to holders of the same number of shares subject to such options or stock appreciation rights (or, if no consideration is paid in any such transaction, the fair market value of the shares subject to such options or stock appreciation rights) over the aggregate exercise price of such options or stock appreciation rights, (C) provide for the issuance of substitute awards that will substantially preserve the otherwise applicable terms of any affected awards previously granted hereunder as determined by the compensation committee in its sole discretion or (D) provide that for a period of at least ten business days prior to the change in control, such options or stock appreciation rights will be exercisable as to all shares subject thereto and that, upon the occurrence of



Table of Contents

the change in control, such options or stock appreciation rights will terminate and be of no further force and effect.

***Employment Agreements and Employment Letters***

As discussed above, on December 16, 2011, Mr. Connors entered into the Connors Employment Agreement with the Company. The base salary, bonus opportunity and other compensation provided under the Connors Employment Agreement are discussed above. In addition, the Connors Employment Agreement provides that Mr. Connors reaffirms his agreement not to disclose confidential information of the Company at any time, and for the period during which he is employed with us and the 24-month period thereafter, not to compete with us, not to interfere with our business, and not to solicit nor hire our employees or customers as set forth in the Restrictive Covenant Agreement between the Company and Mr. Connors dated January 7, 2011. The Committee believes that entering into the Connors Employment Agreement and the related commitments was advisable and appropriate in order for ISG to induce Mr. Connors to remain Chief Executive Officer and to promote his long-term service to the Company.

As discussed above, on December 16, 2011, Mr. Whitmore entered into the Whitmore Employment Letter with the Company. The base salary, bonus opportunity and other compensation provided under the Whitmore Employment Letter are discussed above. In connection with the grant of restricted stock units, Mr. Whitmore entered into the Restrictive Covenant Agreement with the Company. Also, pursuant to the Whitmore Employment Letter, during 2012 only, Mr. Whitmore will receive relocation housing assistance of \$5,000 per month and up to \$10,000 for incidental travel expenses to and from London. The Committee believes that entering into the Whitmore Employment Letter and the related commitments was advisable and appropriate in order for ISG to induce Mr. Whitmore to become an executive officer and to promote his long-term service to the Company.

As discussed above, on June 25, 2010, Mr. Somerdyk entered into the Somerdyk Employment Letter with the Company. The base salary, bonus opportunity and other compensation provided under the Somerdyk Employment Letter are discussed above. In connection with the grant of restricted stock units, Mr. Somerdyk entered into the Restrictive Covenant Agreement with the Company. Also, pursuant to the Somerdyk Employment Letter, Mr. Somerdyk was required to purchase 75,000 shares of ISG common stock, which he purchased on March 25, 2011. The Committee believes that entering into the Somerdyk Employment Letter and the related commitments was advisable and appropriate in order for ISG to induce Mr. Somerdyk to become an executive officer and to promote his long-term service to the Company.

As discussed above, on September 24, 2009, Mr. Berger entered into the Berger Employment Letter with the Company. The base salary, bonus opportunity and other compensation provided under the Berger Employment Letter are discussed above. In connection with the grant of restricted stock units, Mr. Berger entered into the Restrictive Covenant Agreement with the Company. Also, pursuant to the Berger Employment Letter, Mr. Berger was required to purchase 125,000 shares of ISG common stock, which he purchased on November 12, 2009. The Compensation Committee believes that entering into the Berger Employment Letter and the related commitments was advisable and appropriate in order for ISG to induce Mr. Berger to become an executive officer and to promote his long-term service to the Company.

***Option Grant Practices and Policies***

It is the practice of the Compensation Committee to grant stock options under the Amended and Restated 2007 Equity Incentive Plan with an exercise price equal to or greater than the closing price of the Company's common stock on the date of grant. The date of grant in all cases must be the day upon

Table of Contents

which the Compensation Committee has approved the grant or a day following such approval that is pre-specified by the Compensation Committee in its approval of the grant.

***Insider Trading Policy***

Our insider trading policy permits directors, Named Executive Officers and other key employees to trade our securities only during limited window periods following earnings releases and only after they have pre-cleared transactions with the Chief Financial Officer, but, in no event, while in possession of material, non-public information. The insider trading policy also prohibits directors, Named Executive Officers and other key employees to buy or sell puts, calls, options or similar derivative securities based on the value of ISG securities, including for hedging purposes.

***Section 162(m) Policy***

Section 162(m) of the Internal Revenue Code disallows a tax deduction to publicly-held companies for compensation paid to certain executive officers, to the extent that compensation exceeds \$1 million per officer in any year. The limitation applies only to compensation which is not considered to be performance-based. The Compensation Committee intends to consider the anticipated tax treatment to the Company and our executive officers when reviewing executive compensation and our compensation programs. Section 162(m) did not limit our tax deductions relating to compensation recognized as income by our Named Executive Officers in 2011, 2010 or 2009.

Table of Contents

**REPORT OF THE COMPENSATION COMMITTEE**

The Compensation Committee has submitted the following report for inclusion in this Proxy Statement:

Our Committee has reviewed and discussed the Compensation Discussion and Analysis contained in this Proxy Statement with management. Based on our Committee's review of and the discussions with management with respect to the Compensation Discussion and Analysis, our Committee recommended to ISG's Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

During 2011, current directors Robert E. Weissman (Chairman), Mr. Neil G. Budnick, Gerald S. Hobbs, Kalpana Raina and Donald C. Waite III and former director Robert J. Chrenc served as members of the Compensation Committee.

The foregoing report is provided by the following directors, who constitute the Committee:

THE COMPENSATION  
COMMITTEE  
Mr. Robert E. Weissman  
(Chairman)  
Mr. Neil G. Budnick  
Mr. Gerald S. Hobbs  
Ms. Kalpana Raina  
Mr. Donald C. Waite III

Table of Contents**SUMMARY COMPENSATION TABLE**

The "Summary Compensation Table" below quantifies the value of the different forms of compensation earned by or awarded to our Named Executive Officers in 2011, 2010 and 2009, as applicable. The primary elements of each Named Executive Officer's total compensation reported in the table are base salary, annual bonus awards and stock awards, as further described in the footnotes to the table identified therein. The following table presents information regarding compensation of our Named Executive Officers for services rendered during 2011, 2010 and 2009, as applicable.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)(5)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Deferred Compensation (\$)	All Other Compensation (\$)(6)	Total (\$)
Michael P. Connors Chairman and Chief Executive Officer	2011	\$ 650,000	\$	\$ 428,000	\$	\$	\$	\$ 18,297(7)	\$ 1,096,297
	2010	\$ 650,000	\$	\$	\$	\$	\$	\$ 7,350	\$ 657,350
	2009	\$ 325,000(2)	\$	\$	\$	\$	\$	\$ 9,800	\$ 334,800
David E. Berger Executive Vice President and Chief Financial Officer	2011	\$ 550,000	\$	\$ 160,500	\$	\$	\$	\$ 7,350	\$ 717,850
	2010	\$ 550,000	\$ 350,000	\$	\$	\$	\$	\$ 7,350	\$ 907,350
	2009	\$ 133,622(3)	\$	\$ 460,000	\$	\$	\$	\$ 1,875	\$ 595,497
Harold K. Somerdyk(1) Executive Vice President Chief Human Resources & Communications Officer	2011	\$ 300,000	\$ 150,000	\$	\$	\$	\$	\$ 18,943(7)	\$ 468,943
David Whitmore(1) Vice Chairman President ISG Americas	2011	\$ 367,410(4)	\$	\$	\$	\$	\$	\$ 15,151(4)	\$ 382,561
Ronald Janci(1) Partner, Americas, TPI	2011	\$ 400,000	\$	\$ 214,000	\$	\$	\$	\$ 7,350	\$ 621,350

- (1) Messrs. Somerdyk, Whitmore and Janci were not Named Executive Officers in 2010 or 2009.
- (2) On July 1, 2009, the Compensation Committee of the Board of Directors of ISG approved an annual base salary of \$650,000, effective July 1, 2009, for the Chief Executive Officer Michael P. Connors. The amounts reflected are the portion of the annual salary earned from July 1, 2009 through December 31, 2009.
- (3) On September 24, 2009, David E. Berger signed an employment letter with ISG to serve as Executive Vice President and Chief Financial Officer. Pursuant to the employment letter, Mr. Berger receives an annual base salary of \$550,000 effective October 5, 2009. The amounts reflected are the portion of the annual salary earned from October 5, 2009 through December 31, 2009.
- (4) Mr. Whitmore's base salary and contribution amount are paid in British pounds which amounts have been converted to U.S. dollars at an exchange rate of £1.00 to \$1.5524, which was the exchange rate as of December 31, 2011.
- (5) Represents the aggregate grant date fair value of equity awards granted as calculated pursuant to Financial Accounting Standards Board Accounting Standards Codification Topic 718, *Compensation - Stock Compensation* (ASC Topic 718) (excluding estimates of forfeitures related to service-based vesting conditions). The fair value of the equity award is calculated based upon the closing price on the Nasdaq on the grant date.
- (6)

## Edgar Filing: Information Services Group Inc. - Form DEF 14A

Pursuant to ISG's qualified defined contribution profit-sharing plan for U.S.-based employees, Messrs. Connors, Berger, Somerdyk and Janci receive an annual contribution based on their cash compensation. Mr. Whitmore is an employee based in England and ISG makes a contribution to a defined contribution plan on his behalf based on his cash compensation.

(7)

All Other Compensation for Messrs. Connors and Somerdyk includes amounts for spousal travel of \$7,318 and \$7,830, respectively, and a related "gross-up" of \$3,628 and \$3,761, respectively.

Table of Contents

**Grant of Plan Based Awards**

The following table summarizes the equity awards received by the Named Executive Officers during 2011.

Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards		Estimated Future Payouts Under Equity Incentive Plan Awards		All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Underlying Options	Exercise or Price of Securities	Grant Date Fair Value of Stock and Option Awards(3)
		Threshold	Maximum	Threshold	Maximum				
Mr. Connors	1/7/2011					200,000(1)			\$ 428,000
Mr. Berger	1/7/2011					75,000(1)			\$ 160,500
Mr. Janci	1/7/2011					100,000(2)			\$ 214,000

(1) Grants of restricted stock units that will vest ratably on the first, second, third and fourth anniversaries of the grant date.

(2) Grant of restricted stock units that will vest 25% on January 7, 2012 and 75% on July 1, 2012.

(3) Represents the aggregate grant date fair value of equity awards granted as calculated pursuant to Financial Accounting Standards Board Accounting Standards Codification Topic 718, *Compensation Stock Compensation* (ASC Topic 718) (excluding estimates of forfeitures related to service-based vesting conditions). The fair value of the equity award is calculated based upon the closing price on the Nasdaq on the grant date.

**Outstanding Equity Awards at 2011 Fiscal Year-End**

Name	Date of Grant	Option Awards(1)				Stock Awards		Equity Incentive Plan Awards: Payout Number Value of Unearned Shares, Units or Other Rights That Have Not Vested	
		Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Not Exercisable	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested(2)	Unearned Shares, Units or Other Rights That Have Not Vested	Unearned Shares, Units or Other Rights That Have Not Vested
Mr. Connors	1/7/11					200,000	\$ 206,000		
Mr. Berger	1/7/11					75,000	\$ 77,250		
	10/5/09					62,500	\$ 64,375		
Mr. Somerdyk	10/1/10					56,250	\$ 57,938		
Mr. Janci(1)	1/7/11					100,000	\$ 103,000		

Edgar Filing: Information Services Group Inc. - Form DEF 14A

12/10/08	15,000	5,000	\$ 3.18	12/10/18	6,250	\$ 6,438
11/16/07	22,917		\$ 7.20	11/16/17		

---

- (1) The 2008 and 2007 awards set forth in the Option Awards column for Mr. Janci are grants of stock appreciation rights (SARs) payable in shares of Company common stock. The SARs vest and become exercisable with respect to 25% of the shares subject to the SARs on the first, second, third and fourth anniversaries of the grant date, so long as the participant remains employed with the Company. Assuming the participant remains employed with the Company, the SARs expire on the tenth anniversary of the grant date.
- (2) The market value is based on the closing price of the Company's common stock on December 30, 2011 (the last trading day for the fiscal year ended December 31, 2011) of \$1.03, multiplied by the number of share or units.

## Edgar Filing: Information Services Group Inc. - Form DEF 14A

### Table of Contents

The following table provides information regarding the amounts received by our Named Executive Officers as a result of the vesting of restricted stock units during the year ended December 31, 2011.

Name	Stock Awards	
	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)(1)
Mr. Berger	31,250	\$ 35,625
Mr. Somerdyk	18,750	\$ 19,875
Mr. Janci	15,694	\$ 18,305

(1) Value realized on vesting is based on the fair market value of the shares at the time of vesting.

### **Pension Benefits**

The Company's Named Executive Officers did not participate in, or otherwise receive any benefits under, any pension or retirement plan sponsored by the Company during 2011, 2010 or 2009.

### **Potential Payments Upon Termination or Change of Control**

Pursuant to the Connors Employment Agreement, if at December 31, 2011, ISG terminated Mr. Connors' employment without Cause or he had terminated his employment for Good Reason, ISG would have been obligated to pay him a severance amount equal to \$2,600,000. For further details, please see the Compensation Discussion and Analysis section of this proxy statement.

Pursuant to the Berger Employment Letter, if at December 31, 2011, ISG terminated Mr. Berger's employment without Cause or he had terminated his employment for Good Reason, ISG would have been obligated to pay him a severance amount equal to \$900,000. For further details, please see the Compensation Discussion and Analysis section of this proxy statement.

Pursuant to the Change in Control Agreements, if at December 31, 2011, a Change in Control occurred and the employment of the Named Executive Officers was terminated without Cause or for Good Reason, ISG would have been obligated to pay Messrs. Connors, Berger, Somerdyk and Janci amounts equal to \$2,600,000, \$900,000, \$450,000 and \$700,000, respectively. For further details, please see the Compensation Discussion and Analysis section of this proxy statement.

As described under "Compensation Discussion and Analysis Change in Control Arrangements" above, pursuant to the terms of the Amended and Restated 2007 Equity Incentive Plan, in the event of a change of control, the Compensation Committee may accelerate the vesting of outstanding awards then held by participants.

### **DIRECTOR COMPENSATION**

The following table presents information regarding equity awards granted to our non-employee directors during 2011. Mr. Marmol did not serve as a director during 2011 and is therefore excluded from the table below. During 2011, our non-employee directors received no other compensation for their services. For 2012, ISG's Director compensation program was revised to include a cash retainer of \$40,000 and a grant of restricted stock units equal to 35,000 with three-year vesting. Half of the cash retainer was paid in January 2012 and the remainder will be paid in July 2012. On March 26, 2012, upon joining the Board of Directors of ISG, Mr. Marmol received a grant of restricted stock units



## Edgar Filing: Information Services Group Inc. - Form DEF 14A

### Table of Contents

equal to 26,250 with three-year vesting and Mr. Marmol will receive a cash payment of \$30,000 in July 2012.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards \$(1)	All Other Compensation (\$)	Total (\$)
Neil G. Budnick(2)	\$	\$ 147,100	\$	\$ 147,100
Robert J. Chrenc(3)	\$	\$	\$	\$
Gerald S. Hobbs	\$	\$ 37,100	\$	\$ 37,100
Kalpana Raina	\$	\$ 37,100	\$	\$ 37,100
Donald C. Waite III	\$	\$ 37,100	\$	\$ 37,100
Robert E. Weissman	\$	\$ 37,100	\$	\$ 37,100

- (1) These amounts represent the aggregate grant date fair value of equity awards granted in the specified fiscal year as calculated pursuant to Financial Accounting Standards Board Accounting Standards Codification Topic 718, *Compensation Stock Compensation* (ASC Topic 718) (excluding estimates of forfeitures related to service-based vesting conditions). The fair value of the equity award is calculated based upon the closing price of \$1.34 in the Nasdaq Global Market on the grant date of December 16, 2011. On December 16, 2011, pursuant to the Amended and Restated 2007 Equity Incentive Plan, the following members of the ISG Board of Directors each received a grant of 35,000 restricted stock units of ISG common stock: Neil G. Budnick, Gerald S. Hobbs, Kalpana Raina, Donald C. Waite III and Robert E. Weissman. The restricted stock units shall become vested in three equal installments on each of the first, second and third anniversaries of December 16, 2011 (or earlier in the event of a change of control of ISG or such director's death or disability). This grant represents compensation for their service on the Board of Directors for the fiscal year ending on December 31, 2012.
- (2) On June 6, 2011, upon joining the Board of Directors of ISG, Mr. Budnick was awarded 55,000 restricted stock units on June 6, 2011, which vest in three equal installments on each of the first, second and third anniversaries of June 6, 2011 (or earlier in the event of a change of control of ISG or such director's death or disability). This grant represented compensation for his service on the Board of Directors for the fiscal year ending on December 31, 2011.
- (3) On February 22, 2011, Mr. Chrenc passed away. Mr. Chrenc did not receive any compensation or stock awards during 2011 and upon his death all his unvested restricted stock units vested.

As of December 31, 2011, our non-employee directors had outstanding the following unvested restricted stock units. Mr. Marmol was not a director as of December 31, 2011 and is therefore excluded from the table below.

Name	Unvested Restricted Stock Units
Neil G. Budnick	90,000
Gerald S. Hobbs	75,000
Kalpana Raina	93,333
Donald C. Waite III	75,000
Robert E. Weissman	75,000

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS**

The following table sets forth information regarding the beneficial ownership of ISG common stock as of March 30, 2012 by:

each person known by ISG to be the beneficial owner of more than 5% of our outstanding shares of common stock;

each of ISG's Named Executive Officers and directors; and

all of ISG's executive officers and directors as a group.

Beneficial ownership is determined in accordance with the rules of the SEC. Except as otherwise indicated, each person or entity named in the table has sole voting and investment power with respect to all shares of our common stock shown as beneficially owned, subject to applicable community property laws. As of March 30, 2012, 36,170,721 shares of our common stock were issued and outstanding. The number of shares reported as beneficially owned is as of March 30, 2012, unless otherwise indicated. Percentages are calculated based on the number of shares outstanding at March 30, 2012. Beneficial ownership consists of sole power to vote and sole power to dispose of the shares, unless otherwise indicated.

Name and Address of Beneficial Owner(1)	Amount and Nature of Beneficial Ownership	Approximate Percentage of Outstanding Common Stock
MCP GP II, Inc.(2)	5,000,000	12.1%
Clint D. Carlson(3)	3,265,090	9.0%
Marek Gumienny(4)	2,530,916	7.0%
Chevillon & Associés(5)	2,104,670	5.8%
Richard G. Gould(6)	1,852,734	5.1%
Michael P. Connors(7)(8)	2,698,250	7.5%
David E. Berger(9)	206,250	*
Harold K. Somerdyk(10)	93,750	*
David Whitmore(11)	311,295	*
Ron Janci(12)	134,034	*
Neil G. Budnick(8)(13)		*
Gerald S. Hobbs(8)(13)	109,444	*
Guillermo G. Marmol(8)(13)		*
Kalpana Raina(8)(13)	76,667	*
Donald C. Waite III(8)(13)	109,444	*
Robert E. Weissman(8)(13)	203,194	*
All directors and executive officers as a group (11 individuals)	3,942,328	10.9%

\*

Less than 1.0%

(1)

Unless otherwise noted, the business address of each of the individuals is c/o Information Services Group, Inc., Two Stamford Plaza, 281 Tresser Boulevard, Stamford, CT 06901.

(2)

The information was derived from a Schedule 13G filed with the SEC on March 11, 2009 by MCP GP II, Inc., Monitor Clipper Partners II, L.P., Monitor Clipper Equity Partners II, L.P. and MCP-TPI Holdings, LLC ("MCP-TPI") (collectively, the "MCP Reporting Persons"). MCP-TPI has the right to acquire 5,000,000 shares of ISG's common stock (the "Warrant Shares") pursuant to a Common Stock Purchase Warrant dated November 16, 2007 issued by ISG to MCP-TPI, as amended from time to time (the "Warrant"). The initial exercise price for the Warrant Shares is \$9.18 per share, as adjusted from time to time in accordance with the terms of the Warrant. The Warrant is exercisable by MCP-TPI at any time before November 16, 2012. The Warrant Shares



## Edgar Filing: Information Services Group Inc. - Form DEF 14A

### Table of Contents

may be deemed to be indirectly beneficially owned by the other MCP Reporting Persons. The business address of the MCP Reporting Persons is Two Canal Park, 4th Floor, Cambridge, Massachusetts 02141.

- (3) Carlson Capital L.P. filed a Schedule 13D Amendment on March 27, 2012 on behalf of (i) Double Black Diamond Offshore Ltd., a Cayman Islands exempted company ("Double Offshore Ltd."), (ii) Black Diamond Offshore Ltd., a Cayman Islands exempted company ("Offshore Ltd." and together with Double Offshore Ltd., the "Funds"), (iii) Carlson Capital, L.P., a Delaware limited partnership ("Carlson Capital"), (iv) Asgard Investment Corp. II, a Delaware corporation and the general partner of Carlson Capital ("Asgard II"), (v) Asgard Investment Corp., a Delaware corporation and the sole shareholder of Asgard II ("Asgard") and (vi) Mr. Clint D. Carlson, President of Asgard II, Asgard and Carlson Capital. The business address of Carlson Capital, L.P. is 2100 McKinney Avenue, Suite 1600, Dallas, Texas 75201. The 3,265,090 shares of common stock beneficially owned by Mr. Carlson, Carlson Capital, Asgard II and Asgard also reflected the 3,075,371 shares of common stock held by Double Offshore Ltd. and the 189,719 shares of common stock held by Offshore Ltd.
- (4) Marek Gumieny filed a Schedule 13G Amendment on February 10, 2012. The residential address of Mr. Gumieny is 8 Westmead, London, United Kingdom SW15 5BQ.
- (5) Chevrillon & Associés ("Chevrillon") filed a Schedule 13G on October 6, 2011. The business address of Chevrillon is 4/6 Rond Point des Champs Elysées, Paris, France 75008.
- (6) The residential address of Mr. Gould is 337 Canoe Hill Road, New Canaan, CT 06840.
- (7) Mr. Connors serves as Chairman of the Board and Chief Executive Officer.
- (8) Each of these individuals is a director.
- (9) Mr. Berger serves as Executive Vice President and Chief Financial Officer.
- (10) Mr. Somerdyk serves Executive Vice President and Chief Human Resources & Communications Officer.
- (11) Mr. Whitmore serves Vice Chairman, President ISG Americas.
- (12) Mr. Janci serves as Partner, Americas, TPI.
- (13) Ms. Raina was awarded 55,000 restricted stock units on August 3, 2009, which vest in three equal installments on each of the first, second and third anniversaries of August 3, 2009 (or earlier in the event of a change of control of ISG or such director's death or disability). Messrs. Hobbs, Waite, Weissman and Ms. Raina were awarded 40,000 restricted stock units on December 14, 2009, which vest in three equal installments on each of the first, second and third anniversaries of December 14, 2009 (or earlier in the event of a change of control of ISG or such director's death or disability). Messrs. Hobbs, Waite, Weissman and Ms. Raina were awarded 40,000 restricted stock units on December 13, 2010, which vest in three equal installments on each of the first, second and third anniversaries of December 13, 2010 (or earlier in the event of a change of control of ISG or such director's death or disability). Mr. Budnick was awarded 55,000 restricted stock units on June 6, 2011, which vest in three equal installments on each of the first, second and third anniversaries of June 6, 2011 (or earlier in the event of a change of control of ISG or such director's death or disability). Messrs. Budnick, Hobbs, Waite and Weissman and Ms. Raina were awarded 35,000 restricted stock units on December 16, 2011, which vest in three equal installments on each of the first, second and third anniversaries of December 16, 2011 (or earlier in the event of a change of control of ISG or such director's death or disability). Mr. Marmol was awarded 26,250 restricted stock units on March 26, 2012, which vest in three equal installments on each of the first, second and third anniversaries of March 26, 2012 (or earlier in the event of a change of control of ISG or such director's death or disability).



Table of Contents

**SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Pursuant to Section 16(a) of the Securities Exchange Act of 1934, ISG's directors and executive officers, and any persons holding 10% or more of its common stock, are required to report their beneficial ownership and any changes therein to the SEC. Specific due dates for those reports have been established, and ISG is required to report herein any failure to file such reports by those due dates. Based on ISG's review of Forms 3, 4 and 5 filed by such persons, it believes that during the year ended December 31, 2011, all Section 16(a) filing requirements applicable to such persons were met in a timely manner, except a late Form 3 was filed by David Whitmore on April 28, 2011.

**STOCKHOLDER PROPOSALS AND NOMINATIONS**

Any stockholder desiring to submit a proposal to be presented for consideration in our 2013 Proxy Statement must submit such proposal, including proposals with respect to recommending director candidates, to us no later than the close of business on December 10, 2012. Under Rule 14a-8 of the Exchange Act, a stockholder submitting a proposal is required to be a record or beneficial owner of at least 1% or \$2,000 in market value of the common stock and to have held such stock for at least one year prior to the date of submission of the proposal, and he or she must continue to own such securities through the date on which the meeting is held. Any stockholder who wishes to present a proposal at our 2013 Annual Meeting, outside the processes of Rule 14a-8 of the Exchange Act, must submit such proposal to us no later than the close of business on February 1, 2013. All proposals should be sent by Certified Mail Return Receipt Requested to the attention of the Chief Financial Officer, Information Services Group, Inc., Two Stamford Plaza, 281 Tresser Boulevard, Stamford, CT 06901.

Stockholders may recommend director candidates for consideration by the Nominating and Corporate Governance Committee. Such notice must include the name, address, and number of shares owned by the stockholder making such recommendation; the name, age, business address, residence address and principal occupation of the nominee; and the number of shares beneficially owned by the nominee. It must also include the information that would be required to be disclosed in the solicitation of proxies for election of directors under the federal securities laws. You must submit the nominee's consent to be elected and to serve. ISG may require any nominee to furnish any other information, within reason, that may be needed to determine the eligibility of the nominee. The notice must be delivered to the Chief Financial Officer, who will forward the notice to the Nominating and Corporate Governance Committee for consideration.

**TRANSACTION OF OTHER BUSINESS**

At the date of this Proxy Statement, the Board of Directors knows of no other business that will be conducted at the 2012 Annual Meeting other than as described in this Proxy Statement. If any other matter or matters are properly brought before the meeting, or any adjournment or postponement of the meeting, it is the intention of the persons named in the accompanying form of proxy to vote the proxy on such matters in accordance with their best judgment.

By Order of the Board of Directors,

Michael P. Connors  
*Chairman of the Board and Chief Executive Officer*

April 6, 2012













