

SECURITIES AND EXCHANGE COMMISSION

FORM DEF 14A

Definitive proxy statements

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Mailing Address
650 CASTRO STREET, SUITE
450
MOUNTAIN VIEW CA 94041

Business Address
650 CASTRO STREET, SUITE
450
MOUNTAIN VIEW CA 94041
6506942100

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

SCHEDULE 14A INFORMATION

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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

SOURCEFORGE, INC.

(Name of Registrant as Specified in Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:



NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held on December 3, 2008

To the Stockholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of SourceForge, Inc. (the "Company"), a Delaware corporation, will be held on Wednesday, December 3, 2008 at 9:00 a.m., local time, at the Company's principal executive offices located at 650 Castro Street, Suite 450, Mountain View, CA 94041, for the following purposes:

- (1) To elect two (2) Class III directors to serve for a three year term and until their successors are duly elected and qualified (Proposal One);
- (2) To ratify the appointment of Stonefield Josephson, Inc. as the Company's independent registered public accounting firm for the fiscal year ending July 31, 2009 (Proposal Two); and
- (3) To transact such other business as may properly be brought before the meeting or any adjournment(s) thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice.

Only stockholders of record at the close of business on October 6, 2008 are entitled to notice of and to vote at the meeting.

By Order of the Board of Directors,

A handwritten signature in black ink, appearing to read "James Jay Seirmarco".

James Jay Seirmarco
Secretary

INTERNET AVAILABILITY OF PROXY MATERIALS

Pursuant to the rules adopted by the U.S. Securities and Exchange Commission, we are furnishing proxy materials to our stockholders primarily via the Internet, instead of mailing printed copies of those materials to each stockholder. On or about October 21, 2008, we expect to send to our stockholders (other than those who previously requested electronic or paper delivery) a Notice of Internet Availability of Proxy Materials ("Notice") containing instructions on how to access our proxy materials, including our Proxy Statement and our 2008 Annual Report Form 10-K. The Notice also instructs you on how to access your proxy card to vote through the Internet or by telephone.

This new process is designed to expedite stockholders' receipt of proxy materials, lower the cost of the Annual Meeting of Stockholders, and help conserve natural resources. If you previously elected to receive our proxy materials electronically, you will continue to receive these materials via e-mail unless you elect otherwise. However, if you would prefer to receive printed proxy materials, please follow the instructions included in the Notice.

YOUR VOTE IS IMPORTANT

This Proxy Statement is furnished in connection with our solicitation of proxies, on behalf of the Board of Directors, for the 2008 Annual Meeting of Stockholders. The Proxy Statement and the related proxy form are being distributed on or about October 21, 2008. For specific instructions on how to vote your shares, please refer to the instructions on the Notice you received in the mail, or if you requested to receive printed proxy materials, your enclosed proxy card. You can vote your shares using one of the following methods:

Vote through the Internet or by telephone by following the instructions shown on the proxy card or Notice;

Vote by mail by completing and returning a written proxy card; or

Attend our 2008 Annual Meeting of Stockholders and vote in person.

Votes submitted through the Internet or by telephone must be received by 11:59 p.m., Eastern Standard Time, on December 2, 2008. Internet and telephone voting are available 24 hours per day; if you vote via the Internet or telephone, you do not need to return a proxy card. Proxy cards submitted by mail must be received by the time of the Annual Meeting in order for your shares to be voted.

All stockholders are cordially invited to attend the meeting; however, to ensure your representation at the Annual Meeting, you are urged to vote via the Internet or telephone, or if you requested to receive printed proxy materials, mark, sign, date and return the enclosed proxy card as promptly as possible in the pre-addressed envelope enclosed for that purpose. Any stockholder attending the Annual Meeting may vote in person even if he or she has voted via the Internet or telephone, or returned a proxy card.

SOURCEFORGE, INC.
650 Castro Street, Suite 450
Mountain View, CA 94041

PROXY STATEMENT

INFORMATION CONCERNING SOLICITATION AND VOTING

General

The matters to be acted upon at the Annual Meeting of Stockholders (the “Meeting”) are described in the Notice of Annual Meeting of Stockholders, the Notice of Internet Availability of Proxy Materials (“Notice”), and this Proxy Statement. The Proxy is solicited on behalf of the Board of Directors of SourceForge, Inc. (the “Company”) for use at our Meeting to be held at the Company’s principal executive offices located at 650 Castro Street, Suite 450, Mountain View, CA 94041, on Wednesday, December 3, 2008, at 9:00 a.m. Pacific Time, and at any adjournment(s) thereof, for the purposes set forth herein. Our telephone number is (650) 694-2100.

The Notice, including the Proxy Statement, the Proxy and our Securities and Exchange Commission (“SEC”) Annual Report on Form 10-K, containing financial statements for the fiscal year ended July 31, 2008 (“Fiscal Year 2008”), was mailed or made available on the Internet, as applicable, on October 21, 2008 to all stockholders entitled to vote at the Meeting.

STOCKHOLDERS MAY RECEIVE A COPY OF THE COMPANY’ S 2008 ANNUAL REPORT ON FORM 10-K, NOT INCLUDING EXHIBITS, AT NO CHARGE. IF A STOCKHOLDER PREFERS A COPY OF THE 2008 ANNUAL REPORT FORM 10-K INCLUDING EXHIBITS, THE STOCKHOLDER WILL BE CHARGED A REASONABLE FEE (WHICH SHALL BE LIMITED TO OUR REASONABLE EXPENSES IN FURNISHING SUCH EXHIBITS). REQUESTS FOR COPIES MUST BE MADE BY SENDING A WRITTEN REQUEST TO SOURCEFORGE, INC., 650 CASTRO STREET, SUITE 450, MOUNTAIN VIEW, CA 94041, ATTN: INVESTOR RELATIONS.

Record Date and Share Ownership

Stockholders of record at the close of business on October 6, 2008 (which we will refer to as the “Record Date” throughout this Proxy Statement) are entitled to notice of and to vote at the Meeting and at any adjournment(s) thereof. We have one class of stock issued and outstanding, designated as Common Stock, \$0.001 par value per share, and one class of undesignated Preferred Stock, \$0.001 par value per share. As of the Record Date, 250,000,000 shares of our Common Stock were authorized and 68,636,090 shares of the Company’s Common Stock were outstanding. As of the Record Date, 10,000,000 shares of our Preferred Stock were authorized and no shares of our Preferred Stock were outstanding.

Revocability of Proxies

Any proxy given pursuant to this solicitation may be revoked by the person giving it as follows:

- (1) Delivering to us at our principal offices (Attention: Investor Relations) a written notice of revocation before such proxy is used; or
- (2) Delivering subsequent proxy instructions as follows:

By Phone: Use the toll free telephone number provided on the proxy card or Notice to vote again prior to 11:59 p.m.

- Eastern Standard Time (“EST”) on December 2, 2008 (specific instructions for using the telephone voting system are provided on the proxy card and in the Notice);

By Internet: Use the Internet voting site listed on the proxy card or Notice to vote again prior to 11:59 p.m. EST on

- December 2, 2008 (specific instructions for using the Internet voting system are provided on the proxy card and in the Notice);

- *By Mail:* Sign, date and mail another proxy card bearing a later date and deliver such proxy card to our principal offices (Attention: Investor Relations) prior to the use of the original proxy; or

- *In Person:* Attend the Meeting and vote your shares in person.

Voting

On all matters, each stockholder shall be entitled to one vote for each share of the Company’s capital stock held by such stockholder.

With respect to the election of directors pursuant to “Proposal One – To elect two (2) Class III directors to serve for a three year term and until their successors are duly elected and qualified,” directors will be elected by a plurality vote of the shares of our Common Stock present or represented and entitled to vote on this matter at the Meeting.

With respect to the ratification of Stonefield Josephson, Inc. as the Company's Independent Registered Public Accountants For the Fiscal Year Ending July 31, 2009 pursuant to "Proposal Two – To ratify the appointment of Stonefield Josephson, Inc. as the Company's independent registered public accounting firm for the fiscal year ending July 31, 2009," if a quorum is present and voting, the affirmative vote of a majority of the votes cast is needed to ratify the appointment of Stonefield Josephson, Inc. as the Company's independent registered public accounting firm, to audit the consolidated financial statements of the Company for our fiscal year ending July 31, 2009 ("Fiscal Year 2009").

Solicitation of Proxies

We will bear the cost of soliciting proxies. We may, upon request, reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding proxy solicitation materials to such beneficial owners. In addition, proxies may also be solicited by certain of our directors, officers and regular employees, without additional compensation, personally or by telephone or facsimile.

Quorum; Abstentions; Broker Non-Votes

Votes cast by proxy or in person at the Meeting ("Votes Cast") will be tabulated by the inspector of elections (the "Inspector") who will be one of our employees. The Inspector will also determine whether or not a quorum is present. Except in certain specific circumstances, the affirmative vote of a majority of shares present in person or represented by proxy at a duly held meeting at which a quorum is present is required under Delaware law for approval of proposals presented to stockholders. In general, Delaware law provides that a quorum consists of a majority of shares entitled to vote and present or represented by proxy at the Meeting.

The Inspector will treat shares that are voted WITHHELD or ABSTAIN, or "broker non-votes," as being present and entitled to vote for purposes of determining the presence of a quorum but will not treat such shares as votes in favor of approving any matter submitted to the stockholders for a vote. "Broker non-votes" will not be counted for purposes of determining the number of Votes Cast with respect to a particular proposal; thus broker non-votes will not affect the outcome of any matter being voted on at the meeting, assuming that a quorum is obtained. When proxies are properly dated, executed and returned, the shares represented by such proxies will be voted at the Meeting in accordance with the instructions of the stockholder. If no specific instructions are given, the shares will be voted for (i) the election of the nominees for directors set forth herein; and (ii) the ratification of Stonefield Josephson, Inc. as our independent registered public accounting firm for Fiscal Year 2009. With respect to such other business as may properly come before the Meeting or any adjournment thereof, the shares will be voted in the discretion of the proxy holder.

Deadline for Receipt of Stockholder Proposals

Proposals of stockholders that are intended for inclusion in our proxy statement relating to our 2009 Annual Meeting of Stockholders must be received by us at our principal offices at 650 Castro Street, Suite 450, Mountain View, CA 94041, Attention: General Counsel, not later than June 23, 2009 and must satisfy the conditions established by the SEC and our bylaws for stockholder proposals in order to be included

in our proxy statement for that meeting. Stockholder proposals that are not intended to be included in our proxy materials for such meeting but that are intended to be presented by the stockholder from the floor are subject to the advance notice procedures described below under "Transaction of Other Business."

Stockholder Information

If you share an address with another stockholder, you may receive only one set of proxy materials (including our Annual Report on Form 10-K and proxy materials) unless you have previously provided contrary instructions. If you wish to receive a separate set of proxy materials, please request additional copies by contacting us at SOURCEFORGE, INC., 650 CASTRO STREET, SUITE 450, MOUNTAIN VIEW, CA 94041, ATTN: INVESTOR RELATIONS, or call (650) 694-2100 or (877) 825-4689.

Similarly, if you share an address with another stockholder and have received multiple copies of our proxy materials, you may contact us at the address above to request that only a single copy be delivered in the future.

Transaction of Other Business

As of the date of this Proxy Statement, the only business that the Board of Directors intends to present or knows that others will present at the Meeting is as set forth in this Proxy Statement. If any other matter(s) are properly brought before the Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the proxy on such matters in accordance with their

discretion. By signing the proxy card, you are granting the persons named in the proxy a proxy entitling them to vote your shares with such discretion.

Any stockholder may present a matter from the floor for consideration at a meeting so long as certain procedures are followed. Under our bylaws, as amended, in order for a matter to be deemed properly presented by a stockholder for consideration at this year's Meeting, timely notice must have been delivered to, or mailed and received by, us not later than 120 days nor more than 150 days before November 1, 2008, the one-year anniversary of the month and day that our proxy statement was released to the stockholders in connection with last year's annual meeting. The stockholder's notice must set forth, as to each proposed matter, the following: (i) the name and address of the stockholder proposing such business; (ii) a representation that the stockholder is a holder of record of our stock entitled to vote at the meeting and intends to appear in person or by proxy to introduce the business specified in the notice; (iii) if the proposal is for the nomination of directors, a description of all arrangements or understandings between the stockholder and the nominee(s) pursuant to which the nomination(s) are to be made by the stockholder; (iv) such other information regarding the proposal as would be required to be included in a proxy statement filed pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), had the matter been proposed by our Board of Directors; and (v) if the proposal is for the nomination of directors, the consent of each nominee to serve as a director. The chairman of the meeting may refuse to acknowledge any matter not made in compliance with the foregoing procedure.

PROPOSAL ONE

TO ELECT TWO (2) CLASS III DIRECTORS TO SERVE FOR A THREE YEAR TERM OR UNTIL THEIR SUCCESSORS ARE DULY ELECTED AND QUALIFIED

General

Our Board of Directors has seven authorized directors and currently consists of seven members. We have a classified Board of Directors, which is divided into three classes, each with terms expiring at different times. The three classes are currently comprised of the following directors:

- Class I consists of Scott E. Howe, Suzanne M. Present, and Ram Gupta, who will serve until the annual meeting of stockholders to be held in 2009;
- Class II consists of Andrew Anker and Carl Redfield, who will serve until the annual meeting of stockholders to be held in 2010; and
- Class III consists of Robert M. Neumeister, Jr., and David B. Wright, who will serve until this year's annual meeting of stockholders to be held on December 3, 2008.

At each annual meeting of stockholders, the successors to directors whose terms will then expire will be elected to serve from the time of election and qualification until the third annual meeting following election and until their successors have been duly elected and qualified. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of an equal number of directors.

Information Regarding the Nominees

The term of the two Class III directors, Messrs. Neumeister and Wright, will expire on the date of the Meeting.

On September 5, 2008, the Nominating Committee, which is comprised of Messrs. Anker, Gupta and Redfield, recommended, and the Board of Directors, on September 10, 2008, determined, that it is in the best interests of the Company to nominate the two (2) Class III directors for election to the Board. The nominees, each of whom is standing for reelection, for election by the stockholders to these two positions are:

- Robert M. Neumeister, Jr.; and
- David B. Wright.

We are not aware of any reason that any nominee will be unable or will decline to serve as a director. The term of office of each person elected as a Class III director at the Meeting will continue until our annual meeting of stockholders held in 2011 or until a successor has been elected and qualified. There are no arrangements or understandings between any of our directors or executive

officers and any other person pursuant to which he or she is or was to be selected as one of our directors or officers. There are no family relationships among directors or executive officers of the Company.

Unless otherwise instructed, the proxy holders will vote the proxies received by them for the two (2) nominees named above, each of whom is currently one of our directors. Each nominee has consented to be named as a nominee in this Proxy Statement and to continue to serve as a director if elected. If any nominee becomes unable or declines to serve as a director or if additional persons are nominated at the Meeting, the proxy holders intend to vote all proxies received by them in such a manner as will assure the election of as many of the nominees listed above as possible (or, if new nominees have been designated by the Board of Directors, in such a manner as to elect such nominees), and the specific nominees to be voted for will be determined by the proxy holders.

Vote Required; Recommendation of the Board of Directors

Directors will be elected by a plurality vote of the shares of our Common Stock present or represented and entitled to vote on this matter at the Meeting. Accordingly, the two (2) candidates receiving the highest number of affirmative votes of shares represented and voting on this proposal at the Meeting will be elected directors of the Company. Votes withheld from a nominee and broker non-votes will be counted for purposes of determining the presence or absence of a quorum but, because directors are elected by a plurality vote, will have no legal effect on the election of directors once a quorum is present. See "Information Concerning Solicitation And Voting – Quorum; Abstentions; Broker Non-Votes."

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS VOTING "FOR" THE NOMINEES TO SERVE AS CLASS III DIRECTORS.

Information Regarding the Nominees and Other Board Members

The following table sets forth for each of our current Class I Directors, Class II Directors, and Class III Directors, their ages and present positions with the Company as of the Record Date.

Name	Age	Position
Ram Gupta ⁽¹⁾⁽²⁾	46	Class I Director
Scott E. Howe ⁽¹⁾⁽³⁾	40	Class I Director
Suzanne M. Present	49	Class I Director
Andrew Anker ⁽¹⁾⁽²⁾	43	Class II Director
Carl Redfield ⁽²⁾⁽³⁾	61	Class II Director
Robert M. Neumeister, Jr.	58	Class III Director, Interim President and Chief Executive Officer
David B. Wright ⁽³⁾	59	Class III Director

(1) Member of the Audit Committee.

(2) Member of the Nominating Committee.

(3) Member of the Compensation Committee.

Ram Gupta has served on our Board of Directors since February 2002, and from December 2006 through December 2007, served as Chairman of our Board of Directors. From December 2005 until May 2007, Mr. Gupta served as president and chief executive officer of Cast Iron Systems, a vendor of application integration appliances. Since June 2007, Mr. Gupta has been a private investor. From August 2000 through October 2004, Mr. Gupta served as executive vice president, products and technology for PeopleSoft, Inc., a provider of enterprise application software that was acquired by Oracle Corporation in January 2005. From November 2004 until November 2005, Mr. Gupta was a private investor. Mr. Gupta is a member of the board of directors of S1 Corporation, Accruent, Inc., Yodlee, Inc., Persistent Systems Ltd., Cast Iron Systems, Inc., Progress Software Corporation, and Plateau Systems, Ltd.

Scott E. Howe has served on our Board of Directors since March 2007. Mr. Howe joined Microsoft Corporation ("Microsoft"), a software, services, and solutions company, in August 2007 through Microsoft's acquisition of aQuantive, Inc. ("aQuantive"). Mr. Howe serves as vice president, general manager, Microsoft Advertiser and Publisher Solutions Business Group, which is comprised

of teams responsible for business strategy, product planning, product marketing, business development and overall management of the advertising businesses across regions. From September 2005 until August 2007, Mr. Howe served as president of aQuantive's DRIVE Performance Media ("DRIVEpm"), an online advertising company, and as general manager since DRIVEpm's founding in December 2003. From August 2006 until August 2007, Mr. Howe also served as president of aQuantive's Atlas International advertising business. From October 1999 through November 2003, Mr. Howe served as vice president and general manager of aQuantive's Avenue A|Razorfish, an online advertising agency.

Suzanne M. Present has served on our Board of Directors since September 2008. Since June 1998, Ms. Present has been a co-founder and principal of Gladwyne Partners, LLC, a private partnership fund manager. Present currently serves on the boards of directors of Kalypsys, Inc., a privately-held drug discovery company; The Electric Sheep Company, Inc., a privately-held developer of content and technologies for virtual worlds; and Anshe Chung Studios, Limited, a privately-held Chinese-based developer of content for virtual worlds.

Andrew Anker has served on our Board of Directors since September 2004. Mr. Anker has served as Six Apart Limited ("Six Apart")'s executive vice president of corporate development since June 2004. Six Apart is a provider of personal publishing systems and services. From July 2003 through May 2004, Mr. Anker was a private investor. From March 1999 through June 2003, Mr. Anker was a general partner with August Capital, a venture capital fund focused on investing in early-stage technology companies. Mr. Anker has been a member of the board of directors of Ebates Shopping, Inc. since February 2007.

Carl Redfield has served on our Board of Directors since October 1998. From September 2004 to May 2008, Mr. Redfield served as senior vice president, New England executive sponsor, of Cisco Systems, Inc. ("Cisco"), a provider of Internet Protocol-based (IP) networking solutions. From February 1997 through September 2004, Mr. Redfield served as Cisco's senior vice president, manufacturing and logistics. Mr. Redfield is a member of the board of directors of Infinera, Inc.

Robert M. Neumeister, Jr. has served on our Board of Directors since June 2001, and since December 2007 has served as Chairman of our Board of Directors. Since June 2008, Mr. Neumeister has also been serving as our Interim President and Chief Executive Officer. From April 2006 until April 2007, Mr. Neumeister served as executive vice president and chief financial officer of Linux Networx, Inc., a provider of Linux supercomputing technology. From November 2005 through March 2006, Mr. Neumeister was a private investor. From January 2003 through October 2005, Mr. Neumeister served as chief financial officer for Dex Media, Inc., a company providing local and national advertisers with directory, Internet and direct marketing solutions. From September 2001 through December 2002, Mr. Neumeister served as chief financial officer for Myriad Proteomics, Inc., a company engaged in mapping the human proteome. Mr. Neumeister is a member of the board of directors of Symmetricom, Inc., and served as a member of the board of directors of Covad Communications Group from April 2006 until April 2008.

David B. Wright has served on our Board of Directors since December 2001. Since June 2006, Mr. Wright has served as chairman and chief executive officer for Verari Systems, Inc., a developer of platform-independent blade servers and storage systems. From August 2004 through May 2006, Mr. Wright served as executive vice president, office of the chief executive officer, strategic alliances and global accounts, for EMC Corporation ("EMC"), a provider of products, services, and solutions for information storage and management. From October 2003 until August 2004, Mr. Wright served as an EMC executive vice president and president of EMC's Legato Systems division, which develops, markets and supports enterprise class storage software products and services. From October 2000 until its acquisition by EMC in October 2003, Mr. Wright served as president and chief executive officer of Legato Systems, Inc. Mr. Wright serves on the board of directors of ISO Properties, Inc. and ActiveIdentity.

See "Corporate Governance" and "Executive Compensation – Compensation of Directors" below for additional information regarding the Board of Directors.

PROPOSAL TWO

TO RATIFY THE APPOINTMENT OF STONEFIELD JOSEPHSON, INC.

**AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
FOR THE FISCAL YEAR ENDING JULY 31, 2009**

Our Audit Committee has selected Stonefield Josephson, Inc. ("Stonefield Josephson"), an independent registered public accounting firm, to audit our financial statements for Fiscal Year 2009, and based on this selection, our Board of Directors has unanimously recommended that stockholders vote for ratification of such appointment. Although action by stockholders is not required by law, the Board of Directors has determined that it is desirable to request approval of this selection by our stockholders. Stonefield Josephson was also selected by our Audit Committee to audit our financial statements for Fiscal Year 2008. Notwithstanding the selection or a ratification, the Audit Committee, in its discretion, may direct the appointment of new independent registered public accountants, at any time during the fiscal year, if the Audit Committee determines that such a change would be in the Company's best interest and the interest of its stockholders. In the event of a negative vote or ratification, the Audit Committee may reconsider its selection.

Attendance at the Annual Meeting

The Board of Directors expects that representatives of Stonefield Josephson will be present at the Meeting, afforded the opportunity to make a statement if they desire to do so, and be available to respond to appropriate questions from stockholders.

Accounting Fees

The following table shows the fees paid or accrued by the Company for the audit and other services provided by Stonefield Josephson for Fiscal Year 2008 and Company's fiscal year ended July 31, 2007 (in thousands):

Stonefield Josephson Fees	Year Ended July 31,	
	2008	2007
Audit Fees ⁽¹⁾	\$ 271	\$ 348
Audit Related Fees ⁽²⁾	115	162
Total Stonefield Josephson Fees	<u>\$386</u>	<u>\$510</u>

"Audit fees" includes fees for professional services principally related to the integrated audits of the Company's annual and (1) quarterly financial statements and internal control over financial reporting, consultation on matters that arise during a review or audit, reviews of SEC filings and statutory audit fees.

(2) "Audit Related fees" includes fees which are for assurance and related services other than those included in Audit fees.

Pre-approval Policies and Procedures

The Audit Committee has adopted a policy regarding non-audit services provided by Stonefield Josephson, our independent registered public accounting firm. First, the policy ensures the independence of our auditors by expressly naming all services that the auditors may not perform and reinforcing the principle of independence regardless of the type of service. Second, certain non-audit services such as tax-related services are permitted but limited in proportion to the audit fees paid. Third, the Chairman of the Audit Committee pre-approves, with subsequent ratification by the Audit Committee, non-audit services not specifically permitted under this policy and the full Audit Committee reviews the annual plan and any subsequent engagements. Thus, all of the services described above under audit-related fees, tax fees and all other fees were approved by the Audit Committee pursuant to its pre-approval policies and procedures.

Independence Assessment by Audit Committee

The Company's Audit Committee considered the provision of the services provided by Stonefield Josephson as set forth herein, and determined that such services are compatible with maintaining Stonefield Josephson's independence.

Vote Required; Recommendation of the Board of Directors

If a quorum is present and voting, the affirmative vote of the Votes Cast is needed to ratify the appointment of Stonefield Josephson as the Company's independent registered public accounting firm, to audit the consolidated financial statements of the Company for Fiscal Year 2009.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS VOTING "FOR" THE RATIFICATION OF THE APPOINTMENT OF STONEFIELD JOSEPHSON AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM, TO AUDIT THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR FISCAL YEAR 2009.

CORPORATE GOVERNANCE

Statement on Corporate Governance

We regularly monitor developments in the area of corporate governance. We continue to study the federal laws affecting corporate governance, including the Sarbanes-Oxley Act of 2002, as well as rules proposed and promulgated by the SEC and the Financial Industry Regulatory Authority. We will comply with all applicable new rules and will implement other corporate governance "best practices" as we deem appropriate. We believe that we already have procedures in place to safeguard our stockholders' interests, including the following:

Board of Directors

Our Board is composed of six non-employee directors and one employee director, our Interim President and Chief Executive Officer. The non-employee members of our Board hold regular executive sessions.

Committees. The Board of Directors has three standing committees: the Audit Committee, the Compensation Committee and the Nominating Committee. Each of our committees is comprised solely of independent directors as determined pursuant to the Marketplace Rules of the Nasdaq Stock Market ("NASDAQ"). Each committee reviews its mandate as legislative and regulatory developments and business circumstances warrant. After re-examining and revising its charter early in the fiscal year ending July 31, 2003, and reviewing its revised charter yearly thereafter, the Audit Committee re-examined its charter once again in Fiscal Year 2008 and determined that no changes were necessary. Similarly, the Compensation and Nominating Committees re-examined their respective charters in Fiscal Year 2008 but determined that no changes were necessary. Charters for each of the committees of our Board of Directors are available on our Web site at: <http://ir.corp.sourceforge.com/phoenix.zhtml?c=82629&p=irol-govHighlights>.

Independence of the Board of Directors. The Board of Directors has determined that, with the exception of Mr. Neumeister, who is the Interim President and Chief Executive Officer of the Company, all of the members of the Board of Directors are "independent directors" as defined in the Marketplace Rules of NASDAQ. In determining the independence of our directors, the Board of Directors reviewed the applicable laws and regulations of the SEC and the Marketplace Rules of NASDAQ, and considered all transactions in which the Company and any director had any interest, including those discussed under "Related Party Transactions" below.

Contacting the Board of Directors. Any stockholder who desires to contact our Chairman of the Board of Directors or the other members of our Board of Directors may do so electronically by sending an email to the following address: ir@corp.sourceforge.com. Alternatively, a stockholder can contact our Chairman of the Board of Directors or the other members of the Board of Directors by writing to: Board of Directors, c/o Chairman of the Board of Directors, SourceForge, Inc., 650 Castro Street, Suite 450, Mountain View, CA 94041. Communications received electronically or in writing will be reviewed by the Company's General Counsel and distributed to the Chairman of the Board of Directors or the other members of the Board of Directors as appropriate, depending on the facts and circumstances outlined in the communication received.

Attendance at Annual Stockholder Meetings by the Board of Directors. The Company has not adopted a formal policy regarding attendance by members of the Board of Directors at the Company's annual meeting of stockholders. The Company's informal policy is that it encourages, but does not require, directors to attend. At the Company's 2007 Annual Meeting of Stockholders, other than the then-CEO, who was at that time a member of the Board of Directors, no members of the Board of Directors attended the meeting.

Board Meetings and Committees

Our Board of Directors held a total of thirteen (13) meetings during Fiscal Year 2008. With the exception of Scott E. Howe, who attended 65% of the aggregate of all meetings of the Board of Directors and the committees of the Board upon which he served, no director serving throughout Fiscal Year 2008 attended fewer than 75% of the aggregate of all meetings of the Board of Directors and the committees of the Board upon which such director served.

The Audit Committee consists of Messrs. Gupta, Howe, and Anker, each of whom is “independent” within the meaning set forth in the rules of the SEC and the Marketplace Rules of NASDAQ. Our Board has determined that Mr. Anker is an independent director and qualifies as the “audit committee financial expert” as that term is defined in Item 401(h) of Regulation S-K of the Exchange Act. The Audit Committee reviews our internal accounting procedures and consults with, reviews the services provided by and selects our independent registered public accountants. In particular, the Audit Committee is responsible for overseeing the engagement, independence, and services of our independent auditors. The Audit Committee also serves to: (i) act as an independent and objective party to monitor our financial reporting process and internal control system; (ii) review and appraise the audit efforts of our independent auditors; (iii) evaluate our quarterly and annual financial performance as well as our compliance with laws and regulations; (iv) oversee management’s establishment and enforcement of financial policies and business practices; and (v) provide an open avenue of communication among the independent auditors, financial and senior management, counsel and the Board of Directors. The Audit Committee held eight (8) meetings during Fiscal Year 2008.

The Compensation Committee consists of Messrs. Wright, Redfield, and Howe, each of whom is “independent,” as such term is defined by the Marketplace Rules of NASDAQ. The Compensation Committee reviews and recommends to the Board of Directors the salaries, incentive compensation and benefits of our officers and employees and administers our stock plans and employee benefit plans. The Compensation Committee held seven (7) meetings during Fiscal Year 2008.

The Nominating Committee consists of Messrs. Anker, Gupta, and Redfield, each of whom is “independent,” as such term is defined by the Marketplace Rules of NASDAQ. The Nominating Committee held two (2) meetings during Fiscal Year 2008.

The Nominating Committee identifies and evaluates qualified individuals who may become directors, determines the composition of the Board of Directors and its committees and monitors the process to assess the Board of Director’s effectiveness. The Nominating Committee considers nominees proposed by a number of sources, including management and stockholders. To recommend a prospective nominee for the Nominating Committee’s consideration, stockholders should submit the candidate’s name and contact information, detailed biographical data and qualifications, information regarding any relationships between the candidate and the Company within the last three years and evidence of the nominating person’s ownership of SourceForge, Inc. Common Stock to the Company’s General Counsel in writing at the following address: 650 Castro Street, Suite 450, Mountain View, CA 94041.

The consideration of any candidate for director will be based on the Nominating Committee’s assessment of the individual’s background, experience, skills and abilities, and if such characteristics qualify the individual to fulfill the needs of the Board of Directors at that time. While the Nominating Committee has not established specific minimum qualifications for director candidates, the Nominating Committee believes that candidates and nominees should reflect a Board that is predominately independent and that is comprised of directors who (i) are of high integrity, (ii) have broad, business-related knowledge and experience, (iii) have qualifications that will increase overall Board effectiveness and (iv) meet other requirements as may be required by applicable rules, such as financial literacy or financial expertise with respect to Audit Committee members. With regard to candidates who are properly recommended by stockholders or by other means, the Nominating Committee will review the qualifications of any such candidate, which review may, in the Nominating Committee’s discretion, include interviewing references for the candidate, direct interviews with the candidate, or other actions that the Nominating Committee deems necessary or proper.

Compensation Committee Interlocks and Insider Participation

Our Board of Directors established the Compensation Committee in October 1999. Prior to establishing the Compensation Committee, our Board of Directors as a whole performed the functions delegated to the Compensation Committee. No member of our Compensation Committee has served as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our Board of Directors or Compensation Committee. Since the formation of our Compensation Committee, none of its members has been our officer or employee.

Employee Matters

In October 2002, we adopted a Code of Business Conduct and Ethics (the “Code of Conduct”), which has been executed by all of the Company’s employees and directors. Our Code of Conduct is available on our Web site at <http://ir.corp.sourceforge.com/phoenix.zhtml?c=82629&p=irol-govHighlights>.

We require all employees and directors to adhere to the Code of Conduct in addressing the legal and ethical issues encountered in conducting their work. Employees and directors are required to report to our General Counsel any conduct that they believe in good faith to be an actual or apparent violation of the Code of Conduct.

In accordance with the Sarbanes-Oxley Act of 2002 and rules promulgated thereunder by the SEC, the Audit Committee has established procedures to receive, retain and treat complaints received by us or the Audit Committee regarding accounting, internal accounting controls or auditing matters and to allow for the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters. We are monitoring developments in this field and, if necessary or appropriate, will adopt new procedures consistent with new legislation or regulations.

Other Matters

Disclosure. We have established a disclosure committee comprised of certain senior executives and managers to specify, coordinate and oversee the review procedures that we use each quarter to prepare our periodic SEC filings.

Equity Plans. Our standard practice is to obtain stockholder approval before implementing equity compensation plans.

EXECUTIVE OFFICERS

The name, age, position and a brief account of the business experience of our Interim President and Chief Executive Officer and each of our other executive officers as of the Record Date are set forth below.

Named Executive Officers

Name	Age	Position
Robert M. Neumeister, Jr.	58	Interim President, Chief Executive Officer and Class III Director
Patricia S. Morris	44	Senior Vice President, Chief Financial Officer
Caroline Offutt	44	Vice President, General Manager, ThinkGeek, Inc.
Jonathan Sobel	44	Group President, Media
Jeff Bates	32	Vice President, Platforms
Jeffrey S. Chalmers	46	Vice President, Corporate Controller
Christopher Dobbrow	52	Vice President, Sales
Michael Rudolph	43	Vice President, Marketing
James Jay Seimargo	43	Vice President, Media Operations, General Counsel and Corporate Secretary

Mr. Neumeister’s biographical information can be found above under “Proposal One – To elect two (2) Class III directors to serve for a three year term and until their successors are duly elected and qualified.”

Patricia S. Morris has served as Senior Vice President and Chief Financial Officer since July 2006. From June 2004 to June 2006, Ms. Morris served as vice president, finance of IGN Entertainment, Inc., an Internet

media and services provider focused on the videogame and entertainment enthusiast markets (now a unit of Fox Interactive Media, Inc.). From April 2004 to June 2004, Ms. Morris served as vice president, finance of Liberate Technologies (“Liberate”), a provider of software for digital cable television systems. From December 2003 to April 2004, Ms. Morris also performed consulting services for Liberate. From December 2002 to April 2004, Ms. Morris was chief accounting officer at Sagent Technology, Inc., a business intelligence solutions provider. Ms. Morris joined Sagent in August 2001 as director, sales operations.

Caroline Offutt has served as Vice President, General Manager, ThinkGeek, Inc. since December 2006. Ms. Offutt joined the Company as Director, General Manager, ThinkGeek, Inc. in December 2004. From September 2003 to December 2004, Ms. Offutt served as director, merchandising and operations at Tactical Express, LLC, a direct marketer of federal law enforcement gear. From March 2001 to September 2003, Ms. Offutt served as director, operations at Safety-911, Inc., a direct marketer of public safety equipment.

Jonathan Sobel has served as the Company's Group President, Media since October 2007. From June 2005 through February 2007, he served as senior vice president, strategy and business development at CBS Interactive Media, a division at CBS that leads the company's media activities. From November 2003 through October 2007, Mr. Sobel was a partner at Folger Levin & Kahn, LLP, a San Francisco law firm. While working at CBS Interactive Media and Folger Levin & Kahn, LLP, Mr. Sobel also obtained his MBA in May 2007 from the University of Pennsylvania, Wharton School of Business. From May 1998 through October 2003, Mr. Sobel served as senior vice president, general counsel, and secretary at Yahoo!, a leading global Internet brand.

Jeff Bates has served as Vice President, Platforms since February 2008. From July 2004 to February 2008, he served as Vice President, Editorial Operations and Executive Editor of Slashdot. From May 2001 to July 2004, Mr. Bates was Director, Media Operations for the Company's online media business.

Jeffrey S. Chalmers has served as Vice President, Corporate Controller since September 2008. Mr. Chalmers joined the Company as its Corporate Controller in December 2005. From June 2006 until July 2006, and from March 2008 until May 2008, he also served as the Company's Interim Chief Financial Officer. From September 2003 to September 2005, Mr. Chalmers served as corporate controller of LogicVision, Inc., a provider of solutions for designing semiconductor chips. From March 2002 to August 2003, Mr. Chalmers served as director of finance at Digital Fountain, Inc., a developer of data communication technology.

Christopher Dobbrow has served as Vice President, Sales since May 2008. From June 2007 to May 2008, he served as senior vice president, partnerships at BrightTALK, a rich media provider specializing in live audio and video webcasting and embedded channels. From May 2005 to May 2007, Mr. Dobbrow provided strategic planning and revenue development as a management consultant for several companies including the following entities: The Deal LLC, GoingOn.com, StreetPrices.com, and Larcen Consulting Group. From July 2003 to April 2005, Mr. Dobbrow was senior vice president, corporate sales and publisher of eWeek, part of Ziff Davis Media, an integrated technology media company.

Michael Rudolph has served as Vice President, Marketing since February 2008. From November 2006 until February 2008, he served as Vice President, General Manager, SourceForge.net. Mr. Rudolph joined the Company in July 2006 as Vice President, SourceForge.net Marketplace. From December 2001 to July 2006, Mr. Rudolph was director, marketing at eBay, Inc., a company that offers Internet platforms for global commerce, payments and communications.

James Jay Seirmarco has served as the Company's Vice President and General Counsel since August 2001. In February 2008, he also began serving as Vice President, Media Operations. In June 2006, Mr. Seirmarco was appointed Corporate Secretary. From July 2005 through October 2006, Mr. Seirmarco also served as Vice President and General Manager, SourceForge.net. Mr. Seirmarco joined the Company in August 2000 as Corporate Counsel.

COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Board of Directors of the Company (the "Compensation Committee") has reviewed and discussed the following Compensation Discussion and Analysis with management and, based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

Respectfully Submitted By:
MEMBERS OF THE COMPENSATION COMMITTEE
David B. Wright, Chairman
Carl Redfield
Scott E. Howe

EXECUTIVE COMPENSATION

Overview of Compensation Program and Philosophy

SourceForge, Inc. (“SourceForge” or “Company”) has designed its executive compensation program and philosophy to attract, motivate and retain talented executives responsible for the success of SourceForge, which operates in the online media and e-commerce industries, two extremely competitive and rapidly changing fields of endeavor. With this in mind, SourceForge strives to set its compensation programs within the appropriate competitive framework and based on a compensation philosophy of “pay for performance” that depends on the achievement of overall financial results and individual contributions by executives and employees. Within this overall philosophy, SourceForge’s objectives are to:

Motivate executive officers to achieve quantitative financial and qualitative non-financial goals and create a direct, meaningful link between achievement of these goals and individual executive compensation;

Align the financial interests of executive officers with those of SourceForge’s stockholders by providing significant equity-based, long-term incentives in the form of restricted stock and/or stock options, while carefully considering both stockholder dilution and financial accounting compensation expense; and

Offer a total compensation program that takes into consideration the executive compensation practices of a specifically identified peer group of companies, including competitors of SourceForge.

The Compensation Committee uses these objectives as a guide in establishing the compensation programs, practices and packages offered to SourceForge’s executive officers and in assessing the proper allocation between long- and short-term incentive compensation and cash and non-cash compensation. However, there is no pre-established policy or target for the allocation between long- and short-term incentive compensation and cash and non-cash compensation.

Role and Authority of Our Compensation Committee

The members of the Compensation Committee are directors David B. Wright (Chair), Carl Redfield and Scott E. Howe. Each of these individuals qualifies as (i) an “independent director” under the Marketplace Rules of NASDAQ, (ii) a “non-employee director” under Rule 16b-3 of the Securities Exchange Act of 1934, and (iii) an “outside director” under Section 162(m) of the Code.

The Company’s Board of Directors created the Compensation Committee to carry out the Board of Directors’ responsibilities to: (i) oversee SourceForge’s compensation policies, plans and benefits programs; (ii) oversee the compensation of SourceForge’s Chief Executive Officer and other executive officers (including officers reporting under Section 16 of the Securities Exchange Act of 1934); (iii) evaluate and approve the executive officer compensation plans, policies and programs of SourceForge; and (iv) oversee the design of SourceForge’s equity compensation and incentive plans. The Compensation Committee reviews and establishes the executive compensation packages offered to the Company’s Chief Executive Officer and other named executive officers. In doing so, its Compensation Committee is responsible for ensuring that such packages are consistent with its compensation program and philosophy.

The Compensation Committee has adopted a written charter approved by the Board of Directors, which is available on SourceForge’s website at the “Investor Relations” page, with URL http://media.corporate-ir.net/media_files/irol/82/82629/corpgov/SourceForge_Comp_Committee_Charter.pdf.

The Compensation Committee’s responsibilities are discussed in detail in the charter and include:

Reviewing and approving for the Company’s Chief Executive Officer and other executive officers’ (i) annual base salary, (ii) fiscal year incentive bonus plans, including specific quarterly goals, (iii) equity compensation, (iv) employment agreements, severance arrangements and change in control arrangements, and (v) other significant benefits or compensation arrangements not available to employees generally;

Reviewing and approving corporate goals and objectives relative to the compensation of the Company’s Chief Executive Officer and executive management, evaluating their performance in light of these and other factors related to the performance of SourceForge, including the accomplishment of SourceForge’s long-term business and financial goals; and

Overseeing the design of SourceForge’s equity compensation and executive incentive plans and acting as the administrator of such plans for all employees.

The Compensation Committee has the final decision-making authority with respect to the compensation of the Company's named executive officers. In carrying out its responsibilities, the Compensation Committee may engage outside consultants and/or consult with SourceForge's Human Resources department as the Compensation Committee determines to be appropriate. The Compensation Committee may obtain advice and assistance from internal or external legal, accounting or other advisers selected by the Compensation Committee. The Compensation Committee may delegate any of its responsibilities to one or more directors or to members of management, to the extent permitted by applicable law. The Compensation Committee has authorized members of management to make salary adjustments under guidelines approved by the Compensation Committee for all employees other than named executive officers.

Role of Executive Officers in Compensation Decisions

The Compensation Committee on occasion meets with Mr. Neumeister, Interim President and Chief Executive Officer, to obtain recommendations with respect to the compensation programs, practices and packages for the named executive officers (aside from Mr. Neumeister himself), executive officers, and other key employees. The Compensation Committee considers, but is not bound to, and does not always accept, Mr. Neumeister's recommendations. Mr. Neumeister and other executives or employees sometimes attend the Compensation Committee's meetings, but they leave the meetings as appropriate when the Compensation Committee intends to meet independently. The Compensation Committee makes decisions with respect to Mr. Neumeister's compensation package without him present.

Role of Compensation Consultant

During the fiscal year ending July 31, 2007, the Compensation Committee engaged J. Richard & Co. ("Richard & Co."), a consulting company specializing in executive officer and director compensation, to conduct a competitive review and analysis of the Company's executive compensation program and make recommendations for Fiscal Year 2008 executive officer compensation. Richard & Co. continues to serve at the discretion of the Compensation Committee.

Selection of Fiscal Year 2008 Peer Companies

For Fiscal Year 2008, Richard & Co. recommended, and the Compensation Committee approved, the following group of peer companies for use in conducting director and officer compensation analyses. These peer companies were intended to reflect SourceForge's size, strategy, and business. The following companies are collectively referred to herein as the "Fiscal Year 2008 Peer Companies":

Agile Software Corporation, San Jose, CA

Opsware, Inc., Sunnyvale, CA

Borland Software Corporation, Cupertino, CA

Selectica, Inc., San Jose, CA

Callidus Software, Inc., San Jose, CA

Sonic Solutions, Novato, CA

Chordiant Software, Inc., Cupertino, CA

SupportSoft, Inc., Redwood City, CA

Cybersource Corporation, Mountain View, CA

Synplicity, Inc., Sunnyvale, CA

Interwoven, Inc., Sunnyvale, CA

Tumbleweed Communications Corp., Redwood City, CA

Novatel Wireless, Inc., San Diego, CA

Bankrate, Inc., No. Palm Beach, FL

CNET Networks, Inc., San Francisco, CA

Jupitermedia Corporation, Darien, CT

LookSmart, LTD, San Francisco, CA

TechTarget, Inc., Needham, MA

Because each of the Fiscal Year 2008 Peer Companies was traded on the NASDAQ Global Market as of September 2007, data on the compensation practices of the Fiscal Year 2008 Peer Companies generally was gathered through publicly available information.

Selection of Fiscal Year 2009 Peer Companies

For Fiscal Year 2009, Richard & Co. recommended, and the Compensation Committee approved, modifications to the Fiscal Year 2008 Peer Companies for use in conducting director and officer compensation analyses. These updated peer companies are intended to reflect SourceForge's present size, strategy, and business. The following companies are collectively referred to herein as the "Fiscal Year 2009 Peer Companies":

The Knot, Inc., New York, NY

Travelzoo, New York, NY

Move, Inc., Westlake Village, CA

TheStreet.com, New York, NY

Shutterfly, Redwood City, CA

Digital River, Eden Prairie, MN

Bankrate, Inc., No. Palm Beach, FL

TechTarget, Inc., Needham, MA

WebMD, Elmwood Park, NJ

Because each of the Fiscal Year 2009 Peer Companies was traded on the NASDAQ Global Market as of September 2008, data on the compensation practices of the Fiscal Year 2009 Peer Companies generally was gathered through publicly available information.

Components of Compensation

The principal components of SourceForge's executive officer compensation include:

Base salary;

Variable incentive cash bonus awards;

Long-term equity-based incentive awards;

Severance and/or change of control protection;

Retirement benefits provided under a 401(k) plan; and

Generally available benefit programs.

The Compensation Committee selected these components because it believes each is necessary to help SourceForge attract and retain the executive talent on which its success depends. These components allow SourceForge to reward performance throughout the fiscal year and to provide an incentive for executives to appropriately balance their focus on short-term and long-term strategic goals. The Compensation Committee believes that this set of components is effective and will continue to be effective in achieving the objectives of its compensation program and philosophy.

The Compensation Committee reviews the entire executive compensation program on at least an annual basis. The Compensation Committee is aided in this review by its compensation consultant (which was Richard & Co. in Fiscal Year 2008). However, the Compensation Committee may at any time review one or more components as necessary or appropriate to ensure such components remain competitive and appropriately designed to reward performance. In setting compensation levels for a particular named executive officer, the Compensation Committee considers both individual and corporate factors. In general, compensation is targeted at the following percentiles, as compared to the applicable peer companies:

Components of Compensation	Target
Base salary	50th percentile
Total cash compensation (base salary and bonus)	50th to 65th percentile
Long-term equity-based compensation	50th to 75th percentile

Base Salary and Variable Incentive Awards

Base Salary

SourceForge provides base salary to its named executive officers and other employees to compensate them for services rendered on a day-to-day basis during the fiscal year. As used herein, named executive officers are: (i) the Company's Principal Executive Officer (PEO); (ii) the Company's Principal Financial Officer (PFO); (iii) the 3 most highly compensated executive officers other than the PEO and PFO who were serving at the end of the last completed fiscal year; and (iv) one additional individual for whom disclosure would have been provided pursuant to (iii) but for the fact that the individual was not serving as an executive officer of the company at the end of the last completed fiscal year. As described above, the Compensation Committee reviews information provided by Richard & Co. with respect to similarly-situated individuals at peer companies to assist it in determining base salary for each named executive officer. In addition, the Compensation Committee considers each executive officer's experience, skills, knowledge, responsibilities and performance and, with respect to its Chief Executive Officer, SourceForge's performance as a whole. For newly hired executive officers, the Compensation Committee considers the base salary of the individual at his or her prior employment and any unique personal circumstances that motivated the executive to leave that prior position and join SourceForge. The Compensation Committee believes that targeting base salaries to the 50th percentile, when coupled with higher targeted percentiles in variable compensation, strikes an effective balance between retention of executive talent and rewarding of achievement of planned revenue growth, total stockholder return and operating income growth.

The Compensation Committee typically reviews executive officer base salaries in the first quarter of each fiscal year. Increases are considered within the context of its overall annual merit increase budget before specific individual and market competitive factors are considered. The Compensation Committee does not apply specific formulas to determine increases.

On July 8, 2008, the Company entered into an offer letter with Mr. Neumeister, establishing the terms of Mr. Neumeister's employment with the Company as its Interim President and Chief Executive Officer. Mr. Neumeister receives a monthly salary of \$50,000, less applicable withholdings. The Company provided details of Mr. Neumeister's offer letter in a Current Report Form 8-K/A Amendment No. 1 dated June 4, 2008 (SEC File No.: 000-28369).

On September 10, 2008, for Fiscal Year 2009, the Compensation Committee approved an increase to the annual base salary of Ms. Morris from \$265,000 to \$278,250. For Fiscal Year 2009, Mr. Rudolph's base salary was increased from \$214,225 to \$224,936. For Fiscal Year 2009, Mr. Seirmarco's base salary was increased from \$216,300 to \$224,952. In reaching its decisions regarding Fiscal Year 2009 named executive officer cash compensation, the Compensation Committee considered individual contribution during Fiscal Year 2008, along with market data provided by Richard & Co. for the cash compensation paid to named executive officers at the Fiscal Year 2009 Peer Companies, SourceForge's revenue growth, total stockholder return and operating income growth as compared to its peers.

For Fiscal Year 2008, on September 5, 2007, the Compensation Committee approved an increase to Ms. Morris' base salary from \$250,000 to \$265,000. The Compensation Committee left base salaries for Messrs. Jenab and Zeiger unchanged. For Fiscal Year 2008, Mr. Rudolph's base salary was increased from \$205,000 to \$214,225. For Fiscal Year 2008, Mr. Seirmarco's base salary was increased from \$210,000 to \$216,300. In reaching its decisions regarding Fiscal Year 2008 named executive officer cash compensation, the Compensation Committee considered individual contribution during Fiscal Year 2007 along with SourceForge's revenue growth, total stockholder return and operating income growth as compared to its peers.

In addition to targeting base salaries for named executive officers in part based upon recognition of individual contributions to the Company's success, and seeking to align compensation with specified peer groups, the Compensation Committee also endeavors to align such compensation with median base salary increases, if any, for similarly-situated executives as set forth in "The High-Tech Global Compensation Survey: Executive Functional Area," provided by Culpepper and Associates, Inc. ("Culpepper"), to which the Company subscribes. Culpepper provides up-to-date, verified data for executive positions at comparable companies based on revenue, geographic location and industry sector.

Variable Incentive Awards

To focus each executive officer on the importance of achieving SourceForge's goals, a substantial portion of the officer's potential annual compensation is in the form of variable incentive pay that is tied to achievement of those goals. Accordingly, SourceForge maintains bonus programs under which executive officers are eligible to receive bonuses.

Bonus Programs. The Company offers cash incentive bonus programs for named executive officers, management and other key employees. These programs are designed to provide cash incentives to and reward the efforts of named executive officers in maximizing the short- and long-term financial performance of the business. The Compensation Committee has discretion to increase or decrease bonuses under the incentive bonus programs based on factors determined by the Compensation Committee.

The table below describes for each named executive officer eligible to participate in a Company bonus program (i) the target percentage of base salary, (ii) the potential award range as a percentage of base salary, and (iii) the actual award earned for Fiscal Year 2008.

According to Mr. Neumeister's employment offer letter dated July 8, 2008, Mr. Neumeister, as Interim President and Chief Executive Officer, was not eligible to participate in the bonus programs. The Compensation Committee of the Board of Directors will evaluate Mr. Neumeister's total compensation package and may, in its complete discretion, determine that it is in the Company's interest to grant him a discretionary bonus, based upon his accomplishment of certain performance-based objectives as determined by the Compensation Committee. Such objectives may include, but are not limited to: (1) the selection, recruitment, and hiring of a full-time Chief Executive Officer; (2) the retention of key personnel; (3) maintenance of management and employee morale; and (4) continued operation of the Company's business during the period leading up to the hiring of a full-time Chief Executive Officer. The Company provided details of Mr. Neumeister's offer letter in a Current Report Form 8-K/A Amendment No. 1 dated June 4, 2008 (SEC File No.: 000-28369).

Named Executive Officer	Target Percentage of Base Salary	Payout Range of Base Salary ⁽¹⁾⁽²⁾	Actual Award
Patricia S. Morris	50%	70% to 150%	\$ 75,830
Michael Rudolph	40%	70% to 150%	\$ 49,040
James Jay Seimarcos	40%	70% to 150%	\$ 49,515
Ali Jenab ⁽³⁾	75%	70% to 150%	\$ 183,406
Andrew Zeiger ⁽⁴⁾	40%	70% to 150%	\$ 8,604

The incentive compensation bonus programs establish the criteria, allocations, methodologies and metrics for the payment of quarterly bonuses, if any, to SourceForge's named executive officers. The bonus percentage allocations are fifty percent (50%) based on meeting non-GAAP earnings targets, and fifty percent (50%) based on meeting revenue targets. If SourceForge attains between 70% and 150% of either of its quarterly non-GAAP earnings and/or revenue targets, then the percentage attainment of (1) such quarterly targets shall be multiplied by the named executive officer's applicable potential quarterly bonus (i.e., pro rata payout). If SourceForge fails to reach 70% of a quarterly non-GAAP earnings and/or revenue targets, then there shall be no quarterly bonus payout associated with such targets (i.e., 0% payout). If SourceForge attains more than 150% of quarterly non-GAAP earnings and/or revenue targets, then the bonus payout amount shall be 150% of the applicable potential quarterly bonus (i.e., payout capped at 150%).

Use of Non-GAAP Measures: SourceForge uses non-GAAP measures of operating results and net income, which are adjusted to exclude certain costs, expenses, gains and losses that management believes appropriate to enhance an overall understanding of SourceForge's past financial performance and also SourceForge's prospects for the future. The Compensation Committee (2) utilizes non-GAAP measures as a component of its measurement of and for rewarding for executive performance under incentive bonus programs, as it reasonably deems appropriate. In Fiscal Year 2008, non-GAAP exclusions included stock-based compensation expense, amortization of intangible assets and gain from sale of discontinued operations, net of income tax effects.

(3) Mr. Jenab's employment with the Company terminated in June 2008.

Mr. Zeiger's employment with the Company terminated in September 2008. During Fiscal Year 2008, Mr. Zeiger served as Vice President, Sales from August 2007 until February 2008. While he served as Vice President, Sales, Mr. Zeiger did not participate (4) in the bonus programs. Mr. Zeiger participated in the bonus programs when he served as Vice President, Business Development from February 2008 until September 2008.

Long-Term, Equity-Based Incentive Awards

The goal of SourceForge's long-term equity-based incentive program is to align the interests of executive officers with SourceForge's stockholders and to provide each executive officer with a significant incentive to manage SourceForge from the perspective of an owner with an equity stake in the business. The Compensation Committee determines the size of long-term, equity-based incentives based on each executive's position within SourceForge and seeks to set a level that will create a meaningful opportunity for stock ownership. In addition, the Compensation Committee takes into account an individual's recent performance, his or her potential for future responsibility and promotion, the number of unvested equity awards already held by each individual and comparable awards made to individuals in similar positions with the selected peer companies. The relative weight given to each of these factors varies among individuals at the Compensation Committee's discretion.

In reviewing and analyzing the awards made to similarly situated individuals at the selected peer companies, the Compensation Committee, with the assistance of its compensation consultant, compares:

The number of shares subject to awards granted to an individual in a given role or position;

The number of shares owned, the number of option shares and/or restricted stock granted by role or position as a percentage of total shares owned, option shares granted and restricted stock awards of total common shares outstanding;

The fair value of the grant using a Black-Scholes valuation for equity awards that is consistent with FASB Statement No. 123(R) ("FAS 123(R)"); and

The individual's vested and unvested equity positions.

On a total Company basis, when appropriate, the Compensation Committee also analyzes:

The number of shares used by a company during the year with respect to new equity awards (i.e., burnrates);

The number of shares subject to outstanding equity awards relative to the total number of shares issued and outstanding (i.e., issued equity overhang); and

The number of shares subject to outstanding equity awards and available for future grants relative to the total number of shares issued and outstanding (i.e., total equity overhang).

We believe these comparisons provide important additional context for comparing the competitive level of our equity based compensation practices versus the market.

Use of Restricted Stock

On August 1, 2005, SourceForge began accounting for stock-based awards in accordance with the requirements of FAS 123(R). As a result of the passage of FAS 123(R), the Compensation Committee determined that it was in the best interests of SourceForge and its stockholders to grant a combination of stock options and restricted stock to director-level employees and above on a going-forward basis.

During Fiscal Year 2008, the Compensation Committee of the Board of Directors approved the grant of Restricted Stock Purchase Rights, with time-based vesting, granting the right to purchase shares of our Common Stock at a purchase price per share equal to the par value of our common stock (\$.001) pursuant to the terms of our Restricted Stock Purchase Agreement, to our named executive officers in the following amounts:

	Restricted Stock with Time-based Vesting⁽¹⁾
Patricia S. Morris.	100,000 ⁽²⁾
Michael Rudolph.	50,000 ⁽³⁾
James Jay Seimargo.	50,000 ⁽³⁾
Andrew Zeiger.	50,000 ⁽³⁾

Restricted stock granted with time based vesting vest over three years following the date of grant as follows: 33 1/3% on the one year anniversary of the grant date; an additional 33 1/3% on the two year anniversary of the grant date; and the remaining 33 1/3% on the three year anniversary of the grant date, subject to the grantee continuing to serve as a Service Provider (as defined in the 2007 Equity Incentive Plan) to the Company on each such date.

- (1) (2) Granted July 1, 2008.
- (3) Granted June 4, 2008.

Accounting and Tax Considerations

SourceForge generally takes into consideration the accounting and tax effect of each component of compensation when establishing the compensation programs, practices and packages offered to SourceForge's executive officers and aims to keep the compensation expense associated with such programs, practices and packages within reasonable levels and an established budget.

Compliance with Section 162(m) of the Internal Revenue Code

SourceForge has considered the potential future effects of Section 162(m) of the Internal Revenue Code on the compensation paid to its executive officers. Under Section 162(m) of the Internal Revenue Code, adopted in August 1993, and regulations adopted there under by the Internal Revenue Service, publicly-held companies may be precluded from deducting certain compensation paid to an executive officer in excess of \$1 million in a year. The regulations exclude from this limit performance-based compensation and stock options provided certain requirements, such as stockholder approval, are satisfied. The Compensation Committee has decided that it is not appropriate at this time to take any actions that would disqualify the Company's stock option plan or executive annual cash bonus plans from deduction.

Change of Control and Severance Agreements

Set forth below is a description of the plans and agreements that could result in potential payouts to the named executive officers in the case of their termination of employment and/or a Change of Control⁽¹⁾ of the Company took place on July 31, 2008 (the last day of the Company's Fiscal Year 2008).

Patricia S. Morris

On July 16, 2008 the Compensation Committee of the Board of Directors of the Company approved the adoption of amended Change of Control and termination benefits for Ms. Morris, and authorized the Company to enter into an agreement with Ms. Morris to reflect the following benefits:

(A) if Ms. Morris' employment is terminated by the Company at any time for any reason not deemed by the Company to be for Cause⁽²⁾, then, in addition to receiving all accrued and then unpaid salary and vacation, Ms. Morris will be entitled to receive: (i) compensation equal to six months (\$132,500) of her annual base salary; (ii) payment of the quarterly bonus (\$33,125⁽⁶⁾), if any, she would have been paid under the Company's bonus plan for the entire quarter in which such termination occurred; and (iii) six months of reimbursement for COBRA health benefits coverage (\$7,776); and

(B) if, following a Change of Control, Ms. Morris' employment is terminated by the Company at any time for any reason not deemed by the Company to be for Cause, or Ms. Morris is subject to Constructive Termination⁽⁵⁾, then, in addition to receiving all accrued and then unpaid salary and vacation, Ms. Morris will be entitled to receive: (i) compensation equal to twelve months of her annual base salary (\$265,000); (ii) twelve months of Accelerated Vesting⁽³⁾ (\$92,667); (iii) payment of the quarterly bonus (\$33,125⁽⁶⁾), if any, she would have been paid under the Company's bonus plan for the entire quarter in which such termination occurred; and (iv) twelve months of reimbursement for COBRA health benefits coverage (\$15,551).

The awarding of any the above described benefits will be contingent upon Ms. Morris entering into a separation and release of claims agreement prepared by the Company.

Michael Rudolph

On July 16, 2008 the Compensation Committee of the Board of Directors of the Company approved the adoption of amended Change of Control and termination benefits for Mr. Rudolph, and authorized the Company to enter into an agreement with Mr. Rudolph to reflect the following benefits:

(A) if Mr. Rudolph's employment is terminated by the Company at any time for any reason not deemed by the Company to be for Cause, then, in addition to receiving all accrued and then unpaid salary and vacation, Mr. Rudolph will be entitled to receive: (i) compensation equal to three months (\$53,556) of his annual base salary; (ii) payment of the quarterly bonus (\$21,423⁽⁶⁾), if any, he would have been paid under the Company's bonus plan for the entire quarter in which such termination occurred; and (iii) three months of reimbursement for COBRA health benefits coverage (\$3,888); and

(B) if, following a Change of Control, Mr. Rudolph's employment is terminated by the Company at any time for any reason not deemed by the Company to be for Cause, or Mr. Rudolph is subject to Constructive Termination, then, in addition to receiving all accrued and then unpaid salary and vacation, Mr. Rudolph will be entitled to receive: (i) compensation equal to six months (\$107,113) of his annual base salary; (ii) six months of Accelerated Vesting (\$0); (iii) payment of the quarterly bonus (\$21,423⁽⁶⁾), if any, he would have been paid under the Company's bonus plan for the entire quarter in which such termination occurred; and (iv) six months of reimbursement for COBRA health benefits coverage (\$7,776).

The awarding of any the above described benefits will be contingent upon Mr. Rudolph entering into a separation and release of claims agreement prepared by the Company.

James Jay Seimargo

On January 15, 2004, at the direction of the Compensation Committee of the Board of Directors, the Company executed with Mr. Seimargo, an amendment to his August 9, 2000 employment offer letter, to insert provisions relating to Change of Control and termination benefits.

If the Company elects to terminate Mr. Seimargo's employment at any time for any reason not deemed by the Company to be for Cause, Mr. Seimargo will be entitled to receive: (i) compensation equal to six months (\$108,150) of his annual base salary, and (ii) two months of reimbursement for COBRA health benefits coverage (\$2,486).

If following a Change of Control, Mr. Seimargo's employment is terminated by the Company at any time for any reason not deemed by the Company to be for Cause, or Mr. Seimargo is subject to Constructive Termination, then, in addition to receiving all accrued and then unpaid salary and vacation, Mr. Seimargo will be entitled to receive: (i) compensation equal to six months (\$108,150) of his annual base salary, (ii) two months of reimbursement for COBRA health benefits coverage (\$2,486), and (iii) six months of accelerated vesting (\$13,900). Mr. Seimargo may, at any time during a six month Extended Exercise Period⁽⁴⁾, exercise his vested options and restricted stock awards with respect to shares that have accelerated pursuant to a termination not deemed to be for cause.

The awarding of these benefits will be contingent, however, upon Mr. Seimargo entering into a separation and release of claims agreement prepared by the Company.

"Change of Control" as used herein means the closing of: (i) a merger or consolidation of the Company with or into any other corporation or other entity, or the sale of all or substantially all of the assets of the Company, unless the stockholders of the Company immediately prior to such transaction hold at least 50% of the outstanding equity securities of the entity surviving such (1) merger or consolidation or the entity purchasing such assets, or (ii) a sale or transfer of more than 50% of the Company's voting securities to a person or persons acting as a group, who is or are not controlled directly or indirectly by the Company, in a single transaction or series of related transitions.

"Cause" as used herein means any of the following: (i) any act of personal dishonesty involving an executive in connection with such executive's responsibilities as an employee of the Company; (ii) the conviction of or plea of guilty or nolo contendere to a felony by an executive; (iii) a willful act by an executive which constitutes gross misconduct and which is injurious to the (2) Company; or (iv) continued violations by an executive of such executive's obligations as an employee of the Company which are demonstrably willful and deliberate on such executive's part after there has been delivered to the executive a written demand for performance from the Company which describes the basis for the Company's belief that he or she has not substantially performed his or her duties.

"Accelerated Vesting" as used herein means: (i) the immediate vesting of a number of shares subject to such executive's stock options with the Company, equal to the number of options that would normally vest over the applicable acceleration period, and

(ii) the immediate vesting of a number of shares of restricted stock in the Company held by such executive, if any, equal to the number of shares of restricted stock, if any, that would normally vest over the applicable acceleration period.

(4) "Extended Exercise Period" as used herein commences on the first day after the executive's employment with the Company is terminated and runs for the applicable extension period.

"Constructive Termination" means an executive's resignation within thirty (30) days following the expiration of any Company cure period (discussed below) following the occurrence of one or more of the following events without an executive's consent:

(i) the assignment to the executive of any duties or the reduction of the executive's duties, either of which results in a material diminution in an executive's authority, duties or responsibilities with the Company in effect immediately prior to such assignment, or the removal of an executive from such position and responsibilities, unless an executive is provided with comparable authority, duties or responsibilities; provided, however, it being understood that a new position within a larger combined company does not constitute "Constructive Termination" if it is in the same area of operations and involves similar scope of management responsibility notwithstanding that an executive may not retain as senior a position overall within the

(5) larger combined company as an executive's prior position; (ii) a material reduction of an executive's base salary; (iii) a material change in the geographic location at which an executive must perform services (e.g., the relocation of an executive to a facility or a location less than fifty (50) miles from an executive's then-present location shall not be considered a material change in geographic location); or (iv) any material breach by the Company of any material provision of executive's employment agreement. The executive will not resign for Constructive Termination without first providing the Company with written notice of the acts or omissions constituting the grounds for "Constructive Termination" within ninety (90) days of the initial existence of the grounds for "Constructive Termination" and a reasonable cure period of not less than thirty (30) days following the date of such notice.

(6) Assuming 100% attainment of quarterly bonus.

Estimated Payments upon Termination or Change of Control

The following table provides information concerning the estimated payments and benefits that would be provided in the circumstances described above. Payments and benefits are estimated assuming that the triggering event took place on the last business day of Fiscal Year 2008, and the price per share of our Common Stock is the official closing price on the NASDAQ Global Market as of that date (\$1.39). There can be no assurance that a triggering event would produce the same or similar results as those estimated below if such event occurs on any other date or at any other price, or if any other assumption used to estimate potential payments and benefits is not correct. Due to the number of factors that affect the nature and amount of any potential payments or benefits, any actual payments and benefits may be different.

Name	Type of Benefit	Potential Payments upon Involuntary Termination Other Than for Cause or Voluntary Termination for Good Reason	
		Prior to Change in Control (\$)	After Change in Control (\$)
Patricia S. Morris	Cash Severance - Base Salary	\$ 132,500	\$ 265,000
	Cash Severance - Bonus ⁽¹⁾	33,125	33,125
	Intrinsic Value of Accelerated Restricted Stock	–	92,667
	Continued Coverage of Employee Benefits	7,776	15,551
	<i>Total Termination Benefits:</i>	<u>\$ 173,401</u>	<u>\$ 406,343</u>
Michael Rudolph	Cash Severance - Base Salary	\$ 53,555	\$ 107,113
	Cash Severance - Bonus ⁽¹⁾	21,423	21,423
	Continued Coverage of Employee Benefits	3,888	7,776
	<i>Total Termination Benefits:</i>	<u>\$ 78,866</u>	<u>\$ 136,312</u>
James Jay Seimarcos	Cash Severance - Base Salary	\$ 108,150	\$ 108,150
	Intrinsic Value of Accelerated Restricted Stock	–	13,900
	Continued Coverage of Employee Benefits	2,486	2,486
	<i>Total Termination Benefits:</i>	<u>\$ 110,636</u>	<u>\$ 124,536</u>

(1) Assuming 100% attainment of quarterly bonus.

Assuming that the triggering event took place on the last business day of Fiscal Year 2008, and the price per share of our Common Stock is the official closing price on the NASDAQ Global Market as of that date (\$1.39), the intrinsic value of accelerated stock options for each named executive officer is zero because the exercise price of the stock options granted to each named executive officer exceeded the closing price on the NASDAQ Global Market as of that date.

The following table sets forth all compensation paid or accrued during Fiscal Year 2008 to: (i) the Company's Principal Executive Officer (PEO); (ii) the Company's Principal Financial Officer (PFO); (iii) the 3 most highly compensated executive officers other than the PEO and PFO who were serving at the end of the last completed fiscal year; and (iv) one additional individual for whom disclosure would have been provided pursuant to (iii) but for the fact that the individual was not serving as an executive officer of the company at the end of the last completed fiscal year.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Fiscal Year	Salary	Bonus	Stock Awards	Option Awards	All Other Compensation	Total
Robert M. Neumeister, Jr. ⁽¹⁾ <i>Interim Chief Executive Officer, President and Chairman of the Board of Directors</i>	2008	\$ 85,384	\$ —	\$ 12,852	\$ 37,954	\$ 57,000	\$ 193,190
	2007	—	—	—	44,151	35,500	79,651
Patricia S. Morris <i>Senior Vice President and Chief Financial Officer</i>	2008	235,017	75,830	60,037	302,692	—	673,577
	2007	250,000	75,102	478,480	—	—	803,582
Michael Rudolph <i>Vice President, Marketing</i>	2008	213,337	49,040	92,612	95,921	—	450,910
	2007	192,308	60,329	9,508	67,523	—	342,576
James Jay Seirmarco <i>Vice President, Media Operations, General Counsel and Corporate Secretary</i>	2008	222,349	49,515	70,712	—	—	342,576
	2007	208,538	50,489	399,848	—	—	658,875
Ali Jenab ⁽²⁾ <i>Former Chief Executive Officer, President and Director</i>	2008	383,123	183,406	1,014,051	213,140	796,885 ⁽³⁾	2,590,605
	2007	420,000	126,171	2,120,108	—	—	2,666,279
Andrew Zeiger ⁽⁴⁾ <i>Former Vice President, Business Development</i>	2008	200,000	8,604	—	81,914	61,669	352,187
	2007	197,692	—	440,138	—	86,132	723,962

Mr. Neumeister's employment with the Company began in June 2008. Upon becoming an employee, Mr. Neumeister has not received any non-employee director compensation for his attendance at any meetings or his service on the Board of Directors. During Fiscal Year 2008, Mr. Neumeister served as Chair of the Audit Committee of the Board of Directors until June 4, 2008.

(1) Since December 2007, Mr. Neumeister has served as the Chairman of the Board of Directors. The Company paid Mr. Neumeister Audit Committee and Board of Directors meeting and retainer fees from August 2007 until June 2008. The Company pays its retainer fees quarterly in advance and it has not been the Company's practice to request refunds from directors when they resign from a committee or the Board of Directors.

(2) Mr. Jenab's employment with the Company terminated in June 2008.

Represents severance and consulting services fees paid to Mr. Jenab in accordance with the separation agreement between Mr. Jenab and the Company effective June 9, 2008, and a consulting agreement between Mr. Jenab and the Company effective June 9, 2008. A copy of the separation agreement was filed as Exhibit 10.1, and a copy of the consulting agreement was filed as Exhibit 10.2 to the Company's Current Report on Form 8-K dated June 4, 2008 (SEC Film No. 08891225).

Mr. Zeiger's employment with the Company terminated in September 2008. Following his departure, the Company paid Mr. Zeiger a lump sum \$66,667 separation payment. During Fiscal Year 2008, Mr. Zeiger served as Vice President, Sales from August 2007 until February 2008. While he served as Vice President, Sales, Mr. Zeiger received commissions in accordance with the Company's Fiscal Year 2008 compensation plan for the Company's advertising and sponsorship sales organization. Mr. Zeiger participated in the bonus programs when he served as Vice President, Business Development from February 2008 until September 2008.

The following table presents information concerning each grant of an award made to a named executive officer in Fiscal Year 2008 under any plan.

GRANTS OF PLAN-BASED AWARDS

Name	Grant Date	All Other Stock Awards: Number of Shares of Stock	Grant Date Fair Value of Stock and Option Awards
Robert M. Neumeister, Jr. ⁽¹⁾ <i>Interim Chief Executive Officer, President and Chairman of the Board of Directors</i>	1/02/2008	10,000	\$ 2.38
Patricia S. Morris <i>Senior Vice President and Chief Financial Officer</i>	7/01/2008	100,000	\$ 1.59
Michael Rudolph <i>Vice President, Marketing</i>	6/04/2008	50,000	\$ 1.42
James Jay Seimargo <i>Vice President, Media Operations General Counsel and Corporate Secretary</i>	6/04/2008	50,000	\$ 1.42
Ali Jenab ⁽²⁾ <i>Former Chief Executive Officer, President and Director</i>	—	—	—
Andrew Zeiger ⁽³⁾ <i>Former Vice President, Business Development</i>	6/04/2008	50,000	\$ 1.42

Mr. Neumeister's employment with the Company began in June 2008. From August 1, 2007 until June 4, 2008, Mr. Neumeister (1) was a non-employee, director. On January 2, 2008, Mr. Neumeister received a restricted stock grant pursuant to the Company's non-employee, director compensation policies.

(2) Mr. Jenab's employment with the Company terminated in June 2008.

(3) Mr. Zeiger's employment with the Company terminated in September 2008.

The following table presents information concerning unexercised options and stock awards that have not vested for each named executive officer outstanding as of the end of Fiscal Year 2008.

OUTSTANDING EQUITY AWARDS AT 2008 FISCAL YEAR END

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested
Robert M. Neumeister, Jr. ⁽¹⁾ <i>Interim Chief Executive Officer, President, and Chairman of the Board of Directors</i>	40,000	—	\$ 3.22	6/13/2011	—	\$ —
	20,000	—	1.27	12/4/2012	—	—
	20,000	—	4.02	12/3/2013	—	—
	20,000	—	2.85	12/8/2014	—	—
	17,916	2,084	1.77	12/7/2015	—	—
	12,916	7,084	4.86	12/6/2016	—	—
Patricia S. Morris <i>Senior Vice President and Chief Financial Officer</i>	—	—	—	—	5,000	6,950
	199,999	200,001	4.12	7/05/2016	—	—
Michael Rudolph <i>Vice President, Marketing</i>	62,498	62,502	3.98	7/31/2016	—	—
	—	—	—	—	103,333	143,633
James Jay Seimargo <i>Vice President, Media Operations General Counsel and Corporate Secretary</i>	10,000	—	54.11	9/13/2010	—	—
	20,000	—	8.75	12/06/2010	—	—
	40,000	—	3.00	6/14/2011	—	—
	40,000	—	2.98	12/10/2013	—	—
	60,000	—	2.45	7/01/2014	—	—
	50,000	—	1.90	9/30/2014	—	—
Ali Jenab ⁽²⁾ <i>Former Chief Executive Officer, President and Director</i>	—	—	—	—	113,333	157,533
	393,750	—	8.13	2/16/2011	—	—
	400,000	—	3.00	6/14/2011	—	—
	—	—	—	—	542,500	754,078
	200,000	—	1.27	12/04/2012	—	—
	325,000	—	2.98	12/10/2013	—	—
Andrew Zeiger ⁽³⁾ <i>Former Vice President, Business Development</i>	487,500	—	2.45	7/01/2014	—	—
	15,251	—	1.99	10/29/2014	—	—
	—	—	—	—	120,000	166,800
	54,699	—	2.00	11/03/2014	—	—

Mr. Neumeister's employment with the Company began on June 4, 2008. Prior to June 4, 2008, Mr. Neumeister was a non-
(1) employee, director, and received option grants and restricted stock grants pursuant to the Company's non-employee, director compensation policies.

(2) Mr. Jenab's employment with the Company terminated in June 2008.

(3) Mr. Zeiger's employment with the Company terminated in September 2008.

During Fiscal Year 2008, the named executive officers did not exercise any options. The following table presents information concerning the aggregate number of shares that vested under stock awards during Fiscal Year 2008 for each of the named executive officers.

STOCK VESTED

Name	Stock Awards	
	Number of Shares Acquired on Vesting	Value Realized on Vesting (\$)
Robert M. Neumeister, Jr. ⁽¹⁾ <i>Interim Chief Executive Officer, President, and Chairman of the Board of Directors</i>	5,000	\$ 11,900
Patricia S. Morris <i>Senior Vice President and Chief Financial Officer</i>	33,334	43,668
Michael Rudolph <i>Vice President, Marketing</i>	26,667	34,934
James Jay Seimargo <i>Vice President, Media Operations, General Counsel and Corporate Secretary</i>	26,667	47,434
Ali Jenab ⁽²⁾ <i>Former Chief Executive Officer, President and Director</i>	137,084	234,268
Andrew Zeiger ⁽³⁾ <i>Former Vice President, Business Development</i>	30,000	51,800

(1) Mr. Neumeister's employment with the Company began in June 2008.

(2) Mr. Jenab's employment with the Company terminated in June 2008.

(3) Mr. Zeiger's employment with the Company terminated in September 2008.

Equity Compensation Plan Information

The following table summarizes our equity compensation plans as of July 31, 2008, all of which have been approved by our stockholders:

Plan Category ⁽¹⁾	A Number of Securities to Be Issued upon Exercise of Outstanding Options	B Weighted Average Exercise Price of Outstanding Options	C Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plan (Excluding Securities Reflected in Column A)
Equity compensation plans approved by stockholders	6,137,585 ⁽²⁾	\$ 3.85	4,277,372

The table does not include information for equity compensation plans assumed by the Company in acquisitions. As of July 31, 2008, a total of 69,611 shares of the Company's common stock remain outstanding and issuable upon exercise of options granted

(1) under a plan assumed by the Company in its acquisition of OSTG, Inc. The weighted average exercise price of all outstanding options granted under this plan at July 31, 2008 was \$39.19. The Company does not grant additional awards under this assumed plan.

(2) Includes 680,506 options outstanding under the Company's 2007 Equity Incentive Plan, 4,783,745 options outstanding under the Company's 1998 Stock Plan and 673,334 options outstanding under the Company's 1999 Director's Plan.

Compensation of Directors

The following table provides information concerning the compensation paid by the Company to each of its non-employee directors for Fiscal Year 2008. Mr. Jenab was an employee, and did not receive additional compensation for his services as a director. When Mr. Neumeister became an employee in June 2008, he no longer received additional compensation for his services as a director. Mr. Neumeister's compensation is discussed above under "EXECUTIVE COMPENSATION".

Name	Fees Earned or Paid in Cash ⁽²⁾	Stock Awards ⁽³⁾	Option Awards ⁽¹⁾⁽⁴⁾	Total
Andrew Anker	\$ 62,625	\$ 12,852	\$ 38,925	\$ 114,402
Ram Gupta	61,125	12,852	37,954	111,931
Scott E. Howe	44,000	12,852	69,507	126,359
Carl Redfield	50,875	12,852	37,954	101,681
David B. Wright	52,875	12,852	37,954	103,681

Reflects the dollar amount recognized for financial statement reporting purposes (including an estimate of forfeitures related to service-based vesting conditions) for fiscal 2008, in accordance with FAS 123(R), and thus may include amounts from awards (1) granted in and prior to 2008. The assumptions used in the valuation of these awards are set forth in the notes to our consolidated financial statements, which are included in our Annual Report on Form 10-K for the year ended July 31, 2008, filed with the SEC on October 14, 2008. These amounts do not correspond to the actual value that may be recognized by the directors.

The Company pays in advance each quarter the retainer fees to its non-employee directors. It is the Company's practice to not request refunds of prepaid retainer fees in the event that a director ceases to serve on the Company's Board of Directors or a (2) committee during a quarter. The following indicates the fees earned by each non-employee director during Fiscal Year 2008, and the first quarter Fiscal Year 2009 retainer fees the Company paid in July 2008:

Name	Fees Earned Fiscal Year 2008	Prepaid Fiscal Year 2009 Retainer Fees
Andrew Anker	\$ 55,000	\$ 7,625
Ram Gupta	55,250	5,875
Scott E. Howe	37,500	6,500
Carl Redfield	44,500	6,375
David B. Wright	46,000	6,875

In Fiscal Year 2008, the Company's non-employee directors each received restricted stock purchase rights for 10,000 shares of (3) the Company's common stock at a purchase price per share equal to the par value of the Company's common stock (\$.001), as follows:

Name	Grant Date	Stock Award Shares	Grant Date Fair Value
Andrew Anker	1/02/2008	10,000	\$ 23,790
Ram Gupta	1/02/2008	10,000	23,790
Scott E. Howe	1/02/2008	10,000	23,790
Carl Redfield	1/02/2008	10,000	23,790
David B. Wright	1/02/2008	10,000	23,790

(4) As of July 31, 2008, the aggregate number of shares underlying options outstanding for each of the Company's non-employee directors was:

Name	Aggregate Number of Shares
Andrew Anker	120,000
Ram Gupta	60,834
Scott E. Howe	80,000
Carl Redfield	210,000
David B. Wright	150,000

Standard Director Compensation Arrangements

SourceForge uses a combination of cash and equity compensation to attract and retain qualified candidates to serve on its Board of Directors. The Compensation Committee conducts an annual review of director compensation and, if appropriate, recommends any changes in the type or amount of compensation to the Board of Directors. In reviewing director compensation, the Compensation Committee takes into consideration the compensation paid to non-employee directors of comparable companies, including competitive non-employee director compensation data and analyses prepared by compensation consulting firms and the specific duties and committee responsibilities of particular directors. In addition, the Compensation Committee may make recommendations or approve changes in director compensation in connection with the Compensation Committee's administration and oversight of the Company's stock plan. Any change in director compensation is approved by the Board of Directors.

Cash Compensation

The Company reimburses its directors who are not officers or employees for expenses incurred in attending any Board of Directors or committee meetings. Directors who are also its officers or employees are not reimbursed for expenses incurred in attending Board of Directors or committee meetings.

Each non-employee director receives a \$20,000 annual retainer, \$2,500 for in-person attendance throughout regularly-scheduled Board of Directors meetings, \$1,250 for telephonic participation throughout regularly-scheduled Board of Directors meetings, and \$500 for in-person attendance or telephonic participation for any special unscheduled Board of Directors meetings. The chairperson of the Board of Directors receives an additional annual retainer of \$10,000.

The chairperson of the Audit Committee of the Board of Directors (the "Audit Committee") receives an annual retainer of \$10,000. The Audit Committee members receive an annual retainer of \$3,000 and receive \$1,500 for in-person attendance or telephonic participation for any Audit Committee meetings.

The chairperson of the Compensation Committee receives an annual retainer of \$7,500 and Compensation Committee members receive an annual retainer of \$3,000. Compensation Committee members receive \$500 for in-person attendance or telephonic participation for any Compensation Committee meetings.

The chairperson of the Nominating Committee of the Board of Directors (the "Nominating Committee") receives an annual retainer of \$2,500 and Nominating Committee members receive an annual retainer of \$500. Nominating Committee members receive \$500 for in-person attendance or telephonic participation for any Nominating Committee meetings.

Retainer payments are made on a quarterly basis immediately prior to the beginning of each quarter for service to be provided during that quarter. It is the Company's practice to not request refunds of prepaid retainer fees in the event that a director ceases to serve on the Company's Board of Directors or a committee during a quarter. All other director compensation payments set forth above are made on a quarterly basis at the end of each quarter for service provided during that quarter.

Equity Compensation

Pursuant to the Company's compensation policies for independent, non-employee members of the Company's Board of Directors, as approved by the Compensation Committee of the Board of Directors and detailed in Company's Current Report Form 8-K dated September 5, 2007 (SEC File No. 000-28369), each non-employee director who joins the Board of Directors is granted an option to purchase 70,000 shares of the Company's Common Stock, vesting over a period of three years, with one quarter vesting on the date of grant and one thirty-sixth vesting each month thereafter. The vesting of this option automatically accelerates upon a change of control of the Company.

Each non-employee director who has been a member of the Board of Directors for at least nine months prior to the date of the stockholders' meeting will be granted an annual right to purchase 10,000 restricted shares at \$0.001 per share following each annual stockholders' meeting. The restricted shares will vest 50% immediately and the remaining 50% on the one year anniversary of the grant.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth, as of October 6, 2008, certain information with respect to the beneficial ownership of the Company's Common Stock by (i) any person, known by the Company to be the beneficial owner of more than 5% of its Common Stock, (ii) each of its directors and each nominee seeking to become one of its directors, (iii) each of its executive officers and former executive officers named in the Summary Compensation Table appearing herein, and (iv) all of its current executive officers and directors as a group. The number and percentage of shares beneficially owned are based on the aggregate of 68,636,090 shares of Common Stock outstanding as of October 6, 2008. The Company does not know of any arrangements, including any pledge of its securities by any person, the operation of which may at a subsequent date result in a change of control of the Company.

Names and Addresses of Beneficial Owners ⁽¹⁾	Number of Shares	Percent of Common Stock Outstanding
Suzanne M. Present ⁽²⁾	3,570,416	5.2%
Ali Jenab ⁽³⁾	2,245,616	3.2%
Patricia S. Morris ⁽⁴⁾	429,759	*
Carl Redfield ⁽⁵⁾	395,835	*
James Jay Seimarcos ⁽⁶⁾	354,047	*
Andrew Anker ⁽⁷⁾	291,166	*
Robert M. Neumeister, Jr. ⁽⁸⁾	275,166	*
Michael Rudolph ⁽⁹⁾	198,994	*
David B. Wright ⁽¹⁰⁾	154,166	*
Andrew Zeiger ⁽¹¹⁾	142,856	*
Ram Gupta ⁽¹²⁾	65,000	*
Scott E. Howe ⁽¹³⁾	63,333	*
Entities and individuals affiliated with Marlin Sams Fund, LP ⁽¹⁴⁾	10,097,500	14.7%
Trivium Capital Management LLC ⁽¹⁵⁾	3,850,000	5.4%
Capital World Investors ⁽¹⁶⁾	4,500,540	6.6%
Cantus Foundation and Mithras Capital, LP ⁽¹⁷⁾	3,818,334	5.6%
Munder Capital Management ⁽¹⁸⁾	3,516,900	5.1%
All current directors and officers as a group (10 persons) ⁽¹⁹⁾	5,940,738	8.5%

* Represents less than 1% of the outstanding shares Common Stock.

(1) The address of each officer and director is c/o SourceForge, Inc., Attention: Investor Relations, 650 Castro Street, Suite 450, Mountain View, CA 94041.

Includes 3,550,000 shares specified in footnote (14). Ms. Present is a member of Gladwyne Marlin GenPar, LLC, which is a member of Marlin Sams GenPar, LLC, a Delaware limited liability company and the general partner of the Marlin Sams Fund,

(2) LP, a Delaware limited partnership. Ms. Present disclaims beneficial ownership of shares held by the entities specified in footnote (14) to the extent of her pecuniary interest in these entities. Includes 20,416 shares subject to options that are exercisable within sixty (60) days of October 6, 2008.

Includes 439,366 shares of restricted stock under the Company' s 1998 Stock Plan and 1,806,250 shares subject to options that (3) are exercisable within sixty (60) days of October 6, 2008. Mr. Jenab is a former executive officer of the Company. Mr. Jenab' s employment with the Company terminated on June 10, 2008.

Includes 88,093 shares of restricted stock under the Company' s 1998 Stock Plan, 100,000 shares of restricted stock under the (4) Company' s 2007 Equity Incentive Plan ("2007 EIP"), and 241,666 shares subject to options that are exercisable within sixty (60) days of October 6, 2008.

Includes 10,000 shares of restricted stock under the Company' s 2007 EIP and 204,166 shares subject to options that are (5) exercisable within sixty (60) days of October 6, 2008. Does not include 10,000 shares of restricted stock under the Company' s 2007 EIP which Mr. Redfield may be granted following the Company' s 2008 Annual Meeting on December 3, 2008 pursuant to non-employee director compensation policies.

Includes 84,047shares of restricted stock under the Company' s 1998 Stock Plan, 50,000 shares of restricted stock under the (6) Company' s 2007 EIP, and 220,000 shares subject to options that are exercisable within sixty (60) days of October 6, 2008.

Includes 10,000 shares of restricted stock under the Company' s 2007 EIP and 114,166 shares subject to options that are (7) exercisable within sixty (60) days of October 6, 2008. Does not include 10,000 shares of restricted stock under the Company' s 2007 EIP which Mr. Anker may be granted following the Company' s 2008 Annual Meeting on December 3, 2008 pursuant to non-employee director compensation policies. Includes 22,000 shares Mr. Anker acquired on June 27, 2008 which was previously reported in a SEC Form 4 (Statement of Changes in Beneficial Ownership of Securities) ("Form 4") filed on July 1, 2008. Includes 35,000 shares Mr. Anker acquired on July 1, 2008, which was previously reported in a Form 4 filed on July 3, 2008.

Includes 10,000 shares of restricted stock under the Company' s 2007 EIP and 134,166 shares subject to options that are (8) exercisable within sixty (60) days of October 6, 2008. Includes 65,500 shares Mr. Neumeister acquired on June 13, 2008 which was previously reported in a Form 4 filed on June 17, 2008. Mr. Neumeister' s employment with the Company began on June 4, 2008. Prior to June 4, 2008, Mr. Neumeister was a non-employee, director, and he received option grants and restricted stock grants pursuant to the Company' s non-employee, director compensation policies.

Includes 70,474 shares of restricted stock under the Company' s 1998 Stock Plan, 50,000 shares of restricted stock under the (9) Company' s 2007 EIP, and 75,520 shares subject to options that are exercisable within sixty (60) days of October 6, 2008. Includes 3,000 shares Mr. Rudolph acquired on June 17, 2008. Mr. Rudolph was not required to file a Form 4 in connection with this purchase.

Includes 10,000 shares of restricted stock under the Company' s 2007 EIP and 144,166 shares subject to options that are (10) exercisable within sixty (60) days of October 6, 2008. Does not include 10,000 shares of restricted stock under the Company' s 2007 EIP which Mr. Wright may be granted following the Company' s 2008 Annual Meeting on December 3, 2008 pursuant to non-employee director compensation policies if Mr. Wright is reelected to the Board of Directors.

Includes 92,856 shares of restricted stock under the Company' s 1998 Stock Plan and 50,000 shares of restricted stock under the (11) Company' s 2007 EIP. Mr. Zeiger' s employment with the Company terminated in September 2008.

Includes 10,000 shares of restricted stock under the Company' s 2007 EIP and 55,000 shares subject to options that are (12) exercisable within sixty (60) days of October 6, 2008. Does not include 10,000 shares of restricted stock under the Company' s 2007 EIP which Mr. Gupta may be granted following the Company' s 2008 Annual Meeting on December 3, 2008 pursuant to non-employee director compensation policies.

Includes 10,000 shares of restricted stock under the Company' s 2007 EIP and 53,333 shares subject to options that are (13) exercisable within sixty (60) days of October 6, 2008. Does not include 10,000 shares of

restricted stock under the Company' s 2007 EIP which Mr. Howe may be granted following the Company' s 2008 Annual Meeting on December 3, 2008 pursuant to non-employee director compensation policies.

The address for Marlin Sams Fund, LP is 645 Fifth Avenue, New York, NY 10022. Based solely on information included in a Schedule 13D filed with the SEC on September 11, 2008: Marlin Sams Fund, LP had sole voting power and sole dispositive power over 3,500,000 of the shares listed above; William M. Sams had sole voting power and sole dispositive power over (14) 5,850,000 of the shares listed above, consisting of (i) 5,650,000 shares of Common Stock owned directly by him, and (ii) 200,000 shares of Common Stock owned directly by the Irrevocable Trust of Michael Solomon FBO Grace Solomon for the benefit of Michael Solomon' s daughter, of which William M. Sams is the co-trustee with Constance Solomon, Michael Solomon' s wife;

Suzanne M. Present had sole voting power and sole dispositive power over 50,000 of the shares listed above; Marlin Sams GenPar, LLC had sole voting power and sole dispositive power over 3,500,000 of the shares listed above; Gladwyne Marlin GenPar, LLC had sole voting power and sole dispositive power over none of the shares listed above; Michael Solomon had sole voting power and sole dispositive power over 200,000 of the shares listed above; Candice McCurdy had sole voting power and sole dispositive power over 200,000 of the shares listed above; Chad McCurdy had sole voting power and sole dispositive power over none of the shares listed above; and Mary Thomas had sole voting power and sole dispositive power over 200,000 of the shares listed above. Marlin Sams Fund, LP, Marlin Sams GenPar, LLC, and Gladwyne Marlin GenPar, LLC may be deemed to beneficially own 3,500,000 shares of the Company's Common Stock. William M. Sams may be deemed to beneficially own 9,350,000 shares of the Company's Common Stock, consisting of (i) 9,150,000 shares of Common Stock and (ii) 200,000 shares of Common Stock held in the Irrevocable Trust of Michael Solomon FBO Grace Solomon for the benefit of Michael Solomon's daughter, of which William M. Sams is the co-trustee with Constance Solomon, Michael Solomon's wife. Suzanne M. Present may be deemed to beneficially own 3,550,000 shares of the Company's Common Stock.

The address for Trivium Management, LLC is 600 Lexington Avenue, 23rd Floor, New York, NY 10022. Based solely on information included on a Schedule 13D/A filed on September 4, 2008, Trivium Capital Management, LLC and Trivium (15)Offshore Fund, Ltd. had sole voting power and sole dispositive power of none of the shares listed above. Trivium Capital Management, LLC beneficially owned 3,850,000 shares of the Company's Common Stock. Trivium Offshore Fund, Ltd. beneficially owned 3,556,830 shares of the Company's Common Stock.

The address for Capital World Investors is 333 South Hope Street, Los Angeles, CA 90071. Capital World Investors beneficially (16)owned 4,500,540 shares of the Company's Common Stock based solely on information included on a Schedule 13G filed on February 11, 2008. Capital World Investors had sole voting power and sole dispositive power over 4,500,540 shares listed above.

The address for Cantus Foundation (the "Foundation") and Mithras Capital, LP (the "Partnership") is 275 Long Ranch Road, St. Helena, CA 94574. The Foundation and the Partnership beneficially owned 3,818,334 shares based solely on a Schedule 13D filed on August 4, 2008. Mark Nelson and Dana Johnson are directors of the Foundation. The general partners of the Partnership (17)are Mark Nelson and Dana Johnson, as trustees of the Mark Nelson and Dana Johnson Revocable Trust dated November 17, 2005, and Janet Pagano (the "General Partners"). Mark Nelson and Dana Johnson, Joint Tenants with the Right of Survivorship had sole voting power and sole dispositive power over 3,818,334 of the shares listed above; The Partnership had sole voting power and sole dispositive power over 2,000,000 of the shares listed above.

The address for Munder Capital Management is Munder Capital Center, 480 Pierce Street, Birmingham, MI 48009. Munder (18)Capital Management beneficially owned 3,516,900 shares of the Company's Common Stock based solely on information included on a Schedule 13G filed on December 31, 2007. Munder Capital Management had sole voting power and sole dispositive power over 3,516,900 shares listed above.

(19)Includes the shares beneficially owned by our current officers and directors set forth on the above table as well as 1,262,599 shares subject to options that are exercisable within sixty (60) days of October 6, 2008.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our officers and directors, and persons who own more than ten percent of a registered class of our equity securities, to file reports of ownership and changes in ownership with the SEC. Such officers, directors and ten-percent stockholders are also required by SEC rules to furnish to the Company copies of all forms that they file pursuant to Section 16(a). Based solely on the Company's review of the copies of such forms received, or written representations from certain reporting persons, the Company believes that during Fiscal Year 2008, all of its executive officers, directors and ten-percent stockholders complied with all applicable filing requirements. However, based solely on SEC Form 4 (Statement of Changes in Beneficial Ownership) filings in September 2008, Trivium Capital Management, LLC reported for Trivium Capital Management, LLC, Trivium Offshore Fund, Ltd., and affiliated persons, non-derivative securities acquired, disposed of, or beneficially owned that related to a transaction date of February 26, 2008.

RELATED PARTY TRANSACTIONS

In October 2002, we adopted our Code of Conduct, which governs, among other things, related-party transactions. Under our Code of Conduct, related party transactions are disfavored and are therefore avoided wherever possible. Nonetheless, if a related-party transaction with a non-executive officer or non-director is deemed "unavoidable," such proposed transaction must first be fully disclosed to the Company's Chief Financial Officer ("CFO"). If the CFO determines that the proposed related-party transaction

is material to the Company, then the transaction must be reviewed and approved in writing by the Audit Committee in advance of consummating the proposed transaction. In addition, any proposed related-party transaction involving a director or executive officer of the Company must be reviewed and approved in writing in advance by the disinterested members of the Company's Audit Committee.

In the Company's last fiscal year, there has not been nor is there currently proposed any transaction or series of similar transactions to which the Company was or is to be a party in which the amount involved exceeds \$120,000 and in which any director, executive officer, holder of more than ten-percent of its Common Stock, or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest other than (i) compensation agreements and other arrangements, which are described under "Change of Control and Severance Agreements" and (ii) as described below.

Indemnification Agreements

The Company has entered into indemnification agreements with each of its directors and officers. Such indemnification agreements requires the Company to indemnify its directors and officers to the fullest extent permitted by Delaware law.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The information contained in this report shall not be deemed to be "soliciting material" or "filed" or incorporated by reference in future filings with the SEC, or subject to the liabilities of Section 18 of the Exchange Act, except to the extent that the Company specifically incorporates it by reference into a document filed under the Securities Act or the Exchange Act.

The Audit Committee is comprised solely of independent directors, as defined in the Marketplace Rules of the NASDAQ Stock Market, and operates under a written charter adopted by the Board of Directors (which was attached as Appendix A to the Fiscal Year 2005 Proxy Statement). As described more fully in its charter, the purpose of the Audit Committee is to oversee the Company's accounting and financial reporting processes and audits of its financial statements; approve the hiring and firing of the independent auditors; assist the Board of Directors in oversight and monitoring of (i) the integrity of the Company's financial statements, (ii) its compliance with legal and regulatory requirements, (iii) the independent auditor's qualifications, independence and performance, and (iv) its internal accounting and financial controls; prepare the report that the rules of the SEC require to be included in its annual proxy statement; provide the Board of Directors with the results of its monitoring and recommendations derived therefrom; and provide to the Board of Directors such additional information and materials as it may deem necessary to make the Board of Directors aware of significant financial matters that require the attention of the Board of Directors.

The Company's management has primary responsibility for the preparation, presentation and integrity of its financial statements, accounting and financial reporting principles, internal controls and procedures designed to ensure compliance with accounting standards, applicable laws and regulations. In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed the consolidated financial statements in the Annual Report on Form 10-K for Fiscal Year 2008 with management including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements.

Review of Audited Financial Statements for Fiscal Year 2008

The Audit Committee discussed with Stonefield Josephson, Inc. ("Stonefield Josephson"), the Company's independent registered public accounting firm, who are responsible for expressing an opinion on the conformity of the audited financial statements in the Annual Report of Form 10-K for Fiscal Year 2008 with accounting principles generally accepted in the United States, Stonefield Josephson's judgments as to the quality, not just the acceptability, of its accounting policies and such other matters as are required to be discussed with the Audit Committee under Statement on Auditing Standards No. 61, (Communication with Audit Committees). The Audit Committee has received the written disclosures and the letter from Stonefield Josephson required by Independence Standards Board Standard No. 1, (Independence Discussions with Audit Committees) and has discussed with Stonefield Josephson its independence.

The Audit Committee discussed with Stonefield Josephson the overall scope and plans for the audit. The Audit Committee meets with the independent registered public accountants, with and without management present, to discuss the results of its examinations, its evaluations of our internal controls, and the overall quality of the Company's financial reporting. The Audit Committee held eight (8) meetings during Fiscal Year 2008.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended, and the Board of Directors approved, the inclusion the audited financial statements in the Annual Report on Form 10-K for Fiscal Year 2008 for filing with

the Securities and Exchange Commission. The Audit Committee and the Board of Directors have also recommended, subject to stockholder ratification, the selection of Stonefield Josephson as the Company's independent registered public accounting firm for Fiscal Year 2009.

Respectfully Submitted By:

MEMBERS OF THE AUDIT COMMITTEE

Andrew Anker, Chairman
Ram Gupta
Scott E. Howe

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OTHER MATTERS

The Company knows of no other matters to be submitted to the Meeting. If any other matters properly come before the Meeting, it is the intention of the persons named in the enclosed form Proxy to vote the shares they represent as the Board of Directors may recommend.

THE BOARD OF DIRECTORS

Dated: October 21, 2008

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SOURCEFORGE, INC.
650 CASTRO STREET, SUITE 450
MOUNTAIN VIEW, CA 94041

VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time, on December 2, 2008. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS

If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time, on December 2, 2008. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

VOTE IN PERSON

Attend the Company's Annual Meeting of Stockholders on December 3, 2008 at 9:00 a.m., local time, at SourceForge, Inc. corporate headquarters located at 650 Castro Street, Suite 450, Mountain View, CA 94041, and vote in person at the meeting.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

SNFRG1

KEEP THIS PORTION FOR YOUR RECORDS
DETACH AND RETURN THIS PORTION ONLY

----- THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED -----

SOURCEFORGE, INC.

The Board recommends a vote "FOR" all Nominees for Director and "FOR" Proposal 2.

Vote On Directors

1. To elect two (2) Class III directors to serve for a three year term and until their successors are duly elected and qualified (Proposal One);

Nominees:

- 01) Robert M. Neumeister, Jr.
- 02) David B. Wright

For All Withhold All For All Except

To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below.



Vote On Proposal

2. To ratify the appointment of Stonefield Josephson, Inc. as the Company's independent registered public accounting firm for the fiscal year ending July 31, 2009 (Proposal Two).

For Against Abstain

In their discretion, the Proxies are authorized to vote upon such other matters which may properly be brought before the meeting or any adjournment(s) or postponement(s) thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Proxy. Only stockholders of record at the close of business on October 6, 2008 are entitled to notice of and to vote at the meeting.

Mountain View, California
October 21, 2008

Sincerely,
Jay Seimargo
Secretary



For address changes and/or comments, please check this box and write them on the back where indicated.



Please sign exactly as your name appears on the stock certificate(s), date and return this Proxy promptly in the reply envelope provided or vote by Internet or by telephone. Please correct your address (on reverse side) before returning this Proxy. If shares are held by joint tenants or as community property, both should sign. If you are signing as attorney, executor, administrator, trustee or guardian or if you are signing in another fiduciary capacity, please give your full title as such. If a corporation, please sign in full corporate name by President or other authorized person. If a partnership, please sign in partnership name by authorized person.

Signature [PLEASE SIGN WITHIN BOX]

Date

Signature (Joint Owners)

Date

SOURCEFORGE, INC.

This Proxy is solicited on behalf of the Board of Directors

2008 ANNUAL MEETING OF STOCKHOLDERS
To Be Held December 3, 2008

YOUR VOTE IS IMPORTANT

This Proxy Statement is furnished in connection with the solicitation of proxies by the Company, on behalf of the Board of Directors, for the 2008 Annual Meeting of Stockholders. The Proxy Statement and the related proxy form are being distributed on or about October 21, 2008. You can vote the shares using one of the following methods:

- Vote through the Internet at the web site shown on the proxy card;
- Vote by telephone using the toll-free number shown on the proxy card;
- Vote by mail by completing and returning a written proxy card; or
- Attend the Company's 2008 Annual Meeting of Stockholders and vote in person.

Votes submitted through the Internet or by telephone must be received by 11:59 p.m., Eastern Time, on December 2, 2008. Internet and telephone voting are available 24 hours per day; if you vote via the Internet or telephone, you do not need to return a proxy card.

All stockholders are cordially invited to attend the meeting, however, to ensure your representation at the meeting, you are urged to vote via the Internet or telephone, or mark, sign, date and return the enclosed proxy card as promptly as possible in the postage-prepaid envelope enclosed for that purpose. Any stockholder attending the meeting may vote in person even if he or she has voted via the Internet or telephone, or returned a proxy card.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
December 3, 2008

TO THE STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of SourceForge, Inc. (the "Company"), a Delaware corporation, will be held on Wednesday, December 3, 2008 at 9:00 a.m., local time, at the Company's corporate headquarters located at 650 Castro Street, Suite 450, Mountain View, CA 94041, for the purposes stated on the reverse side of this proxy card.

The signatory on the reverse side of this proxy card (the "Signatory"), revoking all prior proxies, hereby appoints Robert M. Neumeister, Jr. and Patricia S. Morris, and each of them, as proxies and attorneys-in-fact (the "Proxies"), with full power of substitution, to represent and vote on the matters set forth in this proxy all shares of the common stock of the Company held or owned by or standing in the name of the Signatory on the Company's books that the Signatory would be entitled to vote at the Annual Meeting of Stockholders of the Company to be held on December 3, 2008, at 9:00 a.m. local time, at the Company's corporate headquarters located at 650 Castro Street, Suite 450, Mountain View, CA 94041 and any continuation or adjournment thereof, with all powers the Signatory would possess if personally present at the meeting.

The Signatory hereby directs and authorizes said Proxies and each of them, or their substitute or substitutes, to vote as specified with respect to the proposals listed on the reverse side of this proxy card, or, if no specification is made, to vote in favor of the election of all director nominees listed on the reverse side of this proxy card, and in favor of the ratification of the appointment of Stonefield Josephson, Inc. as the Company's independent registered public accounting firm for the fiscal year ending July 31, 2009. The Signatory hereby confers upon said Proxies, and each of them, or their substitute or substitutes, discretionary authority to vote with respect to all other matters that may properly come before the Annual Meeting of Stockholders of the Company or any adjournment(s) or postponement(s) thereof.

The Signatory hereby acknowledges receipt of the Notice of Annual Meeting of Stockholders, Proxy Statement and Annual Report.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED STOCKHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED "FOR" THE ELECTION OF ALL DIRECTOR NOMINEES LISTED ON THE REVERSE SIDE OF THIS PROXY CARD, AND "FOR" THE RATIFICATION OF THE APPOINTMENT OF STONEFIELD JOSEPHSON, INC. AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING JULY 31, 2009.

Address Changes/Comments: _____

SEE REVERSE
SIDE

(If you noted any Address Changes/Comments above, please mark corresponding box on the reverse side.)

CONTINUED AND TO BE SIGNED ON REVERSE SIDE

SEE REVERSE
SIDE

SOURCEFORGE, INC.

****IMPORTANT NOTICE****

**Regarding the Availability of Proxy Materials for
the SourceForge, Inc. Annual Meeting of Stockholders
to be held on December 3, 2008**

You are receiving this communication because you hold shares in the above company, and the materials you should review before you cast your vote are now available.

This communication presents only an overview of the more complete proxy materials that are available to you on the Internet. We encourage you to access and review all of the important information contained in the proxy materials before voting.



SOURCEFORGE, INC.
650 CASTRO STREET, SUITE 450
MOUNTAIN VIEW, CA 94031

Stockholder Meeting to be held on 12/03/08

Proxy Materials Available

- Notice and Proxy Statement
- Annual Report

PROXY MATERIALS - VIEW OR RECEIVE

You can choose to view the materials online or receive a paper or e-mail copy. There is NO charge for requesting a copy. Requests, instructions and other inquiries will NOT be forwarded to your investment advisor.

To facilitate timely delivery please make the request as instructed below on or before 11/19/08.

HOW TO VIEW MATERIALS VIA THE INTERNET

Have the 12 Digit Control Number(s) available and visit:
www.proxyvote.com

HOW TO REQUEST A COPY OF MATERIALS

- 1) BY INTERNET - www.proxyvote.com
- 2) BY TELEPHONE - 1-800-579-1639
- 3) BY E-MAIL* - sendmaterial@proxyvote.com

*If requesting materials by e-mail, please send a blank e-mail with the 12 Digit Control Number (located on the following page) in the subject line.

R15FR1

See the Reverse Side for Meeting Information and Instructions on How to Vote

Meeting Information

Meeting Type: Annual
Meeting Date: 12/03/08
Meeting Time: 9:00 a.m. Pacific Time
For holders as of: 10/06/08

Meeting Location:

SourceForge, Inc. Corporate Headquarters
650 Castro Street
Suite 450
Mountain View, CA 94041

Meeting Directions:

For Meeting Directions Please Call:
1-877-825-4689 or 1-650-694-2100

How To Vote

Vote In Person

 Many stockholder meetings have attendance requirements including, but not limited to, the possession of an attendance ticket issued by the entity holding the meeting. Please check the meeting materials for any special requirements for meeting attendance. At the Meeting you will need to request a ballot to vote these shares.



Vote By Internet

 To vote *now* by Internet, go to WWW.PROXYVOTE.COM. Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your notice in hand when you access the web site and follow the instructions.

Voting Items

The Board recommends a vote "FOR" all Nominees for Director and "FOR" Proposal 2.

1. To elect two (2) Class III directors to serve for a three year term and until their successors are duly elected and qualified (Proposal One);

Nominees:

- 01) Robert M. Neumeister, Jr.
- 02) David B. Wright

2. To ratify the appointment of Stonefield Josephson, Inc. as the Company's independent registered public accounting firm for the fiscal year ending July 31, 2009 (Proposal Two).

In their discretion, upon such other matters which may properly come before the annual meeting or any adjournment hereof.

R15F03

