

THE STREET, INC.

FORM 10-Q (Quarterly Report)

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2016

Commission File Number 000-25779

THE STREET, INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

06-1515824

(I.R.S. Employer Identification Number)

14 Wall Street

New York, New York 10005

(Address of principal executive offices, including zip code)

(212) 321-5000

(Registrant's telephone number, including area code)

Indicate by a check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant as required to submit and post such files). Yes No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

<u>Title of Class</u>	<u>Number of Shares Outstanding as of August 1, 2016</u>
Common Stock, par value \$0.01 per share	35,253,240

TheStreet, Inc.
Form 10-Q

As of and for the Three Months Ended June 30, 2016

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Item 1. Interim Condensed Consolidated Financial Statements.

THE STREET, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	<u>June 30, 2016</u> (unaudited)	<u>December 31, 2015</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 27,165,222	\$ 28,445,416
Accounts receivable, net of allowance for doubtful accounts of \$275,153 as of June 30, 2016 and \$357,417 as of December 31, 2015	4,499,233	5,102,464
Other receivables, net	465,149	790,148
Prepaid expenses and other current assets	1,684,216	1,205,708
Restricted cash	161,250	161,250
Total current assets	<u>33,975,070</u>	<u>35,704,986</u>
Property and equipment, net of accumulated depreciation and amortization of \$5,212,087 as of June 30, 2016 and \$4,804,411 as of December 31, 2015	3,287,981	2,773,737
Marketable securities	1,470,000	1,590,000
Other assets	313,134	329,885
Goodwill	41,857,125	43,318,670
Other intangibles, net of accumulated amortization of \$16,976,742 as of June 30, 2016 and \$15,674,328 as of December 31, 2015	17,673,230	18,674,376
Restricted cash	500,000	500,000
Total assets	<u>\$ 99,076,540</u>	<u>\$ 102,891,654</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 2,562,152	\$ 2,494,341
Accrued expenses	5,578,247	5,161,981
Deferred revenue	25,643,442	24,738,780
Other current liabilities	1,349,348	1,235,551
Total current liabilities	<u>35,133,189</u>	<u>33,630,653</u>
Deferred tax liability	2,467,746	1,906,295
Other liabilities	5,616,339	5,360,467
Total liabilities	<u>43,217,274</u>	<u>40,897,415</u>
Stockholders' Equity		
Preferred stock; \$0.01 par value; 10,000,000 shares authorized; 5,500 issued and outstanding as of June 30, 2016 and December 31, 2015; the aggregate liquidation preference totals \$55,000,000 as of June 30, 2016 and December 31, 2015	55	55
Common stock; \$0.01 par value; 100,000,000 shares authorized; 42,591,932 shares issued and 35,252,383 shares outstanding as of June 30, 2016, and 42,458,779 shares issued and 35,123,132 shares outstanding as of December 31, 2015	425,919	424,588
Additional paid-in capital	270,372,809	269,524,415
Accumulated other comprehensive loss	(4,324,132)	(1,999,026)
Treasury stock at cost; 7,339,549 shares as of June 30, 2016 and 7,335,647 shares as of December 31, 2015	(13,061,325)	(13,056,541)
Accumulated deficit	(197,554,060)	(192,899,252)
Total stockholders' equity	<u>55,859,266</u>	<u>61,994,239</u>
Total liabilities and stockholders' equity	<u>\$ 99,076,540</u>	<u>\$ 102,891,654</u>

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these financial statements

THE STREET, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
Net revenue:				
Business to business	\$ 7,531,159	\$ 7,267,562	\$ 14,663,959	\$ 14,401,187
Business to consumer	8,761,368	9,869,357	17,698,000	19,625,781
Total net revenue	<u>16,292,527</u>	<u>17,136,919</u>	<u>32,361,959</u>	<u>34,026,968</u>
Operating expense:				
Cost of services (exclusive of depreciation and amortization shown separately below)	8,144,877	8,585,978	16,031,433	16,909,669
Sales and marketing	4,013,161	4,113,677	7,897,587	8,624,766
General and administrative	3,879,391	3,683,619	8,993,297	7,471,490
Depreciation and amortization	972,314	1,137,442	1,915,470	2,115,678
Restructuring and other charges	162,958	-	1,543,010	-
Total operating expense	<u>17,172,701</u>	<u>17,520,716</u>	<u>36,380,797</u>	<u>35,121,603</u>
Operating loss	(880,174)	(383,797)	(4,018,838)	(1,094,635)
Net interest expense	(11,599)	(32,872)	(12,094)	(66,405)
Net loss before income taxes	(891,773)	(416,669)	(4,030,932)	(1,161,040)
Provision for income taxes	318,748	254,591	623,876	487,032
Net loss	(1,210,521)	(671,260)	(4,654,808)	(1,648,072)
Preferred stock cash dividends	-	96,424	-	192,848
Net loss attributable to common stockholders	<u>\$ (1,210,521)</u>	<u>\$ (767,684)</u>	<u>\$ (4,654,808)</u>	<u>\$ (1,840,920)</u>
Basic and diluted net loss per share				
Net loss attributable to common stockholders	<u>\$ (0.03)</u>	<u>\$ (0.02)</u>	<u>\$ (0.13)</u>	<u>\$ (0.05)</u>
Cash dividends declared and paid per common share	<u>\$ -</u>	<u>\$ 0.025</u>	<u>\$ -</u>	<u>\$ 0.05</u>
Weighted average basic and diluted shares outstanding	<u>35,234,429</u>	<u>34,848,571</u>	<u>35,216,192</u>	<u>34,814,060</u>

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these financial statements

THE STREET, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(unaudited)

	For the Three Months Ended		For the Six Months Ended	
	June 30,		June 30,	
	2016	2015	2016	2015
Net loss	\$ (1,210,521)	\$ (671,260)	\$ (4,654,808)	\$ (1,648,072)
Foreign currency translation (loss) gain	(1,549,565)	1,017,492	(2,205,106)	(481,107)
Unrealized loss on marketable securities	(20,000)	(39,194)	(120,000)	(62,950)
Comprehensive (loss) income	<u>\$ (2,780,086)</u>	<u>\$ 307,038</u>	<u>\$ (6,979,914)</u>	<u>\$ (2,192,129)</u>

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these financial statements

THE STREET, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	For the Six Months Ended June 30,	
	2016	2015
Cash Flows from Operating Activities:		
Net loss	\$ (4,654,808)	\$ (1,648,072)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Stock-based compensation expense	744,612	741,145
(Recovery of) provision for doubtful accounts	(33,487)	95,546
Depreciation and amortization	1,915,470	2,115,678
Deferred taxes	561,451	360,882
Restructuring and other charges	105,113	-
Deferred rent	59,960	(163,899)
Changes in operating assets and liabilities:		
Accounts receivable	565,073	695,408
Other receivables	320,457	53,501
Prepaid expenses and other current assets	(493,501)	(217,295)
Other assets	2,868	(81,259)
Accounts payable	76,692	45,008
Accrued expenses	485,575	(2,103,315)
Deferred revenue	1,241,539	1,299,920
Other current liabilities	(254,993)	(396,373)
Other liabilities	66,317	(39,585)
Net cash provided by operating activities	<u>708,338</u>	<u>757,290</u>
Cash Flows from Investing Activities:		
Sale and maturity of marketable securities	-	2,005,484
Adjustment to purchase of Management Diagnostics Limited	-	50,494
Capital expenditures	(1,612,899)	(2,091,654)
Net cash used in investing activities	<u>(1,612,899)</u>	<u>(35,676)</u>
Cash Flows from Financing Activities:		
Cash dividends paid on common stock	(11,929)	(1,780,956)
Cash dividends paid on preferred stock	-	(192,848)
Proceeds from the exercise of stock options	-	839
Restricted cash	-	139,750
Shares withheld on RSU vesting to pay for withholding taxes	(4,784)	(10,977)
Net cash used in financing activities	<u>(16,713)</u>	<u>(1,844,192)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(358,920)</u>	<u>4,992</u>
Net decrease in cash and cash equivalents	(1,280,194)	(1,117,586)
Cash and cash equivalents, beginning of period	28,445,416	32,459,009
Cash and cash equivalents, end of period	<u>\$ 27,165,222</u>	<u>\$ 31,341,423</u>

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these financial statements

TheStreet, Inc.
Notes to Condensed Consolidated Financial Statements
(unaudited)

1. DESCRIPTION OF THE BUSINESS AND BASIS OF PRESENTATION

Business

TheStreet, Inc., together with its wholly owned subsidiaries (“TheStreet”, “we”, “us” or the “Company”), is a leading independent digital financial information services company focused on the financial and mergers and acquisitions environment. The Company’s collection of digital services provides users, subscribers and advertisers with a variety of content and tools through a range of online, social media, tablet and mobile channels. Our mission is to provide investors and advisors with actionable ideas from the world of investing, finance and business, and dealmakers with sophisticated analysis of the mergers and acquisitions environment, in order to break down information barriers, level the playing field and help all individuals and organizations grow their wealth. With a robust suite of digital services, TheStreet offers the tools and insights needed to make informed decisions about earning, investing, saving and spending money. The Deal, LLC (“The Deal”), our institutional services platform, provides dealmakers, advisers and institutional investors with director and officer profiles, relationship capital management services, and transactional information pertaining to mergers and acquisitions and other changes in the corporate control environment. Since its inception in 1996, TheStreet believes it has distinguished itself from other financial information services companies with its journalistic excellence, unbiased approach and interactive multimedia coverage of the financial markets, economy, industry trends, investment and financial planning.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information and with the instructions to the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and for quarterly reports on Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The financial statements require the use of management estimates and include the accounts of the Company as required by GAAP. Operating results for the six month period ended June 30, 2016 are not necessarily indicative of the results that may be expected for the year ending December 31, 2016.

The consolidated balance sheet at December 31, 2015 has been derived from the audited financial statements at that date, but does not include all of the information and notes required by GAAP for complete financial statements.

For further information, refer to the consolidated financial statements and accompanying notes included in the Company’s annual report on Form 10-K for the year ended December 31, 2015, filed with the Securities and Exchange Commission (“SEC”) on March 9, 2016 (“2015 Form 10-K”).

The Company has evaluated subsequent events for recognition or disclosure.

Revenue Presentation on Condensed Consolidated Statements of Operations

During the three months ended March 31, 2016, the Company began to report revenue within Business to business and Business to consumer categories rather than Subscription services and Media. Prior period amounts have been reclassified to conform to current period presentation.

Business to business revenue is comprised of subscriptions, licenses and fees for access to director and officer profiles, relationship capital management services, and transactional information pertaining to the mergers and acquisitions environment, rate services, events and other miscellaneous revenue.

Business to consumer revenue is comprised of subscriptions, licenses and fees for access to securities investment information and stock market commentary, fees charged for the placement of advertising and sponsorships within TheStreet and its affiliated properties, and other miscellaneous revenue.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09, “Revenue from Contracts with Customers” (“ASU 2014-09”), which supersedes nearly all existing revenue recognition guidance under GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled for those goods or services. ASU 2014-09 defines a five step process to achieve this core principle and, in doing so, more judgment and estimates may be required within the revenue recognition process than are required under existing GAAP. On July 9, 2015, the FASB voted to defer the effective date by one year to December 15, 2017 for interim and annual reporting periods beginning after that date. Early adoption of ASU 2014-09 is permitted but not before the original effective date (annual periods beginning after December 15, 2016). When effective, ASU 2014-09 prescribes either of the following transition methods: (i) a full retrospective approach reflecting the application of the standard in each prior reporting period with the option to elect certain practical expedients; or (ii) a retrospective approach with the cumulative effect of initially adopting ASU 2014-09 recognized at the date of adoption (which includes additional footnote disclosures). We are currently evaluating the impact of our pending adoption of ASU 2014-09 on our consolidated financial statements and have not yet determined the method by which we will adopt the standard.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (ASU 2016-02”). ASU 2016-02 establishes a right-of-use (ROU) model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. We are currently evaluating the impact of our pending adoption of the new standard on our consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09, *Improvements to Employee Share-Based Payment Accounting* (“ASU No. 2016-09”). ASU 2016-09 simplifies various aspects related to how share-based payments are accounted for and presented in the consolidated financial statements. The amendments include income tax consequences, the accounting for forfeitures, classification of awards as either equity or liabilities and classification on the statement of cash flows. The guidance is effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. We are currently evaluating the impact of our pending adoption of the new standard on our consolidated financial statements.

2. CASH AND CASH EQUIVALENTS, MARKETABLE SECURITIES AND RESTRICTED CASH

The Company's cash, cash equivalents and restricted cash primarily consist of money market funds and checking accounts. As of June 30, 2016 and December 31, 2015, marketable securities consist of two municipal auction rate securities ("ARS") issued by the District of Columbia with a cost basis of approximately \$1.9 million and a fair value of approximately \$1.5 million and \$1.6 million, respectively. With the exception of the ARS, Company policy limits the maximum maturity for any investment to three years. The ARS mature in the year 2038. The Company accounts for its marketable securities in accordance with the provisions of ASC 320-10. The Company classifies these securities as available for sale and the securities are reported at fair value. Unrealized gains and losses are recorded as a component of accumulated other comprehensive loss and excluded from net loss as they are deemed temporary. Additionally, as of June 30, 2016 and December 31, 2015, the Company has a total of approximately \$661 thousand of cash that serves as collateral for outstanding letters of credit, and which cash is therefore restricted. The letters of credit serve as security deposits for the Company's office space in New York City.

	June 30, 2016	December 31, 2015
Cash and cash equivalents	\$ 27,165,222	\$ 28,445,416
Marketable securities	1,470,000	1,590,000
Current and noncurrent restricted cash	661,250	661,250
Total cash and cash equivalents, marketable securities and current and noncurrent restricted cash	<u>\$ 29,296,472</u>	<u>\$ 30,696,666</u>

3. FAIR VALUE MEASUREMENTS

The Company measures the fair value of its financial instruments in accordance with ASC 820-10, which refines the definition of fair value, provides a framework for measuring fair value and expands disclosures about fair value measurements. ASC 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The statement establishes consistency and comparability by providing a fair value hierarchy that prioritizes the inputs to valuation techniques into three broad levels, which are described below:

- Level 1: Inputs are quoted market prices in active markets for identical assets or liabilities (these are observable market inputs).
- Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability (includes quoted market prices for similar assets or identical or similar assets in markets in which there are few transactions, prices that are not current or vary substantially).
- Level 3: Inputs are unobservable inputs that reflect the entity's own assumptions in pricing the asset or liability (used when little or no market data is available).

Financial assets and liabilities included in our financial statements and measured at fair value are classified based on the valuation technique level in the table below:

As of June 30, 2016

Description:	Total	Level 1	Level 2	Level 3
Cash and cash equivalents (1)	\$ 27,165,222	\$ 27,165,222	\$ —	\$ —
Restricted cash (1)	661,250	661,250	—	—
Marketable securities (2)	1,470,000	—	—	1,470,000
Contingent earn-out (3)	2,656,655	—	—	2,656,655
Total at fair value	\$ 31,953,127	\$ 27,826,472	\$ —	\$ 4,126,655

As of December 31, 2015

Description:	Total	Level 1	Level 2	Level 3
Cash and cash equivalents (1)	\$ 28,445,416	\$ 28,445,416	\$ —	\$ —
Restricted cash (1)	661,250	661,250	—	—
Marketable securities (2)	1,590,000	—	—	1,590,000
Contingent earn-out (3)	2,590,339	—	—	2,590,339
Total at fair value	\$ 33,287,005	\$ 29,106,666	\$ —	\$ 4,180,339

- (1) Cash, cash equivalents and restricted cash, totaling approximately \$27.8 million and \$29.1 million as of June 30, 2016 and December 31, 2015, respectively, consist primarily of money market funds and checking accounts for which we determine fair value through quoted market prices.
- (2) Marketable securities consist of two municipal ARS issued by the District of Columbia having a fair value totaling approximately \$1.5 million and \$1.6 million as of June 30, 2016 and December 31, 2015, respectively. Historically, the fair value of ARS investments approximated par value due to the frequent resets through the auction process. Due to events in credit markets, the auction events, which historically have provided liquidity for these securities, have been unsuccessful. The result of a failed auction is that these ARS holdings will continue to pay interest in accordance with their terms at each respective auction date; however, liquidity of the securities will be limited until there is a successful auction, the issuer redeems the securities, the securities mature or until such time as other markets for these ARS holdings develop. For each of our ARS, we evaluate the risks related to the structure, collateral and liquidity of the investment, and forecast the probability of issuer default, auction failure, a successful auction at par, or a redemption at par, for each future auction period. Temporary impairment charges are recorded in accumulated other comprehensive loss, whereas other-than-temporary impairment charges are recorded in our consolidated statement of operations. As of June 30, 2016, the Company determined that there was a decline in the fair value of its ARS investments of \$380 thousand from its cost basis, which was deemed temporary and was included within accumulated other comprehensive loss. The Company used both a discounted cash flow and market approach model to determine the estimated fair value of its ARS investments. The assumptions used in preparing the discounted cash flow model include estimates for interest rate, timing and amount of cash flows and expected holding period of ARS.
- (3) Contingent earn-out represents additional purchase consideration payable to the former shareholders of Management Diagnostics Limited, which was acquired by the Company in October 2014, which earn-out payments are based upon the achievement of specific 2017 audited revenue benchmarks. The probability of achieving each benchmark is based on the Company's assessment of the projected 2017 revenue. The present value of each probability weighted payment was calculated by discounting the probability weighted payment by the corresponding present value factor.

The following tables provide a reconciliation of the beginning and ending balance for the Company's assets and liabilities measured at fair value using significant unobservable inputs (Level 3):

	Marketable Securities	Contingent Earn-Out
Balance December 31, 2015	\$ 1,590,000	\$ 2,590,339
Change in fair value	(120,000)	66,316
Balance June 30, 2016	<u>\$ 1,470,000</u>	<u>\$ 2,656,655</u>

4. STOCK-BASED COMPENSATION

The Company estimates the fair value of stock option awards on the date of grant using the Black-Scholes option-pricing model. This determination is affected by the Company's stock price as well as assumptions regarding expected volatility, risk-free interest rate, and expected dividend yields. Because option-pricing models require the use of subjective assumptions, changes in these assumptions can materially affect the fair value of the options. The assumptions in the table below represent the weighted-average value of the applicable assumptions used to value stock option awards at their grant date. The weighted-average grant date fair value per share of stock option awards granted during the six months ended June 30, 2016 and 2015 was \$0.38 and \$0.41, respectively.

	For the Six Months Ended June 30,	
	2016	2015
Expected option lives	4.5 years	3.0 years
Expected volatility	34.49%	35.66%
Risk-free interest rate	1.23%	0.99%
Expected dividend yield	0.00%	4.51%

The value of each restricted stock unit awarded is equal to the closing price per share of the Company's Common Stock on the date of grant. The weighted-average grant date fair value per share of restricted stock units granted during the six months ended June 30, 2016 and 2015 was \$1.31 and \$2.23, respectively.

For both option and restricted stock unit awards, the value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods.

As of June 30, 2016, there remained 959,340 shares available for future awards under the Company's 2007 Performance Incentive Plan (the "2007 Plan"). In connection with awards under both the 2007 Plan and awards issued outside of the Plan as inducement grants to new hires, the Company recorded approximately \$382 thousand and \$850 thousand (inclusive of approximately \$105 thousand included in restructuring and other charges) of noncash stock-based compensation for the three and six month periods ended June 30, 2016, respectively, as compared to approximately \$368 thousand and \$741 thousand of noncash stock-based compensation for the three and six month periods ended June 30, 2015, respectively. As of June 30, 2016, there was approximately \$2.3 million of unrecognized stock-based compensation expense remaining to be recognized over a weighted-average period of 1.9 years.

A summary of the activity of the 2007 Plan, and awards issued outside of the Plan pertaining to stock option grants is as follows:

	Shares Underlying Awards	Weighted Average Exercise Price	Aggregate Intrinsic Value (\$000)	Weighted Average Remaining Contractual Life (In Years)
Awards outstanding at December 31, 2015	3,391,607	\$ 1.87		
Options granted	1,759,808	\$ 1.26		
Options exercised	-	\$ -		
Options forfeited	(81,645)	\$ 2.02		
Options expired	(319,626)	\$ 1.93		
Awards outstanding at June 30, 2016	4,750,144	\$ 1.64	\$ 1	3.54
Awards vested and expected to vest at June 30, 2016	4,687,555	\$ 1.64	\$ 1	3.52
Awards exercisable at June 30, 2016	2,734,691	\$ 1.83	\$ -	1.62

A summary of the activity of the 2007 Plan pertaining to grants of restricted stock units is as follows:

	Shares Underlying Awards	Aggregate Intrinsic Value (\$000)	Weighted Average Remaining Contractual Life (In Years)
Awards outstanding at December 31, 2015	806,324		
Restricted stock units granted	541,762		
Restricted stock units settled by delivery of Common Stock upon vesting	(133,153)		
Restricted stock units forfeited	(34,870)		
Awards outstanding at June 30, 2016	1,180,063	\$ 1,333	1.67
Awards expected to vest at June 30, 2016	1,167,463	\$ 1,319	1.64

A summary of the status of the Company's unvested share-based payment awards as of June 30, 2016 and changes in the six month period then ended, is as follows:

Unvested Awards	Number of Shares	Weighted Average Grant Date Fair Value
Shares underlying awards unvested at December 31, 2015	1,473,765	\$ 1.44
Shares underlying options granted	1,759,808	\$ 0.38
Shares underlying restricted stock units granted	541,762	\$ 1.31
Shares underlying options vested	(330,151)	\$ 0.50
Shares underlying restricted stock units settled by delivery of Common Stock upon vesting	(133,153)	\$ 2.06
Shares underlying options forfeited	(81,645)	\$ 0.62
Shares underlying restricted stock units cancelled	(34,870)	\$ 1.39
Shares underlying awards unvested at June 30, 2016	3,195,516	\$ 0.93

For the six months ended June 30, 2016 and 2015, the total fair value of share-based awards vested was approximately \$356 thousand and \$557 thousand, respectively. For the six months ended June 30, 2016 and 2015, the total intrinsic value of options exercised was \$0 and \$373, respectively (there were no options exercised during the six months ended June 30, 2016). For the six months ended June 30, 2016 and 2015, approximately 1.8 million and 38 thousand stock options, respectively, were granted, and 0 and approximately 1 thousand stock options, respectively, were exercised yielding \$0 and approximately \$1 thousand, respectively, of cash proceeds to the Company. Additionally, for the six months ended June 30, 2016 and 2015, approximately 542 thousand and 96 thousand restricted stock units, respectively, were granted, and approximately 133 thousand and 129 thousand shares, respectively, were issued under restricted stock unit grants.

5. STOCKHOLDERS' EQUITY

Treasury Stock

In December 2000, the Company's Board of Directors authorized the repurchase of up to \$10 million of the Company's Common Stock, from time to time, in private purchases or in the open market. In February 2004, the Company's Board of Directors approved the resumption of the stock repurchase program (the "Program") under new price and volume parameters, leaving unchanged the maximum amount available for repurchase under the Program. However, the affirmative vote of the holders of a majority of the outstanding shares of Series B Preferred Stock, voting separately as a single class, is necessary for the Company to repurchase its Common Stock (except for the purchase or redemption from employees, directors and consultants pursuant to agreements providing us with repurchase rights upon termination of their service with us), unless after such purchase we have unrestricted cash (net of all indebtedness for borrowed money, purchase money obligations, promissory notes or bonds) equal to at least two times the product obtained by multiplying the number of shares of Series B Preferred Stock outstanding at the time such dividend is paid by the liquidation preference. During the six-month periods ended June 30, 2016 and 2015, the Company did not purchase any shares of Common Stock under the Program. Since inception of the Program, the Company has purchased a total of 5,453,416 shares of Common Stock at an aggregate cost of approximately \$7.3 million.

In addition, pursuant to the terms of the Company's 2007 Plan, and certain procedures approved by the Compensation Committee of the Board of Directors, in connection with the exercise of stock options by certain of the Company's employees, and the issuance of shares of Common Stock in settlement of vested restricted stock units, the Company may withhold shares in lieu of payment of the exercise price and/or the minimum amount of applicable withholding taxes then due. Through June 30, 2016, the Company had withheld an aggregate of 1,674,525 shares which have been recorded as treasury stock. In addition, the Company received an aggregate of 211,608 shares in treasury stock resulting from prior acquisitions.

Dividends

Beginning with the first quarter of 2016, the Company's Board of Directors suspended the payment of a quarterly dividend and will continue to evaluate the uses of its cash in connection with planned investments in the business. During the three months ended June 30, 2015, the Company paid a quarterly cash dividend of \$0.025 per share on its Common Stock and its Series B Preferred Stock on a converted common share basis. The dividend payment totaled approximately \$968 thousand. When combined with the quarterly cash dividend paid during the three months ended March 31, 2015, year-to-date 2015 dividend payments totaled approximately \$2.0 million.

6. LEGAL PROCEEDINGS

The Company is party to legal proceedings arising in the ordinary course of business or otherwise, none of which is deemed material.

7. NET LOSS PER SHARE OF COMMON STOCK

Basic net loss per share is computed using the weighted average number of common shares outstanding during the period. Diluted net loss per share is computed using the weighted average number of common shares and potential common shares outstanding during the period, so long as the inclusion of potential common shares does not result in a lower net loss per share. Potential common shares consist of restricted stock units (using the treasury stock method), the incremental common shares issuable upon the exercise of stock options (using the treasury stock method), and the conversion of the Company's convertible preferred stock (using the if-converted method). For the three months ended June 30, 2016 and 2015, approximately 1.2 million and 3.5 million unvested restricted stock units and vested and unvested options to purchase Common Stock, respectively, were excluded from the calculation, as their effect would result in a lower net loss per share. For the six months ended June 30, 2016 and 2015, approximately 1.0 million and 4.1 million unvested restricted stock units and vested and unvested options to purchase Common Stock, respectively, were excluded from the calculation, as their effect would result in a lower net loss per share.

The following table reconciles the numerator and denominator for the calculation.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
Basic and diluted net loss per share:				
Numerator:				
Net loss	\$ (1,210,521)	\$ (671,260)	\$ (4,654,808)	\$ (1,648,072)
Preferred stock cash dividends	-	96,424	-	192,848
Numerator for basic and diluted earnings per share				
Net loss attributable to common stockholders	\$ (1,210,521)	\$ (767,684)	\$ (4,654,808)	\$ (1,840,920)
Denominator:				
Weighted average basic and diluted shares outstanding	35,234,429	34,848,571	35,216,192	34,814,060
Basic and diluted net loss per share:				
Net loss attributable to common stockholders	\$ (0.03)	\$ (0.02)	\$ (0.13)	\$ (0.05)

8. INCOME TAXES

Income tax expense for the three and six months ended June 30, 2016 was approximately \$319 thousand and \$624 thousand, respectively, and reflects an effective tax rate of -36% and -15%, respectively, as compared to approximately \$255 thousand and \$487 thousand, respectively, for the three and six months ended June 30, 2015, reflecting an effective tax rate of -61% and -42%, respectively. Income tax expense for the three and six months ended June 30, 2016 primarily relates to the recognition of \$281 thousand and \$562 thousand, respectively, of a deferred tax liability associated with goodwill that is tax deductible but constitutes an indefinite lived intangible asset for financial reporting purposes, as well as the recognition of \$38 thousand and \$62 thousand, respectively, of income tax expense in certain jurisdictions where there are no net operating losses available to offset taxable income. Income tax expense for the three and six months ended June 30, 2015 primarily relates to the recognition of \$181 thousand and \$361 thousand, respectively, of a deferred tax liability associated with goodwill that is tax deductible but constitutes an indefinite lived intangible asset for financial reporting purposes, as well as the recognition of \$74 thousand and \$126 thousand, respectively, of income tax expense in certain jurisdictions where there are no net operating losses available to offset taxable income.

The Company accounts for its income taxes in accordance with ASC 740-10, *Income Taxes* (“ASC 740-10”). Under ASC 740-10, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases. ASC 740-10 also requires that deferred tax assets be reduced by a valuation allowance if it is more likely than not that some or all of the deferred tax assets will not be realized based on all available positive and negative evidence. The Company had approximately \$154 million of federal and state net operating loss carryforwards as of December 31, 2015, which results in deferred tax assets of approximately \$69 million. As of June 30, 2016 and 2015, we maintain a full valuation allowance against our deferred tax assets due to our prior history of pre-tax losses and uncertainty about the timing of and ability to generate taxable income in the future and our assessment that the realization of the deferred tax assets did not meet the “more likely than not” criterion under ASC 740-10. We expect to continue to maintain a full valuation allowance until, or unless, we can sustain a level of profitability that demonstrates our ability to utilize these assets.

Subject to potential Section 382 limitations as discussed below, the federal losses are available to offset future taxable income through 2035 and expire from 2019 through 2035. Since the Company does business in various states and each state has its own rules with respect to the number of years losses may be carried forward, the state net operating loss carryforwards expire from 2016 through 2035. The net operating loss carryforward as of December 31, 2015 includes approximately \$16 million related to windfall tax benefits for which a benefit would be recorded to additional paid in capital when realized. Based on operating results for the six months ended June 30, 2016 and six month projections, management expects to generate a tax loss in 2016 and no tax benefit has been recorded.

In accordance with Section 382 of the Internal Revenue Code, the ability to utilize the Company’s net operating loss carryforwards could be limited in the event of a change in ownership and as such a portion of the existing net operating loss carryforwards may be subject to limitation.

9. BUSINESS CONCENTRATIONS AND CREDIT RISK

Financial instruments that subject the Company to concentrations of credit risk consist primarily of cash, cash equivalents and restricted cash. The Company maintains all of its cash, cash equivalents and restricted cash in seven financial institutions, and performs periodic evaluations of the relative credit standing of these institutions. As of June 30, 2016, the Company’s cash, cash equivalents and restricted cash primarily consisted of money market funds and checking accounts.

For the three and six months ended June 30, 2016 and 2015, no individual client accounted for 10% or more of consolidated revenue. As of June 30, 2016 and December 31, 2015, no individual client accounted for more than 10% of our gross accounts receivable balance.

The Company’s customers are primarily concentrated in the United States and Europe, and we carry accounts receivable balances. The Company performs ongoing credit evaluations, generally does not require collateral, and establishes an allowance for doubtful accounts based upon factors surrounding the credit risk of customers, historical trends and other information. To date, actual losses have been within management’s expectations.

10. RESTRUCTURING AND OTHER CHARGES

During the three months ended March 31, 2016, the Company announced the resignation of the Company’s President and Chief Executive Officer, who was also a member of the Company’s Board of Directors. In connection with this resignation, the Company paid severance, will provide continuing medical coverage for 18 months, and incurred recruiting fees, resulting in restructuring and other charges of approximately \$1.5 million.

The following table displays the activity of the restructuring reserve account during the six months ended June 30, 2016.

Total Charges	\$ 1,543,010
Payments To-Date	(1,507,542)
Ending Balance	<u>\$ 35,468</u>

During the year ended December 31, 2012, the Company implemented a targeted reduction in force. Additionally, in assessing the ongoing needs of the organization, the Company elected to discontinue using certain software as a service, consulting and data providers, and elected to write-off certain previously capitalized software development projects. The actions were taken after a review of the Company's cost structure with the goal of better aligning the cost structure with the Company's revenue base. These restructuring efforts resulted in restructuring and other charges of approximately \$3.4 million during the year ended December 31, 2012. Additionally, as a result of the Company's acquisition of The Deal, LLC ("The Deal") in September 2012, the Company discontinued the use of The Deal's office space and implemented a reduction in force to eliminate redundant positions, resulting in restructuring and other charges of approximately \$3.5 million during the year ended December 31, 2012. In August 2015, the Company received a one year notice of termination under which the landlord elected to terminate The Deal's office space lease. As a result, the Company is no longer obligated to fulfill the original full lease term. As such, the Company recorded an adjustment to its restructuring reserve totaling approximately \$1.2 million. Collectively, these activities are referred to as the "2012 Restructuring".

The following table displays the activity of the 2012 Restructuring reserve account during the six months ended June 30, 2016 and 2015. The remaining balance as of June 30, 2016 relates to the lease for The Deal's office space, which expires in August 2016.

	For the Six Months Ended June 30,	
	2016	2015
Beginning balance	\$ 99,309	\$ 1,384,736
Adjustment to prior estimate	-	16,260
(Payments)/sublease income, net	(7,517)	(74,240)
Ending balance	<u>\$ 91,792</u>	<u>\$ 1,326,756</u>

11. OTHER LIABILITIES

Other liabilities consist of the following:

	June 30, 2016	December 31, 2015
Acquisition contingent earn-out	\$ 2,656,655	\$ 2,590,339
Deferred rent	2,147,680	1,870,583
Deferred revenue	762,340	897,453
Other	49,664	2,092
Total other liabilities	<u>\$ 5,616,339</u>	<u>\$ 5,360,467</u>

12. STATE AND MUNICIPAL SALES TAX

In accordance with generally accepted accounting principles, we make a provision for a liability for taxes when it is both probable that a liability has been incurred and the amount of the liability can be reasonably estimated. These provisions are reviewed at least quarterly and adjusted to reflect the impacts of negotiations, settlements, rulings, advice of legal counsel, and other information and events pertaining to a particular case. For a period of time, we did not collect or remit state or municipal sales tax on the charges to our customers for our services in certain states which may be required, except that we historically complied with New York sales tax. As such, we are currently conducting a review of these matters, and we have a reserve of \$1.4 million included within accrued expenses as of June 30, 2016 as our best estimate of the potential tax exposure for any retroactive assessment.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Special Note Regarding Forward-Looking Statements – all statements contained in this quarterly report on Form 10-Q (the "Report") that are not descriptions of historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are inherently subject to risks and uncertainties, and actual results could differ materially from those reflected in the forward-looking statements due to a number of factors, which include, but are not limited to, the factors set forth under the heading "Risk Factors" and elsewhere in this Report, and in other documents we file with the Securities and Exchange Commission from time to time, including, without limitation, the Company's annual report on Form 10-K for the year ended December 31, 2015 (the "2015 Form 10-K"). Certain forward-looking statements may be identified by terms such as "may," "will," "should," "could," "expects," "plans," "intends," "anticipates," "believes," "estimates," "predicts," "forecasts," "potential," or "continue" or similar terms or the negative of these terms. All statements relating to our plans, strategies and objectives are deemed forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. The forward-looking statements speak only as of the date of the filing of this Report; we have no obligation to update these forward-looking statements, whether as a result of new information, future developments or otherwise.

The following discussion and analysis should be read in conjunction with the Company's unaudited condensed consolidated financial statements and notes thereto.

Overview

TheStreet, Inc., together with its wholly owned subsidiaries ("TheStreet", "we", "us" or the "Company"), is a leading independent digital financial information services company focused on the financial and mergers and acquisitions environment. The Company's collection of digital services provides users, subscribers and advertisers with a variety of content and tools through a range of online, social media, tablet and mobile channels. Our mission is to provide investors and advisors with actionable ideas from the world of investing, finance and business, and dealmakers with sophisticated analysis of the mergers and acquisitions environment, in order to break down information barriers, level the playing field and help all individuals and organizations grow their wealth. With a robust suite of digital services, TheStreet offers the tools and insights needed to make informed decisions about earning, investing, saving and spending money. The Deal, LLC ("The Deal"), our institutional services platform, provides dealmakers, advisers and institutional investors with director and officer profiles, relationship capital management services, and transactional information pertaining to mergers and acquisitions and other changes in the corporate control environment. Since its inception in 1996, TheStreet believes it has distinguished itself from other financial information services companies with its journalistic excellence, unbiased approach and interactive multimedia coverage of the financial markets, economy, industry trends, investment and financial planning.

We report revenue in two categories: business to business and business to consumer. Business to business revenue is comprised of subscriptions, licenses and fees for access to director and officer profiles, relationship capital management services, and transactional information pertaining to the mergers and acquisitions environment, rate services, events and other miscellaneous revenue. Business to consumer revenue is comprised of subscriptions, licenses and fees for access to securities investment information and stock market commentary, fees charged for the placement of advertising and sponsorships within TheStreet and its affiliated properties, and other miscellaneous revenue.

Critical Accounting Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the condensed consolidated financial statements in the period they are deemed to be necessary. Significant estimates made in the accompanying condensed consolidated financial statements include, but are not limited to, the following:

- useful lives of intangible assets,
- useful lives of fixed assets,
- the carrying value of goodwill, intangible assets and marketable securities,
- allowances for doubtful accounts and deferred tax assets,
- accrued expense estimates,
- reserves for estimated tax liabilities,
- certain estimates and assumptions used in the calculation of the fair value of equity compensation issued to employees,
- restructuring charges, and
- the calculation of a contingent earn-out payment from the acquisition of Management Diagnostics Limited.

We perform annual impairment tests of goodwill and indefinite-lived intangible assets as of October 1 each year and between annual tests whenever circumstances arise that indicate a possible impairment might exist.

In conducting our 2015 annual goodwill impairment test with the assistance of our independent appraisal firm, we used the market approach for the valuation of our common stock and the income approach for our preferred shares. We also performed an income approach by using the discounted cash flow (“DCF”) method to confirm the reasonableness of the results of the common stock market approach. Based on these approaches, we determined the Company’s business enterprise value (common equity plus preferred equity) exceeded its book value. The fair value of our outstanding preferred shares requires significant judgments, including the estimation of the amount of time until a liquidation event occurs as well as an appropriate cash flow discount rate. Further, in assigning a fair value to our preferred stock, we also considered that the preferred shareholders are entitled to receive a \$55 million liquidation preference upon liquidation or dissolution of the Company or upon any change of control event. Additionally, the holders of the preferred shares are entitled to receive dividends and to vote as a single class together with the holders of the common stock on an as-converted basis and, provided certain preferred share ownership levels are maintained, are entitled to representation on our board of directors and may unilaterally block issuance of certain classes of capital stock, the purchase or redemption of certain classes of capital stock, including common stock (with certain exceptions) and any increases in the per-share amount of dividends payable to the holders of the common stock.

In conducting our 2015 annual indefinite-lived intangible asset impairment test with the assistance of our independent appraisal firm, we determined its fair value using the relief-from-royalty method. This analysis calculated the fair value as the present value of the future expenses avoided by owning the indefinite-lived trade name rather than having to license its use. We selected an appropriate royalty rate by reviewing licensing transactions for similar assets between service businesses, with a focus on companies that operate in industries similar to ours. Based upon the analysis, we concluded that the book value of the indefinite-lived trade name was not impaired as of the October 1, 2015 valuation date.

A decrease in the price of our common stock, or changes in the estimated value of our preferred shares, could materially affect the determination of the fair value and could result in an impairment charge to reduce the carrying value of goodwill, which could be material to our financial position and results of operations.

A summary of our critical accounting policies and estimates can be found in our 2015 Form 10-K.

Contingencies

Accounting for contingencies, including those matters described in the Commitments and Contingencies section of Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of the Company's 2015 Form 10-K, is highly subjective and requires the use of judgments and estimates in assessing their magnitude and likely outcome. In many cases, the outcomes of such matters will be determined by third parties, including governmental or judicial bodies. The provisions made in the consolidated financial statements, as well as the related disclosures, represent management's best estimate of the then current status of such matters and their potential outcome based on a review of the facts and in consultation with outside legal counsel where deemed appropriate. The Company would record a material loss contingency in its consolidated financial statements if the loss is both probable of occurring and reasonably estimated. The Company regularly reviews contingencies and as new information becomes available may, in the future, adjust its associated liabilities.

Results of Operations

Comparison of Three Months Ended June 30, 2016 and June 30, 2015

Net Revenue

	For the Three Months Ended June 30,				
	2016	Percent of Total Revenue	2015	Percent of Total Revenue	Percent Change
Net revenue:					
Business to business	\$ 7,531,159	46%	\$ 7,267,562	42%	4%
Business to consumer	8,761,368	54%	9,869,357	58%	-11%
Total net revenue	\$ 16,292,527	100%	\$ 17,136,919	100%	-5%

Business to business. Business to business revenue is comprised of subscriptions, licenses and fees for access to director and officer profiles, relationship capital management services, and transactional information pertaining to the mergers and acquisitions environment, rate services, events and other miscellaneous revenue.

Business to business revenue increased by \$264 thousand, or 4%, over the periods. The increase was the result of an event held by The Deal that resulted in revenue totaling approximately \$332 thousand. There were no events held during the same period last year. In addition, we experienced a 3% increase in revenue from our BoardEx product, resulting from a 9% increase in the weighted-average number of subscriptions partially offset by a 6% decrease in the average revenue recognized per subscription. These increases were partially offset by a 5% decrease in revenue from our RateWatch subsidiary resulting from a 5% decrease in the weighted-average number of subscriptions, and a de minimis decrease in revenue from our The Deal product. Revenue from our BoardEx product was also negatively impacted by the strengthening of the U.S. Dollar in relation to the British Pound.

Business to consumer. Business to consumer revenue is comprised of subscriptions, licenses and fees for access to securities investment information and stock market commentary, fees charged for the placement of advertising and sponsorships within TheStreet and its affiliated properties, and other miscellaneous revenue.

Business to consumer revenue decreased by approximately \$1.1 million, or 11%, over the periods. The decrease was primarily related to a 17% decline in revenue related to TheStreet newsletter products resulting from a 14% decrease in the weighted-average number of subscriptions combined with a 3% decrease in the average revenue recognized per subscription.

Operating Expense

	For the Three Months Ended June 30,					
	2016	Percent of Total Revenue	2015	Percent of Total Revenue	Percent Change	
Operating expense:						
Cost of services	\$ 8,144,877	50%	\$ 8,585,978	50%		-5%
Sales and marketing	4,013,161	25%	4,113,677	24%		-2%
General and administrative	3,879,391	24%	3,683,619	21%		5%
Depreciation and amortization	972,314	6%	1,137,442	7%		-15%
Restructuring and other charges	162,958	1%	-	-		N/A
Total operating expense	<u>\$ 17,172,701</u>		<u>\$ 17,520,716</u>			-2%

Cost of services. Cost of services expense consists primarily of compensation, benefits, outside contributor costs related to the creation of our content, licensed data and the technology required to publish our content.

Cost of services expense decreased by approximately \$441 thousand, or 5%, over the periods. The decrease was primarily the result of reduced consulting, data, recruiting, hosting and internet access costs, the aggregate of which decreased by approximately \$568 thousand. These cost decreases were partially offset by costs resulting from an event held by The Deal totaling approximately \$147 thousand. There were no events held during the same period last year.

Sales and marketing. Sales and marketing expense consists primarily of compensation expense for the direct sales force, marketing services, and customer service departments, advertising and promotion expenses and credit card processing fees.

Sales and marketing expense decreased by approximately \$101 thousand, or 2%, over the periods. The decrease was primarily the result of reduced advertising serving costs, credit card fees, and travel and entertainment expenses, the aggregate of which decreased by approximately \$202 thousand. These cost savings were partially offset by higher public relations costs which increased by approximately \$77 thousand.

General and administrative . General and administrative expense consists primarily of compensation for general management, finance, technology, legal and administrative personnel, occupancy costs, professional fees, insurance and other office expenses.

General and administrative expense increased by approximately \$196 thousand, or 5%, over the periods. The increase was primarily the result of higher professional and consulting fees, which increased by approximately \$397 thousand resulting from increased reliance on outside counsel during a period of turnover in our internal General Counsel position, accounting fees related to the ongoing sales tax review and the transition period subsequent to the resignation in February of the Company's CEO. This increase was partially offset by decreased compensation and related fees, which decreased by approximately \$188 thousand resulting from the absence of the Company's CEO and General Counsel.

Depreciation and amortization. Depreciation and amortization expense decreased by approximately \$165 thousand, or 15%, over the periods. The decrease was the result of increased expense in the prior year period resulting from accelerating and fully depreciating the remaining book value of fixed assets acquired from The Deal.

Restructuring and other charges. During the three months ended March 31, 2016, the Company announced the resignation of the Company's President and Chief Executive Officer, who was also a member of the Company's Board of Directors. In connection with this resignation, the Company incurred recruiting fees, resulting in restructuring and other charges of approximately \$163 thousand during the three months ended June 30, 2016.

Net Interest Expense

	For the Three Months Ended		Percent
	June 30,		
	2016	2015	Change
Net interest expense	\$ 11,599	\$ 32,872	-65%

Net interest expense decreased by approximately \$21 thousand, or 65%, over the periods. The change was the result of higher interest income resulting from increased interest rates combined with reduced interest expense related to the accretion of a contingent earn-out that was recorded in connection with the acquisition of Management Diagnostics Limited.

Provision for Income Taxes

	For the Three Months Ended		Percent
	June 30,		
	2016	2015	Change
Provision for income taxes	\$ 318,748	\$ 254,591	25%

Income tax expense for the three months ended June 30, 2016 was \$319 thousand, as compared to \$255 thousand for the three months ended June 30, 2015, and reflects an effective tax rate of -36% and -61%, respectively. Income tax expense for the three months ended June 30, 2016 and 2015 primarily relates to the recognition of \$281 thousand and \$181 thousand, respectively, of a deferred tax liability associated with goodwill that is tax deductible but constitutes an indefinite lived intangible asset for financial reporting purposes, as well as the recognition of \$38 thousand and \$74 thousand, respectively, of income tax expense in certain jurisdictions where there are no net operating losses available to offset taxable income.

Net Loss Attributable to Common Stockholders

Net loss attributable to common stockholders for the three months ended June 30, 2016 totaled approximately \$1.2 million, or \$0.03 per basic and diluted share, compared to net loss attributable to common stockholders totaling approximately \$768 thousand, or \$0.02 per basic and diluted share, for the three months ended June 30, 2015.

Comparison of Six Months Ended June 30, 2016 and June 30, 2015

Net Revenue

	For the Six Months Ended June 30,				
	2016	Percent of Total Revenue	2015	Percent of Total Revenue	Percent Change
Net revenue:					
Business to business	\$ 14,663,959	45%	\$ 14,401,187	42%	2%
Business to consumer	17,698,000	55%	19,625,781	58%	-10%
Total net revenue	\$ 32,361,959	100%	\$ 34,026,968	100%	-5%

Business to Business . Business to business revenue increased by \$263 thousand, or 2%, over the periods. The increase was the result of an event held by The Deal that resulted in revenue totaling approximately \$332 thousand. There were no events held during the same period last year. In addition, we experienced a de minimis increase in revenue from our BoardEx product. These increases were partially offset by a 2% decrease in revenue from our RateWatch subsidiary resulting from a 6% decrease in the weighted-average number of subscriptions which was partially offset by a 4% increase in the average revenue recognized per subscription, and a de minimis decrease from our The Deal product. Revenue from our BoardEx product was also negatively impacted by the strengthening of the U.S. Dollar in relation to the British Pound.

Business to Consumer . Business to consumer revenue decreased by approximately \$1.9 million, or 10%, over the periods. The decrease was primarily related to a 15% decline in revenue related to TheStreet newsletter products resulting from a 12% decrease in the weighted-average number of subscriptions combined with a 3% decrease in the average revenue recognized per subscription. This decrease was partially offset by a 6% increase in advertising revenue resulting from increased demand from both non-repeat and repeat advertisers.

Operating Expense

	For the Six Months Ended June 30,				
	2016	Percent of Total Revenue	2015	Percent of Total Revenue	Percent Change
Operating expense:					
Cost of services	\$ 16,031,433	50%	\$ 16,909,669	50%	-5%
Sales and marketing	7,897,587	24%	8,624,766	25%	-8%
General and administrative	8,993,297	28%	7,471,490	22%	20%
Depreciation and amortization	1,915,470	6%	2,115,678	6%	-9%
Restructuring and other charges	1,543,010	5%	-	-	N/A
Total operating expense	\$ 36,380,797		\$ 35,121,603		4%

Cost of services. Cost of services expense decreased by approximately \$878 thousand, or 5%, over the periods. The decrease was primarily the result of reduced consulting, fees paid to outside contributors, data, recruiting, travel and entertainment, hosting, internet and compensation costs, the aggregate of which decreased by approximately \$1.2 million. These cost decreases were partially offset by costs resulting from an event held by The Deal totaling approximately \$147 thousand. There were no events held during the same period last year. Additionally, revenue share payments made to certain distribution partners increased by approximately \$122 thousand.

Sales and marketing. Sales and marketing expense decreased by approximately \$727 thousand, or 8%, over the periods. The decrease was primarily the result of reduced compensation and related costs primarily related to commission and bonus payments, advertising and promotion, advertising serving, credit card processing and travel and entertainment costs, the aggregate of which decreased by approximately \$829 thousand. These cost savings were partially offset by higher public relations costs which increased by approximately \$131 thousand.

General and administrative . General and administrative expense increased by approximately \$1.5 million, or 20%, over the periods. The increase was primarily the result of a \$1.4 million provision recorded as an estimate for state and municipal sales tax not collected on sales to our customers or remitted to various states and municipalities. Additional cost increases included higher professional, consulting and recruiting fees, the aggregate of which increased by approximately \$924 thousand. These cost increases were partially offset by a reduction in compensation and related costs primarily resulting from the resignation in February of the Company's CEO, lower expenses resulting from more favorable exchange rates due to the strengthening US Dollar, and reduced bad debt expense, the aggregate of which decreased by approximately \$706 thousand.

Depreciation and amortization. Depreciation and amortization expense decreased by approximately \$200 thousand, or 9%, over the periods. The decrease was the result of increased expense in the prior year period resulting from accelerating and fully depreciating the remaining book value of fixed assets acquired from The Deal.

Restructuring and other charges. During the three months ended March 31, 2016, the Company announced the resignation of the Company's President and Chief Executive Officer, who was also a member of the Company's Board of Directors. In connection with this resignation, the Company paid severance, will provide continuing medical coverage for 18 months, and incurred recruiting fees, resulting in restructuring and other charges of approximately \$1.5 million during the six months ended June 30, 2016.

Net Interest Expense

	For the Six Months Ended June 30,		Percent Change
	2016	2015	
Net interest expense	\$ 12,094	\$ 66,405	-82%

Net interest expense decreased by approximately \$54 thousand, or 82%, over the periods. The change was the result of higher interest income resulting from increased interest rates combined with reduced interest expense related to the accretion of a contingent earn-out that was recorded in connection with the acquisition of Management Diagnostics Limited.

Provision for Income Taxes

	For the Six Months Ended June 30,		Percent Change
	2016	2015	
Provision for income taxes	\$ 623,876	\$ 487,032	28%

Income tax expense for the six months ended June 30, 2016 was \$624 thousand, as compared to \$487 thousand for the six months ended June 30, 2015, and reflects an effective tax rate of -15% and -42%, respectively. Income tax expense for the six months ended June 30, 2016 and 2015 primarily relates to the recognition of \$562 thousand and \$361 thousand, respectively, of a deferred tax liability associated with goodwill that is tax deductible but constitutes an indefinite lived intangible asset for financial reporting purposes, as well as the recognition of \$62 thousand and \$126 thousand, respectively, of income tax expense in certain jurisdictions where there are no net operating losses available to offset taxable income.

Net Loss Attributable to Common Stockholders

Net loss attributable to common stockholders for the six months ended June 30, 2016 totaled approximately \$4.7 million, or \$0.13 per basic and diluted share, compared to net loss attributable to common stockholders totaling approximately \$1.8 million, or \$0.05 per basic and diluted share, for the six months ended June 30, 2015.

Liquidity and Capital Resources

Our current assets as of June 30, 2016 totaled approximately \$34.0 million and consisted primarily of cash and cash equivalents and accounts receivable. Our current liabilities as of June 30, 2016 totaled approximately \$35.1 million and consisted primarily of deferred revenue, accrued expenses and accounts payable. With respect to many of our annual newsletter subscription products, we offer the ability to receive a refund during the first 30 days, but none thereafter. We do not as a general matter offer refunds for advertising that has run.

We generally have invested in money market funds and other short-term, investment grade instruments that are highly liquid and of high quality, with the intent that such funds are available for sale for acquisition and operating purposes. As of June 30, 2016, our cash, cash equivalents, marketable securities and restricted cash totaled approximately \$29.3 million, representing 30% of total assets. Our cash, cash equivalents and restricted cash primarily consisted of money market funds and checking accounts. Our marketable securities consisted of two municipal auction rate securities issued by the District of Columbia with a par value of approximately \$1.9 million and a fair value of approximately \$1.5 million that mature in the year 2038. Our total cash-related position is as follows:

	June 30, 2016	December 31, 2015
Cash and cash equivalents	\$ 27,165,222	\$ 28,445,416
Marketable securities	1,470,000	1,590,000
Current and noncurrent restricted cash	661,250	661,250
Total cash and cash equivalents, marketable securities and current and noncurrent restricted cash	\$ 29,296,472	\$ 30,696,666

Financial instruments that subject us to concentrations of credit risk consist primarily of cash, cash equivalents and restricted cash. We maintain all of our cash, cash equivalents and restricted cash in seven financial institutions, and we perform periodic evaluations of the relative credit standing of these institutions.

Net cash provided by operating activities for the six-month period ended June 30, 2016 totaled approximately \$708 thousand, as compared to net cash provided by operating activities totaling approximately \$757 thousand for the six-month period ended June 30, 2015. The decrease in net cash provided by operating activities was primarily the result of the increased net loss partially offset by the change in the balance of accrued expenses over the periods.

Net cash used in investing activities for the six-month period ended June 30, 2016 totaled approximately \$1.6 million, as compared to net cash used in investing activities totaling approximately \$36 thousand for the six-month period ended June 30, 2015. The reduction in cash flows from investing activities was primarily the result of the maturity of a marketable security during the three months ended March 31, 2015 partially offset by decreased capital expenditures.

Net cash used in financing activities for the six-month period ended June 30, 2016 totaled approximately \$17 thousand, as compared to net cash used in financing activities totaling approximately \$1.8 million for the six-month period ended June 30, 2015. The decrease in net cash used in financing activities was primarily the result of the suspension of cash dividend payments during the six months ended June 30, 2016.

We have a total of approximately \$661 thousand of cash that serves as collateral for outstanding letters of credit, which cash is classified as restricted. The letters of credit serve as security deposits for office space in New York City.

We believe that our current cash and cash equivalents will be sufficient to meet our anticipated cash needs for at least the next 12 months. We are committed to cash expenditures in an aggregate amount of approximately \$5.3 million through June 30, 2017, primarily related to operating leases and minimum payments due under an employment agreement.

As of December 31, 2015, we had approximately \$154 million of federal and state net operating loss carryforwards, which results in deferred tax assets of approximately \$69 million. Based on operating results for the six months ended June 30, 2016 and six month projections, management expects to generate a tax loss in 2016 and no tax benefit has been recorded. We maintain a full valuation allowance against our deferred tax assets as management concluded that it is more likely than not that we will not realize the benefit of our deferred tax assets by generating sufficient taxable income in future years. We expect to continue to maintain a full valuation allowance until, or unless, we can sustain a level of profitability that demonstrates our ability to utilize these assets.

In accordance with Section 382 of the Internal Revenue Code, the ability to utilize our net operating loss carryforwards could be limited in the event of a change in ownership and as such a portion of the existing net operating loss carryforwards may be subject to limitation.

Treasury Stock

Pursuant to the terms of the Company's 2007 Performance Incentive Plan, and certain procedures adopted by the Compensation Committee of our Board of Directors, in connection with the exercise of stock options by certain of our employees, and the issuance of shares of Common Stock in settlement of vested restricted stock units, we may withhold shares in lieu of payment of the exercise price and/or the minimum amount of applicable withholding taxes then due. Through June 30, 2016, we have withheld an aggregate of 1,674,525 shares which have been recorded as treasury stock. In addition, we received an aggregate of 211,608 shares in treasury stock resulting from prior acquisitions.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We believe that our market risk exposures are immaterial as we do not have instruments for trading purposes, and reasonable possible near-term changes in market rates or prices will not result in material near-term losses in earnings, material changes in fair values or cash flows for all instruments.

We maintain all of our cash, cash equivalents and restricted cash in seven financial institutions, and we perform periodic evaluations of the relative credit standing of these institutions. However, no assurances can be given that the third party institutions will retain acceptable credit ratings or investment practices.

Following our acquisition of MDL, we have greater exposure to fluctuations in foreign currency exchange rates, in particular with respect to the British Pound. Accordingly, our results of operations and cash flows are subject to fluctuations due to changes in exchange rates. Fluctuations in currency exchange rates could result in translation gains and losses when we consolidate our results and harm our business. Because we conduct a growing portion of our business outside the U.S. but report our results in U.S. Dollars, we face exposure to adverse movements in currency exchange rates, which may cause our revenue and operating results to differ materially from expectations. For example, if the U.S. Dollar strengthens relative to the British Pound, our non-U.S. revenue and operating results would be adversely affected when translated into U.S. Dollars. Conversely, a decline in the U.S. Dollar relative to the British Pound would increase our non-U.S. revenue and operating results when translated into U.S. Dollars. We do not engage in currency hedging or have any positions in derivative instruments to hedge our currency risk.

The effect of a 10% adverse change in exchange rates would have resulted in an approximate \$487 thousand reduction to revenue for the six months ended June 30, 2016, with an offsetting reduction to operating expenses of approximately \$407 thousand, and a decrease in the value of the Company's assets and liabilities as of June 30, 2016 of approximately \$2.7 million and \$517 thousand, respectively.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures: The Company carried out an evaluation, as required by Rule 13a-15(b) under the Exchange Act, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures, as defined in Rule 13a-15(e) of the Exchange Act, as of the end of the period covered by this report (the "Evaluation Date"). Based on such evaluation, such officers have concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting: The Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, has determined that during the period covered by this report, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, these internal controls over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

The Company is party to legal proceedings arising in the ordinary course of business or otherwise, none of which is deemed material.

Item 1A. Risk Factors.

In addition to the other information set forth in this report, you should carefully consider the information set forth in Part I, Item 1A. "Risk Factors" in our Form 10-K for the year ended December 31, 2015, which we filed with the Securities and Exchange Commission on March 9, 2016.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Not applicable.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Not applicable.

Item 6. Exhibits.

The following exhibits are filed herewith or are incorporated by reference to exhibits previously filed with the Securities and Exchange Commission:

Exhibit Number	Description	Form	Incorporated by Reference		Filing Date
			File No.	Exhibit	
3.1	Amended and Restated Bylaws of the Company	8-K	000-25779	3.1	June 28, 2016
10.1+	Employment Offer Letter dated as of June 9, 2016 between the Company and David Callaway				
10.2+	Severance Agreement dated as of July 6, 2016 between the Company and David Callaway				
10.3+	Agreement for Grant of Non-Qualified Stock Option dated as of July 6, 2016 between the Company and David Callaway				
31.1	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
31.2	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
32.1	Certifications of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
32.2	Certifications of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
101.INS*	XBRL Instance Document				
101.SCH*	XBRL Taxonomy Extension Schema Document				
101.CAL*	XBRL Taxonomy Extension Calculation Document				
101.DEF*	XBRL Taxonomy Extension Definitions Document				
101.LAB*	XBRL Taxonomy Extension Labels Document				
101.PRE*	XBRL Taxonomy Extension Presentation Document				

+ Indicates management contract or compensatory plan or arrangement.

* Pursuant to Rule 406T of Regulation S-T, this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

SIGNATURES

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

THESTREET, INC.

Date: August 3, 2016

By: /s/ David Callaway

Name: David Callaway
Title: President & Chief Executive Officer
(principal executive officer)

Date: August 3, 2016

By: /s/ Eric F. Lundberg

Name: Eric F. Lundberg
Title: Chief Financial Officer (principal financial officer)

EXHIBIT INDEX

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The Street



June 9, 2016

David Callaway

Dear Dave,

Pending approval from the Board of Directors, we are pleased to extend to you an offer of employment with TheStreet, Inc. (the “Company” or “TheStreet”) as described below:

1. **POSITION:** You will serve in a full-time capacity at TheStreet with the title of President & Chief Executive Officer, TheStreet, Inc. You will perform such duties, functions and responsibilities as are generally incident to such position, reporting to and subject to the direction of the Board of Directors.
2. **TERM:** You will commence employment on a mutually agreed upon date on or before July 6, 2016 and your employment shall continue until terminated by either you or the Company.
3. **AT WILL STATUS:** Your employment with TheStreet is “at will.” This means that either you or TheStreet may terminate your employment at any time, with or without notice, and with or without cause. Your status as an “at will” employee cannot be changed or retracted, either orally or in writing, by any policy or conduct, unless you receive a document expressly stating that your employment is no longer at-will, which is signed both by you and the Company’s Chairman of the Board .
4. **COMPENSATION:** We will compensate you as an exempt employee at the rate of \$20,833.34 semi-monthly, which is \$500,000 on an annualized basis. Payments are made on the 15th and last day of each month (or the preceding business day if the regular payday falls on a weekend or holiday) and will be subject to applicable withholding and taxes.
5. **BONUS:** In addition to your base salary, you are eligible to receive a bonus of up to 50% of the base salary you receive during the calendar year (the “Annual Bonus”), as determined by the Company in its sole discretion, which determination may be based on both your individual performance and the performance of the Company. Bonuses will be calculated, determined and paid out on an annual basis. Any bonus amount determined by the Compensation Committee of the Board of Directors of the Company (“Compensation Committee”) to be payable shall be paid not later than 60 days following the end of the year, provided that you must remain a full-time employee of the Company through the payment date in order to receive the payment. For 2016, your Annual Bonus will be guaranteed at a minimum of 50% of your potential bonus amount for the calendar year provided that you must remain a full-time employee of the Company with no notice by you of your intent to cease such employment through the payment date in order to receive the payment.

14 Wall Street 15th Floor NY, NY 10005 T 212 321 5000 www.thestreet.com

6. **BENEFITS:** You will be eligible to participate in any employment benefits plans provided by TheStreet, subject to the terms, conditions and eligibility requirements of any relevant benefits plan documents. At present, these benefits include, but are not limited to, group medical, dental and vision plans, 100% company paid coverage under the Company's comprehensive Life Insurance, Short-Term and Long-Term Disability Plans subject to applicable waiting periods and four (4) weeks of paid vacation annually (prorated for any partial year). You will also have the opportunity to participate in TheStreet's 401(k) Savings Plan which currently has an 8% employer match, Flexible Spending Account Plans and Transit Benefits, subject to the terms, conditions and eligibility requirements of such plans. TheStreet reserves the right to amend or terminate any of its benefit programs at any time with or without notice in its sole discretion.
7. **EQUITY COMPENSATION:** As soon as practicable following your start date, the Company will grant you an option to purchase 1,000,000 shares of common stock of the Company (the "Option"). The Option will vest and become exercisable at the rate of 1/3 of the shares subject to the Option on the first anniversary of the Start Date and 1/36 of the original Option grant in monthly increments over the next 24 months thereafter on the anniversary of the grant date (or the last day of the month, if necessary). The per share exercise price for the Option will be the closing price of TheStreet common stock on the NASDAQ Stock Market on the grant date. The Option will be a nonqualified and a non-plan grant intended to constitute an "inducement award" within the meaning, and subject to the requirements of, the corporate governance rules for the NASDAQ Stock Market. Details regarding this grant, including any terms and conditions will be set forth in a separate grant agreement (the "Notice of Grant"). In addition to the Option, subject to Compensation Committee approval and your continued service, you will be eligible for additional discretionary grants on July 1, 2017; July 1, 2018; and July 1, 2019 (the "Discretionary Grants"). The number of shares subject to a Discretionary Grant, if approved by the Compensation Committee, will be determined in the sole discretion of the Compensation Committee taking into account the outstanding shares remaining in the 2007 Performance Incentive Plan, your achievement against certain performance based targets and any other factors that the Compensation Committee deems appropriate.
8. **POLICIES:** As an employee, you will be required to comply fully with the provisions of the TheStreet's Insider Trading Compliance Program, Code of Business Conduct and Ethics, Compliance Manual and other compliance policies and procedures relevant to your position with the Company (the "Employment Materials"). Compliance is a condition of employment at TheStreet and you will be required to sign forms confirming that you will abide by the requirements of these policies and procedures. These materials, however, will not change your at-will employment status and are merely meant to provide additional information relating to your job. As a condition of employment, every individual must also complete the Employment Eligibility Verification Form I-9 and provide documentation that establishes their identity and eligibility for employment. This offer is contingent upon the satisfactory completion of the background verification process.

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This letter and the Employment Materials contain all of the terms of your employment with the TheStreet and supersede any prior understandings or agreements, whether written or oral, between you and Company. This letter agreement may not be amended or modified except by an express written agreement signed by you and TheStreet's Vice President of Human Resources (except that no amendment may change the at will nature of the employment unless in accordance with Paragraph 3). The terms of this letter and the resolution of any disputes hereunder shall be governed by New York law, without reference to principles of choice of law.

We hope that you find the foregoing terms acceptable. We are delighted to have you join TheStreet and look forward to a mutually beneficial working relationship. If you have any questions, please do not hesitate to contact me at 212-321-5997.

Sincerely,

Larry Kramer
Chairman & Interim Chief Executive Officer

ACCEPTED AND AGREED

David Callaway

14 Wall Street 15th Floor NY, NY 10005 T 212 321 5000 www.thestreet.com

SEVERANCE AGREEMENT

SEVERANCE AGREEMENT (this “Agreement”), dated as of July 6, 2016, by and between TheStreet, Inc., a Delaware corporation (the “Company” or “TheStreet”), and David Callaway (“Mr. Callaway” and together with the Company, each a “Party” and collectively the “Parties”).

WHEREAS, the Company desires that Mr. Callaway enter into this Agreement, and Mr. Callaway desires to enter into this Agreement, on the terms and conditions set forth herein;

WHEREAS, the Company granted Mr. Callaway 1,000,000 stock options pursuant to a stock option agreement, dated July 6, 2016 (the “Equity Agreements”);

WHEREAS, Mr. Callaway agreed to be bound by certain restrictive covenants in the Equity Agreements; and

NOW THEREFORE, the parties hereto agree as follows:

Section 1. Severance Benefits.

(a) General Severance. In the event that the Company (or Successor (as defined below), if applicable) terminates Mr. Callaway’s employment with the Company (or Successor, if applicable) without Cause (as defined in the Equity Agreements), then Mr. Callaway shall be entitled to the following severance benefits:

(A) pay Mr. Callaway an amount equal to twelve (12) months of his base salary (at the annual rate in effect immediately prior to termination, but in no event less than Mr. Callaway’s original annual salary of \$500,000); and

(B) If Mr. Callaway elects continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”) for himself and his eligible dependents, within the time period prescribed pursuant to COBRA, the Company will reimburse Mr. Callaway for (or pay directly) the COBRA premiums for such coverage (at the coverage levels in effect immediately prior to Mr. Callaway’s termination) until the earlier of (x) a period of twelve (12) months from the last date of employment with the Company, or (y) the date upon which he and/or his eligible dependents becomes covered under similar plans. COBRA reimbursements will be made by the Company to Mr. Callaway consistent with the Company’s normal expense reimbursement policy and will be taxable to the extent required to avoid adverse consequences to Executive or the Company under either Code Section 105(h) or the Patient Protection and Affordable Care Act of 2010.; and

For purposes of this Agreement, “Successor” shall mean any person or entity that acquires all or substantially all of the Company’s assets or into which the Company is merged or combined with the Company ceasing to exist (or the successor to any such entity, whether by merger, assignment or otherwise).

(b) Payment of Benefits. Subject to Section 15, if Mr. Callaway becomes entitled to a payment under Section 1(a)(A)(i), the Company (or Successor, if applicable) shall pay Mr. Callaway the applicable amount in accordance with the Company's then current payroll schedule, less applicable taxes, commencing the pay period immediately following Mr. Callaway's date of termination.

Section 2. Parachute Payment Limitation.

Anything in this Agreement or the Equity Agreements to the contrary notwithstanding, in the event that:

(a) the aggregate payments or benefits to be made or distributed by the Company or its affiliates to or for the benefit of Mr. Callaway (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise) which are deemed to be parachute payments as defined in Internal Revenue Code ("Code") Section 280G or any successor thereto (the "Change of Control Benefits") would be deemed to include an "excess parachute payment" under Code Section 280G; and

(b) if such Change of Control Benefits were reduced to an amount (the "Non-Triggering Amount"), the value of which is one dollar (\$1.00) less than an amount equal to three (3) times Mr. Callaway's "base amount," as determined in accordance with Code Section 280G and the Non-Triggering Amount less the product of the marginal rate of any applicable state and federal income tax times the Non-Triggering Amount would be greater than the aggregate value of the Change of Control Benefits (without such reduction) minus (x) the amount of tax required to be paid by Mr. Callaway thereon by Code Section 4999 and further minus (y) the product of the Change of Control Benefits times the marginal rate of any applicable state and federal income tax, then the Change of Control Benefits shall be reduced to the Non-Triggering Amount. Any reduction made pursuant to this Section 2(b) shall be made in accordance with the following order of priority: (i) stock options whose exercise price exceeds the fair market value of the optioned stock ("Underwater Options"), (ii) Full Credit Payments (as defined below) that are payable in cash, (iii) non-cash Full Credit Payments that are taxable, (iv) non-cash Full Credit Payments that are not taxable, (v) Partial Credit Payments (as defined below) and (vi) non-cash employee welfare benefits. In each case, reductions shall be made in reverse chronological order such that the payment or benefit owed on the latest date following the occurrence of the event triggering the excise tax will be the first payment or benefit to be reduced (with reductions made pro-rata in the event payments or benefits are owed at the same time). "Full Credit Payment" means a payment, distribution or benefit, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, that if reduced in value by one dollar reduces the amount of the parachute payment (as defined in Code Section 280G) by one dollar, determined as if such payment, distribution or benefit had been paid or distributed on the date of the event triggering the excise tax. "Partial Credit Payment" means any payment, distribution or benefit that is not a Full Credit Payment. In no event shall Mr. Callaway have any discretion with respect to the ordering of payment reductions.

Section 3. Certain Covenants.

In partial consideration for the right to receive the benefits described in Section 1, Mr. Callaway agrees as follows. For avoidance of doubt, the covenants set forth below are independent of the covenants set forth in the Equity Agreements and any covenants that may be set forth in any subsequent written agreements between the Parties:

(a) Non-competition. During her/his employment by the Company or any subsidiary and through the end of twelve (12) months after the cessation of her/his employment with the Company or any subsidiary, Mr. Callaway will not engage in a Competitive Activity (as defined below) with the Company or any of its subsidiaries. As used herein, “Competitive Activity” means Mr. Callaway’s service as a director, officer, employee, principal, agent, stockholder, member, owner or partner of, or Mr. Callaway permitting her/his name to be used in connection with the activities of, any other business or organization anywhere in the United States, or in any other geographic area in which the Company or any of its subsidiaries operates or with respect to which the Company provides financial news and commentary coverage (or from which such other business or organization provides financial news and commentary coverage of the United States), which engages in a business that competes with any business in which the Company or any subsidiary is engaged (a “Competing Business.”) Notwithstanding the foregoing, Mr. Callaway may work in a non-competitive business of a company which is carrying on a Competing Business.

(b) Non-solicitation of Employees. During her/his employment by the Company or any subsidiary and through the end of one (1) year after the cessation of her/his employment with the Company or any subsidiary, Mr. Callaway will not solicit for employment or hire, in any business enterprise or activity, any employee of the Company or any subsidiary who was employed by the Company or a subsidiary during Mr. Callaway’s period of employment by the Company or a subsidiary; provided that (a) the foregoing shall not be violated by any general advertising not targeted at any Company or subsidiary employees nor by Mr. Callaway serving as a reference upon request, and (b) Mr. Callaway may solicit and hire any one or more former employees of the Company or its subsidiaries who had ceased being such an employee for a period of at least six (6) months prior to any such solicitation or hiring.

(c) Non-solicitation of Clients and Vendors. During her/his employment by the Company or any subsidiary and through the end of one (1) year after the cessation of her/his employment with the Company or any subsidiary, Mr. Callaway will not solicit, in any business enterprise or activity, any client, customer, licensee, licensor, third-party service provider or vendor (a “Business Relation”) of the Company or any subsidiary who was a Business Relation of the Company or any subsidiary during Mr. Callaway’s period of employment by the Company or any subsidiary to (i) cease being a Business Relation of the Company or any subsidiary or (ii) become a Business Relation of a Competing Business unless (without you having solicited such third party to cease such relationship) such third party ceased being a Business Relation of the Company or any subsidiary for a period of at least six (6) months prior to such solicitation.

(d) The parties acknowledge that the restrictions contained in this Section 3 are a reasonable and necessary protection of the immediate interests of the Company, and any violation of these restrictions could cause substantial injury to the Company and that the Company would not have entered into this Agreement, without receiving the additional consideration offered by Mr. Callaway in binding her/himself to these restrictions. In the event of a breach or threatened breach by Mr. Callaway of any of these restrictions, the Company shall be entitled to apply to any court of competent jurisdiction for an injunction restraining Mr. Callaway from such breach or threatened breach; provided, however, that the right to apply for an injunction shall not be construed as prohibiting the Company from pursuing any other available remedies for such breach or threatened breach.

Section 4. Notices.

Unless otherwise provided herein, any notice, exercise of rights or other communication required or permitted to be given hereunder shall be in writing and shall be given by overnight delivery service such as Federal Express or personal delivery against receipt, or mailed by registered or certified mail (return receipt requested), to the party to whom it is given at, in the case of the Company, General Counsel/Compensation Committee Chair, TheStreet, Inc., 14 Wall Street, 15th Floor, New York, NY 10005, or, in the case of Mr. Callaway, at her/his principal residence address as then reflected on the records of the Company or such other address as such party may hereafter specify by notice to the other party hereto. Any notice or other communication shall be deemed to have been given as of the date so personally delivered or transmitted by telecopy or like transmission or on the next business day after sent by overnight delivery service for next business day delivery or on the fifth business day after sent by registered or certified mail.

Section 5. Representations.

The Company hereby represents and warrants that the execution and delivery of this Agreement and the performance by the Company of its obligations hereunder have been duly authorized by all necessary corporate action of the Company.

Section 6. Amendment.

This Agreement may be amended only by a written agreement signed by the parties hereto.

Section 7. Binding Effect.

The rights and duties under this Agreement are not assignable by Mr. Callaway other than as a result of her/his death. None of Mr. Callaway's rights under this Agreement shall be subject to any encumbrances or the claims of Mr. Callaway's creditors. This Agreement shall be binding upon and inure to the benefit of the Company and any successor organization which shall succeed to the Company by merger or consolidation or operation of law, or by acquisition of all or substantially all of the assets of the Company.

Section 8. Governing Law.

This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to contracts to be performed wholly within the state and without regard to its conflict of laws provisions that would defer to the laws of another jurisdiction.

Section 9. Severability.

If any provision of this Agreement shall for any reason be held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not be affected or impaired thereby. Moreover, if any one or more of the provisions of this Agreement shall be held to be excessively broad as to duration, activity or subject, such provisions shall be construed by limiting and reducing them so as to be enforceable to the maximum extent allowable by applicable law. To the extent permitted by applicable law, each party hereto waives any provision of law that renders any provision of this Agreement invalid, illegal or unenforceable in any way.

Section 10. Execution in Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same instrument.

Section 11. Entire Agreement.

This Agreement, together with the Equity Agreements, sets forth the entire agreement, and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof and thereof.

Section 12. Titles and Headings.

Titles and headings to Sections herein are for purposes of reference only, and shall in no way limit, define or otherwise affect the meaning or interpretation of any of the provisions of this Agreement.

Section 13. Consent to Jurisdiction.

The parties hereto each hereby irrevocably submit to the exclusive jurisdiction of any New York State or Federal court sitting in the Borough of Manhattan, City of New York in any action or proceeding to enforce the provisions of this Agreement, and waives the defense of inconvenient forum to the maintenance of any such action or proceeding.

Section 14. No Duty to Mitigate.

Mr. Callaway shall have no duty to mitigate or have any off-set made against amounts payable by the Company to Mr. Callaway hereunder.

Section 15. Release.

As a condition to the obligation of the Company to make the payments provided for in this Agreement and otherwise perform its obligations hereunder to Mr. Callaway upon termination of Mr. Callaway's employment (other than due to her death), Mr. Callaway or her legal representatives shall deliver to the Company a written release, substantially in the form attached hereto as Exhibit A (the "Release"), which must become effective no later than the sixtieth (60th) day following Mr. Callaway's termination of employment (the "Release Deadline"), and if not, Mr. Callaway will forfeit any right to severance payments or benefits under this Agreement. To become effective, the Release must be executed by Mr. Callaway and any revocation periods (as required by statute, regulation, or otherwise) must have expired without Mr. Callaway having revoked the Release. In addition, in no event will severance payments or benefits be paid or provided until the Release actually becomes effective. If the termination of employment occurs at a time during the calendar year where the Release Deadline could occur in the calendar year following the calendar year in which Mr. Callaway's termination of employment occurs, then any severance payments or benefits under this Agreement that would be considered deferred compensation not exempt under Section 409A (as defined below) will be paid on the first payroll date to occur during the calendar year following the calendar year in which such termination occurs, or such later time as required by (i) the date the Release becomes effective, or (iii) Section 16, provided that the first payment shall include all amounts that would have been paid to Mr. Callaway if payment had commenced on the date of Mr. Callaway's termination of employment.

Section 16. Section 409A.

(a) Notwithstanding anything to the contrary in this Agreement, no severance pay or benefits to be paid or provided to Mr. Callaway, if any, pursuant to this Agreement that, when considered together with any other severance payments or separation benefits, are considered deferred compensation not exempt under Section 409A (together, the "Deferred Payments") will be paid or otherwise provided until Mr. Callaway has a "separation from service" within the meaning of Section 409A. Similarly, no severance payable to Mr. Callaway, if any, pursuant to this Agreement that otherwise would be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9) will be payable until Mr. Callaway has a "separation from service" within the meaning of Section 409A. For purposes of this Agreement, "Section 409A" means Section 409A of the Internal Revenue Code of 1986, as amended or any regulations or Treasury guidance promulgated thereunder (" Section 409A ").

(b) Notwithstanding any provision of this Agreement to the contrary, if Mr. Callaway is a "specified employee" as determined by the Board or the Compensation Committee of the Board in accordance with Section 409A, Mr. Callaway shall not be entitled to any Deferred Payments until the earlier of (i) the date which is six (6) months and one (1) day after her/his termination of employment for any reason other than death (except that during such six (6) month period Mr. Callaway may receive total payments from the Company that do not exceed the amount specified in Treas. Reg. Section 1.409A-1(b)(9) or that constitute a short-term deferral within the meaning of Section 409A), or (ii) the date of her death.

(c) The foregoing provisions are intended to be exempt from or comply with the requirements of Section 409A so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be exempt or so comply. If any provision of this Agreement or of any award of compensation, including equity compensation or benefits would cause Mr. Callaway to incur any additional tax or interest under Section 409A, the parties agree to negotiate in good faith to reform such provision in such manner as to maintain, to the maximum extent practicable, the original intent and economic terms of the applicable provision without violating the provisions of Section 409A.

(d) To the extent that reimbursements or in-kind benefits under this Agreement constitute non-exempt “nonqualified deferred compensation” for purposes of Section 409A, (1) all reimbursements hereunder shall be made on or prior to the last day of the calendar year following the calendar year in which the expense was incurred by Mr. Callaway, (2) any right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (3) the amount of expenses eligible for reimbursement or in-kind benefits provided in any calendar year shall not in any way affect the expenses eligible for reimbursement or in-kind benefits to be provided, in any other calendar year.

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(e) Notwithstanding any provision of this Agreement to the contrary, to the extent any compensation or award which constitutes deferred compensation within the meaning of Section 409A shall vest upon the occurrence of a Change of Control and such Change of Control does not constitute a “change in the ownership or effective control” or a “change in the ownership of a substantial portion of the assets” of the Corporation within the meaning of Section 409A, then notwithstanding such vesting, payment will be made to Mr. Callaway on the earliest of (i) Mr. Callaway’s “separation from service” with the Company (determined in accordance with Section 409A) or, if Mr. Callaway is a specified employee within the meaning of Section 409A, such later date as provided in paragraph (b) of this Section 16, (ii) the date payment otherwise would have been made, or (iii) Mr. Callaway’s death.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of July 6,2016.

David Callaway

THESTREET, INC.

By:

Name:

Larry Kramer

Title: Chairman and interim Chief Executive Officer

EXHIBIT A

Form of Release

This Release (this “Release”) is entered into by _____ (“ ”) and TheStreet, Inc., a Delaware corporation (the “Company”), effective as of [DATE] (the “Effective Date”).

In consideration of the promises set forth in the Severance Agreement between _____ and the Company, dated as of _____, 201_ (the “Agreement”), _____ and the Company agree as follows:

1. General Releases and Waivers of Claims.

(a) _____’s Release of Company. In consideration of the payments and benefits provided to _____ under the Agreement and after consultation with counsel, _____ on behalf of him/herself and each of her/his respective heirs, executors, administrators, representatives, agents, successors and assigns (collectively, the “Parties”) hereby irrevocably and unconditionally release and forever discharge the Company and its current and former subsidiaries and affiliates and each of their respective current and former officers, employees, directors, shareholders and agents (“Company Parties”) from any and all claims, actions, causes of action, rights, judgments, fees and costs (including attorneys’ fees), obligations, damages, demands, accountings or liabilities of whatever kind or character (collectively, “Claims”), including, without limitation, any Claims based upon contract, tort, or under any federal, state, local or foreign law, that the _____ Parties may have, or in the future may possess, arising out of any aspect of _____’s employment relationship with and service as an employee, officer, director or agent of the Company, or the termination of such relationship or service, that occurred, existed or arose on or prior to the date hereof; provided, however, that _____ does not release, discharge or waive (i) any rights to payments and benefits provided under the Agreement, (ii) any right _____ may have to enforce this Release or the Agreement, (iii) _____’s eligibility for indemnification in accordance with the Company’s certificate of incorporation, bylaws or other corporate governance document, any applicable insurance policy or any contract or provision to which _____ is a party or as to which _____ otherwise is entitled to indemnification benefits, with respect to any liability she incurred or might incur as an employee, officer or director of the Company, (iv) any claims for accrued, vested benefits under any employee benefit or pension plan of the Company Parties subject to the terms and conditions of such plan and applicable law including, without limitation, any such claims under COBRA or the Employee Retirement Income Security Act of 1974, or (v) any rights under or in respect of the Agreement for Grant of Non-Qualified Stock Options between _____ and the Company, dated as of _____ 201_ (the “Non-Qualified Option Agreement”), the Agreement for Grant of Incentive Stock Option Pursuant to 2007 Performance Incentive Plan between _____ and the Company, dated as of _____ 201_ (the “Incentive Option Agreement” and together with the Non-Qualified Option Agreement, the “Equity Agreements”) or any written agreements that may be executed by the parties after the date of the Equity Agreements (collectively, the “Applicable Agreements”).

(b) Executive's Specific Release of ADEA Claims. In further consideration of the payments and benefits provided to _____ under the Agreement, _____ on behalf of him/herself and the other _____ Parties hereby unconditionally release and forever discharge the Company Parties from any and all Claims that the _____ Parties may have as of the date _____ signs this Release arising under the Federal Age Discrimination in Employment Act of 1967, as amended, and the applicable rules and regulations promulgated thereunder ("ADEA"). By signing this Release, _____ hereby acknowledges and confirms the following: (i) _____ was advised by the Company in connection with his/her termination to consult with an attorney of his/her choice prior to signing this Release and to have such attorney explain to him/her the terms of this Release, including, without limitation, the terms relating to his/her release of claims arising under ADEA, and _____ has in fact consulted with an attorney; (ii) _____ was given a period of not fewer than twenty-one (21) days to consider the terms of this Release and to consult with an attorney of his/her choosing with respect thereto; and (iii) _____ knowingly and voluntarily accepts the terms of this Release. _____ also understands that s/he has seven (7) days following the date on which s/he signs this Release within which to revoke the release contained in this paragraph, by providing the Company a written notice of his/her revocation of the release and waiver contained in this paragraph.

(c) Company's Release of Executive. The Company for itself and on behalf of the Company Parties hereby irrevocably and unconditionally release and forever discharge the _____ Parties from any and all Claims, including, without limitation, any Claims based upon contract, tort, or under any federal, state, local or foreign law, that the Company Parties may have, or in the future may possess, arising out of any aspect of _____'s employment relationship with and service as an employee, officer, director or agent of the Company, or the termination of such relationship or service, that occurred, existed or arose on or prior to the date hereof, excepting (i) any Claim which would constitute or result from conduct by _____ that constituted the basis for termination for Cause under the Agreement or could be a crime of any kind, or (ii) rights arising under or in respect of the Equity Agreements. Anything to the contrary notwithstanding in this Release, nothing herein shall release _____ or any other _____ Party from any Claims based on any right the Company may have to enforce this Release or the Agreement or any of the Applicable Agreements.

(d) No Assignment. The parties represent and warrant that they have not assigned any of the Claims being released under this Release.

2. Proceedings. Neither _____ nor the Company have filed any complaint, charge, claim or proceeding against the other party before any local, state or federal agency, court or other body relating to _____'s employment or the termination thereof (each, individually, a "Proceeding").

3. Remedies.

(a) In the event _____ initiates or voluntarily participates in any Proceeding involving any of the matters waived or released in this Release, or if she fails to abide by any of the terms of this Release, or if s/he revokes the ADEA release contained in Paragraph 1(b) of this Release within the seven (7)-day period provided under Paragraph 1(b), the Company may, in addition to any other remedies it may have, reclaim any amounts paid to him/her, and terminate any benefits or payments that are due pursuant to the termination provisions of the Agreement, without waiving the release granted herein. In addition, in the event that _____ has failed to comply with Section 3 of the Agreement or with Sections 11 and/or 12 of either or both of the equity Agreements (other than as a result of an unintentional and immaterial disclosure of confidential information), the Company may, in addition to any other remedies it may have, to the extent permitted in the Agreement and the Equity Agreements reclaim any amounts paid to her pursuant to the Agreement or the Equity Agreements, without waiving the release granted herein. _____ acknowledges and agrees that the remedy at law available to the Company for breach of any of his/her post-termination obligations under the Agreement or any of the Applicable Agreements or his/her obligations hereunder or thereunder would be inadequate and that damages flowing from such a breach may not readily be susceptible to being measured in monetary terms. Accordingly, _____ acknowledges, consents and agrees that, in addition to any other rights or remedies that the Company may have at law or in equity, the Company shall be entitled to seek a temporary restraining order or a preliminary or permanent injunction, or both, without bond or other security, restraining _____ from breaching his/her post-termination obligations under the Agreement or any of the Applicable Agreements or her obligations hereunder or thereunder. Such injunctive relief in any court shall be available to the Company, in lieu of, or prior to or pending determination in, any arbitration proceeding.

(b) _____ understands that by entering into this Release s/he will be limiting the availability of certain remedies that s/he may have against the Company and limiting also his/her ability to pursue certain claims against the Company.

(c) The Company acknowledges and agrees that the remedy at law available to _____ for breach of any of its post-termination obligations under the Agreement or any of the Applicable Agreements or its obligations hereunder or thereunder would be inadequate and that damages flowing from such a breach may not readily be susceptible to being measured in monetary terms. Accordingly, the Company acknowledges, consents and agrees that, in addition to any other rights or remedies that _____ may have at law or in equity, _____ shall be entitled to seek a temporary restraining order or a preliminary or permanent injunction, or both, without bond or other security, restraining the Company from breaching its post-termination obligations under the Agreement or any of the Applicable Agreements or its obligations hereunder or thereunder. Such injunctive relief in any court shall be available to _____, in lieu of, or prior to or pending determination in, any arbitration proceeding.

(d) The Company understands that by entering into this Release it will be limiting the availability of certain remedies that it may have against _____ and limiting also its ability to pursue certain claims against _____.

4. Severability Clause. In the event any provision or part of this Release is found to be invalid or unenforceable, only that particular provision or part so found, and not the entire Release, will be inoperative.

5. Nonadmission. Nothing contained in this Release will be deemed or construed as an admission of wrongdoing or liability on the part of the Company or _____.

6. Governing Law. All matters affecting this Release, including the validity thereof, are to be governed by, and interpreted and construed in accordance with, the laws of the New York applicable to contracts executed in and to be performed in that State.

7. Notices. All notices or communications hereunder shall be made in accordance with Section 4 of the Agreement.

_____ ACKNOWLEDGES THAT S/HE HAS READ THIS RELEASE AND THAT SHE FULLY KNOWS, UNDERSTANDS AND APPRECIATES ITS CONTENTS, AND THAT SHE HEREBY EXECUTES THE SAME AND MAKES THIS RELEASE AND THE RELEASE AND AGREEMENTS PROVIDED FOR HEREIN VOLUNTARILY AND OF HER OWN FREE WILL.

IN WITNESS WHEREOF, the parties have executed this Release as of _____.

THESTREET, INC.

By: _____
Name: _____
Title: _____

THESTREET, INC.

NON QUALIFIED STOCK OPTION

STOCK OPTION AWARD AGREEMENT

This award is made outside of, and not from, the Company's 2007 Performance Incentive Plan, (the "**Plan**"). Nevertheless, this award is subject to the terms and conditions set forth in the Plan, any rules and regulations adopted by the Board of Directors of the Company (the "**Board**") or the committee of the Board which administers the Plan (the "**Committee**"), and this Stock Option Award Agreement (the "**Award Agreement**"). Unless otherwise defined herein, the terms defined in the TheStreet, Inc. (the "**Company**") 2007 Performance Incentive Plan, as amended and restated effective April 14, 2015 (the "**Plan**") will have the same defined meanings in this Award Agreement. The Option shall be deemed to be a non-qualified stock option within the meaning of the Internal Revenue Code of 1986, as amended. This award is intended to be granted as NASDAQ inducement grants qualifying for the exception to stockholder approval of stock option grants under NASDAQ rule 5635(c)(4) and, therefore, as a condition to receipt of the award, you must complete an execute the attached Investment Representation included herein as Exhibit C.

NOTICE OF STOCK OPTION GRANT

Participant Name: David Callaway

Address: c/ o TheStreet, Inc. 14 Wall Street, 15th Floor, NY NY 10005

You ("**Participant**") have been granted an option to purchase common stock of the Company (the "**Option**"), subject to the terms and conditions of the Plan and this Award Agreement, as follows:

Date of Grant	July 6, 2016
Vesting Commencement Date	July 6, 2016
Exercise Price per Share	\$ 1.19
Total Number of Shares Granted	1,000,000
Total Exercise Price	\$ 1,190,000
Type of Option:	U.S. Non-Qualified Stock Option
Term/Expiration Date:	July 6, 2023

Vesting Schedule :

Subject to Participant being a Service Provider (as defined below in Section 3 of Exhibit A) on each vesting date, the requirements of Section 2 of this Award Agreement and any acceleration provisions contained in the Plan or set forth below, the Option may be exercised, in whole or in part, in accordance with the following schedule:

<u>Date</u>	<u>Number of Shares of Stock</u>
July 6, 2017	333,333
The 19th calendar day of each month from August 6, 2017 to July 6, 2019, inclusive	1/36 th of 1,000,000 Shares, rounded down to the nearest whole Share inclusive of any prior remaining fractions

Accelerated Vesting in Certain Events :

Notwithstanding the Vesting Schedule above, upon the occurrence of any of the following events, the then-unvested portion of the Option shall become exercisable and may be exercised; provided that such portion of the Option only may be exercised within ninety (90) calendar days from the occurrence of such event (but in no event beyond the date set forth in Section 3): (i) the termination of your employment by the Company or any subsidiary thereof without Cause (as defined below) prior to a Change of Control (as defined in the Plan) if such termination is related to the Change of Control; or (ii) a Change of Control, unless (A) either (x) the Company is the surviving corporation in the Change of Control and the award reflected in this Award Agreement is equitably adjusted pursuant to Section 4.4 of the Plan or (y) the award reflected in this Award Agreement is assumed or replaced by a successor and (B) the award as so adjusted, assumed or replaced (x) has substantially the same potential economic benefits and vesting terms as did the award immediately prior to the Change of Control and (y) provides that the award immediately shall become fully vested and exercisable upon the termination of your employment (by the Company or any subsidiary thereof or by a successor or any affiliate thereof) without Cause at any time (provided that such portion of the Option only may be exercised within ninety (90) calendar days from such termination (but in no event beyond the Term/Expiration Date)). If you are employed by a successor or any affiliate thereof following a Change of Control, references in this Award Agreement to the Company shall be understood to be references to the successor or any such affiliate regarding matters related to the occurrence of non-occurrence of events from and after the date you become employed by the successor or such affiliate.

Termination Period :

The Option, to the extent vested in accordance with the above schedule or pursuant to any vesting acceleration provision as of the date Participant ceases to be a Service Provider, will be exercisable for ninety (90) days after Participant ceases to be a Service Provider, unless such termination of Service (as defined below in Section 3 of Exhibit A) is due to Participant's death or Disability (as defined below in Section 3 of Exhibit A), in which case the Option will be exercisable for six (6) months after Participant ceases to be Service Provider. Provided, however, in no event may the Option be exercised after the Term/Expiration Date as provided above and may be subject to earlier termination as provided in Sections 14 or 15 of the Plan. Notwithstanding the foregoing, if the Company terminates Participant's Service for Cause (as defined in below in Section 3 of Exhibit A), the Option, whether not vested, shall be immediately terminated and may not be exercised effective as of the date Participant ceases to be a Service Provider.

By Participant's signature and the signature of the Company's representative below, Participant and the Company agree that the Option is granted under and governed by the terms and conditions of the Plan and this Award Agreement, including the Terms and Conditions of Stock Option Grant, attached hereto as Exhibit A, all of which are made a part of this document. Participant has reviewed the Plan and this Award Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Award Agreement and fully understands all provisions of the Plan and Award Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan and Award Agreement. Participant further agrees to notify the Company upon any change in the residence address indicated below.

PARTICIPANT:

THE STREET, INC.

Signature

By

Print Name

Title

Residence Address :

[Signature Page to Stock Option Award Agreement]

EXHIBIT A

TERMS AND CONDITIONS OF STOCK OPTION GRANT

1. Grant of Option. The Company hereby grants to Participant named in the Notice of Grant attached as Part I of this Award Agreement (the “*Participant*”) an option (the “*Option*”) to purchase the number of Shares (as defined below), as set forth in the Notice of Grant, at the exercise price per Share set forth in the Notice of Grant (the “*Exercise Price*”), subject to all of the terms and conditions in this Award Agreement and the Plan, which is incorporated herein by reference. In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Award Agreement, the terms and conditions of the Plan will prevail.

2. Vesting Schedule. The Option awarded by this Award Agreement will vest in accordance with the vesting provisions set forth in the Notice of Grant. Shares scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest in Participant in accordance with any of the provisions of this Award Agreement, unless Participant continuously provides Service from the Date of Grant until the date such vesting occurs. Service Provider status will end on the last day Participant provides active service to the Company or a Related Company and will not be extended by any notice of termination period that may be required under applicable local law.

3. Defined Terms. For purposes of this Award Agreement, the following terms shall have the following meanings:

(a) “*Cause*” shall be determined by the Committee in the exercise of its good faith judgment, in accordance with the following guidelines: (i) Participant’s willful misconduct or gross negligence in the performance of Participant’s obligations, duties and responsibilities of Participant’s position with the Company (including those as an employee of the Company set forth in the Company’s Code of Business Conduct and Ethics dated June 1, 2006, as same may be amended from time to time provided such amendment affects all executive officers of the Company), (ii) Participant’s dishonesty or misappropriation, in either case that is willful and material, relating to the Company or any of its funds, properties, or other assets, (iii) Participant’s inexcusable repeated or prolonged absence from work (other than as a result of, or in connection with, a Disability), (iv) any unauthorized disclosure by Participant of Confidential Information (as defined below) or proprietary information of the Company in violation of Section 11(d), which is reasonably likely to result in material harm to the Company, (v) Participant’s conviction of a felony (including entry of a guilty or nolo contendere plea) involving fraud, dishonesty, or moral turpitude, (vi) a violation of federal or state securities laws, or (vii) the failure by Participant to attempt to perform faithfully the duties and responsibilities of Participant’s position with the Company, or other material breach by Participant of this Award Agreement, provided any such failure or breach described in clauses (i), (ii), (iii), (iv), (vi) and (vii) is not cured, to the extent cure is possible, by Participant within thirty (30) days after written notice thereof from the Company to Participant; provided, however, that no failure or breach described in clauses (i), (ii), (iii), (iv), (vi) and (vii) shall constitute Cause unless (x) the Company first gives Participant written notice of its intention to terminate Participant’s Service for Cause and the grounds of such termination no fewer than ten (10) days prior to the date of termination; and (y) Participant is provided an opportunity to appear before the Board, with or without legal representation at Participant’s election to present arguments on Participant’s own behalf; and (z) if Participant elects to so appear, such failure or breach is not cured, to the extent cure is possible, within thirty (30) days after written notice from the Company to Participant that, following such appearance, the Board has determined in good faith that Cause exists and has not, following the initial notice from the Company, been cured; provided further, however, that notwithstanding anything to the contrary in this Award Agreement and subject to the other terms of this proviso, the Company may take any and all actions, including without limitation suspension (but not without pay), it deems appropriate with respect to Participant and Participant’s duties at the Company pending such appearance and subsequent to such appearance during which such failure or breach has not been cured. No act or failure to act on Participant’s part will be considered “willful” unless done, or omitted to be done, by Participant not in good faith and without reasonable belief that Participant’s action or omission was in the best interests of the Company.

(b) “ **Confidential Information** ” shall mean any information including without limitation plans, specifications, models, samples, data, customer lists and customer information, computer programs and documentation, and other technical and/or business information, in whatever form, tangible or intangible, that can be communicated by whatever means available at such time, that relates to the Company’s current business or future business contemplated during Participant’s Service, products, services and development, or information received from others that the Company is obligated to treat as confidential or proprietary (provided that such confidential information shall not include any information that (a) has become generally available to the public or is generally known in the relevant trade or industry other than as a result of an improper disclosure by Participant, or (b) was available to or became known to Participant prior to the disclosure of such information on a non-confidential basis without breach of any duty of confidentiality to the Company), and Participant shall not disclose such confidential information to any Person (as defined below) other than the Company, except with the prior written consent of the Company, as may be required by law or court or administrative order (in which event Participant shall so notify the Company as promptly as practicable), or in performance of Participant’s duties on behalf of the Company.

(c) “ **Competitive Activity** ” means Participant’s service as a director, officer, employee, principal, agent, stockholder, member, owner or partner of, or Participant permits Participant’s name to be used in connection with the activities of, any other business or organization anywhere in the United States, or in any other geographic area in which the Company or any of its subsidiaries operates or with respect to which the Company provides financial news and commentary coverage (or from which such other business or organization provides financial news and commentary coverage of the United States), which engages in a business that competes with any business in which the Company or any subsidiary is engaged (a “ **Competing Business** ”); provided, however, that, notwithstanding the foregoing, it shall not be a Competitive Activity for Participant to (i) become the registered or beneficial owner of up to three percent (3%) of any class of capital stock of a competing corporation registered under the Securities Exchange Act of 1934, as amended, provided that Participant does not otherwise participate in the business of such corporation or (ii) work in a non-competitive business of a company which is carrying on a Competing Business, the revenues of which represent less than twenty percent (20%) of the consolidated revenues of that company, or, as a result thereof, owning compensatory equity in that company.

(d) “ **Disability** ” shall mean physical or mental incapacity of a nature which prevents Participant, in the good faith judgment of the Committee, from performing the duties and responsibilities of Participant’s position with the Company for a period of ninety (90) consecutive days or one hundred and fifty (150) days during any year, with each year under this Award Agreement commencing on each anniversary of the date hereof.

(e) “ **Fair Market Value** ” of a Share on any date shall be (i) if the principal market for the Stock is a national securities exchange, the closing sales price per Share on such day (or, if such exchange is not open on such day, on the next day such exchange is open) as reported by such exchange or on a consolidated tape reflecting transactions on such exchange, or (ii) if the principal market for the Stock is not a national securities exchange, the closing average of the highest bid and lowest asked prices per Share on such day (or, if such exchange is not open on such day, on the next day such exchange is open) as reported by the market upon which the Stock is quoted, or an independent dealer in the Stock, as determined by the Company in good faith; provided, however, that if clauses (i) and (ii) are all inapplicable, or if no trades have been made and no quotes are available for such day, the Fair Market Value of the Stock shall be determined by the Committee in good faith by any method consistent with applicable regulations adopted by the United States Treasury Department relating to stock options or stock valuation.

(f) “ **Person** ” shall mean an individual, corporation, partnership, limited liability company, limited liability partnership, association, trust or other unincorporated organization or entity.

(g) “ **Service** ” shall mean the period during which a Participant is a Service Provider.

(h) “ **Service Provider** ” shall mean an employee, director, or consultant of the Company or a Related Company. The Committee shall have the absolute discretion to determine the date and circumstances of Participant ceasing to be a Service Provider, and its determination shall be final, conclusive and binding on Participant.

(i) “ **Share** ” shall mean a share of Stock.

4. Committee Discretion. The Committee, in its discretion, may accelerate the vesting of the balance, or some lesser portion of the balance, of the unvested Option at any time, subject to the terms of the Plan. If so accelerated, such Option will be considered as having vested as of the date specified by the Committee. Additionally, the Committee, in its discretion, may extend the period that the vested portion of Participant’s Option remains exercisable after Participant ceases to be a Service Provider, but not beyond the Term/Expiration Date set forth in the Notice of Grant.

5. Exercise of Option.

(a) Right to Exercise. The Option may be exercised only within the term set out in the Notice of Grant, and may be exercised during such term only in accordance with the Plan and the terms of this Award Agreement.

(b) Method of Exercise. The Option is exercisable by delivery of an exercise notice, in the form attached as Exhibit B (the “ *Exercise Notice* ”) or in a manner and pursuant to such procedures as the Committee may determine, which will state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the “ *Exercised Shares* ”), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice will be completed by Participant and delivered to the Company. The Exercise Notice will be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares together with any applicable tax withholding. The Option will be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by such aggregate Exercise Price.

(c) The Exercised Shares shall be delivered to Participant as soon as practicable and, at the Company’s election, the Company may affect such delivery by causing such number of Shares to be deposited via DWAC into a brokerage account in Participant’s name. Shares delivered upon the exercise of the Option will be fully transferable (subject to any applicable securities law restrictions) and not subject to forfeiture and will entitle the holder to all rights of a stockholder of the Company.

6. Method of Payment. Payment of the aggregate Exercise Price will be by any of the following, or a combination thereof, at the election of Participant.

- (a) cash (U.S. dollars); or
- (b) check, bank draft, money order or wire transfer (denominated in U.S. dollars); or
- (c) consideration received by the Company under a formal cashless exercise program adopted by the Company in connection with the Plan.

7. Tax Obligations.

(a) Withholding Taxes. Regardless of any action the Company or Participant’s employer (the “ *Employer* ”) takes with respect to any or all applicable national, local, or other tax or social contribution, withholding, required deductions, or other payments, if any, that arise upon the grant, vesting, or exercise of the Option, the holding or subsequent sale of Shares, and the receipt of dividends, if any (“ *Tax-Related Items* ”), Participant acknowledges and agrees that the ultimate liability for all Tax-Related Items legally due by Participant is and remains Participant’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and/or the Employer (a) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including the grant, vesting, or exercise of the Option, the subsequent sale of Shares acquired under the Plan and the receipt of dividends, if any; and (b) does not commit to and is under no obligation to structure the terms of the Option or any aspect of the Option to reduce or eliminate Participant’s liability for Tax-Related Items, or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) No payment will be made to Participant (or his or her estate or beneficiary) for an Option unless and until satisfactory arrangements (as determined by the Company) have been made by Participant with respect to the payment of any Tax-Related Items obligations of the Company and/or the Employer with respect to the Option. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

- (i) withholding from Participant's wages or other cash compensation paid to Participant by the Company or the Employer; or
- (ii) withholding from proceeds of the sale of Shares acquired upon exercise of the Option, either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization); or
- (iii) withholding in Shares to be issued upon exercise of the Option; or
- (iv) surrendering already-owned Shares having a Fair Market Value equal to the Tax-Related Items that have been held for such period of time to avoid adverse accounting consequences.

If the obligation for Tax-Related Items is satisfied by withholding Shares, Participant is deemed to have been issued the full number of Shares purchased for tax purposes, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items due as a result of Participant's participation in the Plan. Participant shall pay to the Company or Employer any amount of Tax-Related Items that the Company may be required to withhold as a result of Participant's participation in the Plan that cannot be satisfied by one or more of the means previously described in this Section 7. Participant acknowledges and agrees that the Company may refuse to honor the exercise and refuse to issue or deliver the Shares or the proceeds of the sale of Shares if Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

(c) Notice of Disqualifying Disposition of ISO Shares. If the Option granted to Participant herein is an ISO, and if Participant sells or otherwise disposes of any of the Shares acquired pursuant to the ISO on or before the later of (i) the date two (2) years after the Grant Date, or (ii) the date one (1) year after the date of exercise, Participant will immediately notify the Company in writing of such disposition. Participant agrees that Participant may be subject to income tax withholding by the Company on the compensation income recognized by Participant.

(d) Code Section 409A (Applicable Only to Participants Subject to U.S. Taxes). Under Code Section 409A, an option that vests after December 31, 2004 (or that vested on or prior to such date but which was materially modified after October 3, 2004) that was granted with a per Share exercise price that is determined by the Internal Revenue Service (the “*IRS*”) to be less than the Fair Market Value of a Share on the date of grant (a “*Discount Option*”) may be considered “deferred compensation.” A Discount Option may result in (i) income recognition by Participant prior to the exercise of the option, (ii) an additional twenty percent (20%) federal income tax, and (iii) potential penalty and interest charges. The Discount Option may also result in additional state income, penalty and interest charges to Participant. Participant acknowledges that the Company cannot and has not guaranteed that the IRS will agree that the per Share exercise price of the Option equals or exceeds the Fair Market Value of a Share on the Date of Grant in a later examination. Participant agrees that if the IRS determines that the Option was granted with a per Share exercise price that was less than the Fair Market Value of a Share on the date of grant, Participant will be solely responsible for Participant’s costs related to such a determination.

8. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares will have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant. After such issuance, recordation and delivery, Participant will have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares.

9. No Guarantee of Continued Service. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AT THE WILL OF THE COMPANY AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THE OPTION OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AWARD AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH PARTICIPANT’S RIGHT OR THE RIGHT OF THE COMPANY TO TERMINATE PARTICIPANT’S RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE (SUBJECT TO APPLICABLE LOCAL LAWS).

10. Nature of Grant. In accepting the Option, Participant acknowledges that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;

(b) the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of Options, or benefits in lieu of Options even if Options have been granted repeatedly in the past;

- (c) all decisions with respect to future awards of Options, if any, will be at the sole discretion of the Company;
- (d) Participant's participation in the Plan is voluntary;
- (e) the Option and the Shares subject to the Option are an extraordinary items that do not constitute regular compensation for services rendered to the Company or the Employer, and that are outside the scope of Participant's employment contract, if any;
- (f) the Option and the Shares subject to the Option are not intended to replace any pension rights or compensation;
- (g) the Option and the Shares subject to the Option are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, or end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Employer;
- (h) the future value of the underlying Shares is unknown and cannot be predicted with certainty; further, if Participant exercises the Option and obtains Shares, the value of the Shares acquired upon exercise may increase or decrease in value, even below the Exercise Price;
- (i) Participant also understands that neither the Company, nor any Affiliate is responsible for any foreign exchange fluctuation between local currency and the United States Dollar that may affect the value of the Option;
- (j) in consideration of the grant of the Option, no claim or entitlement to compensation or damages shall arise from forfeiture of the Option resulting from termination of Service by the Employer (for any reason whatsoever and whether or not in breach of local labor laws), and Participant irrevocably releases the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, Participant shall be deemed irrevocably to have waived his or her entitlement to pursue such claim; and
- (k) the Option and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability.

11. Restrictive Covenants.

(a) Non-Solicitation of Employees. Participant agrees that, during Participant's Service and through the end of one (1) year after the cessation of Participant's Service, Participant will not solicit for employment or hire, in any business enterprise or activity, any employee of the Company or any subsidiary who was employed by the Company or a subsidiary during Participant's Service provided that (a) the foregoing shall not be violated by any general advertising not targeted at any Company or subsidiary employees nor by Participant serving as a reference upon request, and (b) Participant may solicit and hire any one or more former employees of the Company or its subsidiaries who had ceased being such an employee for a period of at least six (6) months prior to any such solicitation or hiring.

(b) Non-Solicitation of Clients and Vendors. Participant agrees that, during Participant's Service and through the end of one (1) year after the cessation of Participant's Service, Participant will not solicit, in any business enterprise or activity, any client, customer, licensee, licensor, third-party service provider or vendor (a "**Business Relation**") of the Company or any subsidiary who was a Business Relation of the Company or any subsidiary during Participant's Service to (i) cease being a Business Relation of the Company or any subsidiary or (ii) become a Business Relation of a Competing Business unless (without Participant having solicited such third party to cease such relationship) such third party ceased being a Business Relation of the Company or any subsidiary for a period of at least six (6) months prior to such solicitation.

(c) Non-Disparagement. During Participant's Service and indefinitely thereafter, neither party shall make any statements, written or oral, to any third party which disparage, criticize, discredit or otherwise operate to the detriment of Participant or the Company, its present or former officers, shareholders, directors and employees and their respective business reputation and/or goodwill, provided, however, that nothing in this Section 11(c) shall prohibit either party from (i) making any truthful statements or disclosures required by applicable law regulation or (ii) taking any action to enforce its rights under this Award Agreement or any other agreement in effect between the parties.

(d) Confidentiality.

(i) During Participant's Service and indefinitely thereafter, Participant shall keep secret and retain in strictest confidence, any and all Confidential Information relating to the Company, except where Participant's disclosure or use of such Confidential Information is in furtherance of the performance by Participant of Participant's duties to the Company and not for personal benefit or the benefit of any interest adverse to the Company's interests. Further, this Section 11(d) shall not prevent Participant from disclosing Confidential Information in connection with any litigation, arbitration or mediation to enforce this Award Agreement or other agreement between the parties, provided such disclosure is necessary for Participant to assert any claim or defense in such proceeding.

(ii) Upon Participant's termination of Service for any reason, Participant shall return to the Company all copies, reproductions and summaries of Confidential Information in Participant's possession and use reasonable efforts to erase the same from all media in Participant's possession, and, if the Company so requests, shall certify in writing that Participant has done so, except that Participant may retain such copies, reproductions and summaries during any period of litigation, arbitration or mediation referred to in Section 11(d)(i). All Confidential Information is and shall remain the property of the Company (or, in the case of information that the Company receives from a third party which it is obligated to treat as confidential, then the property of such third party); provided, Participant shall be entitled to retain copies of (i) information showing Participant's compensation or relating to reimbursement of expenses, (ii) information that is required for the preparation of Participant's personal income tax return, (iii) documents provided to Participant in Participant's capacity as a participant in any employee benefit plan, policy or program of the Company and (iv) this Award Agreement and any other agreement by and between Participant and the Company with regard to Participant's Service or termination thereof.

(iii) All Intellectual Property (as hereinafter defined) and Technology (as hereinafter defined) created, developed, obtained or conceived of by Participant during Participant's Service, and all business opportunities presented to Participant during Participant's Service, shall be owned by and belong exclusively to the Company, provided that they reasonably relate to any of the business of the Company on the date of such creation, development, obtaining or conception, and Participant shall (i) promptly disclose any such Intellectual Property, Technology or business opportunity to the Company, and (ii) execute and deliver to the Company, without additional compensation, such instruments as the Company may require from time to time to evidence its ownership of any such Intellectual Property, Technology or business opportunity. For purposes of this Award Agreement, (x) the term "**Intellectual Property**" means and includes any and all trademarks, trade names, service marks, service names, patents, copyrights, and applications therefor, and (y) the term "**Technology**" means and includes any and all trade secrets, proprietary information, invention, discoveries, know-how, formulae, processes and procedures.

The parties acknowledge that the restrictions contained in this Section 11 are a reasonable and necessary protection of the immediate interests of the Company, and any violation of these restrictions could cause substantial injury to the Company and that the Company would not have entered into this Award Agreement, without receiving the additional consideration offered by Participant in binding Participant's self to any of these restrictions. In the event of a breach or threatened breach by Participant of any of these restrictions, the Company shall be entitled to apply to any court of competent jurisdiction for an injunction restraining Participant from such breach or threatened breach; provided, however, that the right to apply for an injunction shall not be construed as prohibiting the Company from pursuing any other available remedies for such breach or threatened breach.]

12. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding Participant's participation in the Plan before taking any action related to the Plan.

13. Data Privacy. *Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Agreement by and among, as applicable, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan.*

Participant understands that the Company and its Affiliates may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company or any Affiliate, details of all Options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor, for the exclusive purpose of implementing, administering and managing the Plan ("Personal Data"). Participant understands that Personal Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the United States, Participant's country (if different than the United States), or elsewhere, and that the recipient's country may have different data privacy laws and protections than Participant's country.

For Participants located in the European Union, the following paragraph applies: Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Personal Data by contacting Participant's local human resources representative. Participant authorizes the recipients to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of implementing, administering and managing Participant's participation in the Plan, including any requisite transfer of such Personal Data as may be required to a broker or other third party with whom Participant may elect to deposit any Shares received upon exercise of the Option. Participant understands that Personal Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. Participant understands that he or she may, at any time, view Personal Data, request additional information about the storage and processing of Personal Data, require any necessary amendments to Personal Data or refuse or withdraw the consents herein, without cost, by contacting in writing Participant's local human resources representative. Participant understands that refusal or withdrawal of consent may affect Participant's ability to participate in the Plan or to realize benefits from the Option. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

14. Address for Notices. Any notice to be given to the Company under the terms of this Award Agreement will be addressed to the Company, in care of the Compensation Committee Chair, TheStreet, Inc., 14 Wall Street, 15th Floor, New York, NY 10005 or at such other address as the Company may hereafter designate in writing.

15. Non-Transferability of Option. The Option may not be sold, transferred, assigned, pledged or otherwise encumbered by Participant in whole or in part in any manner; provided that the forgoing shall not affect Participant's right to name a beneficiary under Section 13 of the Plan. The Option may be exercised only by Participant during Participant's lifetime. In the event of Participant's death, the Option may be exercised (at any time prior to its expiration or termination as provided in this Award Agreement) by the executor or administrator of Participant's estate or by a person who acquired the right to exercise the Option by will or pursuant to the laws of descent and distribution.

16. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Award Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

17. Additional Conditions to Issuance of Stock. If at any time the Company will determine, in its discretion, that the listing, registration or qualification of the Shares upon any securities exchange or under any state, federal or foreign law, or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to Participant (or his or her estate), such issuance will not occur unless and until such listing, registration, qualification, consent or approval will have been effected or obtained free of any conditions not acceptable to the Company. The Company will make all reasonable efforts to meet the requirements of any such state, federal or foreign law or securities exchange and to obtain any such consent or approval of any such governmental authority. Assuming such compliance, for income tax purposes the Exercised Shares will be considered transferred to Participant on the date the Option is exercised with respect to such Exercised Shares.

18. Plan Governs. This Award Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Award Agreement and one or more provisions of the Plan, the provisions of the Plan will govern. Capitalized terms used and not defined in this Award Agreement will have the meaning set forth in the Plan.

19. Committee Authority. The Committee will have the power to interpret the Plan and this Award Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Shares subject to the Option have vested). All actions taken and all interpretations and determinations made by the Committee in good faith will be final and binding upon Participant, the Company and all other interested persons. No member of the Committee will be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Award Agreement.

20. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to Options awarded under the Plan or future options that may be awarded under the Plan by electronic means or request Participant's consent to participate in the Plan by electronic means. Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company.

21. Language. If Participant has received this Agreement, including Appendices, or any other document related to the Plan translated into a language other than English, and the meaning of the translated version is different than the English version, the English version will control.

22. Imposition of Other Requirements. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Option and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

23. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Award Agreement.

24. Agreement Severable. In the event that any provision in this Award Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Award Agreement.

25. Modifications to the Agreement. This Award Agreement constitutes the entire understanding of the parties on the subjects covered. Participant expressly warrants that he or she is not accepting this Award Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Award Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company. Notwithstanding anything to the contrary in the Plan or this Award Agreement, the Company reserves the right to revise this Award Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Participant, to comply with Code Section 409A or to otherwise avoid imposition of any additional tax or income recognition under Section 409A of the Code in connection to the Option.

26. Amendment, Suspension or Termination of the Plan. By accepting this Award, Participant expressly warrants that he or she has received an Option under the Plan, and has received, read and understood a description of the Plan. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time.

27. Governing Law. This Award Agreement will be governed by the laws of the State of New York, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under the Plan or this Award Agreement, the parties hereby submit to and consent to the jurisdiction of the State of New York, and agree that such litigation will be conducted in the courts of the County of New York, New York, or the federal courts for the United States for the Southern District of New York, and no other courts, where the Option is made and/or related Services are to be performed.

EXHIBIT B

THE STREET, INC.

2007 PERFORMANCE INCENTIVE PLAN

EXERCISE NOTICE

TheStreet, Inc.
14 Wall Street, 15th Floor
New York, NY 10005

(a) Exercise of Option. Effective as of today, _____, _____, the undersigned (“**Purchaser**”) hereby elects to purchase _____ shares (the “**Shares**”) of the Stock of TheStreet, Inc. (the “**Company**”) under and pursuant to the 2007 Performance Incentive Plan (the “**Plan**”) and the Stock Option Award Agreement dated _____ (the “**Award Agreement**”). The purchase price for the Shares will be \$ _____, as required by the Award Agreement.

(b) Delivery of Payment. Purchaser herewith delivers to the Company the full purchase price of the Shares and any required tax withholding to be paid in connection with the exercise of the Option.

(c) Representations of Purchaser. Purchaser acknowledges that Purchaser has received, read and understood the Plan and the Award Agreement and agrees to abide by and be bound by their terms and conditions.

(d) Rights as Stockholder. Until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of the Shares, no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to the Option, notwithstanding the exercise of the Option. The Shares so acquired will be issued to Purchaser as soon as practicable after exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date of issuance, except as provided in Section 4.4 of the Plan.

(e) Tax Consultation. Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser’s purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted with any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

(f) Entire Agreement; Governing Law. The Plan and Award Agreement are incorporated herein by reference. This Exercise Notice, the Plan and the Award Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Purchaser with respect to the subject matter hereof, and may not be modified adversely to the Purchaser's interest except by means of a writing signed by the Company and Purchaser. This agreement is governed by the internal substantive laws, but not the choice of law rules, of the State of New York.

Submitted by:

Accepted by:

PURCHASER:

THESTREET, INC

Signature

By

Print Name

Title

Address :

Date Received

CERTIFICATION

I, David Callaway, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TheStreet, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2016

By: /s/ David Callaway

Name: David Callaway
 Title: President & Chief Executive Officer
 (principal executive officer)

CERTIFICATION

I, Eric F. Lundberg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TheStreet, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2016

By: /s/ Eric F. Lundberg

Name: Eric F. Lundberg

Title: Chief Financial Officer (principal financial officer)

**Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of TheStreet, Inc. (the "Company") for the quarterly period ended June 30, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David Callaway, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David Callaway

Name: David Callaway

Title: President & Chief Executive Officer (principal executive officer)

August 3, 2016

**Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of TheStreet, Inc. (the "Company") for the quarterly period ended June 30, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Eric F. Lundberg, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Eric F. Lundberg

Name: Eric F. Lundberg

Title: Chief Financial Officer (principal financial officer)

August 3, 2016
