

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

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 Under Rule 14a-12

PEERSTREAM, 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.
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- (1) Amount Previously Paid: _____
- (2) Form, Schedule or Registration Statement No.: _____
- (3) Filing Party: _____
- (4) Date Filed: _____



122 East 42nd Street
New York, New York 10168
(212) 594-5050

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of PeerStream, Inc. to be held on May 14, 2020 at 9:00 a.m., Eastern Time. The Annual Meeting will be conducted as a virtual meeting of stockholders by means of a live audio webcast. We believe that hosting a virtual meeting enables greater stockholder attendance and participation from any location. You will not be able to attend the Annual Meeting in person. You will be able to attend the Annual Meeting online by visiting <https://web.lumiagm.com/213784993>.

We are excited to embrace the latest technology to provide expanded access, improved communication and cost savings for our stockholders. Hosting a virtual meeting enables increased stockholder attendance and participation since stockholders can participate from any location around the world. In light of the recent outbreak of the coronavirus in the U.S. and abroad, we also believe that hosting a virtual meeting helps ensure the health and safety of our stockholders, our board and our management.

Enclosed are the notice of annual meeting of stockholders and proxy statement, which describe the business that will be acted upon at the Annual Meeting, as well as our 2019 Annual Report, which includes our audited financial statements for the fiscal year ended December 31, 2019.

Your vote is very important, regardless of the number of shares of common stock you own. To vote your shares of common stock, please refer to the instructions included on the enclosed proxy card. If your shares are held in the name of a broker, trust, bank or other nominee and you receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by such broker or other intermediary or contact your broker directly in order to obtain a proxy issued to you by your nominee holder to vote your shares. Failure to do so may result in your stock not being eligible to be voted by proxy at the meeting. On behalf of the Board of Directors, I urge you to follow the instructions provided to you and vote your shares today, even if you plan to attend the meeting.

Thank you for your support of our company. I look forward to speaking with you at the Annual Meeting.

Sincerely,

/s/ Jason Katz

Jason Katz

Chief Executive Officer and Chairman

PEERSTREAM, INC.
122 East 42nd Street
New York, New York 10168
(212) 594-5050

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held May 14, 2020**

NOTICE IS HEREBY GIVEN that the 2020 Annual Meeting of Stockholders (the “Annual Meeting”) of PeerStream, Inc., a Delaware corporation (the “Company”), will be held on Thursday, May 14, 2020 at 9:00 a.m., Eastern Time, by means of a live audio webcast for the following purposes:

- (1) to elect five directors to serve until the 2021 Annual Meeting of Stockholders or until their successors are duly elected and qualified;
- (2) to ratify the appointment of Marcum LLP as the Company’s independent registered public accounting firm; and
- (3) to transact any other business that may properly come before the Annual Meeting or any adjournments, postponements or recesses thereof.

Stockholders are referred to the proxy statement accompanying this notice for more detailed information with respect to the matters to be considered at the Annual Meeting. After careful consideration, the Company’s Board of Directors has determined that each proposal listed above is in the best interests of the Company and its stockholders and has approved each proposal. **The Company’s Board of Directors recommends that at the Annual Meeting you vote “FOR” proposals 1 and 2.**

The Board of Directors has fixed 5:00 p.m., Eastern Time, on March 27, 2020 as the record date (the “Record Date”). Only holders of shares of common stock of record on the Record Date are entitled to receive notice of the Annual Meeting and to vote at the Annual Meeting or at any postponement(s), adjournment(s) or recess(es) of the Annual Meeting. A complete list of registered stockholders entitled to vote at the Annual Meeting will be available for inspection at the headquarters of the Company during regular business hours for at least the ten calendar days prior to the Annual Meeting. The list will also be available during the Annual Meeting for inspection by stockholders. If you would like to review the list, please contact our Investor Relations department by calling (212) 594-5050 or emailing ir@peerstream.com.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR
THE STOCKHOLDER MEETING TO BE HELD ON MAY 14, 2020:**

Our Proxy Statement and 2019 Annual Report are available at:

investors.peerstream.com/annual-reports

YOUR VOTE AND PARTICIPATION IN THE COMPANY’S AFFAIRS ARE IMPORTANT.

If your stock is registered in your name, even if you plan to attend the Annual Meeting online during the audio webcast, we request that you vote your shares in accordance with the instructions set out in the form of proxy and in the proxy statement to ensure that your stock will be represented at the Annual Meeting.

If your stock is held in the name of a broker, trust, bank or other nominee, and you receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by such broker or other intermediary or contact your broker directly in order to obtain a proxy issued to you by your nominee holder to attend the Annual Meeting and vote your shares. Failure to do so may result in your stock not being eligible to be voted by proxy at the Annual Meeting.

By Order of the Board of Directors

/s/ Jason Katz

Jason Katz

Chief Executive Officer and Chairman

New York, New York

April 3, 2020

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122 East 42nd Street
New York, New York 10168
(212) 594-5050

**PROXY STATEMENT
FOR
ANNUAL MEETING OF STOCKHOLDERS**

To Be Held May 14, 2020

The accompanying proxy is solicited by the Board of Directors on behalf of PeerStream, Inc., a Delaware corporation, to be voted at the Annual Meeting of Stockholders of the Company (the “Annual Meeting”) to be held on May 14, 2020, at the time and place and for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders (the “Notice”) and at any adjournment(s), postponement(s) or recess(es) of the Annual Meeting. This proxy statement (this “Proxy Statement”) and accompanying form of proxy are dated April 3, 2020 and are expected to be first sent or given to stockholders on or about April 10, 2020.

The executive offices of the Company are located at, and the mailing address of the Company is, 122 East 42nd Street, New York, New York 10168. Unless the context otherwise indicates, references to “PeerStream,” “Peer,” “we,” “our,” “us” and the “Company” refer to PeerStream, Inc. and its subsidiaries on a consolidated basis.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR
THE STOCKHOLDER MEETING TO BE HELD ON MAY 14, 2020:**

Our Proxy Statement and 2019 Annual Report are available at:

investors.peerstream.com/annual-reports

ABOUT THE ANNUAL MEETING

What is a proxy?

A proxy is another person that you legally designate to vote your stock. If you designate someone as your proxy in a written document, that document is also called a “proxy” or a “proxy card.” If you are a “street name” holder, you must obtain a proxy from your broker or nominee in order to vote your stock at the Annual Meeting.

What is a proxy statement?

A proxy statement is a document that the regulations of the Securities and Exchange Commission (the “SEC”) require that we give to you when we ask you to sign a proxy card to vote your stock at the Annual Meeting.

What is the purpose of the Annual Meeting?

At our Annual Meeting, stockholders will act upon the following matters outlined in the Notice:

- (1) to elect five directors to serve until the 2021 Annual Meeting of Stockholders or until their successors are duly elected and qualified (the “Director Election Proposal”);
- (2) to ratify the appointment of Marcum LLP as our independent registered public accounting firm (the “Auditor Ratification Proposal”); and
- (3) to transact any other business that may properly come before the Annual Meeting or any adjournment, postponement or recess thereof.

Management will also be available to respond to questions from stockholders.

What is “householding” and how does it affect me?

With respect to eligible stockholders who share a single address, SEC rules allow us to send only one Proxy Statement to that address, unless we received instructions to the contrary from any stockholder at that address. This practice, known as “householding,” is designed to reduce our printing and postage costs. However, if a stockholder of record residing at such address wishes to receive a separate proxy statement in the future, he or she may contact us at PeerStream, Inc., 122 East 42nd Street, New York, New York 10168, Attn: Investor Relations or by calling (212) 594-5050 and asking for Investor Relations. Eligible stockholders of record receiving multiple copies of our Proxy Statement can request householding by contacting us in the same manner. Stockholders who own shares through a bank, broker or other nominee can request householding by contacting such nominee.

We hereby undertake to deliver promptly, upon written or oral request, a copy of the Proxy Statement to a stockholder at a shared address to which a single copy of the document was delivered. Requests should be directed to Investor Relations at the address or phone number set forth above.

SEC rules permit companies to send you a notice that proxy information is available on the Internet, instead of mailing you a complete set of materials. In the future, we may choose to distribute proxy information in this manner.

What should I do if I receive more than one set of voting materials?

You may receive more than one set of voting materials, including multiple copies of this Proxy Statement and multiple proxy cards or voting instruction cards. For example, if you hold your common stock in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold stock. Similarly, if you are a stockholder of record and hold stock in a brokerage account, you will receive a proxy card for stock held in your name and a voting instruction card for stock held in “street name.” See “What is the difference between a stockholder of record and a ‘street name’ holder?” Please complete, sign, date and return each proxy card and voting instruction card that you receive to ensure that all your stock is voted.

Why have a virtual meeting?

We are excited to embrace the latest technology to provide expanded access, improved communication and cost savings for our stockholders and the Company. Hosting a virtual meeting enables increased stockholder attendance and participation since stockholders can participate from any location around the world. In light of the recent outbreak of the coronavirus in the U.S. and abroad, we also believe that hosting a virtual meeting helps ensure the health and safety of our stockholders, our board and our management.

What do I need to do to attend the virtual Annual Meeting?

We will be hosting the Annual Meeting online via an audio webcast. A summary of the information you need to attend the Annual Meeting online is provided below:

- Any stockholder can attend the Annual Meeting by visiting <https://web.lumiagm.com/213784993> and following the instructions on your proxy card.
- We encourage you to access the Annual Meeting online prior to its start time.
- The Annual Meeting starts at 9:00 a.m., Eastern Time.
- Stockholders may vote electronically and submit questions online while attending the Annual Meeting.
- Please have the Control Number printed on your proxy card we have provided to you to join the Annual Meeting.

What is the record date and what does it mean?

The record date determines the stockholders that are entitled to notice of, and to vote at, the Annual Meeting. The record date for the Annual Meeting is 5:00 p.m., Eastern Time, on March 27, 2020 (the “Record Date”). The Record Date was established by the Company’s Board of Directors (the “Board of Directors”) as required by Delaware law. As of the Record Date, 6,877,004 shares of our common stock, excluding shares held by the Company treasury stock, were issued and outstanding.

Who is entitled to vote at the Annual Meeting?

Only the holders of common stock at 5:00 p.m., Eastern Time, on the Record Date may vote at the Annual Meeting.

What are the voting rights of the stockholders?

Each holder of common stock is entitled to one vote per share of common stock on all matters to be acted upon at the Annual Meeting. Neither the Company’s Certificate of Incorporation, as amended, nor its Amended and Restated By-Laws, as amended (the “By-Laws”), allow for cumulative voting rights.

The presence, in person or by proxy, of the holders of a majority of the issued and outstanding shares of common stock entitled to vote at the Annual Meeting is necessary to constitute a quorum to transact business. If a quorum is not present or represented at the Annual Meeting, the stockholders present in person or by proxy and entitled to vote at the Annual Meeting may adjourn or recess the Annual Meeting from time to time until a quorum is present or represented, but no business may be transacted at any adjourned meeting except which could have been lawfully transacted had the meeting not been adjourned. Pursuant to our By-Laws, for the purposes of this virtual Annual Meeting, presence “in person” is satisfied by being present online during the audio webcast at <https://web.lumiagm.com/213784993>.

What is the difference between a stockholder of record and a “street name” holder?

If your stock is registered directly in your name with EQ Shareowner Services, the Company’s transfer agent, you are considered the stockholder of record with respect to that stock. The Proxy Statement and proxy card have been sent directly to you by the Company’s transfer agent.

If your stock is held in a stock brokerage account or by a bank or other nominee, such nominee is considered the record holder of that stock. You are considered the beneficial owner of that stock, and your stock is held in “street name.” The Proxy Statement has been forwarded to you by your nominee. As the beneficial owner, you have the right to direct your nominee concerning how to vote your stock by using the voting instructions it included in the mailing or by following its instructions for voting.

What is a broker non-vote?

A broker non-vote occurs when a broker holding stock for a beneficial owner does not vote on a particular proposal because the broker does not have discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner. In the absence of specific instructions from you, your broker does not have discretionary authority to vote your stock with respect to the Director Election Proposal. Your broker does have discretionary authority to vote your stock with respect to the Auditor Ratification Proposal.

How do I vote my stock?

If you are a record holder, you may vote your common stock by following the instructions included on your proxy card. To vote at the Annual Meeting, you must attend the Annual Meeting online and submit a ballot in accordance with the instructions provided at <https://web.lumiagm.com/213784993>. The ballot will be provided online during the Annual Meeting.

If you complete and submit a proxy card but fail to complete one or more of the voting instructions, then the proxies designated in the proxy card will vote your stock as follows for each proposal for which you provide no voting instructions: **“FOR”** the Director Election Proposal and the Auditor Ratification Proposal. We do not anticipate that any other matters will come before the Annual Meeting, but if any other matters properly come before the meeting, then the designated proxies will vote your stock in accordance with applicable law and their judgment.

If you hold some or all of your stock in “street name,” your bank, broker or other nominee should provide to you a request for voting instructions for the stock together with the Company’s proxy solicitation materials. By completing the voting instruction card, you may direct your nominee how to vote the stock. If you complete the voting instruction card except one or more of the voting instructions, then your broker may be unable to vote your stock with respect to the proposal as to which you provide no voting instructions. See “What is a broker non-vote?” Alternatively, if you want to vote your stock online at the Annual Meeting, you must contact your nominee directly in order to obtain a proxy issued to you by your nominee holder. Note that a broker letter that identifies you as a stockholder is not the same as a nominee-issued proxy. **If you fail to obtain a nominee-issued proxy to the Annual Meeting, you will not be able to vote your nominee-held stock online at the Annual Meeting.**

Who counts the votes?

All votes will be tabulated by EQ Shareowner Services, the inspector of election appointed for the Annual Meeting, or its substitute. Votes for each proposal will be tabulated separately.

Can I vote my stock online at the Annual Meeting?

Yes. If you are a stockholder of record, you may vote your stock at the virtual meeting by completing a ballot online at the Annual Meeting at <https://web.lumiagm.com/213784993>.

If you hold your stock in “street name,” you may vote your stock online only if you obtain a proxy issued by your bank, broker or other nominee giving you the right to vote the stock.

Even if you currently plan to attend the Annual Meeting online, we recommend that you also vote your shares as soon as possible so that your votes will be counted if you later decide not to attend the Annual Meeting or are unable to attend.

What are my choices when voting?

With respect to the proposals to be acted upon at the Annual Meeting, you may vote as follows:

- Director Election Proposal — **“FOR”** each of the Director Nominees (as defined below), **“WITHHOLD”** from each of the Director Nominees, or **“WITHHOLD”** from individual Director Nominees; and
- Auditor Ratification Proposal — **“FOR,” “AGAINST”** or **“ABSTAIN.”**

How does the Board of Directors recommend that I vote my stock?

The Board of Directors recommends that you vote your stock as follows:

- **“FOR”** the Director Election Proposal; and
- **“FOR”** the Auditor Ratification Proposal.

What if I do not specify how I want my stock voted on my proxy card?

If you are a record holder who returns a completed proxy card that does not specify how you want to vote your stock on the proposals, the proxies designated on the proxy card will vote your stock for each proposal as to which you provide no voting instructions in the following manner:

- **“FOR”** the Director Election Proposal; and
- **“FOR”** the Auditor Ratification Proposal.

If you are a “street name” holder and do not provide voting instructions on one or more proposals, your bank, broker or other nominee will be unable to vote that stock, except with respect to the Auditor Ratification Proposal. See “What is a broker non-vote?”

Can I change my vote?

Yes. If you are a record holder, you may revoke your proxy by any of the following means:

- attending the Annual Meeting and voting your stock by ballot online at the Annual Meeting;
- completing and submitting a new valid proxy bearing a later date;
- voting by telephone or via the Internet as instructed in your proxy card (only your latest telephone or Internet proxy is counted); or
- giving written notice of revocation to the Company addressed to the Company’s Corporate Secretary at the Company’s address above, which notice must be received before noon, Eastern Time, on May 6, 2020.

If you are a “street name” holder, your bank, broker or other nominee should provide instructions explaining how you may change or revoke your voting instructions.

What percentage of the vote is required to approve each proposal?

Assuming the presence of a quorum, the Director Nominees that receive the most votes from the holders of the shares of our common stock for their election will be elected (i.e., the affirmative vote by the holders of a plurality of the shares of common stock voting at the Annual Meeting is required for the election of the Director Nominees). The Auditor Ratification Proposal requires the affirmative vote, in person or by proxy, of the majority of votes cast for or against the Auditor Ratification Proposal at the Annual Meeting.

How are abstentions and broker non-votes treated?

Abstentions are included in the determination of the number of shares of common stock present at the Annual Meeting for determining a quorum at the meeting. Abstentions will have no effect upon any of the proposals to be voted upon at the Annual Meeting.

Broker non-votes will be included in the determination of the number of shares of common stock present at the Annual Meeting for determining a quorum at the meeting. Broker non-votes will have no effect on the Director Election Proposal. Broker non-votes are not applicable to the Auditor Ratification Proposal because your broker has discretionary authority to vote your shares of common stock with respect to such proposal.

Do I have any dissenters’ or appraisal rights with respect to any of the matters to be voted on at the Annual Meeting?

No. None of our stockholders have any dissenters’ or appraisal rights with respect to the matters to be voted on at the Annual Meeting.

What are the solicitation expenses and who pays the cost of this proxy solicitation?

Our Board of Directors is asking for your proxy, and we will pay all of the costs of asking for stockholder proxies. We will reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for forwarding solicitation material to the beneficial owners of common stock and collecting voting instructions. We may use officers and employees of the Company to ask for proxies, as described below.

Is this Proxy Statement the only way that proxies may be solicited?

No. In addition to the solicitation of proxies by use of the mail, officers and employees of the Company may solicit the return of proxies, either by mail, telephone, telecopy, e-mail or through personal contact. These officers and employees will not receive additional compensation but will be reimbursed for out-of-pocket expenses. Brokerage houses and other custodians, nominees and fiduciaries, in connection with shares of the common stock registered in their names, will be requested to forward solicitation material to the beneficial owners of shares of common stock.

Are there any other matters to be acted upon at the Annual Meeting?

Management does not intend to present any business at the Annual Meeting for a vote other than the matters set forth in the Notice and has no information that others will do so. If other matters requiring a vote of the stockholders properly come before the Annual Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the stock represented by the proxies held by them in accordance with applicable law and their discretion on such matters.

Where can I find voting results?

The Company expects to publish the voting results of the Annual Meeting in a Current Report on Form 8-K, which it expects to file with the SEC within four business days following the date of the Annual Meeting.

Who can help answer my questions?

The information provided above in this “Question and Answer” format is for your convenience only and is merely a summary of the information contained in this Proxy Statement. We urge you to carefully read this entire Proxy Statement, including the documents we refer to in this Proxy Statement. If you have any questions, or need additional material, please feel free to contact Investor Relations by emailing ir@peerstream.com or by calling (212) 594-5050.

PROPOSAL 1: ELECTION OF DIRECTORS

The Board of Directors has nominated five directors, Jason Katz, Yoram “Rami” Abada, Lance Laifer, Michael Levit and John Silberstein for election at the Annual Meeting by the stockholders (the “Director Nominees”).

The number of members of our Board of Directors may be fixed from time to time by the majority of the entire Board of Directors and currently consists of six directors. Michael Jones, a current member of our Board of Directors, has delivered notice of his resignation from the Board of Directors effective as of the date of the Annual Meeting. As a result, the Board of Directors has determined not to re-nominate Mr. Jones for election to the Board of Directors at the Annual Meeting and to reduce the size of the Board of Directors from six members to five members effective as of the date of Mr. Jones’ resignation.

Each director that is elected at a future annual meeting of stockholders, and each director that is elected to fill a vacancy or newly created directorship, shall hold a term of office that expires at the next annual meeting of stockholders and until his or her successor has been duly elected and qualified. The Board of Directors has nominated each Director Nominee for election as a director to serve for a term expiring at the annual meeting of stockholders to be held in 2021 or until his or her respective successor is duly elected and qualified.

To be elected as a director, the Director Nominees must receive a plurality of the votes cast by the stockholders entitled to vote for the election of directors. Should the Director Nominees become unable or unwilling to accept nomination or election, the proxy holders may vote the proxies for the election, in his or her stead, of any other person the Board of Directors may nominate or designate. The Director Nominees have each expressed an intention to serve the entire term for which election is sought.

Directors and Director Nominees

The following table sets forth the name, age and position of the directors currently serving on our Board of Directors and the Director Nominees:

Name	Age	Positions
Yoram “Rami” Abada	60	Director
Jason Katz	57	Chief Executive Officer, President, Chief Operating Officer and Chairman of the Board of Directors
Michael Jones ⁽¹⁾	44	Director
Lance Laifer	55	Director
Michael Levit	48	Director
John Silberstein	59	Director

(1) Mr. Jones has delivered notice of his resignation from the Board of Directors, effective as of the date of the Annual Meeting.

When considering whether the Director Nominees have the experience, qualifications, attributes and skills, taken as a whole, to enable the Board of Directors to satisfy its oversight responsibilities effectively in light of our business and structure, the Board of Directors focused primarily on the information discussed in the directors’ individual biographies set forth below.

Yoram “Rami” Abada was appointed as a member of our Board of Directors in October 2016. Mr. Abada previously served as the President of Factory Direct Enterprises, one of the largest licensees of Ashley Furniture Home stores from March 2015 until March 2016. Prior to then, Mr. Abada served in a variety of roles at Jennifer Convertibles Inc., a specialist sofa bed chain headquartered in New York, where he began his career in 1982 and worked until September 2014. Most recently, Mr. Abada served as Jennifer Convertibles, Inc.’s President, Chief Financial Officer and Chief Operating Officer, as well as a member of its board of directors, from September 1999 until 2014. In July 2010, while Mr. Abada served as an executive officer and board member, Jennifer Convertibles, Inc. filed for Chapter 11 bankruptcy protection. From 1997 until 2003, Mr. Abada served as a member of the board of directors of CCA Industries, Inc., a public company engaged in the manufacture and distribution of health and beauty aid products, and Mr. Abada currently serves as a member of the board of directors of 168 5th Avenue Realty Corp., a privately held real estate corporation. Mr. Abada holds a B.B.A. from the Bernard Baruch College of the City University of New York.

Mr. Abada's background and experience as a lead executive officer and board member of public and private companies provides him with extensive knowledge of, and insights into, financial reporting and oversight, corporate strategy and board functions.

Jason Katz has served as our Chairman of the Board of Directors, President and Chief Operating Officer since October 2016 and as our Chief Executive Officer since December 2019. Mr. Katz is the founder of A.V.M. Software, Inc. (d/b/a Paltalk) ("AVM") and served as its Chief Executive Officer and as a member of its Board of Directors from 1998 through the completion of PeerStream's merger with AVM, pursuant to which SAVM Acquisition Corporation, PeerStream's wholly owned subsidiary, merged with and into AVM, with AVM surviving as a wholly owned subsidiary of PeerStream (the "AVM Merger"), in October 2016. In his capacity as an executive officer and director of AVM, Mr. Katz oversaw the strategic direction of AVM and its subsidiaries, and also managed its system infrastructure. Mr. Katz is an authority on instant messaging as well as web-based voice and video. Mr. Katz has appeared at numerous industry forums as well as on Bloomberg Radio and CNN Radio. Prior to AVM, Mr. Katz co-founded MJ Capital, a money management firm. Earlier in his career, Mr. Katz was a corporate lawyer at the New York office of Fulbright & Jaworski. Mr. Katz earned a J.D. from the New York University School of Law (1988) and a B.A. in Economics from the University of Pennsylvania (1985).

Mr. Katz's background and expertise as the Chief Executive Officer of AVM and decades of industry experience provides our Board of Directors with valuable industry insight and management expertise.

Michael Jones was appointed as a member of our Board of Directors in November 2017 and serves as a member of our Blockchain Advisory Board. Since 2011, Mr. Jones has served as the co-founder and Chief Executive Officer of Science, Inc., a Los Angeles-based startup studio that develops, invests in, and acquires various businesses, including HelloSociety (acquired by New York Times), FameBit (acquired by Google) and Dollar Shave Club (acquired by Unilever), as well as companies focused on blockchain technology. Prior to that, Mr. Jones served as Chief Executive Officer of several other companies, including Userplane (acquired by AOL), Tsavo (acquired by Cybermedia), PBJ (acquired by JB), MySpace (acquired by Specific Media), Myspace Japan (acquired by Softbank) and FIM (acquired by Rubicon Project).

Mr. Jones has delivered notice of his resignation from the Board of Directors, effective as of the date of the Annual Meeting.

Lance Laifer was appointed as a member of our Board of Directors in October 2016. Mr. Laifer served as a member of AVM's Board of Directors from 1999 through the completion of the AVM Merger in October 2016. Mr. Laifer has also served as the Chief Executive Officer of each of Old Forge Media Management and Old Forge Asset Management (together, "Old Forge"), a network of social media advertising and marketing companies, since 2013 and 2011, respectively, as well as the Chief Executive Officer of Laifer Capital Management, Inc., an investment firm, since 1992. Prior to his service at Old Forge, Mr. Laifer was the Chief Executive Officer of Wapiti Capital Management, LLC. Mr. Laifer also served on the board of directors of ValueVision from 1992 to 1995.

Mr. Laifer's decades of experience provide him with unique investment and capital market insights, as well as background analyzing the risks and strategies of companies in the social media industry.

Michael Levit was appointed as a member of our Board of Directors in October 2016. Mr. Levit is a serial entrepreneur, angel investor, board member and advisor at several prominent Silicon Valley companies including Docker, August, Spigot, Founders Den, Say Media and Revel Systems. Currently, Mr. Levit serves as a Venture Partner at Vision Knight Capital, a private equity fund focused on investments in internet, e-commerce, consumer retail powered by internet and e-commerce, and business-to-business services powered by information technology and internet technology sectors in China. Mr. Levit also currently serves as the Co-Founder and Managing Partner of Founders Den, a shared office space and private club for experienced entrepreneurs and their friends, where he has served since January 2011. Prior to then, Mr. Levit acted as the Co-Founder and President of Spigot, a highly successful advertising network, from January 2011 to December 2015. From April 2007 to January 2011, Mr. Levit served as the Executive Vice President of Marketing and Business Development of Vendio, an e-commerce platform, where he grew transactions to over \$1.5 billion per year before the business was sold to Alibaba Group Holding Ltd. Mr. Levit also served as the Chief Marketing Officer of Paltalk from July 2004 to October 2006. Before his position with Paltalk, Mr. Levit held a number of executive and consulting positions, including serving as Executive Director of Broadband Marketing for America Online from October 2001 to July 2004, Vice President of Business Development for Bluelight.com from January 2000 to February 2001 and Senior Consultant for Accenture from 1995 to 1999. In addition, Mr. Levit serves on the board of directors of several private Silicon Valley companies. Mr. Levit holds a B.A. in Business Economics, a B.S. in Mechanical and Environmental Engineering and a Master of Business Economics from the University of California, Santa Barbara.

Mr. Levit's substantial investment and management experience in the technology, internet and media sectors give him particular insight into the development of early stage companies, as well expertise regarding business strategy, leadership, marketing and strategic transactions.

John Silberstein was appointed as a member of our Board of Directors in October 2016. Mr. Silberstein was a member of AVM’s Board of Directors from 1999 through the completion of the AVM Merger in October 2016 and was General Counsel of AVM from 2000 to 2003. He began his career in October 1986 as a real estate attorney at Skadden, Arps, Slate, Meagher & Flom, and in April 1989 began working for The Mendik Company, which with its partners, owned and managed a portfolio of twelve million square feet of Class A commercial office buildings in New York City and its suburbs. After leaving The Mendik Company, from February 1999 to April 2005, Mr. Silberstein served as co-managing member of Five Spruce GP LLC, the managing member of a real estate company that acquired and subsequently sold eight residential apartment buildings in New York City. He is on the Advisory Board of Willpower Labs, Inc., a startup that makes a weight loss lozenge. Most recently, Mr. Silberstein taught high school English at The Rivers School in Weston, Massachusetts from September 2010 to June 2016. Mr. Silberstein earned a B.A. from Brown University and a J.D. from New York University School of Law.

Mr. Silberstein’s experience representing AVM and other companies in complex and sophisticated matters, as well as his expertise in real estate acquisition and management, provides him with unique insights into business strategy and leadership.

Each of our Director Nominees is currently serving on our Board of Directors. There are no agreements or understandings between our directors and executive officers or any other person pursuant to which they were selected as a director or executive officer. In addition, there are no family relationships between our directors and any of our executive officers.

Vote Required

To be elected as a director, the Director Nominees must receive a plurality of the votes cast by the stockholders entitled to vote for the election of directors.

The Board of Directors recommends that you vote “FOR” the Director Nominees.

Meetings of the Board of Directors and Committees

The Board of Directors held eight meetings in 2019. During 2019, each director attended 75% or more of the aggregate number of meetings held by the Board of Directors and the committees of the Board of Directors on which such director served, if any, during the period for which such person served as a director. We have not adopted a formal policy regarding director attendance at our annual stockholder meetings; however, we encourage members of the Board of Directors to attend such meetings. Alexander Harrington, Jason Katz and Yoram Abada, representing three of our seven directors at the time of our 2019 annual meeting of stockholders, attended the 2019 annual meeting.

Audit Committee

The audit committee consists of Mr. Abada, Mr. Silberstein and Mr. Levit. Mr. Abada currently serves as the chairman of the audit committee. Our Board of Directors has determined that each of Mr. Abada, Mr. Silberstein and Mr. Levit is independent under The Nasdaq Stock Market LLC (“NASDAQ”) listing standards and Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Our Board of Directors has also determined that each member of our audit committee can read and understand fundamental financial statements in accordance with applicable requirements. In arriving at these determinations, the Board of Directors has examined each audit committee member’s scope of experience and the nature of their current and prior employment.

The functions of the audit committee include:

- selecting a qualified firm to serve as the independent registered public accounting firm to audit our financial statements;
- helping to ensure the independence and performance of the independent registered public accounting firm;
- discussing the scope and results of the audit with the independent registered public accounting firm, and reviewing, with management and the independent accountants, our interim and year-end operating results;
- developing procedures for employees to submit concerns anonymously about questionable accounting or audit matters;
- reviewing our policies on risk assessment and risk management;
- reviewing and approving related party transactions and keeping the independent auditors informed of the audit committee’s understanding of our relationships and transactions with related parties;
- obtaining and reviewing a report by the independent registered public accounting firm, as necessary, that describes our internal quality-control procedures, any material issues with such procedures, and any steps taken to deal with such issues when required by applicable law;
- approving (or, as permitted, pre-approving) all audit and all permissible non-audit services, other than de minimis non-audit services, to be performed by the independent registered public accounting firm; and
- monitoring compliance with our Code of Business Conduct and Ethics and investigating all reported complaints and allegations concerning violations of such code.

Pursuant to the audit committee charter, the audit committee has the authority to delegate all or a portion of its duties and responsibilities to a subcommittee of the audit committee. Our Board of Directors has designated Mr. Abada as an “audit committee financial expert” as defined under the applicable SEC rules and determined that he has accounting or related financial management expertise as required under the applicable NASDAQ rules. A copy of the audit committee charter is available on our website at www.peerstream.com/corporate-governance. Pursuant to the audit committee charter, the audit committee has the authority to delegate all or a portion of its duties and responsibilities to a subcommittee of the audit committee. The audit committee held eight meetings during the 2019 fiscal year.

Compensation Committee

The compensation committee consists of Mr. Abada and Mr. Silberstein. Mr. Silberstein currently serves as the chairman of the compensation committee. Our Board of Directors has determined that each of Mr. Abada and Mr. Silberstein is independent under NASDAQ listing standards and is a “non-employee director” as defined in Rule 16b-3 promulgated under the Exchange Act. The compensation committee, with input from our Chief Executive Officer, reviews and approves, or recommends that our Board of Directors approve, the compensation of our directors and executive officers. A copy of the compensation committee charter is available on our website at www.peerstream.com/corporate-governance. The compensation committee held two meetings during the 2019 fiscal year.

The functions of the compensation committee include:

- reviewing and approving, or recommending that our Board of Directors approve, the compensation of our executive officers;
- reviewing and recommending that our Board of Directors approve the compensation of our directors;
- reviewing and approving, or recommending that our Board of Directors approve, the terms of compensatory arrangements with our executive officers;
- administering our stock and equity incentive plans;
- reviewing and approving, or recommending that our Board of Directors approve, incentive compensation and equity plans;
- reviewing and establishing general policies relating to compensation and benefits of our employees and reviewing our overall compensation philosophy; and
- engaging with stockholders and proxy advisory firms on executive compensation matters.

Pursuant to the compensation committee charter, the compensation committee has the authority to delegate all or a portion of its duties and responsibilities to a subcommittee of the compensation committee. The compensation committee does not engage an independent compensation consultant because it does not believe one is necessary or cost efficient for a company our size.

Nominating and Corporate Governance Committee

We currently do not have a nominating and corporate governance committee, and the independent members of our Board of Directors perform the principal functions of a nominating and corporate governance committee. We have elected not to have a nominating and corporate governance committee because we do not believe one has been necessary or cost efficient for a company of our size and we do not expect to establish a nominating and corporate governance committee in the foreseeable future.

Our Board of Directors has designated the independent directors of the Board of Directors, Messrs. Abada, Levit, Silberstein, Laifer and Jones, as well as any future members of the Board of Directors that qualify as independent directors (collectively, the “Nominating Directors”), as the independent directors responsible for, among other things, (i) determining the qualifications, qualities and skills required to be a director of the Company and evaluating, selecting and approving nominees to serve as directors, (ii) periodically reviewing, assessing and making recommendations for changes to the Board of Directors and (iii) overseeing the process for evaluation of the Board of Directors. In addition, the Nominating Directors have unrestricted access to and assistance from our officers, employees and independent auditors and the authority to employ experts, consultants and professionals to assist with performance of their duties.

The Nominating Directors also consider director nominees put forward by stockholders. Our By-Laws contain provisions that address the process by which a stockholder may nominate an individual to stand for election to the Board of Directors at the Annual Meeting. To recommend a nominee for election to the Board of Directors, a stockholder must submit his or her recommendation to the Corporate Secretary, Wilmary Soto-Guignet, at the address appearing on the first page of this Proxy Statement. Such nomination must satisfy the notice, information and consent requirements set forth in our By-Laws and must be received by us prior to the date set forth under “Submission of Future Stockholder Proposals” included herein. A stockholder’s recommendation must be accompanied by the information with respect to stockholder nominees that is specified in our By-Laws, including among other things, the name, age, address and occupation of the recommended person, the proposing stockholder’s name and address, the ownership interests of the proposing stockholder and any beneficial owner on whose behalf the nomination is being made and any material monetary or other relationships between the recommended person and the proposing stockholder and/or the beneficial owners, if any, on whose behalf the nomination is being made. Stockholder recommendations provided to the Corporate Secretary and received in accordance with the advance notice provision in our By-Laws will be considered and evaluated by the Nominating Directors in the same manner as candidates recommended from other sources.

The Nominating Directors do not have any specific minimum qualifications that director nominees must have in order to be considered to serve on the Board of Directors. However, the Nominating Directors do take into consideration areas of expertise that director nominees may be able to offer, including professional experience, knowledge, abilities and industry knowledge or expertise. The Nominating Directors also consider the director nominees’ potential contribution to the overall composition and diversity of the Board of Directors.

Report of the Audit Committee

Our audit committee reviewed the Company's audited financial statements for the year ended December 31, 2019. The following is the report of the audit committee with respect to the Company's audited financial statements for the year ended December 31, 2019, which includes the consolidated balance sheets of the Company as of December 31, 2019 and December 31, 2018, and the related consolidated statements of operations, changes in stockholders' deficit and cash flows for each of the years in the two-year period ended December 31, 2019, and the notes thereto. The information contained in this report shall not be deemed to be "soliciting material" or to be "filed with the SEC" or subject to the liabilities of Section 18 of the Exchange Act, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Exchange Act except to the extent that the Company specifically incorporates it by reference into such filing.

Reviews and Discussions with Management

The audit committee has reviewed and discussed the Company's audited financial statements with management.

Review and Discussions with Independent Registered Public Accounting Firm

The audit committee has discussed with its independent auditor the matters required to be discussed by Auditing Standard No. 1301, "Communications with Audit Committees" issued by the Public Company Accounting Oversight Board ("PCAOB").

The audit committee has also received written disclosures and the letter from the independent auditor required by applicable requirements of the PCAOB regarding the independent auditor's communications with the audit committee concerning independence and has discussed with the independent auditor its independence from the Company. The audit committee has also reviewed and discussed the selection, application and disclosure of the critical accounting policies of the Company with the independent auditor.

Based on the review and discussions referred to above, the audit committee approved the inclusion of the Company's audited financial statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2019.

AUDIT COMMITTEE

Yoram "Rami" Abada (Chairman)
Michael Levit
John Silberstein

Involvement in Certain Legal Proceedings

Except as described in Mr. Abada's biography above, there have been no material legal proceedings that would require disclosure under the federal securities laws that are material to an evaluation of the ability or integrity of our directors or executive officers or in which any director, officer, nominee or principal stockholder, or any affiliate thereof, is a party adverse to us or has a material interest adverse to us.

Board Leadership Structure and Role in Risk Oversight

The positions of Chairman of the Board of Directors and Chief Executive Officer are currently fulfilled by one individual, with Jason Katz serving as our Chairman of the Board of Directors and as our Chief Executive Officer. Pursuant to our By-Laws, the Board of Directors is responsible for appointing the Chairman of the Board of Directors and the Chief Executive Officer. Our By-Laws permit the Chairman to also hold the position of Chief Executive Officer. The Board of Directors selects its Chairman and our Chief Executive Officer in the manner it considers to be in the best interests of the Company. In accordance with our By-laws, the Board considers from time to time whether it is in the best interests of the Company to have the same person occupy the offices of Chairman of the Board and Chief Executive Officer, using its business judgment after considering all relevant circumstances. Our Board has determined that it is in the best interests of the Company and its stockholders at this time to have both (i) a combined Chairman and Chief Executive Officer role and (ii) a Board of Directors comprised of a majority of independent directors.

Jason Katz has served as our Chief Executive Officer since December 2019 and as our President, Chief Operating Officer and Chairman of the Board since October 2016. The Board believes, at this time, that this structure is appropriate and in the best interests of the Company and its stockholders. Specifically, the Board acknowledges that Mr. Katz has significant experience managing the Company's business operations and the Board wants to preserve this continuity. Although the Board believes that this current leadership structure is appropriate at this time, the Board believes that there is no specific leadership structure that best applies to all companies, nor is there one specific leadership structure that would permanently suit our Company. As a result, the decision as to whether to combine or separate the positions of Chairman and Chief Executive Officer may vary from time to time, as conditions and circumstances warrant.

We do not currently have a lead independent director. We have elected not to have a lead independent director because we do not believe one has been necessary nor that it is cost efficient for a company of our size and we do not expect to establish a lead independent director in the foreseeable future.

Our Board of Directors is primarily responsible for overseeing the Company's risk management processes. The Board of Directors receives periodic reports from management concerning the Company's assessment of risks. The Board of Directors focuses on the most significant risks facing the Company, including risks related to cybersecurity, the Company's general risk management strategy and whether any of our compensation policies and practices create risks to our risk management practices or provide incentives to our executives and other employees to take risks that are reasonably likely to have a material adverse effect on us. While the Board of Directors oversees the Company's risk management, the Company's management is responsible for day-to-day risk management processes. We believe that having Mr. Katz serve in both capacities is the most effective approach for addressing the risks facing our company and that the structure of our Board of Directors supports this approach.

Director Independence

Although our common stock is currently quoted on the OTCQB marketplace, our Board of Directors has adopted the definition of independence set forth under NASDAQ listing standards. In undertaking its annual review on director independence, the Board of Directors considered the transactions and relationships between our directors and any member of their families and the Company. Based upon these standards and the consideration of the information and the transactions and relationships discussed below, our Board of Directors determined that Yoram "Rami" Abada, Lance Laifer, Michael Levit, John Silberstein and Michael Jones are independent, and that Jason Katz is not independent under such standards.

Certain Relationships and Related Party Transactions

Lerner Consulting Agreement and Restricted Stock Awards

On June 15, 2018, Clifford Lerner resigned from his positions as officer and employee of the Company. In connection with Mr. Lerner's resignation, his employment agreement with the Company, dated October 7, 2016 (the "Lerner Employment Agreement"), was automatically terminated and has no further force or effect. Concurrent with the termination of the Lerner Employment Agreement, on June 15, 2018, the Company entered into a consulting agreement with Mr. Lerner (the "Consulting Agreement") on substantially the same terms as the Lerner Employment Agreement. Pursuant to the Consulting Agreement, Mr. Lerner was entitled to receive a lump sum, up-front payment of \$100,000. The term of the Consulting Agreement ended on October 31, 2019. The Consulting Agreement also contained customary non-solicitation, non-disparagement, confidentiality, indemnification and termination for "cause" provisions on substantially the same terms as the Lerner Employment Agreement.

On June 15, 2018, in connection with Mr. Lerner's resignation, the Company entered into amendments to Mr. Lerner's outstanding restricted stock award agreements that generally amend the vesting period and tax payment obligations with respect to those awards.

Indemnification Arrangements

We have entered into indemnification agreements and employment agreements with our directors and certain of our executive officers, respectively, pursuant to which we have agreed to indemnify such persons against any liability, damage, cost or expense incurred in connection with the defense of any action, suit or proceeding to which such persons are a party to the extent permitted by applicable law, subject to certain exceptions.

Policies and Procedures for Approving Related Party Transactions

Our Board of Directors adopted a written Related Party Transactions Policy on April 19, 2012. In accordance with the Related Party Transactions Policy, all Related Party Transactions (as defined herein) must be reported to our Chief Executive Officer or Chief Financial Officer and must be reviewed and approved by our audit committee. In determining whether to approve, recommend or ratify a Related Party Transaction, the reviewing party will take into account, among other factors it deems appropriate, (i) whether the terms of the Related Party Transaction are fair to the Company, (ii) whether there are business reasons for the Company to enter into the Related Party Transaction, (iii) whether the Related Party Transaction would impair the independence of an outside director and (iv) whether the Related Party Transaction would present an improper conflict of interest for any of our directors or executive officers.

A "Related Party Transaction" means a transaction (including any series of related transactions or a material amendment or modification to an existing Related Party Transaction) directly or indirectly involving any Related Party that would need to be disclosed under Item 404(a) of Regulation S-K. Generally, under Item 404 of Regulation S-K, we are required to disclose any transaction occurring since the beginning of the last two fiscal years, or any currently proposed transaction, involving us or our subsidiary where the amount involved exceeds \$120,000, and in which any Related Party had or will have a direct or indirect material interest.

A “Related Party” means any of the following: (i) any of our directors of the Company or Director Nominees; (ii) any of our executive officers; (iii) a person known by us to be the beneficial owner of more than 5% of our common stock or (iv) an immediate family member of any of the foregoing.

Code of Conduct

We have a Code of Conduct, which is applicable to all our officers, directors and employees. The Code of Conduct addresses, among other things, record retention, conflicts of interest, business opportunities, gifts or favors, proprietary information and disciplinary measures.

A copy of our Code of Conduct is available on our website at www.peerstream.com/corporate-governance.

We intend to disclose any amendments to our Code of Conduct on our website at www.peerstream.com/corporate-governance.

Communications with the Board of Directors

The Board of Directors welcomes communication from the Company’s stockholders. Stockholders and other interested parties who wish to communicate with a member or members of our Board of Directors or a committee thereof may do so by addressing correspondence to the board member, members or committee, c/o Chief Executive Officer, 122 East 42nd Street, New York, New York 10168. Our Chief Executive Officer will review and forward correspondence to the appropriate person or persons. The Board of Directors has requested that certain items that are unrelated to its duties and responsibilities be excluded, such as spam, junk mail and mass mailings, resumes and other forms of job inquiries, surveys, and business solicitations or advertisements.

The Chief Executive Officer will not forward any communication determined in its good faith belief to be frivolous, unduly hostile, threatening, illegal, or similarly unsuitable. Each communication subject to this policy that was not forwarded because it was determined by the Chief Executive Officer to be frivolous is retained in our files and made available at the request of any member of the Board of Directors to whom such communication was addressed.

DIRECTOR COMPENSATION

The following table provides compensation information for the year ended December 31, 2019 for each member of our Board of Directors during the fiscal year ended December 31, 2019, except for (i) Alexander Harrington, our former Chief Executive Officer, and (ii) Jason Katz, our current Chief Executive Officer and Chairman of the Board, both of whom did not receive any compensation for their service as a director in 2019 and whose compensation is reported in “Executive Compensation — Summary Compensation Table” below. Mr. Harrington resigned from the Board of Directors effective December 13, 2019.

Director Compensation Table
Fiscal Year 2019

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) ⁽¹⁾	Option Awards (\$) ⁽²⁾⁽³⁾	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Yoram “Rami” Abada	\$ 29,000	—	\$ 22,555 ⁽⁴⁾	—	—	—	\$ 51,555
Michael Jones ⁽⁵⁾	\$ 60,000	—	\$ —	—	—	—	\$ 60,000
Lance Laifer	\$ 15,000	—	\$ 22,555 ⁽⁴⁾	—	—	—	\$ 37,555
Michael Levit	\$ 19,000	—	\$ 22,555 ⁽⁴⁾	—	—	—	\$ 41,555
John Silberstein	\$ 27,000	—	\$ 22,555 ⁽⁴⁾	—	—	—	\$ 49,555

(1) As of December 31, 2019, none of our directors held any outstanding stock awards.

(2) Represents the amount recognized for financial statement reporting purposes in accordance with Accounting Standards Codification 718, *Compensation — Stock Compensation* (“ASC 718”).

(3) The aggregate amount of unexercised stock options held by each director listed in the table above as of December 31, 2019 was as follows:

Name	Shares Underlying Outstanding Stock Options
Yoram “Rami” Abada	18,000
Michael Jones	54,000
Lance Laifer	18,000
Michael Levit	18,000
John Silberstein	12,000

(4) Represents the fair market value of a stock option granted on January 11, 2019 that represents the right to purchase 6,000 shares of common stock, all of which have vested and remain unexercised.

(5) Mr. Jones has delivered notice of his resignation from the Board of Directors, effective as of the date of the Annual Meeting.

We currently do not have a formal policy to provide compensation to members of our Board of Directors for services rendered in that capacity. However, our Board of Directors has the authority to fix the compensation of directors and directors are permitted to receive fixed fees and other compensation for their services as directors.

In February 2017, our Board of Directors authorized and approved payment of the following compensation to each independent member of our Board of Directors (other than Mr. Jones, whose compensation is discussed below), effective upon the closing of the AVM Merger: (i) an annual cash retainer fee of \$15,000 to each independent director; (ii) additional cash compensation of \$4,000 for service on a committee; and (iii) independent director committee chair cash compensation (to be paid in addition to the \$4,000 cash fee for committee service) as follows: (a) Audit Committee Chair — \$6,000 and (b) Compensation Committee Chair — \$4,000. In order to attract and retain Mr. Jones, who was appointed as a member of our Board of Directors in November 2017, the Board of Directors determined that Mr. Jones would not be compensated pursuant to the Company’s compensation standards for other independent directors, but instead would be entitled to receive a cash fee of \$60,000 per year. Our Board of Directors has not made any changes to the compensation of our directors for 2020.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table and accompanying footnotes set forth as of the Record Date certain information regarding the beneficial ownership of shares of our common stock by: (i) each person who is known by us to own beneficially more than 5% of such stock; (ii) each member of our Board of Directors, each Director Nominee and each of our named executive officers with respect to the year ended December 31, 2019 and (iii) all of our directors and executive officers as a group. Except as otherwise indicated, all common stock is owned directly, and the beneficial owners listed in the table below possess sole voting and investment power with respect to the stock indicated, and the address for each beneficial owner is c/o PeerStream, Inc., 122 East 42nd Street, New York, New York 10168. The applicable percentage ownership is based on 6,877,004 shares of our common stock, excluding shares held by the Company treasury stock, issued and outstanding as of the Record Date. In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of that person, we consider all shares of unvested restricted stock to be outstanding because the holders of unvested restricted stock have the right to vote such stock.

Name of Beneficial Owner	Common Stock Beneficially Owned ⁽¹⁾	
	Number	Percentage
Directors and Named Executive Officers		
Alexander Harrington	— (2)	—
Jason Katz	743,697(3)	10.8%
Arash Vakil	53,921(4)	*
Eric Sackowitz	37,463(5)	*
Yoram “Rami” Abada	27,500(6)	*
Michael Jones	36,000(7)	*
Lance Laifer	421,855(8)	6.1%
Michael Levit	77,003(9)	1.1%
John Silberstein	179,013(10)	2.6%
Officers and Directors as a Group (10 persons)	1,538,989(11)	21.9%
5% Stockholders		
The J. Crew Delaware Trust A	2,356,132(12)	34.3%
Perry Scherer	384,275(13)	5.6%
Hilltop Partners, L.P.	387,869(14)	5.6%
Jen-Jen Yeh	369,275(15)	5.4%
Clifford Lerner	692,139	10.1%

* Less than 1%.

- (1) For purposes of this table, a person or group of persons is deemed to have beneficial ownership of any shares of common stock that such person has the right to acquire within 60 days of the date of the Record Date, including through the exercise of stock options. For purposes of computing the percentage of outstanding shares of the Company’s common stock held by each person or group of persons named above, any common stock that such person or persons has the right to acquire within 60 days of the date of the Record Date is deemed to be outstanding, but is not deemed to be outstanding for the purpose of computing the percentage ownership of any other person.
- (2) Mr. Harrington was separated from the Company effective December 13, 2019. Reflects Mr. Harrington’s beneficial ownership as of December 13, 2019 after assuming the forfeiture of 169,283 shares of common stock underlying vested out-of-the-money stock options that Mr. Harrington held as of the date of his separation.
- (3) Includes 201,265 shares of common stock held by Mr. Katz’s spouse that may be deemed to be beneficially owned by Mr. Katz. Mr. Katz disclaims beneficial ownership of these shares and nothing herein shall be deemed an admission that Mr. Katz is the beneficial owner of these shares for any purpose. Does not include unvested performance-based stock options because the satisfaction of the underlying performance criteria is deemed to be outside of the executive’s control.
- (4) Mr. Vakil has been given notice that he will be separated from the Company effective April 23, 2020. Reflects Mr. Vakil’s beneficial ownership as of Record Date, assuming the forfeiture of unvested stock options upon Mr. Vakil’s separation. Includes the vested portion of (i) a stock option representing the right to purchase 31,779 shares of common stock granted on May 5, 2017, all of which have vested, and (ii) a stock option representing the right to purchase 14,286 shares of common stock granted on May 5, 2017, of which 7,142 shares have vested.
- (5) Mr. Sackowitz was separated from the Company effective March 1, 2020. Reflects Mr. Sackowitz’s beneficial ownership as of March 1, 2020, which includes 37,463 shares of common stock issuable upon the exercise of vested stock options that are exercisable during the 90-day period following Mr. Sackowitz’s termination.

- (6) Includes the vested or deemed vested portion of (i) a stock option representing the right to purchase 6,000 shares of common stock granted on February 2, 2017, all of which have vested, (ii) a stock option representing the right to purchase 6,000 shares of common stock granted on February 16, 2018, all of which have vested, (iii) a stock option representing the right to purchase 6,000 shares of common stock granted on January 11, 2019, all of which have vested, and (iv) a stock option representing the right to purchase 6,000 shares of common stock granted on March 24, 2020, of which 1,500 shares have vested.
- (7) Mr. Jones has delivered notice of his resignation from the Board of Directors, effective as of the date of the Annual Meeting. Reflects Mr. Jones' beneficial ownership as of Record Date, assuming the forfeiture of unvested stock options upon Mr. Jones' resignation. Includes the vested or deemed vested portion of a stock option representing the right to purchase 54,000 shares of common stock granted on November 7, 2017, of which 36,000 shares have vested.
- (8) Includes the vested or deemed vested portion of a (i) stock option representing the right to purchase 6,000 shares of common stock granted on February 2, 2017, all of which have vested, (ii) a stock option representing the right to purchase 6,000 shares of common stock granted on February 16, 2018, all of which have vested, (iii) a stock option representing the right to purchase 6,000 shares of common stock granted on January 11, 2019, all of which have vested, and (iv) a stock option representing the right to purchase 6,000 shares of common stock granted on March 24, 2020, of which 1,500 shares have vested. Also includes (i) 387,869 shares of common stock held by Hilltop Partners, L.P. and (ii) 14,486 shares of common stock held by Hilltop Offshore, Ltd. Mr. Laifer is the sole director and principal stockholder of Laifer Capital Management, Inc. ("LCM"), which has the sole power to vote and to direct the voting of, and to dispose and to direct the disposition of, the shares of the Company's common stock beneficially owned by Hilltop Partners, L.P. (of which LCM serves as general partner and investment adviser) and Hilltop Offshore, Ltd. (of which LCM serves as investment adviser).
- (9) Includes the vested or deemed vested portion of a (i) stock option representing the right to purchase 6,000 shares of common stock granted on February 2, 2017, all of which have vested, (ii) a stock option representing the right to purchase 6,000 shares of common stock granted on February 16, 2018, all of which have vested, (iii) a stock option representing the right to purchase 6,000 shares of common stock granted on January 11, 2019, all of which have vested, and (iv) a stock option representing the right to purchase 6,000 shares of common stock granted on March 24, 2020, of which 1,500 shares have vested.
- (10) Includes the vested or deemed vested portion of a stock option representing the right to purchase 6,000 shares of common stock granted on February 16, 2018, all of which have vested, (ii) a stock option representing the right to purchase 6,000 shares of common stock granted on January 11, 2019, all of which have vested, and (iii) a stock option representing the right to purchase 6,000 shares of common stock granted on March 24, 2020, of which 1,500 shares have vested. Also includes 10,202 shares of common stock held by MLS Family Investors LLC ("MLS"). Mr. Silberstein is the sole manager of MLS, and New Trust B u/w/o Murray L. Silberstein, a trust of which Mr. Silberstein is a beneficiary, owns approximately 55% of the interest in MLS. As a result, Mr. Silberstein may be deemed to beneficially own the shares of common stock held by MLS. Mr. Silberstein disclaims beneficial ownership of the shares held by MLS except to the extent of his pecuniary interest therein and nothing herein shall be deemed an admission that Mr. Silberstein is the beneficial owner of these shares for any purpose. Also includes 43 shares of common stock held by Mr. Silberstein's spouse that may be deemed to be beneficially owned by Mr. Silberstein. Mr. Silberstein disclaims beneficial ownership of the shares held by his spouse and nothing herein shall be deemed an admission that Mr. Silberstein is the beneficial owner of these shares for any purpose.
- (11) Includes the shares of common stock beneficially owned by each of the officers and directors listed immediately above but excludes the shares of common stock beneficially owned by Messrs. Harrington and Sackowitz as Messrs. Harrington and Sackowitz were not executive officers as of the date of this Proxy Statement. Kara Jenny, the Company's Chief Financial Officer, does not beneficially own any shares of common stock.
- (12) Based on the information contained in the Schedule 13D filed with the SEC on October 17, 2016 and updated to give effect to the 1-for-35 reverse stock split of the Company's issued and outstanding common stock (the "Reverse Stock Split") effected by the Company on January 5, 2017, and the distribution of escrow shares from AVM Merger. The principal address of The J. Crew Delaware Trust A is c/o J.P. Morgan Trust Company of Delaware, Trustee, 500 Stanton -Christiana Road, DE3-1600, Newark, Delaware 19713.
- (13) Based solely on the information contained in the Schedule 13G/A filed with the SEC on February 12, 2018. The principal address of Perry Scherer is 338 Jericho Turnpike, Suite 182, Syosset, New York 11791.
- (14) Based on the information contained in the Schedule 13D filed with the SEC on October 17, 2016 and updated to give effect to the Reverse Stock Split and the distribution of escrow shares from the AVM Merger. Mr. Laifer is the sole director and principal stockholder of LCM, which has the sole power to vote and to direct the voting of, and to dispose and to direct the disposition of, the shares of the Company's common stock beneficially owned by Hilltop Partners, L.P. (of which LCM serves as general partner and investment adviser). As a result, the shares of Common Stock held by Hilltop Partners, L.P. are also reported in this table as being beneficially owned by Mr. Laifer.
- (15) Based on the information contained in the Schedule 13G filed with the SEC on October 17, 2016 and updated to give effect to the Reverse Stock Split and the distribution of escrow shares from the AVM Merger. The principal address of Jen-Jen Yeh is 180 Park Row, Apt. 3C, New York, N.Y. 10038.

There are no arrangements currently known to us, the operation of which may at a subsequent date result in a change of control of the Company.

EXECUTIVE OFFICERS

Below is information regarding each of our current executive officers. Executive officers are elected annually by the Board of Directors to serve at the discretion of the Board of Directors until their successor is duly elected and qualified or until their earlier death, resignation, or removal. There are no family relationships between any of our directors or executive officers.

Name	Age	Title
Jason Katz	57	Chief Executive Officer, President, Chief Operating Officer and Chairman of the Board of Directors
Kara Jenny	50	Chief Financial Officer
Arash Vakil	36	Former Chief Product Officer

Jason Katz serves as our Chief Executive Officer, President, Chief Operating Officer and Chairman of the Board of Directors. His business experience is discussed above in “Proposal 1 — Election of Directors.”

Kara Jenny was appointed as our Chief Financial Officer in December 2019. Ms. Jenny has over 20 years of senior financial expertise. During her career, Ms. Jenny has created overall corporate strategy and managed financial and accounting operations, including SEC and Sarbanes-Oxley compliance efforts. She has also overseen customer service, operations and legal functions as well as led strategic and annual planning processes and has been a key contributor in facilitating several rounds of equity financing, including preferred stock offerings, private investments in public equity, rights offerings and common stock offerings. Most recently, and since 2014, Ms. Jenny was Chief Financial Officer of Walker Innovation, a publicly traded intellectual property company. Previously, she was the Chief Financial Officer of Bluefly, Inc., an online retailer of designer apparel and accessories at a value. Ms. Jenny began her career at Arthur Andersen LLP and is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants. She was selected to join the SEC’s Advisory Committee Member on Small and Emerging Companies and served on the Committee from 2011 until 2013.

Arash Vakil was appointed as our Chief Product Officer in October 2016. Mr. Vakil previously served as the Chief Product Officer of AVM and was with AVM from December 2008 through the completion of the AVM Merger in October 2016. Mr. Vakil has over a decade of product management experience leading software development and engineering teams in developing a vision for products. Mr. Vakil has previously served as a Product Manager for Comodo, a leading IT security firm, from May 2008 until December 2008, an Associate Product Manager at EMC, a computer storage and cloud computing company, from October 2006 to May 2008, and a Product Manager for Telestruct, a telecommunications firm, from May 2005 to June 2006. Mr. Vakil has also been an adjunct lecturer at the City University of New York since August 2011, where he teaches a course on startup company formation and development. He previously served as an Interim Director at the Schutzman Center for Entrepreneurship at Queens College, where he helped develop the school’s entrepreneurship program. Mr. Vakil received his B.A. in media studies from Queens College, City University of New York, and his M.B.A. from the Zicklin School of Business at Baruch College, City University of New York.

On March 23, 2020, the Board of Directors delivered notice to Mr. Vakil of its determination to separate Mr. Vakil from his position as the Company’s Chief Product Officer. Pursuant to the terms of Mr. Vakil’s employment agreement, the separation will take place on the thirtieth (30th) day following the delivery of the notice, which will be April 23, 2020.

EXECUTIVE COMPENSATION

The following discussion provides compensation information pursuant to the scaled disclosure rules applicable to “smaller reporting companies” under SEC rules and may contain statements regarding future individual and Company performance targets and goals. These targets and goals are disclosed in the limited context of the Company’s compensation programs and should not be understood to be statements of management’s expectations or estimates of results or other guidance. We specifically caution stockholders not to apply these statements to other contexts.

Executive Compensation

Overview

The compensation program for our executive officers, as presented in the Summary Compensation Table below, is administered by our Board of Directors. The intent of our compensation program is to align our executives’ interests with those of our stockholders, while providing reasonable and competitive compensation.

The purpose of this Executive Compensation discussion is to provide information about the material elements of compensation that we pay or award to, or that is earned by: (i) the individuals who served as our principal executive officer during fiscal 2019; (ii) our two most highly compensated executive officers, other than the individuals who served as our principal executive officer, who were serving as executive officers, as determined in accordance with the rules and regulations promulgated by the SEC, as of December 31, 2019, with compensation during fiscal year 2019 of \$100,000 or more; and (iii) up to two additional individuals for whom disclosure would have been provided pursuant to clause (ii) but for the fact that such individuals were not serving as executive officers on December 31, 2019. We refer to these individuals as our “named executive officers.” For 2019, our named executive officers and the positions in which they served are:

- Jason Katz, our Chief Executive Officer;
- Alexander Harrington, our former Chief Executive Officer;
- Arash Vakil, our former Chief Product Officer; and
- Eric Sackowitz, our former Chief Technology Officer.

For 2019, the compensation of our named executive officers consisted of salary and an annual cash bonus.

Compensation of Named Executive Officers

The following discussion summarizes in more detail the executive compensation paid to or earned by our named executive officers in 2019.

Base Salary. The following table sets forth the current annual base salaries of each of our named executive officers:

Name	Annual Base Salary
Jason Katz ⁽¹⁾ Chief Executive Officer	\$ 180,000
Alexander Harrington ⁽²⁾ Former Chief Executive Officer	\$ 285,000
Arash Vakil ⁽³⁾ Former Chief Product Officer	\$ 235,000
Eric Sackowitz ⁽⁴⁾ Former Chief Technology Officer	\$ 280,000

(1) There were no changes to Mr. Katz’s annual base salary during 2019.

(2) There were no changes to Mr. Harrington’s annual base salary during 2019. Mr. Harrington was separated from his position as the Company’s Chief Executive Officer effective December 13, 2019. As a result of his separation, Mr. Harrington was paid a prorated portion of his base salary consistent with the corresponding number of days in which he was employed during 2019.

(3) There were no changes to Mr. Vakil’s annual base salary during 2019. Mr. Vakil has been given notice that he will be separated from the Company effective April 23, 2020.

(4) There were no changes to Mr. Sackowitz’s annual base salary during 2019. Mr. Sackowitz was separated from his position as the Company’s Chief Technology Officer effective March 1, 2020.

Annual Bonuses.

Pursuant to his employment agreement, for 2019, Mr. Katz was entitled to receive an annual cash bonus in an amount to be determined by the Board of Directors based on the achievement of performance metrics to be established jointly by the Board of Directors and Mr. Katz. Pursuant to his employment agreement, for 2019, Mr. Vakil was entitled to receive an annual cash bonus in an amount to be determined by the Board of Directors based on the achievement of performance metrics to be determined jointly by our Chief Executive Officer and Mr. Vakil. Messrs. Harrington and Sackowitz were not employees of the Company on the date in which bonuses were paid and therefore, pursuant to their respective employment agreements, Messrs. Harrington and Sackowitz were not entitled to their annual cash bonuses for 2019.

The following table sets forth the cash bonus each of our named executive officers received for their performance during 2019, which such bonuses were paid on February 15, 2020:

Name	2019 Annual Cash Bonus
Jason Katz <i>Chief Executive Officer</i>	\$ —
Alexander Harrington <i>Former Chief Executive Officer</i>	\$ —
Arash Vakil <i>Former Chief Product Officer</i>	\$ 15,000
Eric Sackowitz <i>Former Chief Technology Officer</i>	\$ —

The Board of Directors considered a number of factors in determining the annual bonuses for 2019. These factors included, but were not limited to, the individual performance of each executive, the completion of strategic goals during 2019 and the operational and financial performance of the Company. Although the Company achieved many of its operational goals for 2019, the Company's Board of Directors currently believes that the most efficient use of cash is for reinvestment into the Company's business. As a result, the Board of Directors, including Mr. Katz, determined to (i) award Mr. Vakil an annual incentive bonus of \$15,000 and (ii) accept Mr. Katz's decision to decline his own annual incentive bonus in order to reserve cash. We believe that the annual incentive bonuses awarded to our named executive officers in 2019 effectively balance the Company's goals with the need to incentivize and retain our named executive officers through competitive compensation practices.

Equity Awards. We periodically grant equity awards consisting of stock options to our named executive officers as a means for fostering retention and rewarding long-term value creation by our named executive officers.

Our named executive officers were not granted any equity awards in 2019.

Employment Agreements. Each of our named executive officers is a party to an employment agreement with the Company. The purpose of our employment agreements is to incentivize these executives to continue providing services to the Company.

Katz Employment Agreement. Effective October 7, 2016, we entered into an employment agreement with Mr. Katz which provides for a one-year term with automatic successive one-year renewals unless earlier terminated in accordance with its terms. Under Mr. Katz's employment agreement, Mr. Katz is entitled to receive a minimum base salary of \$180,000 per year and an annual incentive bonuses to be determined by the Board, based on criteria to be established jointly by the Board and Mr. Katz. The payment of Mr. Katz's annual incentive bonus is contingent on him being employed by the Company on the date that such bonus is paid.

Pursuant to Mr. Katz's employment agreement, if Mr. Katz's employment is terminated (i) by the failure of the Company to renew Mr. Katz's employment agreement for a renewal term, (ii) by the Company without "cause" (as defined in Mr. Katz's employment agreement) or (iii) by Mr. Katz for "good reason" (as defined in Mr. Katz's employment agreement), then subject to certain limitations and Mr. Katz's compliance with certain conditions, the Company shall pay Mr. Katz severance equal to three months' base salary, payable in three equal monthly installments. In addition, the Company shall continue to pay the Company's portion of Mr. Katz's monthly health insurance premiums, if Mr. Katz is eligible and elects to continue health insurance under COBRA, for the earlier of (i) three months following Mr. Katz's termination of employment or (ii) the date Mr. Katz's coverage under such group health plan terminates for any reason. Mr. Katz will be entitled to the same severance benefits in the event that his employment is terminated prior to, in connection with or following a Change in Control (as defined in Mr. Katz's employment agreement). In addition, Mr. Katz's employment agreement contains customary provisions relating to confidentiality, non-solicitation and non-competition.

For information regarding the base salary and annual incentive bonus of Mr. Katz, see "Compensation of Named Executive Officers — Base Salary" and "Compensation of Named Executive Officers — Annual Bonuses."

Harrington Employment Agreement. Effective February 28, 2014, we entered into an executive employment agreement with Mr. Harrington, which we subsequently amended on each of March 19, 2015, October 13, 2015, March 3, 2016 and October 7, 2016.

Mr. Harrington was separated from the Company effective December 13, 2019. Pursuant to Mr. Harrington's executive employment agreement, Mr. Harrington is entitled to (i) severance equal to eight months' base salary, payable in eight equal monthly installments and (ii) certain COBRA premium payments for the eight months following Mr. Harrington's separation.

For information regarding Mr. Harrington's base salary, see "Compensation of Named Executive Officers — Base Salary."

Sackowitz and Vakil Employment Agreements. Effective May 5, 2017, we entered into executive employment agreements with Mr. Sackowitz and Mr. Vakil.

The employment agreements provide for one-year terms and automatically renew for successive one-year terms unless terminated by the Company or the applicable executive upon prior written notice. Under the employment agreements, the executives were eligible to participate in our benefit plans that are generally provided for all employees.

Each employment agreement is subject to a confidentiality covenant, a non-competition covenant and a non-solicitation covenant. The non-competition covenant and non-solicitation covenant last for one and two years, respectively, following the date of termination of employment. Each executive employment agreement also contains a trading restrictions covenant, which limits the volume of the Company's securities that the executive may sell in a given period.

Pursuant to the employment agreements, if (i) we elect not to renew the employment agreement and the executive's employment terminates as a result of such non-renewal, (ii) we terminate the executive's employment without "cause" or (iii) the executive terminates his employment for "good reason," then subject to certain limitations and the executive's compliance with certain conditions, the Company shall pay the executive severance equal to three months' base salary, payable in three equal monthly installments. In addition, the Company shall continue to pay the Company's portion of the executive's monthly health insurance premiums, if the executive is eligible and elects to continue health insurance under COBRA, for the earlier of (i) three months following the executive's termination of employment or (ii) the date that the executive's coverage under such group health plan terminates for any reason.

Mr. Sackowitz's employment agreement was terminated on March 1, 2020 in connection with his separation from the Company, and Mr. Vakil's employment agreement will be terminated on April 23, 2020 in connection with his separation from the Company.

For information regarding the base salaries and annual incentive bonuses of Messrs. Sackowitz and Vakil, see "Compensation of Named Executive Officers — Base Salary" and "Compensation of Named Executive Officers — Annual Bonuses," respectively.

Summary Compensation Table

The following table sets forth information regarding the total compensation received by, or earned by, our named executive officers during the years ended December 31, 2019 and 2018.

Name and Principal Position	Year	Salary (\$) ⁽¹⁾	Bonus (\$)	Stock Awards (\$)	Option Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$) ⁽³⁾	Total (\$)
Jason Katz ⁽⁴⁾ Chief Executive Officer	2019	180,000	—	—	—	—	—	6,872	186,872
Alexander Harrington ⁽⁵⁾ Former Chief Executive Officer	2019	270,945	—	—	—	—	—	204,101	475,046
	2018	285,000	50,000	—	—	—	—	9,142	344,142
Arash Vakil ⁽⁶⁾ Former Chief Product Officer	2019	235,000	15,000	—	—	—	—	5,199	255,199
	2018	235,000	20,000	—	—	—	—	5,725	260,725
Eric Sackowitz ⁽⁷⁾ Former Chief Technology Officer	2019	280,000	—	—	—	—	—	9,524	289,524
	2018	273,523	145,000	—	84,340 ⁽⁸⁾	—	—	9,202	512,065

(1) Represents the amount of base salary actually earned by the named executive officer. For additional information concerning our named executive officer base salaries, see "— Compensation of Named Executive Officers — Base Salary."

(2) Represents the amount recognized for financial statement reporting purposes in accordance with ASC 718. See "Outstanding Equity Awards at Fiscal Year End Table" for more information.

(3) Includes amounts paid during 2019 and 2018, as applicable, for group life insurance premiums, 401(k) plan contributions and severance benefits. The following table includes a breakdown of all other compensation included in the "Summary Compensation Table" for our named executive officers:

Name and Principal Position	Year	Life Insurance Premiums (\$)	401(k) Plan Contributions (\$)	Severance Benefits (\$)
Jason Katz <i>Chief Executive Officer</i>	2019	926	5,946	—
Alexander Harrington <i>Former Chief Executive Officer</i>	2019	871	8,400	204,101 ⁽⁹⁾
	2018	892	8,250	—
Arash Vakil <i>Former Chief Product Officer</i>	2019	483	4,416	—
	2018	499	5,226	—
Eric Sackowitz <i>Former Chief Technology Officer</i>	2019	1,375	8,149	—
	2018	952	8,250	—

(4) Information for 2018 is not included because Mr. Katz was not a named executive officer during 2019.

(5) Mr. Harrington was separated from the Company effective December 13, 2019.

(6) Mr. Vakil has been given notice that he will be separated from the Company effective April 23, 2020.

(7) Mr. Sackowitz was separated from the Company effective March 1, 2020.

(8) Represents a stock option granted on March 22, 2018 representing the right to purchase 15,000 shares of common stock at an exercise price of \$5.70 per share.

(9) Represents (i) severance equal to eight months' base salary, payable in eight equal monthly installments and (ii) certain COBRA premium payments for the eight months following Mr. Harrington's separation.

Narrative Disclosure Regarding Summary Compensation Table

Katz Compensation.

For 2019, Mr. Katz received annual base compensation of \$180,000. Mr. Katz declined his cash bonus for 2019.

Harrington Compensation.

Mr. Harrington was separated from the Company effective December 13, 2019. For 2019, Mr. Harrington received annual base compensation of \$285,000, prorated through his separation date. Following Mr. Harrington's separation, Mr. Harrington is entitled to (i) severance equal to eight months' base salary, payable in eight equal monthly installments and (ii) certain COBRA premium payments for the eight months following Mr. Harrington's separation. Amounts reported as severance in the table above include the total amount of severance accrued and payable pursuant to Mr. Harrington's employment agreement.

For 2018, Mr. Harrington received annual base compensation of \$285,000 and a cash bonus of \$50,000.

Vakil Compensation.

For 2019, Mr. Vakil received annual base compensation of \$235,000 and a cash bonus of \$15,000.

For 2018, Mr. Vakil received annual base compensation of \$235,000 and a cash bonus of \$20,000.

Sackowitz Compensation.

For 2019, Mr. Sackowitz received annual base compensation of \$280,000.

For 2018, Mr. Sackowitz received annual base compensation of \$273,523 and cash bonuses equaling \$145,000. In addition, Mr. Sackowitz was awarded a stock option granted on March 22, 2018 representing the right to purchase 15,000 shares of common stock at an exercise price of \$5.70 per share.

Outstanding Equity Awards at Fiscal Year End Table

The following table summarizes the total outstanding equity awards as of December 31, 2019 for each named executive officer.

Name	Grant Date	Option Awards				Stock Awards				
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	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 (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)
Jason Katz ⁽¹⁾	04/13/2017	—	70,000	—	\$ 3.62	04/12/2027	—	—	—	—
Alexander Harrington ⁽²⁾	05/05/2017 ⁽³⁾	21,428	—	—	\$ 3.36	05/04/2027	—	—	—	—
	04/13/2017 ⁽⁴⁾	60,000	—	—	\$ 3.63	04/12/2027	—	—	—	—
	03/03/2016 ⁽⁵⁾	1,428	—	—	\$ 7.00	03/03/2026	—	—	—	—
	10/13/2015 ⁽⁵⁾	57,142	—	—	\$ 2.80	10/13/2025	—	—	—	—
	10/13/2015 ⁽⁵⁾	28,571	—	—	\$ 2.80	10/13/2025	—	—	—	—
	06/17/2014 ⁽⁵⁾	714	—	—	\$ 10.85	6/17/2024	—	—	—	—
Arash Vakil	05/05/2017 ⁽⁵⁾	31,779	—	—	\$ 3.36	05/04/2027	—	—	—	—
	05/05/2017 ⁽⁶⁾	7,142	7,144	—	\$ 3.36	05/04/2027	—	—	—	—
Eric Sackowitz	03/22/2018 ⁽⁷⁾	7,500	7,500	—	\$ 5.70	03/22/2028	—	—	—	—
	05/05/2017 ⁽⁵⁾	15,678	—	—	\$ 3.36	05/04/2027	—	—	—	—
	05/05/2017 ⁽⁶⁾	14,285	14,286	—	\$ 3.36	05/04/2027	—	—	—	—

- (1) The shares of common stock underlying the stock option will vest and become exercisable as follows: (i) 17,500 of the shares will vest based on the Company's earnings before interest, tax, depreciation, and amortization for a fiscal year equal or exceeding \$4 million at any time within the four-year period commencing on the date of grant and (ii) 52,500 of the shares will vest based on the Company's Annual Revenues (as defined in the applicable stock option award agreement) equaling or exceeding the following thresholds at any time within the four-year period commencing on the date of grant: (a) \$60 million – 26,250 shares vest and (b) \$100 million – 26,250 shares vest.
- (2) Mr. Harrington was separated from the Company effective December 13, 2019. In connection with Mr. Harrington's separation, all unvested stock options were forfeited.
- (3) The shares of common stock underlying the stock option vested twenty-five percent (25%) on each of November 5, 2017, 2018 and 2019. The unvested portion of the stock option was forfeited in connection with Mr. Harrington's separation on December 13, 2019.
- (4) The shares of common stock underlying the stock option vested twenty-five percent (25%) on each of October 13, 2017, 2018 and 2019. The unvested portion of the stock option was forfeited in connection with Mr. Harrington's separation on December 13, 2019.
- (5) The shares of common stock underlying the stock option are fully vested.
- (6) The shares of common stock underlying the stock option vested twenty-five percent (25%) on each of May 5, 2018 and 2019 and will vest in twenty-five percent (25%) installments on each of May 5, 2020 and 2021.
- (7) The shares of common stock underlying the stock option vested fifty percent (50%) on March 22, 2019 and the remaining fifty percent (50%) will vest on March 22, 2020.

Equity Compensation Plan Information

The following table provides information as of December 31, 2019 about compensation plans under which shares of our common stock may be issued to employees, executive officers or members of our Board of Directors upon the exercise of options, warrants or rights under all of our existing equity compensation plans.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column(a)) (c)
Equity compensation plans approved by security holders	989,811	\$ 4.86	454,792 ⁽¹⁾⁽³⁾
Equity compensation plans not approved by security holders	31,432 ⁽²⁾	\$ 3.18	—
Total	1,021,243	\$ 4.82	454,792

- (1) Represents shares of common stock available for issuance under the 2016 Plan (as defined below), which permits the issuance of incentive stock options, nonqualified stock options, shares of restricted stock, stock appreciation rights, restricted stock units, performance awards, dividend equivalent rights and other awards. As described below, no additional awards may be issued under the 2011 Plan (as defined below).
- (2) As of the Record Date, there were (i) 747,987 shares of common stock to be issued upon the exercise of outstanding stock options under the 2016 Plan and 574,686 shares of common stock remaining available for future issuances under the 2016 Plan and (ii) 121,930 shares of common stock to be issued upon the exercise of outstanding stock options under the 2011 Plan.
- (3) Represents shares available or authorized for issuance under (i) the Equity Incentive Compensation Plan (as defined below), which permitted the issuance of incentive stock options and nonqualified stock options and (ii) various individual compensation arrangements that the Company has with current and former employees.

In December 2008, our Board of Directors approved the equity incentive compensation plan (the “Equity Incentive Compensation Plan”) and, in December 2010, terminated the plan as to all unallocated shares of common stock thereunder. The purpose of the Equity Incentive Compensation Plan was to provide an incentive to attract, retain and motivate employees, officers, directors, consultants and advisors with the ability to participate in our future performance. Under the Equity Incentive Compensation Plan, we were authorized to issue incentive stock options and nonqualified stock options. The Equity Incentive Compensation Plan was administered by our Board of Directors. All options previously granted under the Equity Incentive Compensation Plan remained in full force and effect following the plan’s termination.

In May 2011, our Board of Directors adopted the PeerStream, Inc. 2011 Long-Term Incentive Plan (the “2011 Plan”). In October 2011, our Board of Directors amended and restated the 2011 Plan (the “2011 Amended Plan”) and adopted the 2011 Amended Plan to allow for the issuance of incentive stock option awards. The 2011 Amended Plan was adopted to attract and retain the services of key employees, key contractors and outside directors. The 2011 Amended Plan provided for the granting of incentive stock options, nonqualified stock options, shares of restricted stock, stock appreciation rights, restricted stock units, performance awards, dividend equivalent rights and other awards. The 2011 Amended Plan was administered by our Board of Directors and was replaced by the 2016 Plan (as defined below).

In March 2016, our Board of Directors adopted the PeerStream, Inc. 2016 Long-Term Incentive Plan (the “2016 Plan”), which was approved by our stockholders in May 2016. The 2016 Plan was adopted to attract and retain the services of key employees, key contractors and outside directors. The 2016 Plan provides for the granting of incentive stock options, nonqualified stock options, shares of restricted stock, stock appreciation rights, restricted stock units, performance awards, dividend equivalent rights and other awards. The 2016 Plan is administered by the compensation committee of our Board of Directors.

**PROPOSAL 2: THE RATIFICATION OF THE APPOINTMENT OF MARCUM LLP
AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Marcum LLP has served as the Company's independent registered public accounting firm since April 24, 2015. We do not expect that representatives of Marcum LLP will attend the Annual Meeting or will be available to respond to questions or make statements. The Board of Directors has selected Marcum LLP as the Company's principal independent registered public accounting firm for the fiscal year ending December 31, 2020.

The Board of Directors is asking stockholders to ratify the appointment of Marcum LLP. If our stockholders do not ratify the appointment of Marcum LLP at the Annual Meeting, the Board of Directors may consider other accounting firms for the fiscal year ending December 31, 2020. The Board of Directors will be under no obligation, however, to appoint a new independent registered public accounting firm.

Vote Required

The ratification of the appointment of Marcum LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2020 requires the affirmative vote, in person or by proxy, of the majority of votes cast for or against such proposal at the Annual Meeting.

<p>The Board of Directors recommends that you vote “FOR” the ratification of the selection of Marcum LLP to serve as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2020.</p>

PRINCIPAL ACCOUNTANT FEES AND SERVICES

Marcum LLP has served as the Company's independent registered public accounting firm since April 24, 2015.

Fees Paid to Independent Registered Public Accounting Firm

The following table shows the aggregate fees billed to us by Marcum LLP for professional services rendered in 2019 and 2018:

	2019	2018
Audit Fees	\$ 179,635	\$ 271,712
Audit-Related Fees	—	\$ 72,250
Tax Fees	—	—
All Other Fees	—	—
Total Fees	\$ 179,635	\$ 343,962

Audit Fees. Audit fees for 2019 and 2018 consisted of fees related to the audit and review of our consolidated financial statements, review of our interim consolidated financial statements, review of certain financial statements and services normally provided by the independent registered public accounting firm in connection with statutory and regulatory filings or engagements, including, with respect to 2018, consents related to registration statements. We incurred audit fees of \$179,635 and \$271,712 for 2019 and 2018, respectively.

Audit-Related Fees. Audit-related fees for 2019 and 2018 consisted primarily of assurance fees, including with respect to 2018, fees related to the preparation of a Registration Statement on Form S-1. We did not incur any audit-related fees for 2019. We incurred audit-related fees of \$72,250 for 2018.

Tax Fees. There were no tax fees for 2019 or 2018.

All Other Fees. There were no other service fees for 2019 or 2018.

Approval of Independent Registered Public Accounting Firm Services and Fees

The SEC requires that before our independent registered public accounting firm is engaged by us to render any audit or permitted non-audit related service, the engagement be either: (i) approved by our audit committee or (ii) entered into pursuant to pre-approval policies and procedures established by the audit committee; provided that the policies and procedures are detailed as to the particular service, the audit committee is informed of each service, and such policies and procedures do not include delegation of the audit committee's responsibilities to management.

Our audit committee is responsible for pre-approving all services provided by our independent registered public accounting firm. All of the above services and fees for 2019 and 2018 were pre-approved by our audit committee.

OTHER BUSINESS

The Board of Directors knows of no other business to be brought before the Annual Meeting. If, however, any other business should properly come before the Annual Meeting, the persons named in the accompanying proxy will vote the proxy in accordance with applicable law and as they may deem appropriate in their discretion, unless directed by the proxy to do otherwise.

INCORPORATION BY REFERENCE

The SEC allows us to “incorporate by reference” information into this Proxy Statement, which means that we can disclose important information to you by referring you to another document or report filed separately with the SEC. The information incorporated by reference is deemed to be a part of this Proxy Statement, except to the extent any information is superseded by this Proxy Statement.

Our Annual Report on [Form 10-K](#) for the year ended December 31, 2019, along with financial statements and related notes thereto (the “[Form 10-K](#)”), which was filed with the SEC on March 23, 2020 and contains important information about the Company, is hereby incorporated by reference into this Proxy Statement. A copy of the Form 10-K is included within the Annual Report delivered with this Proxy Statement.

Any statement contained in a document incorporated or deemed to be incorporated by reference into this Proxy Statement will be deemed to be modified or superseded for purposes of this Proxy Statement to the extent that a statement contained in this Proxy Statement or any other subsequently filed document that is deemed to be incorporated by reference into this Proxy Statement modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Proxy Statement.

SUBMISSION OF FUTURE STOCKHOLDER PROPOSALS

Pursuant to Rule 14a-8 under the Exchange Act, a stockholder proposal submitted for inclusion in our proxy statement for the 2021 annual meeting must be received no later than December 11, 2021. However, pursuant to such rule, if the 2021 annual meeting is held on a date that is before April 14, 2021 or after June 13, 2021, then a stockholder proposal submitted for inclusion in our proxy statement for the 2021 annual meeting must be received by us a reasonable time before we begin to print and mail our proxy statement for the 2021 annual meeting.

Stockholders wishing to submit proposals to be presented directly at our next annual meeting of stockholders instead of by inclusion in next year’s proxy statement must follow the submission criteria set forth in our By-Laws, and applicable law concerning stockholder proposals. To be timely in connection with our next annual meeting, a stockholder proposal concerning director nominations or other business must be received by the Company at its principal executive offices between January 14, 2021 and February 13, 2021; provided, however, if and only if the 2021 annual meeting is not scheduled to be held between April 14, 2021 or after July 13, 2021, such stockholder’s notice must be received by the Company at its principal executive offices not earlier than 120 days prior to the date of the 2021 annual meeting and not later than the later of (A) the tenth day following the date of the public announcement of the date of the 2021 annual meeting or (B) the date which is 90 days prior to the date of the 2021 annual meeting.

A copy of the Company’s 2019 Annual Report on Form 10-K (and any exhibits thereto) is available without charge upon written request to PeerStream, Inc., Attention: Wilmary Soto-Guignet, Financial Reporting, 122 East 42nd Street, Suite 3400, New York, New York 10168.

PeerStream, Inc.

Shareowner Services
P.O. Box 64945
St. Paul, MN 55164-0945

Vote by Internet, Telephone or Mail 24 Hours a Day, 7 Days a Week

Your phone or Internet vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card.



INTERNET/MOBILE –
www.proxypush.com/PEER
Use the Internet to vote your proxy.



PHONE – 1-866-883-3382
Use a touch-tone telephone to vote your proxy.



MAIL – Mark, sign and date your proxy card and return it in the postage-paid envelope provided.

If you vote your proxy by Internet or by Telephone, you do NOT need to mail back your Proxy Card.

⬇ Please detach here ⬇

The Board of Directors Recommends a Vote FOR Items 1 and 2.

1. Election of directors:
- | | |
|-----------------------|---------------------|
| 01 Yoram "Rami" Abada | 04 Michael Levit |
| 02 Jason Katz | 05 John Silberstein |
| 03 Lance Laifer | |

☐ Vote FOR
all nominees
(except as marked)

☐ Vote WITHHELD
from all nominees

(Instructions: To withhold authority to vote for any indicated nominee, write the number(s) of the nominee(s) in the box provided to the right.)

2. Ratification of the appointment of Marcum LLP as the Company's independent Registered Public Accounting Firm.

☐ For ☐ Against ☐ Abstain

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS DIRECTED OR, IF NO DIRECTION IS GIVEN, WILL BE VOTED "FOR" PROPOSALS 1 AND 2.

Address Change? Mark box, sign, and indicate changes below: ☐

Date _____

Signature(s) in Box

Please sign exactly as your name(s) appears on Proxy. If held in joint tenancy, all persons should sign. Trustees, administrators, etc., should include title and authority. Corporations should provide full name of corporation and title of authorized officer signing the Proxy.

PeerStream, Inc.

ANNUAL MEETING OF STOCKHOLDERS

Thursday, May 14, 2020
9:00 a.m. Eastern Time

To log into the virtual meeting, please follow the instructions below:

- Visit <https://web.lumiagm.com/213784993> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible.
- To register as a shareholder, select "I have a Control Number." If you are a visitor, select "General Access."
- As a shareholder, you will then be required to enter your control number which is located in the upper right hand corner on the reverse side of this notice.
- The Meeting Code is **PEERSTREAM2020** (case sensitive).
- As a visitor, you will be prompted to complete first name, last name and email address.
- When successfully authenticated, the info screen will be displayed. You can view company information, ask questions and watch the webcast.

PeerStream, Inc.

PEERSTREAM, INC.
122 East 42nd Street
New York, New York 10168

proxy

This proxy is solicited by the Board of Directors for use at the Annual Meeting on May 14, 2020.

The shares of stock you hold in your account or in a dividend reinvestment account will be voted as you specify on the reverse side.

If no choice is specified, the proxy will be voted "FOR" Items 1 and 2.

By signing the proxy, you revoke all prior proxies and appoint Jason Katz, Kara Jenny and Wilmary Soto-Guignet, and each of them with full power of substitution, to vote your shares on the matters shown on the reverse side and any other matters that may come before the Annual Meeting and all adjournments.

See reverse for voting instructions.