SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): April 17, 2000

GARTNER GROUP, INC.
(Exact Name of Registrant as Specified in Charter)

DELAWARE	1-14443	04-3099750
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

Post Office Box 10212
56 TOP GALLANT ROAD
STAMFORD, CT 06904-2212
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (203) 316-1111

ITEM 5. OTHER EVENTS

On April 17, 2000, Gartner Group, Inc. ("Gartner") issued and sold an aggregate of $300 million principal amount of its unsecured 6% Convertible Junior Subordinated Promissory Notes due April 17, 2005 (the "Notes") to Silver Lake Partners, L.P. and certain of Silver Lake Partners, L.P.'s affiliates. The Notes mature five years from the date of their issuance. After the third anniversary of issuance, the principal amount of each Note plus all accrued interest may, at the election of the holder, be converted into fully paid and nonassessable shares of Gartner's Group Class A Common Stock, par value $.0005 per share, subject to Gartner's right, under certain circumstances, to redeem the Notes for cash in an amount equal to the unpaid principal amount of the Notes plus accrued interest. The initial conversion price for the Notes is $15.87.

Gartner intends to use the proceeds from the sale of the Notes to prepay a portion of the debt outstanding under its $500 million working capital facility and to provide working capital to Gartner and its subsidiaries.

On April 14, 2000, Roger B. McNamee, co-founder and general partner of Integral Capital Partners, and Glenn H. Hutchins, co-founder of Silver Lake Partners, L.P., were appointed to the Gartner's board of directors to fill two vacancies resulting from the resignations of John P. Imlay, Chairman, Imlay Investment Inc., and Charles B. McQuade, President and Chief Executive Officer of Securities Industry Automation Corporation.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial statements of business acquired.

None

(b) Pro forma financial information

None

(c) Exhibits

10.1 Securities Purchase Agreement dated as of March 21, 2000 between Gartner Group, Inc., Silver Lake Partners, L.P., Silver Lake Technology Investors, L.L.C. and the other parties thereto.

10.2 Amendment to the Securities Purchase Agreement dated as of April 17, 2000 between Gartner Group, Inc., Silver Lake Partners, L.P., Silver Lake Technology Investors, L.L.C. and the other parties thereto.

10.3 Form of 6% Convertible Junior Subordinated Promissory Note due April 17, 2005

10.4. Securityholders Agreement dated as of April 17, 2000 among Gartner Group, Inc., Silver Lake Partners, L.P. and the other parties thereto.

SIGNATURE

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

Dated: April 24, 2000

By: /s/ Kenneth S. Siegel

Kenneth S. Siegel
Executive Vice President
and General Counsel

SECURITIES PURCHASE AGREEMENT

BETWEEN

GARTNER GROUP, INC.,

SILVER LAKE PARTNERS, L.P.,

SILVER LAKE INVESTORS, L.P.,

AND

SILVER LAKE TECHNOLOGY INVESTORS L.L.C.

DATED AS OF MARCH 21, 2000

TABLE OF CONTENTS

PAGE

ARTICLE I
AGREEMENT TO SELL AND PURCHASE....................1
SECTION 1.1. Authorization of Notes, Option and Shares....................1
SECTION 1.2. Sale and Purchase....................2
SECTION 1.3. Conversion Price and Announcement Reset....................2

ARTICLE II
CLOSING, DELIVERY AND PAYMENT....................2
SECTION 2.1. Closing....................2
SECTION 2.2. Delivery....................2

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY....................3
SECTION 3.1. Organization, Good Standing and Qualification....................3
SECTION 3.2. Subsidiaries....................3
SECTION 3.3. Capitalization; Voting Rights....................4
SECTION 3.4. Authorization; Binding Obligations....................5
SECTION 3.5. SEC Reports; Financial Statements....................6
SECTION 3.6. Undisclosed Liabilities....................6
SECTION 3.7. Agreements; Action....................7
SECTION 3.8. Obligations to Related Parties....................7
SECTION 3.9. Changes....................8
SECTION 3.10. Title to Properties and Assets; Liens, Condition, Etc.......8
SECTION 3.11. Intellectual Property....................9
SECTION 3.12. Compliance with Law; Other Instruments....................10
SECTION 3.13. Litigation....................11
SECTION 3.14. Tax Matters....................11
SECTION 3.15. Employees....................12
SECTION 3.16. Environmental and Safety Laws....................12
SECTION 3.17. Offering Valid....................13
SECTION 3.18. Employee Benefit Plans....................13
SECTION 3.19. Permits....................14
SECTION 3.20. No Broker....................15
SECTION 3.21. Disclosure....................15
SECTION 3.22. Shareholder Vote....................15

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER....................15
SECTION 4.1. Requisite Power and Authority....................15
SECTION 4.2. Investment Representations....................16
SECTION 4.3. Litigation....................16
SECTION 4.4. No Broker....................16
SECTION 4.5. Purchasers' Financing....................16

ARTICLE V
COVENANTS....16
SECTION 5.1. Ordinary Course of Business....17
SECTION 5.2. Access....18
SECTION 5.3. D&O Insurance....18
SECTION 5.4. Use of Proceeds....18
SECTION 5.5. Efforts....19
SECTION 5.6. Notification of Certain Matters....19
SECTION 5.7. Reservation of Shares....19
SECTION 5.8. Confidentiality....19
SECTION 5.9. Operating Company....19
SECTION 5.10. Listing Shares on Another Exchange....19

ARTICLE VI
CONDITIONS TO CLOSING....20
SECTION 6.1. Conditions to Purchaser's Obligation to Purchase the Notes and the Option....20
SECTION 6.2. Conditions to Obligations of the Company....22

ARTICLE VII
INDEMNIFICATION....22
SECTION 7.1. Survival of Representations and Warranties....22
SECTION 7.2. Indemnification....23
SECTION 7.3. Indemnification Amounts....23
SECTION 7.4. Non-Exclusive Remedy....24
SECTION 7.5. Certain Limitations....24

ARTICLE VIII
MISCELLANEOUS....24
SECTION 8.1. Other Definitions....24
SECTION 8.2. Governing Law; Jurisdiction; Waiver of Jury Trial....25
SECTION 8.3. No Shop....25
SECTION 8.4. Expenses....25
SECTION 8.5. Transaction Fee....25
SECTION 8.6. Successors and Assigns; Assignment....25
SECTION 8.7. Entire Agreement; Supersedes Prior Agreement....26
SECTION 8.8. Severability....26
SECTION 8.9. Amendment and Waiver....26
SECTION 8.10. Delays or Omissions....26
SECTION 8.11. Notices....26
SECTION 8.12. Titles and Subtitles....27
SECTION 8.13. Termination....27
SECTION 8.14. Counterparts; Execution by Facsimile Signature....28

Schedules

Schedule 3.2(a) Subsidiaries
Schedule 3.2(b) Investments
Schedule 3.3(c) Options and Other Related Rights
Schedule 3.5(c) Unaudited Financial Statements
Schedule 3.6 Undisclosed Liabilities
Schedule 3.7(a) Contracts with Related Parties
Schedule 3.7(b) Contracts
Schedule 3.7(c) Breaches and Defaults
Schedule 3.8 Obligations to Related Parties
Schedule 3.9(b) Mergers of Subsidiaries into the Company or other Subsidiaries
Schedule 3.9(c) Actions Requiring Consent
Schedule 3.9(d) Transfers of Intellectual Property
Schedule 3.11(a) Intellectual Property
Schedule 3.11(b) Intellectual Property Reporting and Licensing
Schedule 3.11(c) Intellectual Property Invalidity/Infringement
Schedule 3.13 Litigation
Schedule 3.14(a) Tax Matters
Schedule 3.18(a) Employee Benefit Plans
Schedule 3.18(e) Employee Benefit Plans--ERISA
Schedule 3.20 Brokers
Schedule 6.1(a) Approvals
Schedule 6.1(m) Selected Employees

Exhibits

Exhibit A -- Form of Note
Exhibit B -- Form of Securityholders Agreement
Exhibit C -- Restated Certificate and Bylaws
Exhibit D -- Form of Employee Agreement Waiver

GARTNER GROUP, INC.

SECURITIES PURCHASE AGREEMENT

THIS SECURITIES PURCHASE AGREEMENT (this "AGREEMENT") is entered into as of March 21, 2000, between Gartner Group, Inc., a Delaware corporation (the "COMPANY"), and Silver Lake Partners, L.P., a Delaware limited partnership ("SILVER LAKE"), Silver Lake Investors L.P., a Delaware limited partnership, Silver Lake Technology Investors L.L.C., a Delaware limited liability company, and such Affiliates (as defined below) and limited and/or general partners as Silver Lake shall designate in accordance with Section 8.6 hereof (together with Silver Lake, the "PURCHASERS").

RECITALS

WHEREAS, the Company has authorized the sale and issuance of an aggregate principal amount of $300,000,000 of its 6% Convertible Junior Subordinated Promissory Notes Due 2005, in the form of Notes attached hereto as Exhibit A (the "NOTES"), and the Option (as defined in the Securityholders Agreement (as defined below));

WHEREAS, the Purchasers desire to purchase the Notes and the Option, on the terms and conditions set forth herein;

WHEREAS, the Company desires to issue and sell the Notes and the Option to the Purchasers on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises hereinafter set forth, the parties hereto agree as follows:

ARTICLE I
AGREEMENT TO SELL AND PURCHASE

SECTION I.1. AUTHORIZATION OF NOTES, OPTION AND SHARES. The Company has authorized (i) the initial sale and issuance to the Purchasers of the Notes and the Option, (ii) the issuance of up to 19,442,664 shares of its Class A Common Stock (as defined below) (the "CONVERSION SHARES"), to be issued upon the conversion of the Notes and/or the conversion of the Preferred Stock (as defined in the Letter Agreement dated the Closing Date with respect to the possible issuance of Preferred Stock (the "LETTER AGREEMENT") as provided for in the Notes and the Certificate of Designations (as defined in the Letter Agreement), together with all interest or dividends thereon, as the case may be, and (iii) the issuance of up to 2,000,000 shares of Preferred Stock to be issued under certain conditions in the event of the conversion of the Notes into shares of Preferred Stock as provided for in the Letter Agreement.

SECTION I.2. SALE AND PURCHASE. Subject to the terms and conditions hereof, the Company hereby agrees to issue and sell to the Purchasers, and the Purchasers agree to purchase from the Company, the Notes for an aggregate purchase price of $299,000,000 and the Option for an aggregate purchase price of $1,000,000, (the aggregate purchase price of $300,000,000 herein referred to as the "AGGREGATE PURCHASE PRICE").

SECTION I.3. CONVERSION PRICE AND ANNOUNCEMENT RESET. The conversion price at which shares of Class A Common Stock shall be deliverable upon the conversion of the Notes shall initially be $15.87 (the "CONVERSION PRICE"), provided that if the average trading price of the Class A Common Stock for the three trading days immediately following the date of this Agreement is below $12.73, the Conversion Price shall be immediately reset to $14.00. To the extent not reflected in the adjustment provisions in the Notes, the Conversion Price shall be adjusted to reflect any stock splits, cash or noncash dividends, recapitalizations, mergers, combinations, distributions, issuances, reclassifications, exchanges, substitutions or other similar adjustments with respect to the capital stock of the Company subsequent to the date hereof, in each case consistent with the adjustment provisions relating to the Conversion Shares in the Notes.

ARTICLE II
CLOSING, DELIVERY AND PAYMENT

SECTION II.1. CLOSING. (a) The closing of the sale and purchase of the Notes and the Option under this Agreement (the "CLOSING") shall take place on the business day immediately following satisfaction or waiver of the conditions set forth in Section 6, but no earlier than April 11, 2000, at the offices of Simpson Thacher & Bartlett, 425 Lexington Avenue, New York, New York 10017, or at such other time or place as the Company and the Purchasers may mutually agree (such date, the "CLOSING DATE").

(b) Not less than two business days prior to the Closing, the Purchasers shall advise the Company in writing (the "ALLOCATION NOTICE") of the names in which to register the Notes to be purchased at the Closing and the aggregate principal amount of Notes to be purchased by each Purchaser (which aggregate principal amount, when added together, shall equal $300,000,000).

SECTION II.2. DELIVERY. At the Closing, subject to the terms and conditions hereof, the Company will deliver to the Purchasers certificates representing the Notes to be purchased at such Closing in the names and amounts set forth in the Allocation Notice, free and clear of any Encumbrances (as defined herein) (other than those placed thereon by or on behalf of the Purchasers), and the Purchasers will make payment to the Company of the Aggregate Purchase Price by wire transfer of immediately available funds to an account designated by the Company at least two business days prior to the Closing Date.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to the Purchasers, except as set forth in the SEC Reports (as herein defined) or the Schedules to the Letter dated the date hereof delivered by the Company to the Purchasers and designated the "Disclosure Letter" (the "DISCLOSURE LETTER"):

SECTION III.1. ORGANIZATION, GOOD STANDING AND QUALIFICATION. Each of the Company and its Subsidiaries (as defined below) is a corporation or other entity duly organized, validly existing and in good standing under the laws of the jurisdiction of incorporation or formation, as the case may be, and has all requisite power and authority to own, lease and operate its properties and assets and to carry on its business as currently conducted. The Company has all requisite corporate power and authority to execute and deliver this Agreement, the Notes and the Securityholders Agreement in the form of Exhibit B attached hereto (the "SECURITYHOLDERS AGREEMENT"), to consummate the transactions contemplated hereby and thereby and to perform its obligations hereunder and thereunder. Each of the Company and its Subsidiaries is duly qualified and is authorized to do business and is in good standing as a foreign corporation or other entity in all jurisdictions in which the character or location of its activities and of the properties owned or operated by it makes such qualification necessary, except for such failures which would not be expected to result in a Material Adverse Effect. The Company has provided to the Purchasers a complete and correct copy of the Restated Certificate (as defined herein) and the Bylaws (as defined herein), attached hereto as Exhibit C.

SECTION III.2. SUBSIDIARIES. (a) As used herein, "SUBSIDIARY" means (i) any corporation of which a majority of the securities entitled to vote generally in the election of directors thereof, at the time as of which any determination is being made, are owned by another entity, either directly or indirectly, and (ii) any joint venture, general or limited partnership, limited liability company or other legal entity in which an entity is the record or beneficial owner, directly or indirectly, of a majority of the voting interests or the general partner. Schedule 3.2(a) to the Disclosure Letter accurately sets forth each Subsidiary of the Company, including its name, place of incorporation or formation, and if not wholly owned directly or indirectly by the Company, the record ownership as of the date of this Agreement of all capital stock or other equity interests issued thereby. All shares of capital stock or other equity interests of any Subsidiary directly or indirectly owned by the Company have been duly authorized and validly issued, are fully paid and nonassessable and are directly or indirectly owned by the Company free and clear of any Encumbrance and have not been issued in violation of, nor subject to, any preemptive, subscription or other similar rights. "ENCUMBRANCE" means any security interest, pledge, mortgage, lien (statutory or other), charge, option to purchase, lease or otherwise acquire any interest or any claim, restriction, covenant, title defect, hypothecation, assignment, deposit arrangement or other encumbrance of any kind or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement).

(b) Except for the Subsidiaries and as set forth on Schedule 3.2(b) to the Disclosure Letter, the Company does not own any capital stock, membership interests, security or other interest in any other Person (as defined in Section 8.1), which represents more than 5% of

the issued and outstanding equity or ownership interests of such Person, and except as set forth on Schedule 3.2(b) to the Disclosure Letter, neither the Company nor any of its Subsidiaries has any written, or to the knowledge of the Company, oral understanding or agreement to provide funds to, or make any investment (in the form of a loan, capital contribution or otherwise) in, any other Person.

SECTION III.3. CAPITALIZATION; VOTING RIGHTS. (a) As of February 29, 2000, the capitalization of the Company consisted of the following:

(i) 250,000,000 shares of Common Stock, par value $0.0005 per share (the "COMMON STOCK"), of which (A) 166,000,000 shares are designated Class A ("CLASS A COMMON STOCK") (1) 53,320,278 shares of which were issued and outstanding, (2) 29,717,767 shares of which were reserved for future issuance to employees pursuant to outstanding stock options under the Stock Option Plans (as defined below) and (3) 1,631,434 shares of which were reserved for future issuance to employees pursuant to the Employee Stock Purchase Program, and (B) 84,000,000 are designated Class B ("CLASS B COMMON STOCK") (1) 33,692,616 shares of which were issued and outstanding, and (2) no shares of which were reserved for future issuance to employees pursuant to outstanding stock options under the Stock Option Plans; and

(ii) 5,000,000 shares of preferred stock, par value $0.01 per share (the "PREFERRED SHARES") none of which were issued and outstanding, of which (A) 166,000 shares are designated as Series A Junior Participating Preferred Stock, none of which are issued and outstanding and (B) 84,000 shares are designated as Series B Junior Participating Preferred Stock, none of which are issued and outstanding.

Since February 29, 2000 no shares of Common Stock or Preferred Shares have been issued except for issuances under any Stock Option Plan and no options have been granted other than pursuant to Stock Option Plans.

(b) All issued and outstanding shares of the Company's capital stock (a) have been duly authorized and validly issued, (b) are fully paid and nonassessable, (c) were issued in compliance with all applicable state and federal laws concerning the issuance of securities and (d) were not issued in violation of, or subject to, any preemptive, subscription or other similar rights of any other Person.

(c) The Company has delivered to the Purchasers a copy of the Company's (i) Long Term Incentive Plan, (ii) 1991 Stock Option Plan, (iii) 1993 Director Stock Option Plan, (iv) Employee Stock Purchase Plan, (v) 1994 Long Term Stock Option Plan, (vi) 1998 Long Term Stock Option Plan, (vii) 1996 Long Term Stock Option Plan, (viii) 1999 Stock Option Plan, and (ix) each option agreement pursuant to which stock options have been granted outside of the plans described in clauses (i) through (viii) above (collectively the options described in clauses (i) through (ix) are hereinafter referred to as the "STOCK OPTION PLANS"). Other than the 29,717,767 shares which were reserved for future issuance to employees pursuant to outstanding stock options plans under the Stock Options Plans (as defined below) (other than the Employee Stock

Purchase Program) and 1,631,434 shares which were reserved for future issuance to employees pursuant to the Employee Stock Purchase Program, the stock options issued pursuant to the Stock Option Plans, and except as may be granted pursuant to this Agreement or as set forth on Schedule 3.3(c) to the Disclosure Letter, there are no outstanding subscriptions, options, calls, warrants, rights (including conversion or preemptive rights and rights of first refusal), proxy or stockholder agreements, or agreements of any kind for the purchase or acquisition from the Company or any of its Subsidiaries of any of their securities, nor has the Company taken or agreed to take any action to issue or grant the same. Except as described in this Agreement or set forth on Schedule 3.3(c) to the Disclosure Letter, (x) there are no outstanding obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any securities of the Company or any voting or equity securities or interests of any of its Subsidiaries, (y) there is no voting trust, proxy, stockholder or other agreements or understandings to which the Company or any of its Subsidiaries or, to the knowledge of the Company, any of its stockholders is a party or is bound with respect to the voting or transfer of the capital stock or other voting securities of the Company or any of its Subsidiaries and (z) there are no other subscriptions, options, calls, warrants or other rights (including registration rights, whether demand or piggyback registration rights), agreements, arrangements or commitments of any character relating to the issued or unissued capital stock of the Company or any of its Subsidiaries to which the Company or any of its Subsidiaries is a party. Except as set forth on Schedule 3.3(c) to the Disclosure Letter, the consummation of the transactions contemplated by this Agreement, the Notes and the Securityholders Agreement will not trigger the anti-dilution provisions or other price adjustment mechanisms of any outstanding subscriptions, options, calls, warrants, commitments, contracts, preemptive rights, rights of first refusal, demands, conversion rights or other agreements or arrangements of any character or nature whatsoever under which the Company is or may be obligated to issue or acquire shares of any of its capital stock. The sale of the Notes is not and will not be subject to any preemptive rights, rights of first refusal, subscription or similar rights that have not been properly waived.

(d) The Notes and the Option have been duly and validly authorized, the Conversion Shares and, in certain circumstances, the Preferred Stock into which the Notes may be convertible have been duly and validly reserved for issuance and when the Preferred Stock, are issued in accordance with the provisions of this Agreement, the Notes and the Certificate of Designations, such shares will be duly authorized, validly issued, fully paid and nonassessable, will be delivered to the Purchasers (or their permitted transferees) free and clear of all Encumbrances (other than those placed thereon by or on behalf of the Purchasers (or their permitted transferees)) and will have the rights, preferences, privileges and restrictions set forth in the Certificate of Designations.

SECTION III.4. AUTHORIZATION; BINDING OBLIGATIONS. All corporate action on the part of the Company, its officers, directors and stockholders necessary for the execution and delivery of this Agreement, the Notes and the Securityholders Agreement, the consummation of the transactions contemplated hereby and thereby and the performance of all obligations of the Company hereunder and thereunder as of the Closing has been taken or will be taken prior to the Closing, other than (i) with respect to the issuance of the Conversion Shares, the approval of a majority of the total votes cast by the holders of Common Stock as may be required under the

rules of a securities exchange on which any of the Company's securities are traded and (ii) the filing of the Certificate of Designations with the Secretary of State of Delaware. This Agreement, the Notes and the Securityholder Agreement have been or will be duly executed and delivered by the Company. This Agreement, the Notes and the Securityholders Agreement (assuming due execution and delivery by the Purchasers) will be legal, valid and binding obligations of the Company enforceable against it in accordance with their terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

SECTION III.5. SEC REPORTS; FINANCIAL STATEMENTS.

(a) The Company has filed with the U.S. Securities and Exchange Commission (the "SEC") all forms, reports, schedules, proxy statements (collectively, and in each case including all exhibits and schedules thereto and documents incorporated by reference therein and including all registration statements and prospectuses filed with the SEC, the "SEC REPORTS") required to be filed by the Company with the SEC since January 1, 1997. As of its date of filing, each SEC Report complied in all material respects with the requirements of the Securities Exchange Act of 1934, as amended (the "EXCHANGE ACT"), or the Securities Act of 1933, as amended (the "SECURITIES ACT"), and the rules and regulations promulgated thereunder and none of such SEC Reports (including any and all financial statements included therein) contained when filed or (except to the extent revised or superseded by a subsequent filing with the SEC prior to the date hereof) contains any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(b) Each of the consolidated financial statements (including the notes thereto) included in the SEC Reports complied as to form, as of its date of filing with the SEC, in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, has been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly presents the consolidated financial position of Company and its consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods then ended, subject (in the case of unaudited financial statements) to normal year-end adjustments and any other adjustments described therein or in the notes or schedules thereto or the absence of footnotes.

(c) The unaudited balance sheet and the related unaudited statement of income for the period ended on February 29, 2000, copies of which have been furnished to the Purchasers and are set forth on Schedule 3.5(c) to the Disclosure Letter, present fairly in all material respects the financial condition of the Company as of such date, and the results of its operations for the two-month period then ended, and were prepared on a basis consistent with the Company's past practice, subject to normal year-end adjustments and the absence of footnotes. The unaudited balance sheet also presents fairly in all material respect the balance sheet of the Company as of

February 29, 2000 on a pro forma basis giving effect to the issuance of the Notes and the application of the proceeds thereof.

SECTION III.6. UNDISCLOSED LIABILITIES. Except as set forth on Schedule 3.6 to the Disclosure Letter and except for liabilities included or reserved for in (i) the unaudited consolidated balance sheet of the Company as of December 31, 1999 included in its Quarterly Report on Form 10-Q (the "10-Q") for the quarter ended December 31, 1999, or (ii) the audited consolidated balance sheet of the Company as of September 30, 1999 included in its Annual Report on Form 10-K (the "10-K") for the fiscal year ended September 30, 1999 (the "BALANCE SHEET"), as filed with the SEC, at December 31, 1999, neither the Company nor any of its Subsidiaries had, and since such date none of them has incurred, liabilities, including contingent liabilities, or any other obligations whatsoever that are or could be material (individually or in the aggregate) to the Company and its Subsidiaries, taken as a whole, except current liabilities incurred in the ordinary course of business consistent with past practice subsequent to December 31, 1999 not in excess of $5.0 million.

SECTION III.7. AGREEMENTS; ACTION.

(a) Except as set forth on Schedule 3.7(a) to the Disclosure Letter or disclosed in the 10-K, there are no contracts, agreements, understandings or proposed transactions between the Company or any of its Subsidiaries and any of its officers, directors or Affiliates or any family member or Affiliate thereof that would be required to be disclosed pursuant to Item 404 of Regulation S-K of the SEC.

(b) Attached hereto as Schedule 3.7(b) to the Disclosure Letter is a list of (i) all "material contracts" within the meaning of Item 601 of Regulation S-K of the SEC, (ii) all material contracts concerning Intellectual Property (as defined in Section 3.11) ("IP CONTRACTS"), (iii) all contracts restricting the Company or any of its Subsidiaries from engaging in any line of business or competing with any Person or in any geographical area, and (iv) all contracts restricting the payments of dividends or interest upon, or the redemption or conversion of, the Notes and the Preferred Stock (collectively, the "Contracts").

(c) Except as set forth on Schedule 3.7(c) to the Disclosure Letter, neither the Company nor any of its Subsidiaries is, nor to the Company's knowledge is any other party to any Contract, in material default under, or in material breach or material violation of, any Contract and, to the knowledge of the Company, no event has occurred which, with the giving of notice or passage of time or both would constitute a material default by the Company or any other party under any Contract. Other than Contracts which have terminated or expired in accordance with their terms, each of the Contracts is in full force and effect and (assuming due execution and delivery by the counterparties thereto) is a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms (subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing).

SECTION III.8. OBLIGATIONS TO RELATED PARTIES. Except as disclosed in Schedule 3.8 to the Disclosure Letter, there are no obligations of the Company or any of its Subsidiaries to their respective officers, directors, stockholders, or employees or any family member or Affiliate thereof other than (a) for payment of salary for services rendered, (b) reimbursement for reasonable expenses incurred on behalf of the Company or one of its Subsidiaries and (c) for other standard employee benefits made generally available to all employees (including stock option agreements outstanding under the Stock Option Plans). Except as set forth on Schedule 3.8 to the Disclosure Letter, neither the Company nor any of its Subsidiaries is a guarantor or indemnitor of any indebtedness of any other Person. Except as set forth on Schedule 3.8 to the Disclosure Letter, neither the Company nor any of its Subsidiaries is indebted, directly or indirectly, to any of their respective officers, directors or stockholders or to any family member or Affiliate thereof, in any amount whatsoever, other than for normal travel advances or reimbursement for normal business expenses; and none of such officers, directors or stockholders or any family member or Affiliate thereof is indebted to the Company or any of its Subsidiaries. Schedule 3.8 to the Disclosure Letter sets forth a description of all transactions since January 1, 1997, between the Company and any of its officers, directors and stockholders, and their respective spouses and children in which such persons had a direct or indirect material interest which are not disclosed in the 10-K.

SECTION III.9. CHANGES. (a) Except as set forth in the SEC Reports filed and publicly available prior to the date hereof, since December 31, 1999, no event, change or circumstance has occurred which has had, or would reasonably be expected to result in, individually or in the aggregate, a material adverse effect on the business, operations, properties, assets, liabilities, financial condition or results of operations of the Company and its Subsidiaries, taken as a whole, or on the ability of the parties hereto to perform their respective obligations under this Agreement, the Notes and the Securityholders Agreement and to consummate the transactions contemplated hereby and thereby (a "MATERIAL ADVERSE EFFECT").

(b) Except as set forth in Schedule 3.9(b) to the Disclosure Letter and except as set forth in the SEC Reports filed and publicly available prior to the date hereof, since December 31, 1999, the Company and its Subsidiaries have carried on their respective businesses only in the ordinary and usual course consistent with their past practices.

(c) Except as disclosed on Schedule 3.9(c) to the Disclosure Letter or in the SEC Reports filed and publicly available prior to the date hereof, since December 31, 1999, the Company has not taken any action or omitted to take any action and there has not occurred any event which, if it had taken place following the date hereof and prior to the Closing, would not have been permitted by Section 5.1 of this Agreement without the prior consent of the Purchaser.

(d) Except as disclosed on Schedule 3.9(d) to the Disclosure Letter or in the SEC Reports filed and publicly available prior to the date hereof, since December 31, 1999, the Company has not engaged in any sale, assignment, disposition, conveyance, abandonment, transfer or license, and no event has occurred causing the invalidation or cancellation, in whole or

in part, of the Intellectual Property other than in the ordinary course of business consistent with past practice.

SECTION III.10. TITLE TO PROPERTIES AND ASSETS; LIENS, CONDITION, ETC. The Company and each of its Subsidiaries have good and marketable title to their respective properties and assets, and good title to their respective leasehold estates, in each case subject to no Encumbrance, other than (i) liens permitted by the Credit Agreement dated as of July 16, 1999 among the Company and the other parties thereto (as amended, the "CREDIT AGREEMENT"), (ii) liens for current taxes not yet due and payable, (iii) possible minor Encumbrances which do not in any case materially detract from the value of the property subject thereto or materially impair the operations of the Company and its Subsidiaries, and which have not arisen other than in the ordinary course of business and (iv) Encumbrances relating to vendor or installation purchases, so long as such Encumbrances extend only to the properties or other assets whose purchase was so financed (collectively "PERMITTED ENCUMBRANCES"). The Company and each of its Subsidiaries are in compliance with all material terms of each lease to which they are a party or are otherwise bound. All properties, equipment and systems of the Company and its Subsidiaries are in good repair, working order and condition and are in compliance with all applicable standards and rules imposed (a) by any governmental agency or authority in which such properties, equipment and systems are located, and (b) under any agreements with customers, except for such failures which would not be expected to result in a Material Adverse Effect.

SECTION III.11. INTELLECTUAL PROPERTY. (a) Schedule 3.11(a) to the Disclosure Letter contains a complete and accurate list of all patents owned, held or used by the Company or any of its Subsidiaries and all registrations or applications related thereto.

(b) Except as set forth on Schedule 3.11(b) to the Disclosure Letter, the Company and its Subsidiaries have (i) to the extent necessary and reasonable, recorded their current interests in, and status with respect to, all Company IP (and all Encumbrances related thereto) with all applicable governmental authorities; and (ii) not granted to any third party, by way of IP Contract or otherwise, any right or interest in any Company IP, except in the ordinary course of business consistent with past practice.

(c) Except as set forth on Schedule 3.11(c) to the Disclosure Letter, (i) the Company and its Subsidiaries own or have the valid right to use all the Intellectual Property necessary or desirable to conduct their businesses as currently conducted and consistent with past practice, free of all Encumbrances, except for those which would not be expected to result in a Material Adverse Effect; (ii) all of the Company IP is valid, enforceable and unexpired, has not been abandoned, and to the Company's knowledge, does not infringe, impair or make unauthorized use of ("INFRINGE") the Intellectual Property of any third party and is not being Infringed by any third party, except as would not be expected to result in a Material Adverse Effect; (iii) no Order or claim, action, suit, audit, assessment, arbitration or inquiry, or any proceeding or, to the Company's knowledge, investigation, by or before any governmental authority (an "ACTION") is outstanding or pending, or to the Company's knowledge, threatened or imminent, that would limit or challenge the ownership, use, value, validity or enforceability of any Company IP; (iv) the Company and its Subsidiaries have taken all necessary and reasonable steps

to protect, maintain and safeguard the value, validity and their ownership of the Company IP, including without limitation any confidential Company IP, and have taken all actions, made all filings, paid all fees and executed all agreements that are appropriate in connection with the foregoing; (v) to the Company's knowledge, no employee of it or any of its Subsidiaries has, in connection with its provision of services thereto, breached any third-party contract with respect to Intellectual Property; (vi) the operation of the Company and its Subsidiaries' businesses does not use any Intellectual Property owned by any of its employees, except for same that has been assigned in writing to the Company; and (vii) the Company and its Subsidiaries own exclusively all of the Intellectual Property listed on Schedule 3.11(a) to the Disclosure Letter, free of any claim by any third parties, including any current or former employees or independent contractors; and (viii) with respect to any patents or patent applications listed on Schedule 3.11(a) to the Disclosure Letter, the Company and its Subsidiaries have the right to obtain a corresponding patent in all other countries in which they currently do business or propose to do business in the foreseeable future, except as would not be expected to result in a Material Adverse Effect. For purposes of this Agreement, the term "INTELLECTUAL PROPERTY" means all U.S. and foreign intellectual property, including without limitation (i) patents, inventions, discoveries, processes, designs, techniques, developments, technology, and related improvements, know-how and show-how, whether or not patented or patentable; (ii) copyrights and works of authorship in any media, including computer hardware, software, applications, systems, networks, databases, documentation and Internet site content; (iii) trademarks, service marks, trade names, brand names, corporate names, domain names, logos and trade dress; (iv) trade secrets, drawings, blueprints and all non-public, confidential or proprietary information, documents or materials; and (v) all registrations, applications and recordings related thereto. For purposes of this Agreement, the term "COMPANY IP" means all Intellectual Property owned, held or used by the Company or any of its Subsidiaries.

SECTION III.12. COMPLIANCE WITH LAW; OTHER INSTRUMENTS. Neither the Company nor any of its Subsidiaries is in violation or default of (i) the Company's Restated Certificate of Incorporation (the "Restated Certificate") or its Bylaws, as amended (the "BYLAWS"), or the organizational documents of any of its Subsidiaries or (ii) of any judicial or administrative judgment, decision, decree, order, settlement, injunction, writ, stipulation, determination or award (each, an "ORDER") or any statute, law, ordinance, rule or regulation (each, a "LAW") and has received no notice of, and to the knowledge of the Company, no investigation or review is in process or threatened by any governmental authority with respect to, any violation or alleged violation of any Order or Law except, in the case of any Order or Law, where such violation or default would not, in the aggregate, have a Material Adverse Effect. The execution, delivery and performance of this Agreement, the Notes and the Securityholders Agreement, and the consummation of the transactions contemplated hereby and thereby, including, but not limited to, the issuance of the Conversion Shares and, if necessary, the Preferred Stock, will not result in (a) (i) any violation, or be in conflict with or constitute a default (with or without notice or lapse of time or both) under the Restated Certificate or Bylaws or the organizational documents of any of the Company's Subsidiaries, (ii) any violation, or be in conflict with or constitute a default (with or without notice or lapse of time or both) under, any term or provision of, or any right of termination, cancellation or acceleration arising under any Contract or cause any liabilities or additional fees to be due thereunder or (iii) any violation under any Order or Law applicable to

the Company or any of its Subsidiaries, its business or operations or any of its assets or properties or (b) the imposition of any Encumbrance on the business or material properties or assets of the Company or any of its Subsidiaries. None of the execution and delivery of this Agreement, the Notes and the Securityholders Agreement, the consummation of the transactions contemplated hereby and thereby or the performance of the obligations of the Company hereunder and thereunder will result in the suspension, revocation, impairment, forfeiture or nonrenewal of any Permit applicable to the Company or any of its Subsidiaries, their businesses or operations or any of their assets or properties. "PERMITS" means all licenses, permits, orders, consents, approvals, registrations, authorizations, qualifications and filings with and under all federal, state, local or foreign laws and governmental authorities and all industry or other non-governmental self-regulatory organizations.

SECTION III.13. LITIGATION. Except as set forth on Schedule 3.13 to the Disclosure Letter, there is no Action pending, or to the Company's knowledge, currently threatened against the Company or any of its Subsidiaries (including with respect to any Company Plan, as defined below) which, if adversely determined, would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The foregoing includes, without limitation, Actions pending or threatened (or any basis therefor known to the Company) involving the prior employment of any of the Company's or any of its Subsidiaries' employees, their use in connection with the Company's or any of its Subsidiaries' business of any Intellectual Property rights of their former employers, or their obligations under any agreements with prior employers. Neither the Company nor any of its Subsidiaries is a party or subject to the provisions of any Order of any court or governmental authority. There is no Action by the Company or any of its Subsidiaries currently pending or which the Company or any of its Subsidiaries intends to initiate.

SECTION III.14. TAX MATTERS.

(a) Except as set forth on Schedule 3.14(a) to the Disclosure Letter, (i) all material Tax Returns (as defined below) that are required to be filed by or with respect to the Company and its Subsidiaries have been duly filed, (ii) all material Taxes (as defined below) of the Company and its Subsidiaries due and payable, whether or not shown on the Tax Returns referred to in clause (i), have been paid in full, (iii) the Tax Returns referred to in clause (i) have been audited by the Internal Revenue Service or the appropriate state, local or foreign taxing authority or the period for assessment of the Taxes in respect of which such Tax Returns were required to be filed has expired, (iv) all material deficiencies asserted or assessments made as a result of such examinations have been paid in full, (v) no material issues that have been raised by the relevant taxing authority in connection with the examination of any of the Tax Returns referred to in clause (i) are currently pending, (vi) no waiver of statutes of limitation have been given by or requested with respect to any Taxes of the Company or its Subsidiaries, (vii) there are no liens for Taxes on any asset of the Company or any of its Subsidiaries other than for current Taxes not yet due and payable, or if due, (A) not delinquent or (B) being contested in good faith by appropriate proceedings, (viii) no consent has been filed relating to the Company or any of its Subsidiaries pursuant to Section 341(f) of the Internal Revenue Code of 1986, as amended (the "CODE"), (ix) neither the Company nor any Subsidiary has any current material liability, or has knowledge of any events or circumstances which could result in any material liability, for Taxes of any person

(other than the Company and its Subsidiaries) (A) under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or foreign law), (B) as a transferee or successor, (C) by contract or (D) otherwise, (x) the IRS Ruling and IRS Supplemental Ruling (as such terms are defined in the Distribution Agreement referred to below) issued to IMS Health Incorporated ("IMS") are in effect and have not been revoked and there is no basis for any claim for indemnification against the Company under Sections 2.7 or 3.1 of the Distribution Agreement between IMS and the Company dated June 17, 1999, (xi) the Company's methods of tax accounting are correct in all material respects and (xii) the transfer pricing methodologies used by the Company and its Subsidiaries are correct in all material respects.

(b) For purposes of this Agreement, the term (i) "TAXES" means all taxes, charges, fees, levies, penalties or other assessments imposed by any United States federal, state, local or foreign taxing authority, including, but not limited to, income, excise, property, sales and use, transfer, franchise, payroll, withholding, social security or other taxes, including any interest, penalties or additions attributable thereto, and (ii) "TAX RETURN" means any return, report, information return or other document (including any related or supporting information) filed or required to be filed with any taxing authority with respect to Taxes.

SECTION III.15. EMPLOYEES. Neither the Company nor any of its Subsidiaries has any collective bargaining agreements with any of its employees. There is no labor union organizing activity pending or, to the knowledge of the Company or any of its Subsidiaries, threatened with respect to the Company or any of its Subsidiaries. Neither the Company nor any of its Subsidiaries is aware that any officer or key employee, or that any group of key employees, intends to terminate their employment with the Company or any of its Subsidiaries, nor does the Company or any of its Subsidiaries have a present intention to terminate the employment of any officer, key employee or group of key employees. To the knowledge of the Company, no employee of the Company or its Subsidiaries is bound by any contract, agreement or covenant that would interfere or conflict with or restrict in any way its full provision of services thereto, including any of the foregoing relating to trade secrets, confidential information or other Intellectual Property.

SECTION III.16. ENVIRONMENTAL AND SAFETY LAWS.

(a) Neither the Company nor any of its Subsidiaries has failed to comply in any respect with any Environmental Laws, except as would not be expected to have a Material Adverse Effect.

(b) Neither the Company nor any of its Subsidiaries has Released (as defined below), generated or disposed of any Hazardous Substance (as defined below) in a manner which could reasonably be expected to give rise to any liability under or relating to any Environmental Laws (as defined below), except as would not be expected to have a Material Adverse Effect.

(c) There is no claim under or relating to Environmental Laws pending or, to the knowledge of the Company, threatened against the Company or any of its Subsidiaries or, to the knowledge of the Company, pending or threatened against any other Person whose liability for

any environmental claim the Company or any of its Subsidiaries has retained or assumed either contractually or by operation of law, except as would not be expected to have a Material Adverse Effect. Except as would not reasonably be expected to give rise to a material liability under or relating to any Environmental Laws, no real property currently or formerly owned, operated or leased by the Company or any of its Subsidiaries has been impacted by any Release or threatened Release of any Hazardous Substance.

(d) For purposes of this Agreement, the term (i) "ENVIRONMENTAL LAWS" means all applicable federal, foreign, state, local or municipal Laws or Orders or other legally binding requirements relating to pollution or the protection of human health or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C., Section 9601, et seq., as amended ("CERCLA"), the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., as amended, the Clean Air Act, 42 U.S.C. Section 7401 et seq., as amended, the Clean Water Act, 33 U.S.C. Section et seq., the Toxic Substance Control Act, 15 U.S.C. Section 2601 et seq., and the Occupational Safety and Health Act, 29 U.S.C. Section 651, et seq.; (ii) "HAZARDOUS SUBSTANCES" means any pollutant, contaminant, toxic substance, hazardous waste, hazardous material, or hazardous substance, or any oil, petroleum or petroleum product, each as defined or listed in, or classified pursuant to, any Environmental Laws or any other substance or force that could result in liability under any Environmental Laws; and (III) "RELEASE" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing (including, without limitation, the abandonment or discarding of barrels, containers and other receptacles).

SECTION III.17. OFFERING VALID. Assuming the accuracy of the representations and warranties of the Purchasers contained in Section 4.2 hereof, the offer, sale and issuance of the Notes and the Option, the conversion of the Notes into the Conversion Shares or the Preferred Stock, as the case may be, and the conversion of the Preferred Stock into shares of Class A Common Stock will be exempt from the registration requirements of the Securities Act and will have been registered or qualified (or are exempt from registration and qualification) under the registration, permit or qualification requirements of all applicable state securities laws.

SECTION III.18. EMPLOYEE BENEFIT PLANS.

(a) Schedule 3.18(a) to the Disclosure Letter contains a true and complete list of each "employee benefit plan" (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")), stock purchase, stock option, severance, employment, change-in-control, fringe benefit, bonus, incentive, deferred compensation and all other employee benefit plans, agreements, programs, policies or other arrangements, whether or not subject to ERISA, under which any employee or former employee of the Company or its Subsidiaries has any present or future right to benefits and under which the Company or its Subsidiaries has any present of future liability. All such plans, agreements, programs, policies and arrangements shall be collectively referred to as the "COMPANY PLAN".

(b) With respect to each Company Plan, the Company has delivered to the Purchasers to the extent requested a current, accurate and complete copy (or, to the extent no such copy exists, an

accurate description) thereof and, to the extent applicable: (i) any related trust agreement or other funding instrument; (ii) the most recent determination letter, if applicable; (iii) any summary plan description and other material written communications (or a description of any oral communications) by the Company or any of its Subsidiaries to their employees concerning the extent of the benefits provided under a Company Plan and (iv) for the two most recent years (A) the Form 5500 and attached schedules, (B) audited financial statements, (C) actuarial valuation reports and (D) attorney's response to an auditor's request for information.

(c) (i) Each Company Plan has been established and administered in accordance with its terms, in all material respects, and in material compliance with the applicable provisions of ERISA, the Code and other applicable laws, rules and regulations and neither the Company nor any of its Subsidiaries has incurred any material tax, fine, lien, penalty or other liability imposed by ERISA, the Code or other applicable law, rule and regulations; (ii) each Company Plan which is intended to be qualified within the meaning of Code section 401(a) is so qualified and has received a favorable determination letter and nothing has occurred, whether by action or failure to act, that could reasonably be expected to cause the loss of such qualification; (iii) no event has occurred and no condition exists that would subject the Company or any of its Subsidiaries, either directly or by reason of their affiliation with any member of their "CONTROLLED GROUP" (defined as any organization which is a member of a controlled group of organizations within the meaning of Code sections 414(b), (c), (m) or (o)), to any tax, fine, lien, penalty or other liability imposed by ERISA, the Code or other applicable laws, rules and regulations; (iv) no Company Plan provides retiree welfare benefits and neither the Company nor any of its Subsidiaries have any obligation to provide any retiree welfare benefits other than as required by Section 4980B of the Code; and (v) neither the Company nor any member of its Controlled Group has engaged in, or is a successor or parent corporation to an entity that has engaged in, a transaction described in Sections 4069 or 4212(c) of ERISA.

(d) No Company Plan is (i) subject to Title IV of ERISA or (ii) a "multiemployer plan" (as such term is defined in section 3(37) of ERISA) and neither the Company nor any of its Subsidiaries has incurred any withdrawal liability or termination liability with respect to any such plan that remains unsatisfied. The Company has not engaged in, and is not a successor or parent corporation to any Person that has engaged in, a transaction described in Section 4069 or 4212(c) of ERISA.

(e) Except as set forth on Schedule 3.18(e) to the Disclosure Letter, no Company Plan exists that could result in the payment to any present or former employee of the Company or its Subsidiaries of any money or other property or accelerate or provide any other rights or benefits to any present or former employee of the Company or its Subsidiaries as a direct result of the transactions contemplated by this Agreement or as a result of transactions which have occurred prior the date hereof or the Closing Date. There is no contract, plan or arrangement (written or otherwise) covering any employee or former employee of the Company or any of its Subsidiaries that, individually or collectively, could give rise to the payment of any amount that would not be deductible pursuant to the terms of Section 280G of the Code.

(f) With respect to any Company Plan, (i) no actions, suits or claims (other than routine claims for benefits in the ordinary course) are pending or, to the knowledge of the Company,

threatened; and (ii) no facts or circumstances exist that could reasonably be expected to give rise to any such actions, suits or claims.

(g) As of the Closing Date, the Company constitutes an "operating company" as defined in 29 CFR ss. 2510.3-101(c).

SECTION III.19. PERMITS. The Company and its Subsidiaries hold all Permits necessary for the lawful conduct of their respective businesses as they are presently being conducted, except where the failure to so hold Permits would not have a Material Adverse Effect. All Permits are in full force and effect in all material respects. The Company and its Subsidiaries have complied in all material respects with the terms of the Permits and there are no pending modifications, amendments or revocations of any Permits. All fees due and payable from the Company or any of its Subsidiaries to governmental authorities or other third parties pursuant to the Permits have been paid. There are no pending or, to the knowledge of the Company, threatened, suits, actions, proceedings or, to the Company's knowledge, investigations with respect to the possible revocation, cancellation, suspension, limitation or nonrenewal of any Permits, and there has occurred no event which (whether with notice or lapse of time or both) could reasonably be expected to result in or constitute the basis for such a revocation, cancellation, suspension, limitation or nonrenewal thereof.

SECTION III.20. NO BROKER. Except as set forth on Schedule 3.20 to the Disclosure Letter, neither the Company nor any of its Subsidiaries has employed any broker or finder, or incurred any liability for any brokerage or finders' fees or any similar fees or commissions in connection with the transactions contemplated by this Agreement.

SECTION III.21. DISCLOSURE. Neither this Agreement (including all Exhibits and Schedules hereto) nor any of the other agreements or instruments contemplated to be executed and delivered by the Company in connection with this Agreement (taken as a whole) contain any untrue statement of material fact; and none of such documents omits to state any material fact necessary to make any of the representations, warranties or other statements or information contained therein not misleading in light of the circumstances under which such information was provided.

SECTION III.22. SHAREHOLDER VOTE. No shareholder vote under the rules of the New York Stock Exchange ("NYSE") is necessary for the issuance of the Notes, the conversion of the Notes into the Conversion Shares or shares of Preferred Stock, or the conversion of the Preferred Stock into shares of Class A Common Stock.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

Each of the Purchasers; severally and not jointly, hereby represent and warrant to the Company as follows:

SECTION IV.1. REQUISITE POWER AND AUTHORITY. Each Purchaser has all requisite power and authority to execute and deliver this Agreement and the Securityholders Agreement, to consummate the transactions contemplated hereby and thereby and to perform its obligations hereunder and thereunder. All action on Purchaser's part necessary for the execution and delivery of this Agreement and the Securityholders Agreement, the consummation of the transactions contemplated hereby and thereby and the performance of all obligations of Purchaser hereunder and thereunder as of the Closing has been or will be effectively taken prior to the Closing. This Agreement and the Securityholders Agreement have been or will be duly executed and delivered by such Purchaser. This Agreement and the Securityholders Agreement (assuming due execution and delivery by the Company) will be legal, valid and binding obligations of such Purchaser, enforceable against it in accordance with their terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

SECTION IV.2. INVESTMENT REPRESENTATIONS. Purchaser acknowledges that the Notes and the Option have not been registered under the Securities Act or under any state securities laws. Each Purchaser (a) is acquiring the Notes and the Option for investment for its own account, not as a nominee or agent, and not with the view to, or for resale in connection with, any distribution thereof, (b) is an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the SEC, (c) acknowledges that the Notes and the Option must be held indefinitely unless subsequently registered under the Securities Act or unless an exemption from the registration requirements of the Securities Act is available and (d) represents that by reason of its business or financial experience, such Purchaser has the capacity to protect its own interests in connection with the transactions contemplated by this Agreement and the Securityholders Agreement. Each Purchaser has had an opportunity to discuss the Company's business, management and financial affairs with the Company's management. Each Purchaser has had an opportunity to ask questions of and receive answers from, officers of the Company. Each Purchaser understands that such discussions, as well as any other written information issued by the Company, were intended to describe certain aspects of the Company's business and operations, but were not an exhaustive description.

SECTION IV.3. LITIGATION. There is no Action pending, or to each Purchaser's knowledge, currently threatened against such Purchaser which, if adversely determined, would, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of such Purchaser to perform its obligations under this Agreement and the Securityholders Agreement and to consummate the transactions contemplated hereby and thereby.

SECTION IV.4. NO BROKER. No Purchaser has employed any broker or finder, or incurred any liability for any brokerage or finders' fees or any similar fees or commissions in connection with the transactions contemplated by this Agreement.

SECTION IV.5. PURCHASERS' FINANCING. On the Closing Date, each Purchaser will have all funds necessary to pay to the Company the Aggregate Purchase Price, in immediately available funds subject to no Encumbrances, and to consummate the transactions contemplated hereby.

ARTICLE V
COVENANTS

SECTION V.1. ORDINARY COURSE OF BUSINESS.

(a) Except as otherwise contemplated by the terms of this Agreement, during the period from the date of this Agreement to the Closing Date (the "PRE-CLOSING PERIOD"), the Company shall use reasonable best efforts to preserve intact its and its Subsidiaries' current business organizations, keep available the services of their current officers and employees and preserve their relationships with customers, suppliers, licensors, licensees, advertisers, distributors and others having business dealings with them to the end that their goodwill and ongoing businesses shall be unimpaired.

(b) Without limiting the generality of the foregoing, during the Pre-Closing Period, each of the Company and its Subsidiaries shall not, without the prior consent of the Purchasers:

(i) enter into any direct or indirect transaction by the Company or any of its Subsidiaries with an Affiliate of the Company or a family member or an Affiliate thereof or any entity in which an Affiliate has an interest as a director, officer, or greater than 5% stockholder (including without limitation, the purchase, sale, lease or exchange of any property, or rendering of any service or modification or amendment of any existing agreement or arrangement);

(ii) change the number of Directors or the composition or structure of the Board;

(iii) amend, alter or change to the rights, preferences, privileges or powers of the Notes, the Preferred Stock or the Class A Common Stock;

(iv) increase or decrease the (x) aggregate principal amount of Notes authorized or issued or (y) the total number of authorized or issued shares of Preferred Stock;

(v) enter into any merger or consolidation with or into any other Person, or acquire any securities or assets of another Person, whether in a single transaction or series of related transactions, other than Exempt Acquisitions;

(vi) enter into any sale, lease, transfer or disposition (a "DIVESTITURE") of securities or assets of the Company or any of its Subsidiaries (including any spin-off or in-kind distribution to stockholders of the Company), whether in a single transaction or series of related transactions, other than Exempt Divestitures;

(vii) incur any indebtedness in excess of $25.0 million;

(viii) dissolve, liquidate, or file for bankruptcy with respect to, the Company or any significant Subsidiary thereof;

(ix) (A) declare or pay any dividend or make any distribution to the holders of the capital stock of the Company or any Subsidiary (other than dividends or distributions payable in shares of Common Stock) or (B) purchase, redeem or otherwise acquire or retire for value any capital stock of the Company or any Subsidiary or (C) pay, redeem, repurchase or defease or otherwise retire for value prior to any scheduled maturity, scheduled sinking fund or mandatory redemption payment, indebtedness of the Company or any Subsidiary which is subordinate (whether pursuant to its terms or by operation of law) in right of payment to the Notes and which was scheduled to mature on or after the maturity of the Notes;

(x) (A) purchase, redeem or otherwise acquire for value any of its outstanding capital stock or (B) take any action that would result in a Conversion Price adjustment under the Notes had the Notes been outstanding at the time of such action; or

(xi) any arrangement or contract to do any of the foregoing.

For purposes of this Section 5.1, an "EXEMPT ACQUISITION" means any acquisition (whether through merger, consolidation or otherwise) which has a purchase price (including any assumed indebtedness and valuing any non-cash consideration at its Fair Market Value (as defined in the form of Note attached hereto)) of less than $20.0 million. For purposes of this Section 5.1, an "EXEMPT DIVESTITURE" means any Divestiture (as defined in the Securityholders Agreement) pursuant to which the value of the assets being divested (including any assumed indebtedness and valuing any non-cash consideration at its Fair Market Value) is less than $20.0 million.

SECTION V.2. ACCESS. During the Pre-Closing Period, the Company shall, and shall cause its Subsidiaries, officers, directors, employees, auditors and other agents to, (a) upon reasonable notice, afford the officers, employees, auditors and other agents of the Purchasers, during normal business hours reasonable access at all reasonable times to its officers, employees, auditors, legal counsel, properties, offices, plants and other facilities and to all financial books and records, (b) furnish the Purchasers with all financial, operating and other data and information as the Purchasers, through their officers, employees or agents, may from time to time reasonably request and (c) afford the Purchasers the opportunity to discuss the Company's affairs, finances and accounts with the Company's officers on a regular basis.

SECTION V.3. D&O INSURANCE. During the period that the Purchasers have designees on the Board, the Company agrees to maintain Directors and Officers Insurance in the amount of $100.0 million.

SECTION V.4. USE OF PROCEEDS. The Company shall use the proceeds from the sale of the Notes and the Option for repay indebtedness under the Company's Credit Agreement dated as of July 16, 1999, as amended, and for general corporate purposes.

SECTION V.5. EFFORTS. Each party hereto agrees to use reasonable best efforts to take any and all actions required in order to consummate the transactions contemplated in this Agreement, the Notes and the Securityholders Agreement.

SECTION V.6. NOTIFICATION OF CERTAIN MATTERS. During the Pre-Closing Period, the Company shall give prompt notice to the Purchasers of the occurrence or non-occurrence of any event known to the Company the occurrence or non-occurrence of which would reasonably be expected to cause any representation or warranty contained in Section 3 to be untrue, or the failure of the Company to comply with or satisfy any covenant or agreement under this Agreement.

SECTION V.7. RESERVATION OF SHARES. From and after the Closing, the Company shall at all times reserve and keep available for issuance (a) such number of its authorized but unissued shares of Common Stock as shall be sufficient to permit the exercise of the options described in clauses (A)(2) and (B)(2) of Section 3.3(a)(i) of this Agreement and the purchase of shares of Common Stock pursuant to the Employee Stock Purchase Program as described in clause (A)(3) of Section 3.3(a)(i) of this Agreement, (b) such number of treasury shares of Class A Common Stock as shall be sufficient to permit the issuance of all of the Conversion Shares, (c) to the extent the shares referred to in clause (b) are insufficient to permit the issuance of all of the Conversion Shares, such number of its authorized but unissued shares of Class A Common Stock as shall be sufficient to permit the issuance of all the Conversion Shares, and (d) such number of shares of Preferred Shares as shall be sufficient to permit the automatic conversion, under certain circumstances, of the Notes into Preferred Stock as provided for in the Notes.

SECTION V.8. CONFIDENTIALITY. Each Purchaser agrees to keep confidential all proprietary and non-public information regarding the Company and its Subsidiaries provided that nothing herein shall prevent any Purchaser from disclosing any such information (a) to the extent such proprietary and non-public information has been previously disclosed (other than as a result of a breach of this Section 5.8) or (b) to the extent disclosure is required by law, regulation or judicial order, provided that prior to such disclosure such Purchaser shall, unless prohibited by law, notify the Company of any disclosure pursuant to this clause (b) as far in advance as is reasonably practicable under such circumstances.

SECTION V.9. OPERATING COMPANY. So long as Silver Lake shall have the right to nominate at least one member for election to the Board of Directors of the Company, the Company shall constitute an "operating company" as defined in 29 CFRss.2510.3-101(c).

SECTION V.10. LISTING SHARES ON ANOTHER EXCHANGE. The Company shall not list their shares on an exchange other than the NYSE if as a result of such listing the Purchasers or any of their transferees would be unable to convert the full amount of the Notes or Preferred Stock then outstanding into shares of Class A Common Stock.

SECTION V.11. TAX COVENANT. The Company will take no action, and will not fail to take any required action, if such action or failure to act could result in (i) the distribution of the stock of the Company by IMS Health Incorporated ("IMS HEALTH") failing to qualify under section 355(a) of the Code, (ii) the application of section 355(e) of the Code to the distribution of the stock of the Company by IMS Health or (iii) a claim for indemnification against the Company under Sections 2.7 or 3.1 of the Distribution Agreement between IMS Health and the Company dated June 17, 1999.

ARTICLE VI
CONDITIONS TO CLOSING

SECTION VI.1. CONDITIONS TO PURCHASER'S OBLIGATION TO PURCHASE THE NOTES AND -- THE OPTION. The Purchasers' obligation to purchase the Notes and the Option at the Closing ---------- is subject to the satisfaction (or waiver by Purchaser) of the following conditions:

(a) REPRESENTATIONS AND WARRANTIES TRUE; PERFORMANCE OF OBLIGATIONS. Each of the representations and warranties of the Company contained in this Agreement that is qualified as to materiality or Material Adverse Effect shall be true and correct, and each of the representations and warranties of the Company contained in this Agreement that is not so qualified as to materiality or Material Adverse Effect shall be true and correct in all material respects, in each case as of the date hereof (except for those representations and warranties which address matters only as of a particular date, which shall be true and correct, or true and correct in all material respects, as the case may be, as of such date). Each of the representations and warranties of the Company is true and correct in all respects as of the Closing Date, except to the extent that such failure of such representations and warranties (taken as a whole) to be true and correct would not be expected to have a material adverse effect on the condition (financial or otherwise), results of operations or business of the Company and its Subsidiaries taken as a whole . The Company shall have performed in all material respects all agreements, obligations, covenants and conditions herein required to be performed or observed by it on or prior to the Closing Date.

(b) LEGAL INVESTMENT. On the Closing Date, there shall not be in effect any Law or Order directing that the purchase and sale of the Notes and the other transactions contemplated by this Agreement, the Notes and the Securityholders Agreement not be consummated or which has the effect of rendering it unlawful to consummate such transactions.

(c) PROCEEDINGS AND LITIGATION. No Action shall have been commenced by any governmental authority against any party hereto seeking to restrain or delay the purchase and sale of the Notes or the Option or the other transactions contemplated by this Agreement and the Securityholders Agreement.

(d) APPROVALS. All approvals, consents, permits and waivers of governmental authorities and of the third parties listed on Schedule 6.1(a) to the Disclosure Letter necessary or appropriate for consummation of the transactions contemplated by this Agreement, the Notes and the Securityholders Agreement shall have been obtained, and no such approval, consent, permit or waiver of any governmental authority or such other third party shall contain any term or condition that the Purchasers in their reasonable discretion determine to be unduly burdensome.

(e) COMPLIANCE CERTIFICATE; SECRETARY'S CERTIFICATE. The Company shall have delivered to Purchaser a compliance certificate, executed by the Chief Executive Officer or the President of the Company, dated the Closing Date, to the effect that the conditions specified in Section 6.1 have been satisfied. The Company shall have delivered to the Purchaser a certificate executed by the Secretary of the Company, dated the Closing Date, certifying as to (i) the resolutions of the Board evidencing approval of the transactions contemplated by and from this Agreement, the Notes and the Securityholders Agreement and the authorization of the named officer or officers to execute and deliver this Agreement, the Notes and the Securityholders Agreement and (ii) certain of the officers of the Company, their titles and examples of their signatures.

(f) TECHREPUBLIC ACQUISITION. The Company shall have acquired directly or indirectly at least 80% of all of the outstanding shares of common stock of TechRepublic, Inc., a Delaware corporation.

(g) AMENDMENT TO CREDIT AGREEMENT The Credit Agreement shall have been amended, in a manner reasonably satisfactory to the Purchasers in their sole discretion.

(h) TAX OPINION. The Company shall have received from its legal counsel an opinion, in form and substance reasonably satisfactory to the Purchasers, to the effect that the issuance of the Notes will not result in (i) the application of section 355(e) to the distribution of the stock of the Company by IMS Health or (ii) a claim for indemnification against the Company under Sections 2.7 or 3.1 of the Distribution Agreement between IMS Health and the Company dated June 17, 1999.

(i) NO MATERIAL ADVERSE CHANGE. Between the date of this Agreement and the Closing Date, there shall not have occurred any occurrence or event that would be reasonably likely to have a material adverse effect on the condition (financial or otherwise), results of operations or business of the Company and its Subsidiaries taken as a whole.

(j) SECURITYHOLDERS AGREEMENT. The Purchasers shall have received a copy of the Securityholders Agreement executed by the Company.

(k) NOTES. The Purchasers shall have received the Notes in the amounts and names as set forth in the Allocation Notice.

(l) PURCHASER DIRECTORS. The Board shall consist of ten directors and at least two nominees of the Purchasers shall have been elected to the Board.

(m) AMENDMENTS TO EMPLOYEE AGREEMENTS. The Purchasers shall have received letters from each of the persons listed in Schedule 6.1(m) to the Disclosure Letter in the form set forth in Exhibit D.

(n) AMENDMENT TO RIGHTS PLAN. The Rights Agreement dated February 10, 2000 between the Company and Bank Boston, N.A. shall have been amended in a manner reasonably satisfactory to the Purchasers in their sole discretion.

(o) LETTER AGREEMENT. The Purchasers shall have received in a form reasonably satisfactory to them the Letter Agreement executed by the Company and dated the Closing Date relating to the issuance of the Preferred Stock under certain circumstances.

SECTION VI.2. CONDITIONS TO OBLIGATIONS OF THE COMPANY. The Company's obligation to issue and sell the Notes and the Option at the Closing is subject to the satisfaction (or waiver by the Company), on or prior to the Closing, of the following conditions:

(a) REPRESENTATIONS AND WARRANTIES TRUE. Each of the representations and warranties of the Purchasers contained in this Agreement shall be true and correct in all material respects as of the Closing Date. The Purchasers shall have performed in all material respects all agreements, obligations, covenants and conditions herein required to be performed or observed by them on or prior to the Closing Date.

(b) LEGAL INVESTMENT. On the Closing Date, there shall not be in effect any Law or Order directing that the purchase and sale of the Notes and the Option and the other transactions contemplated by this Agreement, the Notes and the Securityholders Agreement not be consummated or which has the effect of rendering it unlawful to consummate such transactions.

(c) PROCEEDINGS AND LITIGATION. No Action shall have been commenced by any governmental authority against any party hereto seeking to restrain or delay the purchase and sale of the Notes or the Option or the other transactions contemplated by this Agreement, the Notes and the Securityholders Agreement.

(d) SECURITYHOLDERS AGREEMENT. The Securityholders Agreement shall have been executed and delivered by the Purchasers.

ARTICLE VII
INDEMNIFICATION

SECTION VII.1. SURVIVAL OF REPRESENTATIONS AND WARRANTIES. (a) (i) The representations and warranties contained in Section 3.3(a), (b) and (d) and Section 3.22 of this Agreement shall survive indefinitely.

(ii) All other representations and warranties contained in Article III of this Agreement shall survive until thirty-six (36) months after the Closing Date, with the exception of the representations and warranties contained in Section 3.14, which shall survive until three months after the expiration of the applicable statute of limitations with respect to the subject matter thereof.

(iii) The representations and warranties contained in Article IV of this Agreement shall survive until thirty-six (36) months after the Closing Date.

(iv) The representations and warranties contained in Article III of this Agreement, and the rights and remedies that may be exercised by any Person seeking indemnification hereunder, shall not be limited or otherwise affected by or as a result of any information furnished to, or any investigation made by, any such Person or its representatives.

(v) For purposes of this Agreement, each statement or other item of information set forth by the Company on any Schedule hereto shall be deemed to be a representation and warranty made by the Company in this Agreement.

SECTION VII.2. INDEMNIFICATION. (a) From and after the Closing Date and subject to Sections 7.1, 7.3 and 7.5, the Company (the "PURCHASER INDEMNITOR") shall defend, indemnify and hold harmless the Purchasers and their Affiliates and each director, officer, member, partner, employee and agent of such Persons (the "PURCHASER INDEMNITEES") against any loss, damage, claim, liability, judgment or settlement of any nature or kind, including all costs and expenses relating thereto, including without limitation, interest, penalties and reasonable attorneys' fees (collectively "DAMAGES"), arising out of, resulting from or relating to:

(i) the breach of any representation or warranty contained in Article III, or any certificate delivered by the Company pursuant hereto;

(ii) the breach by the Company of any covenant or agreement (whether to be performed prior to or after the Closing) contained in this Agreement, or any certificate delivered by the Company pursuant hereto; and

(iii) any indemnity obligation that arises under the Distribution Agreement between IMS Health and the Company dated June 17, 1999 as a result of the issuance of the Notes, the Preferred Stock or the Conversion Shares or the consummation of the transactions contemplated by this Agreement, the Notes or the Securityholders Agreement.

(b) From and after the Closing Date and subject to Sections 7.1, 7.3 and 7.5, the Purchasers (the "COMPANY INDEMNITOR" and collectively with the Purchaser Indemnitor, the "INDEMNITORS") shall, jointly but not severally, defend, indemnify and hold harmless the Company and its Affiliates and each director, officer, member, partner, employee and agent of such Persons (the "COMPANY INDEMNITEES" and collectively with the Purchaser Indemnitees, the "INDEMNITEES") against any Damages arising out of, resulting from or relating to:

(i) the breach of any representation or warranty contained in Article IV; and

(ii) the breach by Purchaser of any covenant or agreement (whether to be performed prior to or after the Closing) contained in this Agreement.

(c) The term "DAMAGES" as used in this Article VII is not limited to matters asserted by third parties against any Person entitled to be indemnified under this Article VII, but includes Damages incurred or sustained by any such Person in the absence of third party claims, and shall take into account such Person's ownership or investment in the Company.

SECTION VII.3. INDEMNIFICATION AMOUNTS. (a) An Indemnitor shall not have liability under Section 7.2 until the aggregate amount of Damages theretofore incurred by the Purchaser Indemnitees or the Company Indemnitees, as applicable, exceeds an amount equal to $1,000,000 (the "BASKET"), in which case the Purchaser Indemnitees or the Company Indemnitees, as applicable, shall be entitled to the aggregate amount of Damages, including the Basket.

(b) The limitations on the indemnification obligations set forth in this Section 7.3 shall not apply to any covenants or agreements of the parties in this Agreement. In addition, notwithstanding the provisions of paragraph (a) above, the limitations on the indemnification obligations of the parties set forth therein shall not apply to breaches of the representations and warranties made in Sections 3.3(a), (b) and (d) and 3.22.

SECTION VII.4. NON-EXCLUSIVE REMEDY. The indemnification remedies provided in this Article VII shall not be deemed to be exclusive. Accordingly, the exercise by any Person of any of its rights under this Article VII shall not be deemed to be an election of remedies and shall not be deemed to prejudice, or to constitute or operate as a waiver of, any other right or remedy that such Person may be entitled to exercise (whether under this Agreement, under any other contract, under any law or otherwise).

SECTION VII.5. CERTAIN LIMITATIONS. The indemnification obligations of the parties hereto for any breach of a representation and warranty described in Articles III and IV of this Agreement shall survive for only the period applicable to such representations and warranties as set forth in Section 7.1 of this Agreement, and thereafter all such representations and warranties of the applicable Indemnitor under this Agreement shall be extinguished; PROVIDED, HOWEVER, that such indemnification obligation shall not be extinguished in the event of Damages incurred as a result of an Action that was instituted or begun prior to the expiration of the survival period set forth in Section 7.1 if noticed in writing to the applicable Indemnitor by the applicable

Indemnitee within 30 days of such Indemnitee receiving notice thereof. Subject to the proviso at the end of the immediately preceding sentence, no claim for the recovery of such Damages may be asserted by an Indemnitee after such period.

ARTICLE VIII
MISCELLANEOUS

SECTION VIII.1. OTHER DEFINITIONS. The following terms as used in this Agreement shall have the following meanings:

(a) "AFFILIATE" means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, such specified Person, for so long as such Person remains so associated to the specified Person.

(b) "CONTROL" (including the terms "CONTROLLED BY" and "UNDER COMMON CONTROL WITH"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

(c) "GROUP" shall have the meaning assigned to it in Section 13(d)(3) of the Exchange Act.

(d) "PERSON" means any individual, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivisions thereof or any Group comprised of two or more of the foregoing.

SECTION VIII.2. GOVERNING LAW; JURISDICTION; WAIVER OF JURY TRIAL. This Agreement shall be governed in all respects by the laws of the State of New York. No suit, action or proceeding with respect to this Agreement may be brought in any court or before any similar authority other than in a court of competent jurisdiction in the State of New York, as Purchaser may elect in its sole discretion, and the Company hereby submits to the exclusive jurisdiction of such courts for the purpose of such suit, proceeding or judgment. The Company hereby irrevocably waives any right which it may have had to bring such an action in any other court, domestic or foreign, or before any similar domestic or foreign authority. Each of the parties hereto hereby irrevocably and unconditionally waives trial by jury in any legal action or proceeding in relation to this Agreement and for any counterclaim therein.

SECTION VIII.3. NO SHOP. The Company agrees that from the date hereof through the Closing Date, neither the Company nor any of its representatives will engage in, solicit or otherwise take any action relating to any debt or equity financing of the Company or any of its Subsidiaries (other than under the Credit Agreement or under any existing agreements), or

furnish information to any third parties regarding the foregoing. This Section 8.3 shall terminate upon termination of this Agreement in accordance with Section 8.13 hereof.

SECTION VIII.4. EXPENSES. Upon Closing or the termination of this Agreement, the Company agrees to reimburse the Purchasers on demand for all of their reasonable out-of-pocket fees and expenses, including the fees and expenses of attorneys, accountants and consultants employed by them, in connection with the transactions contemplated hereby.

SECTION VIII.5. TRANSACTION FEE. On the Closing Date, the Company shall pay a one-time cash transaction fee by wire transfer of immediately available funds to an account designated by Silver Lake Technology Management L.L.C. in an amount equal to $2.0 million.

SECTION VIII.6. SUCCESSORS AND ASSIGNS; ASSIGNMENT. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, permitted assigns, heirs, executors and administrators of the parties hereto and shall inure to the benefit of and be enforceable by each Person who shall be a holder of the Notes or the Option from time to time. This Agreement may not be assigned without the prior written consent of the other party, except that the Purchasers may assign its rights and obligations hereunder to any Affiliate or Affiliates or to one or more of their limited or general partners; provided that the Company shall have the right to veto any assignment to a limited partner to which it reasonably objects. Each assignee (i) agrees to be bound jointly and severally hereunder, (ii agrees that the representations and warranties made by the Purchasers herein shall be deemed to have been made by such assignee and (iii) shall execute a counterpart to this Agreement the execution of which shall constitute such assignee's agreement to the terms of this Section 8.6.

SECTION VIII.7. ENTIRE AGREEMENT; SUPERSEDES PRIOR AGREEMENT. This Agreement and the Exhibits hereto, the Securityholders Agreement and the other documents delivered pursuant hereto constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and no party shall be liable or bound to any other in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein and therein.

SECTION VIII.8. SEVERABILITY. In case any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION VIII.9. AMENDMENT AND WAIVER. This Agreement may be amended or modified, and the rights of the Company or Purchaser hereunder may only be waived, upon the written consent of the Company and Purchaser.

SECTION VIII.10. DELAYS OR OMISSIONS. It is agreed that no delay or omission to exercise any right, power or remedy accruing to any party, upon any breach, default or noncompliance by another party under this Agreement or the Securityholders Agreement, shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach,

default or noncompliance, or any acquiescence therein, or of or in any similar breach, default or noncompliance thereafter occurring. It is further agreed that any waiver, permit, consent or approval of any kind or character on Purchaser's part of any breach, default or noncompliance under this Agreement or the Securityholders Agreement or any waiver on such party's part of any provisions or conditions of this Agreement or the Securityholders Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or the Securityholders Agreement, by law, or otherwise afforded to any party, shall be cumulative and not alternative.

SECTION VIII.11. NOTICES. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified; (b) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient, if not, then on the next business day; (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (d) one (1) business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the addresses set forth below:

If to the Company:

Gartner Group, Inc
56 Top Gallant Road
P.O. Box 10212
Stamford, Connecticut 06904-2212
Telephone: (203) - 316-3770
Fax: (203) - 316-6448
Attn: Kenneth Siegel, Esq.

with copies to:

Proskauer Rose LLP
1585 Broadway
New York, NY 10036
Telephone: (212) 969-3000
Fax: (212) 969-2900
Attn: Julie M. Allen, Esq.

If to the Purchasers:

Silver Lake Partners, L.P.
320 Park Avenue - 33rd Floor
New York, NY 10022
Telephone: (212) 981-5600
Fax: (212) 981-3535
Attn: Mike Bingle

with copies to:

Simpson Thacher & Bartlett
425 Lexington Avenue
New York, N.Y. 10017
Telephone: (212) 455-2000
Fax: (212) 455-2502
Attn: Mario Ponce, Esq.

SECTION VIII.12. TITLES AND SUBTITLES. The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

SECTION VIII.13. TERMINATION. This Agreement may be terminated by (i) mutual agreement of the parties hereto or (ii) by the Purchasers or the Company in the event the Closing has not occurred by April 28, 2000; PROVIDED, that this termination right may not be exercised by a party whose nonperformance has delayed the Closing. Upon termination of this Agreement pursuant to this Section 8.13, this Agreement shall be void and of no further force and effect and no party shall have any liability to any other party under this Agreement, except that nothing herein shall relieve any party from any liability for the breach of any of the representations, warranties, covenants and agreements set forth in this Agreement and except as contemplated by Section 8.4.

SECTION VIII.14. COUNTERPARTS; EXECUTION BY FACSIMILE SIGNATURE. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. This Agreement may be executed by facsimile signature(s).

IN WITNESS WHEREOF, the parties hereto have executed the SECURITIES PURCHASE AGREEMENT as of the date set forth in the first paragraph hereof.

GARTNER GROUP, INC.

By: ____
Name:
Title:

SILVER LAKE PARTNERS, L.P.
By: Silver Lake Technology Associates, L.L.C., its general partner

By: _____________________________________
Name:
Title:

SILVER LAKE INVESTORS, L.P.
By: Silver Lake Technology Associates, L.L.C., its general partner

By: _____________________________________
Name:
Title:

SILVER LAKE TECHNOLOGY INVESTORS, L.L.C.

By: ____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed the SECURITIES PURCHASE AGREEMENT as of the date set forth in the first paragraph hereof.

INTEGRAL CAPITAL PARTNERS IV, L.P.
By: Integral Capital Management IV, LLC,
its general partner

By: ______________________________________
Name: Pamela K. Hagenah
Title: a Manager

INTEGRAL CAPITAL PARTNERS IV MS SIDE FUND, L.P.
By: Integral Capital Partners NBT, LLC,
its general partner

By: ______________________________________
Name: Pamela K. Hagenah
Title: a Manager

AMENDMENT
TO
SECURITIES PURCHASE AGREEMENT

This AMENDMENT (this "AMENDMENT"), dated as of April 17, 2000, among Gartner Group, Inc., a Delaware corporation (the "COMPANY"), and Silver Lake Partners, L.P., a Delaware limited partnership ("SILVER LAKE PARTNERS"), Silver Lake Investors L.P., a Delaware limited partnership ("SILVER LAKE INVESTORS"), Silver Lake Technology Investors L.L.C., a Delaware limited liability company ("SILVER LAKE TECHNOLOGY", and together with Silver Lake Partners and Silver Lake Investors, herein referred to as "SILVER LAKE"), Integral Capital Partners IV, L.P. and Integral Capital Partners IV MS Side Fund, L.P. and such Affiliates (as defined in the Securities Purchase Agreement) and limited and/or general partners as Silver Lake shall designate in accordance with Section 8.6 of the Securities Purchase Agreement (as defined below) (together with Silver Lake, the "PURCHASERS") amends that certain Securities Purchase Agreement dated March 21, 2000, among the Company and the Purchasers (the "SECURITIES PURCHASE AGREEMENT").

WITNESSETH

WHEREAS, the Company and the Purchasers are parties to the Securities Purchase Agreement; and

WHEREAS, the Company and the Purchasers wish to amend the Securities Purchase Agreement as provided herein.

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein, and for other valuable consideration the receipt of which is hereby acknowledged, the parties agree as follows:

1. Terms not specifically defined herein shall have the meanings assigned to them in the Securities Purchase Agreement.

2. Section 7.2(a)(iii) of the Securities Purchase Agreement is hereby amended by deleting in its entirety and substituting in place thereof the following: "(iii) Intentionally Omitted."

3. Section 5.1 of the Securityholders Agreement attached as Exhibit B to the Securities Purchase Agreement is hereby amended by deleting it in its entirety and substituting in place thereof the following:

"SECTION 5.1 SUBSIDIARY PURCHASE RIGHTS. (a) The Company hereby grants to the Purchasers, as defined in the Securities Purchase Agreement (such Purchasers referred to in this Section 5.1 as the "PURCHASERS"), an option (the "TECHREPUBLIC OPTION") to purchase up to 5.00% (as may be allocated among the Purchasers in their discretion) of the fully diluted capital

stock of TechRepublic, Inc. ("TECHREPUBLIC") (after giving effect to all the transactions contemplated by the Agreement and Plan of Reorganization dated March 21, 2000 between the Company, TechRepublic and the other parties thereto (the "TECHREPUBLIC Agreement")) pursuant to the general terms and conditions applicable to the Company set forth in the TechRepublic Agreement and at a price which values TechRepublic at the lesser of (i) the value assigned to TechRepublic in connection with the Company's purchase, or (ii) $90.0 million. In the event TechRepublic issues to the Company any options, warrants, convertible securities or capital stock subsequent to the consummation of the transactions contemplated by the TechRepublic Agreement, the Purchasers shall receive options to purchase additional shares of TechRepublic capital stock in an amount sufficient to permit it to maintain its 5% stake of TechRepublic on a fully diluted basis (giving effect to all options, warrants or convertible securities issued to the Company on an as converted basis) at an exercise price equal to (i) the per share price received by TechRepublic in connection with such issuance or (ii) the per share exercise price or conversion price of the options, warrants or convertible securities issued, as the case may be. Prior to any contribution of assets (other than cash) by the Company to TechRepublic, the Company shall notify the Purchasers and the Company and the Purchasers shall negotiate in good faith to agree upon the value to the assets to be contributed. The Company and the Purchasers will use reasonable best efforts to enable the Company to include TechRepublic in its consolidated group for federal income tax purposes.

(b) In the event that a Purchaser elects to purchase shares of the

capital stock of TechRepublic during the term of this Article V, such Purchaser shall give the Company written notice of such election, which notice shall specify the number of shares of capital stock such Purchaser is electing to purchase, provided that the total number of shares of capital stock purchased by all Purchasers shall not exceed 5.00% of the fully diluted capital stock of TechRepublic (after giving effect to all of the transactions contemplated by the TechRepublic Agreement).

(c) The Company hereby grants to the Purchasers the right (the "SPIN Right"; together with the TechRepublic Option, the "OPTION") to purchase up to 5.00% (as may be allocated among the Purchasers in their discretion) of the fully diluted common stock of any Subsidiary of the Company whose shares of common stock are 1) distributed to stockholders of the Company ("SPUN-OFF") or 2) sold by the Company in a public offering ("SPUN-OUT") at a per share price equal to (x) 80.0% of the initial public offering price in the case of a spun-out Subsidiary and (y) 80.0% of the first day's closing price in the case of a spun-off subsidiary.

(d) In the event that the Company effects either a spun-off or spun-out subsidiary transaction during the term of this Article V, the Company shall give each Purchaser written notice of such transaction at least 30 business days prior to the consummation of the spin-off or spin-out, as the case may be. If timely notice has been received, on or prior to ten business days prior to the consummation of the spin-off or spin-out, as the as may be, each Purchaser shall notify the Company in writing of the number of shares of common stock, if any, such Purchaser is electing to purchase in such transaction (each a "Response"), provided that the total number of shares of common stock purchased by all Purchasers in each such transaction shall not exceed 5.00% of the fully diluted common stock of the subject subsidiary. An election by a Purchaser to

purchase shares of common stock shall be deemed to be an irrevocable commitment from such Purchaser to purchase the number of shares of common stock specified in such Purchaser's Response. If a Purchaser shall have received timely notice of a spin-off or spin-out, as the case may be, and does not provide a Response to the Company on or prior to the tenth business day prior to the consummation of the spin-off or spin-out, as the case may be, such Purchaser shall be deemed to have declined to purchase shares of common stock in such transaction."

4. Except as expressly amended hereby, the Securities Purchase Agreement shall continue to be, and shall remain, in full force and effect.

5. THIS AMENDMENT AND THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

6. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which taken together shall be deemed to be one and the same instrument.

IN WITNESS THEREOF, the parties hereto have executed this Amendment as of the date first above written.

GARTNER GROUP, INC.

By: ________________________________

Name:

Title:

IN WITNESS THEREOF, the parties hereto have executed this Amendment as of the date first above written.

SILVER LAKE PARTNERS, L.P.
By: Silver Lake Technology Associates, L.L.C.,
its general partner

By: ___________________________
Name:
Title:

SILVER LAKE INVESTORS, L.P.
By: Silver Lake Technology Associates, L.L.C.,
its general partner

By: ___________________________
Name:
Title:

SILVER LAKE TECHNOLOGY INVESTORS, L.L.C.

By: ___________________________________
Name:
Title:

IN WITNESS THEREOF, the parties hereto have executed this Amendment as of the date first above written.

INTEGRAL CAPITAL PARTNERS IV, L.P.

By: Integral Capital Management IV, LLC,
its General Partner

By: _________________________
Name: Pamela K. Hagenah
Title: a Manager

INTEGRAL CAPITAL PARTNERS IV MS SIDE FUND, L.P.

By: Integral Capital Partners NBT, LLC,
its General Partner

By: _________________________
Name: Pamela K. Hagenah
Title: a Manager

6.0% CONVERTIBLE JUNIOR SUBORDINATED PROMISSORY NOTE

[$300,000,000] NEW YORK, NEW YORK
APRIL__, 2000

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED OR SOLD EXCEPT IN COMPLIANCE THEREWITH. THIS NOTE IS ALSO SUBJECT TO RESTRICTIONS ON TRANSFER SET FORTH IN THE SECURITYHOLDERS AGREEMENT DATED APRIL __, 2000, AS SUCH AGREEMENT MAY BE AMENDED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME.

FOR VALUE RECEIVED, the undersigned, GARTNER GROUP, INC., a Delaware corporation (the "COMPANY"), promises to pay to [Silver Lake Partners L.P] [Silver Lake Investors L.P.] [Silverlake Technology Investors, L.L.C.] [Integral Capital Partners IV, L.P.] [Integral Capital Partners IV MS Side Fund, L.P.] (the "INVESTOR") in lawful money of the United States and in immediately available funds, the principal amount of [$300,000,000] (together with increases to such amount pursuant to Section 1 below, the "FACE AMOUNT") together with interest thereon calculated from the date hereof in accordance with the provisions of this Note.

This Note was issued pursuant to the Securities Purchase Agreement, dated as of March 21, 2000 (the "AGREEMENT"), among Silver Lake Partners L.P., Silver Lake Investors L.P., Silver Lake Technology Investors, L.L.C. and the other parties thereto. Unless the context otherwise requires, as used herein, "NOTE" means any of the 6.0% Convertible Junior Subordinated Promissory Notes issued pursuant to the Agreement and any other similar Convertible Junior Subordinated Promissory Notes issued by the Company in exchange for, or to effect a transfer of, any Note and "NOTES" means all such Notes in the aggregate.

1. ACCRUAL OF INTEREST. Except as otherwise expressly provided in Section 5 hereof, interest shall accrue, on a semi-annual basis, at the rate of six percent (6.0%) per annum (based on a year of 360 days) on the Face Amount and shall result, on each Interest Payment Date (as hereinafter defined), in a corresponding increase in the then outstanding Face Amount of the Notes.

2. PAYMENT OF PRINCIPAL AND INTEREST ON NOTE.

(a) SCHEDULED PAYMENT OF PRINCIPAL. The Company shall pay the Face Amount, together with all accrued and unpaid interest thereon, if any, in cash to the holder of this Note on April__, 2005.

(b) PAYMENT OF INTEREST. The Company shall pay interest on this Note semi-annually in arrears on March 15 and September 15 of each year, or if any such day is not a business day, on the next succeeding business day (each an "INTEREST PAYMENT DATE") to holders of record on the immediately preceding March 1 and September 1, respectively. Any interest payable on this Note shall be paid by adding an amount equal to the interest payable on such Interest Payment Date to the then outstanding Face Amount of this Note on such Interest Payment Date. Immediately following each Interest Payment Date, the Company shall deliver a written notice to the holder of this Note specifying (a) the amount of the increase to the Face Amount of this Note as a result of the interest payment on the immediately preceding Interest Payment Date and (b) the aggregate Face Amount of this Note immediately following such Interest Payment Date.

(c) PRO RATA PAYMENT. The Company agrees that any payments to the holders of the Notes (including, without limitation, upon acceleration pursuant to Section 6) (whether for principal, interest or otherwise) shall be made PRO RATA among all such holders based upon the aggregate unpaid principal amount of the Notes held by each such holder. If any holder of a Note obtains any payment (whether voluntary, involuntary, by application of offset or otherwise) of principal or interest on such Note in excess of such holder's PRO RATA share of payments obtained by all holders of the Notes, such holder shall make payments to the other holders of the Notes such participation in the Notes held by them

as is necessary to cause such holders to share the excess payment ratably among each of them as provided in this Section.

3. OPTIONAL REDEMPTION.

(a) OPTIONAL REDEMPTION. From and after April_, 2003, the Company, at its option, may redeem the Notes, in whole but not in part, to the extent it has funds legally available therefor and such redemption is not prohibited by the terms of its outstanding indebtedness, at the redemption price of 100% of the Face Amount thereof, plus an amount equal to the accrued and unpaid interest thereon, if any, to the redemption date; PROVIDED (i) the Current Market Price of the A Common Stock (as defined below) on the date of the notice of redemption (described below) equals or exceeds 150% of the Conversion Price (as adjusted); PROVIDED that the Closing Price of the A Common Stock on the trading day immediately preceding the date of such notice of redemption equals or exceeds 150% of the Conversion Price (as adjusted); (ii) the Company is permitted (without the necessity of any further approvals or action) by law and under the rules of any securities exchange on which the A Common Stock is traded to convert all the Notes into Shares of A Common Stock and the Company intends and has the financial resources and ability to repurchase all of the outstanding Notes; and (iii) the Company has agreed not to exercise its Cash Out Right (as defined below). As used herein, the "Current Market Price" for a given date shall mean the average Closing Price of the A Common Stock as reported in THE WALL STREET JOURNAL or, at the election of the Company, other reputable financial news source, for the 20 consecutive trading days immediately preceding the date the redemption notice is given. As used herein, the "Closing Price" of any security on any day means the last reported sale price regular way on such day or, in the case no such sale takes place on such day, the average of the reported closing bid and asked prices regular way of the Common Stock, in each case on the NYSE or, if not listed or admitted to trading on such exchange, as quoted on AMEX or Nasdaq.

(b) PAYMENT OF REDEMPTION PRICE.

(i) The amount of the redemption price on the Notes redeemed, on any redemption set forth herein, shall be paid to the holders of the Notes in cash (to the extent funds are legally available therefor and such redemption is not prohibited by the terms of its outstanding indebtedness).

(ii) Not less than 15 days nor more than 45 days (such date as fixed by the board of directors of the Company is referred to herein as the "REDEMPTION RECORD DATE") prior to the date fixed for any redemption of the Notes pursuant to this Section 3, a notice specifying the time and place of the redemption of the Notes shall be given by first class mail, postage prepaid, to the holders of record on the Redemption Record Date of the Notes to be redeemed at their respective addresses as the same shall appear on the books of the Company, calling upon each holder of record to surrender to the Company on the redemption date at the place designated in the notice the Notes owned by such holder. Neither failure to mail such notice, nor any defect therein or in the mailing thereof, to any particular holder shall affect the sufficiency of the notice or the validity of the proceedings for redemption with respect to the other holders. On or after the redemption date, each holder of Notes to be redeemed shall present and surrender such holder's Notes to the Company at the place designated in the redemption notice and thereupon the redemption price of the Notes, and any unpaid interest thereon to the redemption date, shall be paid to or on the order of the person whose name appears in the Note Register (as herein defined) as the owner thereof, and each surrendered Note shall be canceled by the Company.

(iii) If a notice of redemption has been given pursuant to this Section 3 and if, on or before the redemption date, the funds necessary for such redemption (including all interest on the Notes to be redeemed that will accrue to the redemption date) shall have been set aside by the Company, separate and apart from its other funds, in trust for the benefit of the holders of all the Notes, then, notwithstanding that any Notes have not been surrendered for cancellation, on the redemption date interest shall cease to accrue on the Notes to be redeemed, and at the close of business on the date on which such funds have been segregated and set aside by the Company as provided in this Subsection 3(b)(iii), the holders of the Notes shall have no rights with respect thereto, except the conversion rights provided in subsection (iv) of this Section 3(b) and Section 4 below and the right to receive the moneys payable upon such redemption, without interest thereon, upon surrender of their Notes.

(iv) If a notice of redemption has been given pursuant to this Section 3 and any holder of Notes shall, prior to the close of business on the business day immediately preceding the redemption date, give written notice to the Company pursuant to Section 4 below of the conversion of any or all of the Notes to be redeemed held by the holder (accompanied by the Note or Notes), then such redemption shall not become effective as to such Notes to be converted and such conversion shall become effective as provided in Section 4 below, whereupon any funds deposited by the Company for the redemption of such notes shall (subject to any right of the holder of such Notes to receive the interest payable thereon as provided in Section 4 below) immediately upon such conversion be returned to the Company or, if then held in trust by the

Company, shall automatically and without further corporate action or notice be discharged from the trust.

4. CONVERSION RIGHTS.

The holders of the Notes shall have conversion rights as follows (the "CONVERSION RIGHTS"):

(a) RIGHT TO CONVERT.

(i) Following April__, 2003 and provided that all filings made under the Hart-Scott-Rodino Anti-Trust Improvements Act of 1976, as amended, as required by Section 6.1 of the Securityholders Agreement dated the date hereof (as such agreement may be amended, supplemented or otherwise modified from time to time, the "SECURITYHOLDERS Agreement") have been made and all related waiting periods have expired or have been terminated early, the Face Amount of this Note plus all accrued and unpaid interest thereon shall be convertible, in whole or in part, at the option of the holder thereof, at any time and from time to time, subject to compliance with this Section 4, into fully paid and nonassessable shares of the Company's Class A Common Stock, par value $.005 per share (the "A COMMON STOCK"; and together with Company's Class B Common Stock, par value $.005 per share, the "COMMON STOCK") at the then effective Conversion Rate (as defined below) (each such conversion, an "OPTIONAL CONVERSION").

The Conversion Rate, as of any date of determination, shall equal an amount determined by dividing (i) the Face Amount outstanding on such date, plus any accrued and unpaid interest on such Notes, by (ii) the Conversion Price (as defined below) in effect as of any date of determination. The Conversion Price at which shares of Common Stock shall be deliverable upon conversion of the Notes without the payment of additional consideration by the holder thereof (the "CONVERSION PRICE") shall initially be $15.87. Such initial Conversion Price and the rate at which the Notes may be converted into shares of A Common Stock, shall be subject to adjustment as provided below.

(ii) Notwithstanding a holder's request to convert all or part of his or her Notes into A Common Stock, the Company shall, except following the Company's exercise of its option pursuant Section 3, have the right (the "CASH OUT RIGHT") after such request to redeem all, but not part of, such Notes for cash in an amount equal to the product of (x) the quotient of (i) the Face Amount of the Notes to be converted and (ii) the Conversion Price and (y) the Closing Price on the day the holder delivered written notice to the Company of its election to convert all or part of such holder's Notes into A Common Stock.

(b) FRACTIONAL SHARES. No fractional shares of A Common Stock shall be issued upon conversion of the Notes. In lieu of fractional shares, the Company shall pay cash equal to such fraction multiplied by the Closing Price for shares of A Common Stock on the trading date immediately preceding the related Conversion Date.

(c) MECHANICS OF CONVERSION.

(i) In order to convert Notes into shares of A Common Stock, the holder shall deliver written notice to the Company that such holder elects to convert all or part of the Face Amount represented by such Note or Notes. Such notice shall state the Face Amount of Notes which the holder seeks to convert. The date of receipt of the Note or Notes by the Company shall be the conversion date ("CONVERSION DATE"). As soon as practicable (but no later than two days) after the Conversion Date, the Company shall promptly issue and deliver at such office to such holder a certificate or certificates for the number of shares of A Common Stock to which such holder is entitled and, in the case where only part of a Note is converted, the Company shall execute and deliver (at its own expense) a new Note of any authorized denomination as requested by a holder in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal amount of the Note so surrendered. Such conversion shall be deemed to have been made at the close of business on the date of such surrender of the Notes to be converted, and the holder entitled to receive the shares of A Common Stock issuable upon such conversion shall be treated for all purposes as the record holder of such shares of A Common Stock on such date.

(ii) The Company shall at all times during which the Notes shall be outstanding, reserve and keep available out of its authorized but unissued stock, for the purpose of effecting the conversion of the Notes, such number of its duly authorized shares of A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Notes. In addition, the Company shall at all times during which the Notes shall be outstanding, reserve and keep available out of its authorized but unissued stock, for the purpose of effecting the conversion of the Notes, such number of its duly authorized shares of preferred stock as shall from time to time be sufficient to effect the conversion of all outstanding Notes into Preferred Stock, if necessary. Before taking any action which would cause an adjustment reducing the Conversion Price below the then par value of the shares of A Common Stock issuable upon conversion of the Notes, the Company will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Conversion Price.

(iii) All Notes which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such Notes, including the rights, if any, to receive interest, notices and consent rights shall immediately cease and terminate on the Conversion Date, except only the right of the holders thereof to receive shares of A Common Stock, cash or Preferred Stock, as the case may be, in exchange therefor, and, if applicable, cash for any fractional shares of A Common Stock. Any Notes so converted shall be retired and canceled.

(iv) If the conversion is in connection with an underwritten offering of securities registered pursuant to the Securities Act of 1933, as amended, the conversion may, at the option of any holder tendering Notes for conversion, be conditioned upon the closing with the underwriter of the sale of securities pursuant to such offering, in which event the holders entitled to receive the A Common Stock issuable upon such conversion of the Notes shall not be deemed to have converted such Notes until immediately prior to the closing of the sale of securities.

(d) ADJUSTMENTS TO CONVERSION PRICE FOR DILUTING ISSUES.

(i) SPECIAL DEFINITIONS. For purposes of this Subsection 4(d), the following definitions shall apply:

(A) "Option" shall mean Rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities, other than such Rights, options or warrants granted to employees, directors or consultants of the Company pursuant to plans or arrangements approved by the Company's board of directors.

(B) "Convertible Securities" shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock.

(C) "Additional Shares of Common Stock" shall mean all shares of Common Stock issued (or, pursuant to Subsection 4(d)(ii) below, deemed to be issued) by the Company after April__, 2000 (the "Issue Date").

(D) "Rights to Acquire Common Stock" (or "RIGHTS") shall mean all rights issued by the Company to acquire Common Stock whether by exercise of a warrant, option or similar call, or conversion of any existing instruments, in either case for consideration fixed, in amount or by formula, as of the date of issuance.

(ii) ISSUE OF SECURITIES DEEMED ISSUE OF ADDITIONAL SHARES OF COMMON STOCK. If the Company at any time or from time to time after the Issue Date issues any Options or Convertible Securities or Rights to Acquire Common Stock, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options, Rights to Acquire Common Stock or, in the case of Convertible Securities, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue; provided, however, that in any such case:

(A) No further adjustment in the Conversion Price shall be made upon the subsequent issue of shares of Common Stock upon the exercise of such Options, Rights or conversion or exchange of such Convertible Securities;

(B) Upon the expiration or termination of any unexercised Option, Right or Convertible Security, the Conversion Price shall be adjusted immediately to reflect the applicable Conversion Price which would have been in effect had such Option, Right or Convertible Security (to the extent outstanding immediately prior to such expiration or termination) never been issued; and

(C) In the event of any change in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any Option, Right or Convertible Security, including, but not limited to, a change resulting from the anti-dilution provisions thereof, the Conversion Price then in effect shall forthwith be readjusted to such Conversion Price as would have obtained had the Conversion Price adjustment that was originally made upon the issuance of such Option, Right or Convertible Security which were not exercised or converted prior to such change been made upon the basis of such change, but no further adjustment shall be made for the actual issuance of Common Stock upon the exercise or conversion of any such Option, Right or Convertible Security.

(iii) ADJUSTMENT OF CONVERSION PRICE UPON ISSUANCE OF ADDITIONAL SHARES OF COMMON STOCK.

(a) If the Company shall at any time after the Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Subsection 4(d)(ii), but excluding shares issued as a dividend or distribution as provided in subsection 4(f) or upon a stock split or combination as provided in subsection 4(e)), without consideration, or for a consideration per share less than the Fair Market Value per share of Common Stock on the date of and immediately prior to such issue, then and in such event, the Conversion Price shall be reduced, concurrently with such issuance, to a price (calculated to the nearest cent) determined by multiplying such Conversion Price by a fraction, the numerator of which shall be the sum of (A) the number of shares of Common Stock outstanding, on a fully diluted basis, immediately prior to such issuance plus (B) the number of shares of Common Stock which the aggregate consideration received by the Company for the total number of Additional Shares of Common Stock so issued would purchase at the Fair Market Value per share of Common Stock and the denominator of which shall be the sum of (1) the number of shares of Common Stock outstanding immediately prior to such issuance plus (2) the number of such Additional Shares of Common Stock so issued.

(b) If the Company shall at any time after the Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Subsection 4(d)(ii), but excluding shares issued as a dividend or distribution as provided in subsection 4(f) or upon a stock split or combination as provided in subsection 4(e)) for a consideration per share less than the Conversion Price (as adjusted) on the date of and immediately prior to such issue, then and in such event, the Conversion Price shall be reduced, concurrently with such issuance, to a price (calculated to the nearest cent) determined by multiplying such Conversion Price by a fraction, the numerator of which shall be the sum of (A) the number of shares of Common Stock outstanding, on a fully diluted basis, immediately prior to such issuance plus (B) the number of shares of Common Stock which the aggregate consideration received by the Company for the total number of Additional Shares of Common Stock so issued would purchase if the amount paid for such shares was equal to the Conversion Price and the denominator of which shall be the sum of (1) the number of shares of Common Stock outstanding

immediately prior to such issuance plus (2) the number of such Additional Shares of Common Stock so issued.

(c) If the Company shall at any time after the Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Subsection 4(d)(ii), but excluding shares issued as a dividend or distribution as provided in subsection 4(f) or upon a stock split or combination as provided in subsection 4(e)) for a consideration per share that is less than the Fair Market Value and less than the Conversion Price (as adjusted), in each case on the date of and immediately prior to such issue, then and in such event, the Conversion Price shall be reduced, to equal the lesser of (a) the Conversion Price as adjusted pursuant to Section 4(d)(iii)(a) or (b) the Conversion Price as adjusted pursuant to Section 4(d)(iii)(b).

Notwithstanding the foregoing, the applicable Conversion Price shall not be reduced if the amount of such reduction would be an amount less than $.01, but any such amount shall be carried forward and reduction with respect thereto made at the time of and together with any subsequent reduction which, together with such amount and any other amount or amounts so carried forward, shall aggregate $.01 or more.

(iv) DETERMINATION OF CONSIDERATION. For purposes of this Subsection 4(d), "Fair Market Value" of the consideration received by the Company for the issue of any Additional Shares of Common Stock shall be computed as follows:

(A) CASH AND PROPERTY. Such consideration shall:

(1) insofar as it consists of cash, be computed at the aggregate of cash received by the Company, excluding amounts paid or payable for accrued interest or accrued dividends;

(2) insofar as it consists of property other than cash, be computed at the Fair Market Value thereof at the time of such issue, as determined in good faith by the Board (absent manifest error); and

(3) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Company for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (1) and (2) above, as determined in good faith by the Board (absent manifest error).

(B) OPTIONS, RIGHTS AND CONVERTIBLE SECURITIES. The consideration per share received by the Company for Additional Shares of Common Stock deemed to have been issued pursuant to subsection 4(d)(ii), relating to Options, Rights and Convertible Securities, shall be determined by dividing

(1) the total amount, if any, received or receivable by the Company as consideration for the issue of such Options, Rights or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Company upon the exercise of such Options, Rights or the conversion or exchange of such Convertible Securities, by

(2) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options, Rights or the conversion or exchange of such Convertible Securities.

(e) ADJUSTMENT FOR STOCK SPLITS AND COMBINATIONS. If the Company shall at any time or from time to time after the Issue Date effect a subdivision of the outstanding Common Stock, the Conversion Price then in effect immediately before that subdivision shall be proportionately decreased. If the Company shall at any time or from time to time after the Issue Date combine the outstanding shares of Common Stock, the Conversion Price then in effect immediately before the combination shall be proportionately increased. Any adjustment under this paragraph shall become effective at the close of business on the date the subdivision or combination becomes effective.

(f) ADJUSTMENT FOR CERTAIN DIVIDENDS AND DISTRIBUTIONS. In the event the Company at any time or from time to time after the Issue Date shall make or issue a dividend or other distribution payable in Additional Shares of Common Stock, then and in each such event the Conversion Price shall be decreased as of the time of such issuance, by multiplying such Conversion Price by a fraction, the numerator of which shall be the total number of shares of Common Stock outstanding, on a fully diluted basis, immediately prior to such issuance and the denominator of which shall be the total number of shares of Common Stock outstanding immediately prior to such issuance plus the number of such Additional Shares of Common Stock issuable in payment of such dividend or distribution.

(g) ADJUSTMENTS FOR OTHER DIVIDENDS AND DISTRIBUTIONS. In the event the Company at any time, or from time to time after the Issue Date shall make or issue, a dividend or other distribution payable in securities of the Company (other than shares of Common Stock) or other assets or properties, then and in each such event provision shall be made so that the holders of the Notes shall receive in addition to the number of shares of A Common Stock receivable upon conversion of the Notes, the amount of securities of the Company or other assets or properties that they would have received had their Notes been converted into A Common Stock on the date of such event and had thereafter, during the period from the date of such event to and including the Conversion Date, retained such securities or other assets or properties receivable by them as aforesaid during such period giving application to all adjustments called for during such period, under this paragraph with respect to the rights of the holders of the Notes; provided that,

in the event rights or benefits under such securities, assets or properties shall terminate prior to the time that the holder of this Note may elect to convert this Note into shares of A Common Stock, such amount of securities, assets or properties that the holder would have received had such holder converted his or her notes immediately prior to the distribution shall be distributed to the holder of this Note on the date the securities, assets or properties are distributed to the holders of Common Stock.

(h) ADJUSTMENT FOR RECLASSIFICATION, EXCHANGE OR SUBSTITUTION. If the A Common Stock issuable upon the conversion of the Notes shall be changed into the same or a different number of shares of any class or classes of stock, whether by capital reorganization, reclassification, or otherwise (other than a subdivision or combination of shares, stock dividend or reorganization, reclassification, merger, consolidation or asset sale provided for elsewhere in this Section 4), then and in each such event the holder of each Note (whether then outstanding or thereafter issued) shall have the right thereafter to convert such Note into the kind and amount of shares of stock and other securities and property receivable upon such reorganization, reclassification, or other change, by holders of the number of shares of A Common Stock into which all such Notes might have been converted immediately prior to such reorganization, reclassification, or change, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof.

(i) REORGANIZATIONS, MERGERS, CONSOLIDATIONS OR ASSET SALES. If at any time after the Issue Date there is a merger, consolidation, recapitalization, sale of all or substantially all of the Company's assets or reorganization involving the A Common Stock (collectively, a "CAPITAL REORGANIZATION") (other than a merger, consolidation, sale of assets, recapitalization, subdivision, combination, reclassification, exchange or substitution of shares provided for elsewhere in this Section 4), as part of such Capital Reorganization, provision shall be made so that the holders of Notes (whether then outstanding or thereafter issued) will thereafter be entitled to receive upon conversion of the Notes the number of shares of stock or other securities or property of the Company to which a holder of the number of shares of A Common Stock deliverable upon conversion would have been entitled on such Capital Reorganization, subject to adjustment in respect to such stock or securities by the terms thereof. In any such case, appropriate adjustment will be made in the application of the provisions of this Section 4 with respect to the rights of the holders of Notes after the Capital Reorganization to the end that the provisions of this Section 4 (including adjustment of the Conversion Price then in effect and the number of shares issuable upon conversion of the Notes) will be applicable after that event and be as nearly equivalent as practicable. In the event that the Company is not the surviving entity of any such Capital Reorganization, each Note shall become Notes of such surviving entity, with the same powers, rights and preferences as provided herein.

(j) FIRST ANNIVERSARY CONVERSION PRICE RESET. If the average

Closing Price of the A Common Stock for the 30 trading days immediately preceding the first anniversary of the Issue Date (the "30-DAY AVERAGE") is below 90.91% of the Conversion Price then in effect, the Conversion Price shall be reset to a lower amount that represents a 10.00% premium to the 30-Day Average (the "FIRST ANNIVERSARY RESET"). In the event that the Conversion Price is subject to downward adjustment due to the First Anniversary Reset, the Company shall have the option to

redeem the Notes in whole, but not in part (except as provided in the following sentence), for such consideration equal to 125% of the then outstanding Face Amount of this Note (the "REFINANCING RIGHT"); PROVIDED HOWEVER, prior to the Company's exercise of the Refinancing Right, the holders of the Notes shall receive reasonable notice from the Company of its election to exercise its Refinancing Right and each holder shall have the right for a period of ten business days to waive in writing the First Anniversary Reset and to continue to hold the Notes with the Conversion Price then in effect. The Company shall have a refinancing right with respect to each Note the holder of which does not agree to waive the First Anniversary Reset, and in the event that holders of a majority of the aggregate principal amount of outstanding Notes elect to have the Conversion Price adjusted to the First Anniversary Reset amount, the Company shall have the right to repurchase all of the outstanding Notes at 125% of the then outstanding Face Amount of the Notes. If the Company exercises the Refinancing Right, and the holders of the Notes elect not to waive the First Anniversary Reset, the Company must complete the redemption of the Notes within twenty business days from the date the Company's notice was given; PROVIDED FURTHER, if the Company fails to complete the redemption as described above, the Conversion Price shall be immediately adjusted downward as provided for the First Anniversary Reset.

(k) NO IMPAIRMENT. The Company will not, by amendment of its Certificate of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Section 4 and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of the holders of the Notes against impairment to the extent required hereunder. Nothing in this Section 4 shall affect the continued accrual of interest on the Notes in accordance with the terms of this Note.

(l) CERTIFICATE AS TO ADJUSTMENTS. Upon the occurrence of each adjustment or readjustment of the Conversion Price pursuant to this Section 4, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder, if any, of Notes outstanding a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based and shall file a copy of such certificate with its corporate records. The Company shall, upon the reasonable written request of any holder of Notes, furnish or cause to be furnished to such holder a similar certificate setting forth (i) such adjustments and readjustments, (ii) the Conversion Price then in effect, and (iii) the number of shares of A Common Stock and the amount, if any, of other property which then would be received upon the conversion of Notes. Despite such adjustment or readjustment, the form of each or all Notes, if the same shall reflect the initial or any subsequent Conversion Price, need not be changed in order for the adjustments or readjustments to be valid in accordance with the provisions of this Note, which shall control.

(m) NOTICE OF RECORD DATE. In the event

(i) that the Company declares a dividend (or any other distribution) on its Common Stock payable in Common Stock or other securities of the Company;

(ii) that the Company subdivides or combines its outstanding shares of Common Stock;

(iii) of any reclassification of the Common Stock of the Company (other than a subdivision or combination of its outstanding shares of Common Stock or a stock dividend or stock distribution thereon);

(iv) of any Capital Reorganization; or

(v) of the involuntary or voluntary dissolution, liquidation or winding up of the Company;

then the Company shall cause to be filed at its principal office, and shall cause to be mailed to the holders of the Notes at their last addresses as shown on the records of the Company, at least 10 days prior to the record date specified in (A) below or 20 days prior to the date specified in (B) below, a notice stating

(A) the record date of such dividend, distribution, subdivision or combination, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution, subdivision or combination are to be determined, or

(B) the date on which such reclassification, Capital Reorganization, dissolution, liquidation or winding up is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, Capital Reorganization, dissolution or winding up.

5. REPURCHASE RIGHT UPON A CHANGE OF CONTROL.

(a) In the event that a Change in Control (as herein defined) shall occur, then each holder shall have the right (the "REPURCHASE RIGHT"), at the holder's option to require the Company to repurchase, and upon the exercise of such right the Company shall repurchase, all of such holder's Notes, or any portion of the principal amount thereof that is equal to $1,000 or any integral multiple thereof, on the date (the "Repurchase Date") that is 30 days after the date of the Company Notice (as defined in subsection (b) of this Section 5) at a purchase price equal to 101% of the Face Amount to be repurchased plus accrued and unpaid interest thereon, if any, to the Repurchase Date (the "REPURCHASE Price"). "CHANGE IN CONTROL" means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of Rule 13d-5 under the Securities Exchange Act of 1934 as in effect on the date hereof) of shares representing more than 35% of the aggregate ordinary voting power represented by the issued and outstanding Common Stock; (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Company by Persons who were neither (i) nominated by the board of directors of the Company nor (ii) appointed by directors so nominated;

or (c) the hiring or firing of the Company's chief executive officer without the prior approval of holders representing a majority of the outstanding Face Amount of the Notes. "PERSON" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

(b) On or before the 20th day after the occurrence of a Change in Control, the Company shall give to all holders of Notes notice (the "Company Notice"), of the occurrence of the Change in Control and of the Repurchase Right set forth herein arising as a result thereof. Each notice of a repurchase right shall be mailed to the holders of the Notes at their last address as shown on the records of the Company and shall state:

(i) the Repurchase Date;

(ii) the date by which the repurchase right must exercised;

(iii) the Repurchase Price;

(iv) a description of the procedure which a Holder must follow to exercise a repurchase right, and the place or places where such Notes, are to be surrendered for payment of the Repurchase Price;

(v) that on the Repurchase Date the Repurchase Price will become due and payable upon each such Note designated by the Holder to be repurchased, and that interest thereon shall cease to accrue on and after said date;

(vi) the Conversion Rate then in effect, the date on which the right to convert the principal amount of the Notes to be repurchased will terminate and the place where such Notes may be surrendered for conversion; and

(vii) the place or places that the Notes with the option to elect repayment upon a change of control shall be delivered.

No failure of the Company to give the foregoing notices or defect therein shall limit any holder's right to exercise a Repurchase Right or affect the validity of the proceedings for the repurchase of Securities.

If any of the foregoing provisions or other provisions of this Section 5 are inconsistent with applicable law, such law shall govern.

(c) To exercise a Repurchase Right, a holder shall deliver to the Company on or before the 30th day after the date of the Company Notice (i) written notice of the holder's exercise of such right, which notice shall set forth the name of the holder, the principal amount of the Notes to be repurchased (and, if any Note is to be repurchased in part, the serial number thereof, the portion of the principal amount thereof to be repurchased is to be registered) and a statement that an election to exercise the Repurchase Right is being made thereby, and (ii) the

Notes with respect to which the Repurchase Right is being exercised. Such written notice shall be irrevocable, except that the right of the Holder to convert the Notes with respect to which the Repurchase Right is being exercised shall continue until the close of business on the business day immediately preceding the Repurchase Date.

(d) In the event a Repurchase Right shall be exercised in accordance with the terms hereof, the Company shall pay or cause to be paid to the holders of Notes the Repurchase Price in cash as promptly after the Repurchase Date as practicable, together with accrued and unpaid interest to the Repurchase Date payable with respect to the Notes as to which the repurchase right has been exercised.

(e) If any Note (or portion thereof) surrendered for repurchase shall not be so paid on the Repurchase Date, the principal amount of such Note (or portion thereof, as the case may be) shall, until paid, bear interest to the extent permitted by applicable law from the Repurchase Date at the rate of 9% per annum, and each Note shall remain convertible into Common Stock until the principal of such Note (or portion thereof, as the case may be) shall have been paid or duly provided for.

(f) Any Note which is to be repurchased only in part shall be surrendered to the Company and the Company shall execute and make available for delivery to the holder of such Note without service charge, a new Note or Notes, containing identical terms and conditions, each in an authorized denomination in aggregate principal amount equal to and in exchange for the unrepurchased portion of the principal of the Note so surrendered.

6. EVENTS OF DEFAULT.

(a) DEFINITION. For purposes of this Note, an Event of Default shall be deemed to have occurred if:

(i) the Company fails to pay when due (whether at maturity or otherwise) the full amount of interest then accrued hereon or the full amount of any principal payment hereon;

(ii) (A) the Company or any of its material Subsidiaries makes an assignment for the benefit of creditors, (B) an order, judgment or decree is entered adjudicating the Company or any of its material Subsidiaries bankrupt or insolvent, (C) any order for relief with respect to the Company or any of its material Subsidiaries is entered under the Bankruptcy Reform Act, Title 11 of the United States Code, (D) the Company or any of its material Subsidiaries petitions or applies to any tribunal for the appointment of a custodian, trustee, receiver or liquidator of the Company or any of its material

Subsidiaries or of any substantial part of the assets of the Company or any of its material Subsidiaries, or commences any proceeding relating to the Company or any of its material Subsidiaries under any bankruptcy reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, or (E) any such petition or application is filed, or any such proceeding is commenced, against the Company or any of its material Subsidiaries and either (1) the Company or any of its material Subsidiaries by any act indicates its approval thereof, consent thereto or acquiescence therein or (2) such petition, application or proceeding is not dismissed within 60 days;

(iii) a judgment in excess of $30,000,000 is rendered against the Company and, within 60 days after entry thereof, such judgment is not discharged or execution thereof stayed pending appeal, or within 60 days after the expiration of any such stay, such judgment is not discharged or paid;

(iv) the Company or any of its material Subsidiaries defaults in the performance of any indebtedness if the effect of such default is to cause an amount exceeding $30,000,000 to become due prior to its stated maturity;

(v) for any reason any Designated Senior Indebtedness (as defined in Section 11(h), hereof) shall have become due prior to its stated maturity;

(vi) the failure to comply with the terms of this Note or the applicable provisions of the Agreement for a period of 30 days following notice of such failure from holders of the Notes; or

(vii) the failure of the Company's board of directors to consist of ten directors at least two of whom shall have been recommended by the Purchasers (as defined in the Agreement), by April 18, 2000.

Notwithstanding the foregoing, no Event of Default under clauses (iii), (iv), (v) or (vi) above shall occur or shall be deemed to have occurred (unless the indebtedness under the Credit Agreement (as defined in Section 11(g) hereof) shall have become due prior to its stated maturity and such acceleration shall not have been rescinded or annulled within 30 days thereafter) so long as any Senior Indebtedness (as defined in Section 11(g) hereof) remains outstanding or the Credit Agreement is otherwise "in effect." Nothing in this Section 6 shall prevent a holder of Senior Indebtedness (as defined in Section 11(g) hereof) from exercising its right to enforce the applicable provisions of this Note against the holder of this Note in any proceeding of a type described in Section 6(a)(ii) above or any similar proceeding.

(b) CONSEQUENCES OF EVENTS OF DEFAULT.

(i) Subject to the provisions of Section 11 of this Note, if an Event of Default of the type described in subsections 6(a)(i), (iii), (iv), (v) and (vi) has occurred and continued for 15 days or any other Event of Default has occurred, the holder or holders of the Notes representing a majority of the aggregate principal amount then outstanding of the Notes may declare all or any portion of the outstanding principal amount of the Notes due and payable and demand immediate payment of all or any portion of the outstanding principal amount of the Notes owned by such holder or holders, PROVIDED that in an Event of Default specified in subsection 6(a)(ii), all of the outstanding principal amount of the Notes shall automatically and immediately become due and payable. The Company shall give prompt written notice of any such demand to the other holders, if any, of any portion of the Notes, each of which may demand immediate payment of all or any portion of such holder's portion of the Notes. If any holder or holders of the Notes demand immediate payment of all or any portion of such holder's portion of the Notes, the Company shall, subject to the other provisions of this Note (including Section 11), immediately pay in cash to such holder or holders the principal amount of the Notes requested to be paid plus accrued interest thereon.

(ii) Subject to the other provisions of this Note (including Section 11), each holder of any portion of this Note shall also have, upon the occurrence and continuance of an Event of Default, any other rights which such holder may have pursuant to applicable law.

7. AMENDMENT AND WAIVER. Except as otherwise expressly provided herein, the provisions of this Note may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the holders of at least a majority of the aggregate principal amount then outstanding of the Notes; provided that no such action shall change (i) the rate at which or the manner in which interest accrues on the Notes or is payable or the times at which such interest becomes payable, or (ii) any provision relating to the scheduled payment of principal on the Notes without the consent of the applicable holder if such change is adverse to such holder.

8. PLACE OF PAYMENT. Payments of principal and interest and all

notices and other communications to the Investor hereunder or with respect hereto are to be delivered to the Investor at the following address:

Attn: _____________

or to such other address or to the attention of such other person as specified by prior written notice to the Company, including any transferee of this Note.

9. COSTS OF COLLECTION. In the event that the Company fails to pay when due (including, without limitation upon acceleration in connection with an Event of Default) the full amount of principal and/or interest hereunder, the Company shall indemnify and hold harmless the

holder of any portion of this Note from and against all reasonable costs and expenses incurred in connection with the enforcement or collection of such principal and interest, including, without limitation, reasonable attorneys' fees and expenses.

10. WAIVERS. The Company hereby waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note.

11. SUBORDINATION. The Company agrees, and by the acceptance hereof each holder agrees, as follows:

(a) SUBORDINATION OF LIABILITIES. The Company, for itself, its successors and assigns, covenants and agrees, and each holder of this Note (together with its successors and assigns, the "holder of this Note") by its acceptance hereof likewise covenants and agrees, that the payment of the principal of, interest on, and all other amounts owing in respect of, this Note (the "SUBORDINATED INDEBTEDNESS") is hereby expressly subordinated, to the extent and in the manner hereinafter set forth, to the prior payment in full in cash of all Senior Indebtedness. The provisions of this Section 11, and the provisions of Sections 2 and 6 of this Note, each shall constitute a continuing offer to all persons or other entities who, in reliance upon such provisions, become holders of, or continue to hold, Senior Indebtedness, and such provisions are made for the benefit of the holders of Senior Indebtedness, and such holders are hereby made obligees hereunder the same as if their names were written herein as such and they and/or each of them may proceed to enforce such provisions.

(b COMPANY NOT TO MAKE PAYMENTS WITH RESPECT TO SUBORDINATED INDEBTEDNESS IN CERTAIN CIRCUMSTANCES. (i) In the event of a Senior Payment Default (as hereinafter defined), then, upon receipt by the Company and the holders of Subordinated Indebtedness of written notice of such Senior Default (a "SENIOR PAYMENT DEFAULT NOTICE") from either (i) the Administrative Agent (as defined in the Credit Agreement) if such Senior Payment Default relates to the Credit Agreement or any replacement thereof or (ii) the holders of at least a majority in principal amount of outstanding Senior Indebtedness to which such Senior Payment Default relates or any duly authorized representative of such holders, no payment (other than a payment in the form of any other indebtedness of the Company which is subordinated to the payment of the Senior Indebtedness to the same extent as this Note is subordinated to the Senior Indebtedness or payments made in equity securities of the Company, including as a result of the conversion of the Noes into Shares of A Common Stock) shall be made by the Company on account of principal of (or premium, if any) or interest on the Subordinated Indebtedness unless and until (i) such Senior Payment Default shall have been cured or waived or shall have ceased to exist or (ii) all amounts then due and payable in respect of Senior Indebtedness shall have been paid in full in cash, or provision shall have been made for such payment and all commitments to make further loans, advances and other credit accommodations under the Credit Agreement or such other Senior Indebtedness have been terminated (such period during which a Senior Default continues being, a "PAYMENT DEFAULT BLOCKAGE PERIOD").

(ii) In the event that any Senior Nonmonetary Default (as hereinafter defined) shall have occurred and be continuing, then, upon the receipt by the Company and the holders of Subordinated Indebtedness of written notice of such Senior Nonmonetary Default (a "SENIOR NONMONETARY DEFAULT NOTICE") from either (i) the Administrative Agent if such Senior Nonmonetary Default relates to the Credit Agreement or any replacement thereof or (ii) the holders of a majority in principal amount of outstanding Senior Indebtedness to which such Senior Nonmonetary Default relates or any duly authorized representative of such holders, no payment (other than a payment in the form of any other indebtedness of the Company which is subordinated to the payment of the Senior Indebtedness to the same extent as the Note is subordinated to the Senior Indebtedness or payments made in equity interests of the company, including as a result of the conversion of the Notes into Shares of A Common Stock) shall be made by the Company on account of principal of (or premium, if any) or interest on the Subordinated Indebtedness during the period (the "NONMONETARY DEFAULT BLOCKAGE PERIOD") commencing on the date of receipt of such Senior Nonmonetary Default Notice and ending on the earlier of (a) the date on which such Senior Nonmonetary Default shall have been cured or waived or shall have ceased to exist and any acceleration of Senior Indebtedness shall have been rescinded or annulled or the Senior Indebtedness to which such Senior Nonmonetary Default relates shall have been discharged or (b) the 179th day after the date of receipt of such written notice; PROVIDED, HOWEVER, that not more than one Senior Nonmonetary Default Notice shall be given during any period of 360 consecutive days, regardless of the number of defaults with respect to Senior Indebtedness during such 360-day period. For all purposes of this Section 11(b)(ii), no event of default which existed or was continuing on the date of commencement of any Nonmonetary Default Blockage Period with respect to any Senior Indebtedness shall be, or be made, the basis for the commencement of a another Nonmonetary Default Blockage Period by the holders (or any duly authorized agent or other representative thereof) of such Senior Indebtedness whether or not within a period of 360 consecutive days, unless such event of default shall have been cured or waived for a period of not less than 90 consecutive days (it being acknowledged that any subsequent action, or any breach of any financial covenants for a period commencing after the date of commencement of such Nonmonetary Default Blockage Period that, in either case, would give rise to an event of default pursuant to any provisions under which an event of default previously existed or was continuing shall constitute a new event of default for this purpose).

(iii) If an Event of Default shall occur and be continuing at any time during the continuance of a Payment Default Blockage Period or a Nonmonetary Default Blockage Period, no holder of Subordinated Indebtedness shall ask, demand or sue for any payment or distribution or seek any other remedy in respect of the Subordinated Indebtedness or commence or join in with any other creditor (other than the agent for the holders of Senior Indebtedness) in commencing any bankruptcy, insolvency, receivership or similar proceedings prior to the earliest to occur of (i) acceleration of any Senior Indebtedness or any other exercise of remedies by the Administrative Agent or the Lenders (as defined in the Credit Agreement) or the other holders of Senior Indebtedness, including without

limitation, any realization on collateral or any reduction of commitments as a result of the occurrence and continuance of any event of default under the Credit Agreement or any agreement or instrument evidencing Senior Indebtedness, (ii) the occurrence of an Event of Default specified in Sections 6(a)(ii) hereof or (iii) the earlier to occur of (x) 179 days after the commencement of such Payment Blockage Period or Nonmonetary Blockage Period or (y) the expiration of such Payment Blockage Period or Nonmonetary Default Blockage Period.

(iv) Except as contemplated by Section 2(b) and Section 4, the Company may not, directly or indirectly, make any payment of any kind or character of any Subordinated Indebtedness and may not acquire any Subordinated Indebtedness for cash or property until all Senior Indebtedness has been paid in full in cash if such payment is prohibited by the terms of any Senior Indebtedness or if any default or event of default under any Senior Indebtedness is then in existence or would result therefrom.

(v) In the event that, notwithstanding the other provisions of this Section 11(b), the Company shall make (or any other person or entity on behalf of the Company shall make) any payment on account of the Subordinated Indebtedness (other than as contemplated by Section 2(b) and Section 4) or shall acquire any Subordinated Indebtedness for cash or property at a time when payment is not permitted by such provisions, such payment shall be held by the holder of this Note, in trust for the benefit of, and shall be paid forthwith over and delivered to, the holders of Senior Indebtedness or their representative, agent or trustee under the loan agreement, indenture or other agreement pursuant to which any instruments evidencing any Senior Indebtedness may have been issued, as their respective interests may appear, for application PRO RATA to the payment of all Senior Indebtedness remaining unpaid to the extent necessary to pay all Senior Indebtedness in full in cash in accordance with the terms of such Senior Indebtedness, after giving effect to any concurrent payment or distribution to or for the holders of Senior Indebtedness. Without in any way modifying the provisions of this Section 11 or affecting the subordination effected hereby, if notice has not been previously given, the Company shall give the holder of this Note prompt written notice of any event which would prevent payments under this Section 11(b).

(c) SUBORDINATION TO PRIOR PAYMENT OF ALL SENIOR INDEBTEDNESS ON DISSOLUTION, LIQUIDATION OR REORGANIZATION OF THE COMPANY. Upon any payment or distribution of assets of the Company of any kind or character (whether in cash, properties or securities) upon any total or partial dissolution, winding up, liquidation or reorganization of the Company (whether in bankruptcy, insolvency, receivership or similar proceedings or upon an assignment for the benefit of creditors, marshaling of assets of the Company or otherwise):

(i) the holders of all Senior Indebtedness shall first be entitled to receive payment in full in cash of all Senior Indebtedness (including, without limitation, post-petition interest at the rate provided in the documentation with

respect to such Senior Indebtedness, whether or not such post-petition interest is an allowed claim against the debtor in any bankruptcy or similar proceeding) before the holder of this Note is entitled to receive any payment of any kind or character on account of the Subordinated Indebtedness other than equity securities of the Company or debt securities that are subordinated to the Senior Indebtedness to substantially the same extent as, or to a greater extent than, the Notes are subordinated to Senior Indebtedness;

(ii) any payment or distribution of assets of the Company of any kind or character (other than equity securities of the Company or debt securities that are subordinated to the Senior Indebtedness to substantially the same extent as, or to a greater extent than, the Notes are subordinated to Senior Indebtedness), whether in cash, property or securities to which the holder of this Note would be entitled except for the provisions of this Section 11, shall be paid by the liquidating trustee or agent or other person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or other trustee or agent, directly to the holders of Senior Indebtedness or their representative, agent or trustee under any loan agreement, indenture or other agreement under which any instruments evidencing any such Senior Indebtedness may have been issued, to the extent necessary to make payment in full in cash of all Senior Indebtedness remaining unpaid, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness; and

(iii) in the event that, notwithstanding the foregoing provisions of this Section 11(c), any payment or distribution of assets of the Company of any kind or character, whether in cash, property or securities, shall be received in violation hereof by the holder of this Note on account of Subordinated Indebtedness before all Senior Indebtedness is paid in full in cash, such payment or distribution shall be received and held in trust for and shall be paid over to the holders of the Senior Indebtedness remaining unpaid or their representative, agent or trustee under any loan agreement, indenture or other agreement under which any instruments evidencing any of such Senior Indebtedness may have been issued, for application to the payment of such Senior Indebtedness until all such Senior Indebtedness shall have been paid in full in cash after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness.

To the extent any payment of Senior Indebtedness (whether by or on behalf of the Company, as proceeds of security or enforcement of any right of setoff or otherwise) is declared to be fraudulent or preferential, set aside or required to be paid to any receiver, trustee in bankruptcy, liquidating trustee, agent or other similar person under any bankruptcy, insolvency, receivership, fraudulent conveyance or similar law, then, if such payment is recovered by, or paid over to, such receiver, trustee in bankruptcy, liquidating trustee, agent or other similar person, the Senior Indebtedness or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment has not occurred. If the holder of this Note does not file a proper claim or proof of debt in the form required in any bankruptcy, insolvency,

receivership, reorganization or similar proceeding prior to 30 days before the expiration of the time to file such claim or claims, then any of the holders of the Senior Indebtedness or their representative, agent or trustee is hereby authorized to file an appropriate claim for and on behalf of the holder of this Note.

(d) SUBROGATION. Subject to the prior payment in full in cash of all Senior Indebtedness, the holder of this Note shall be subrogated to the rights of the holders of Senior Indebtedness to receive payments or distributions of assets of the Company applicable to the Senior Indebtedness until all amounts owing on this Note shall be paid in full, and for the purpose of such subrogation no payments or distributions to the holders of the Senior Indebtedness by or on behalf of the Company or by or on behalf of the holder of this Note by virtue of this Section 11 which otherwise would have been made to the holder of this Note shall, as between the Company, its creditors other than the holders of Senior Indebtedness, and the holder of this Note, be deemed to be payment by the Company to or on account of the Senior Indebtedness, it being understood that the provisions of this Section 11 are and are intended solely for the purpose of defining the relative rights of the holder of this Note, on the one hand, and the holders of the Senior Indebtedness, on the other hand.

(e) OBLIGATION OF THE COMPANY UNCONDITIONAL. Nothing contained in this Section 11 or in this Note is intended to or shall impair, as between the Company and the holder of this Note, the obligation of the Company, which is absolute and unconditional, to pay to the holder of this Note the principal of and interest on this Note as and when the same shall become due and payable in accordance with its terms, or is intended to or shall affect the relative rights of the holder of this Note and creditors of the Company other than the holders of the Senior Indebtedness, nor shall anything herein or therein prevent the holder of this Note from exercising all remedies otherwise permitted by applicable law upon an event of default under this Note, subject to the provisions of this Section 11 and Section 6 of this Note, including the rights of the holders of Senior Indebtedness in respect of assets of the Company received upon the exercise of any such remedy. Upon any distribution of assets of the Company referred to in this Section 11, the holder of this Note shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which such dissolution, winding up, liquidation or reorganization proceedings are pending, or a certificate of the liquidating trustee or agent or other person making any distribution to the holder of this Note, for the purpose of ascertaining the persons entitled to participate in such distribution, the holders of the Senior Indebtedness and other indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Section 11.

(f) SUBORDINATION RIGHTS NOT IMPAIRED BY ACTS OR OMISSIONS OF COMPANY OR HOLDERS OF SENIOR INDEBTEDNESS. No right of any present or future holders of any Senior Indebtedness to enforce subordination as herein provided shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Company or by any act or failure to act by any such holder, or by any noncompliance by the Company with the terms and provisions of this Note, regardless of any knowledge thereof which any such holder may have or be otherwise charged with. The holders of the Senior Indebtedness may, without in any way affecting the obligations of the holder of this Note with respect hereto, at any time or from time to time and in their absolute discretion, change the manner, place or terms of payment of, change or

extend the time of payment of, or renew, alter or increase, any Senior Indebtedness or amend, modify or supplement any agreement or instrument governing or evidencing such Senior Indebtedness or any other document referred to therein, or exercise or refrain from exercising any other of their rights under the Senior Indebtedness including, without limitation, the waiver of default thereunder and the release or impairment of any collateral securing such Senior Indebtedness, all without notice to or assent from the holder of the Note.

(g) SENIOR INDEBTEDNESS. The term "SENIOR INDEBTEDNESS" shall mean all Obligations (i) of the Company under, or in respect of, the Credit Agreement (as amended, modified, supplemented, extended, restated, refinanced, replaced or refunded from time to time, the "CREDIT AGREEMENT"), dated as of July 16, 1999, among the Company and the other parties thereto, and (ii) of the Company under, or in respect of, any other indebtedness, whether outstanding on the date hereof or hereafter created, incurred or assumed, which the Company specifically designates in writing as "Senior Indebtedness" for purposes of this Note; provided, however, that no such other Senior Indebtedness described in this clause (ii) shall by its terms prohibit the repayment of the principal amount outstanding under this Note and accrued interest thereon at maturity unless an event of default has occurred and is continuing thereunder. As used herein, the term "OBLIGATION" shall mean any principal, interest, premium, penalties, fees, expenses, indemnities, reimbursements and other liabilities and obligations (including any guaranties of the foregoing liabilities and obligations) payable under the documentation governing any indebtedness (including interest after the commencement of any bankruptcy, insolvency, receivership or similar proceeding at the rate provided for in the respective issue of Senior Indebtedness, whether or not such interest is an allowed claim against the debtor in any such proceeding).

(h) DESIGNATED SENIOR INDEBTEDNESS. The term Designated Senior Indebtedness means any Senior Indebtedness which, at the date of determination, has an aggregate principal amount outstanding of, or under which, at the date of determination, the holders thereof are committed to lend up to, at least $10 million.

(i) OTHER DEFINED TERMS. The term "Senior Payment Default" shall mean any default in the payment of principal or (or premium, if any) or interest on, or other amount payable in respect of, any Senior Indebtedness when due that, by the terms of any instrument pursuant to which any Senior Indebtedness is outstanding, permits one or more holders of such Senior Indebtedness (or a trustee or agent or behalf of the holders thereof) to declare such Senior Indebtedness due and payable prior to the date on which it would otherwise become due and payable, other than a Senior Nonmonetary Default. The term "Senior Nonmonetary Default" shall mean the occurrence or existence of any event, circumstance, condition or state of facts that, by the terms of any instrument pursuant to which any Senior Indebtedness is outstanding, permits one or more holders of such Indebtedness (or a trustee or agent on behalf of the holders thereof) to declare such Senior Indebtedness due and payable prior to the date on which it would otherwise become due and payable, other than a Senior Payment Default.

12. BENEFITS OF THE AGREEMENT. The Investor and all transferees (to the extent permitted in the Agreement) shall be entitled to the rights and benefits granted to them in the Agreement.

13. REGISTRATION OF TRANSFER AND EXCHANGE GENERALLY.

(a) REGISTRATION, REGISTRATION OF TRANSFER AND EXCHANGE GENERALLY. The Company shall keep at its principal executive offices a register (the register maintained in such being herein sometimes collectively referred to as the "Note Register") in which the Company shall provide for the registration of Notes and of transfers and exchanges of Notes.

Subject to the provisions of the Securityholders Agreement dated April __, 2000 regarding restrictions on transfer, upon surrender for registration of transfer of any Note at its principal executive office, the Company shall execute and deliver, in the name of the designated transferee or transferees, one or more new Notes in denominations of $1,000 or integral multiples thereof, of a like aggregate principal amount and bearing such restrictive legends as may be required by law.

At the option of a holder, Notes may be exchanged for other Notes of any authorized denominations, of a like aggregate principal amount and bearing such restrictive legends as may be required by law upon surrender of the Notes to be exchanged at the Company's principal executive offices. Whenever any Notes are so surrendered for exchange, the Company shall execute and make available for delivery the Notes which the holder making the exchange is entitled to receive.

All Notes issued upon any registration of transfer or exchange of Notes shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits as the Notes surrendered upon such registration of transfer or exchange.

Every Note presented or surrendered for registration of transfer or for exchange shall (if so required by the Company) be duly endorsed, or be accompanied by a written instrument of transfer, in form satisfactory to the Company, duly executed by the holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Notes.

(b) MUTILATED, DESTROYED, LOST AND STOLEN NOTES. If any mutilated Note is surrendered to the Company, the Company shall execute and make available for delivery in exchange therefor a new Note of like tenor and principal amount and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Company (i) evidence to its satisfaction of the destruction, loss or theft of any Note and (ii) such security or indemnity as may be required by the Company to save itself harmless, then, in the absence of notice to the Company that such Note has been acquired by a protected purchaser, the Company shall execute and make available for delivery, in lieu of any such destroyed, lost or stolen Note, a new Note of like tenor and principal amount and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Note, pay such Note, subject to the holders' conversion rights pursuant to Section 4 hereof.

Every new Note issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Note shall be at any time enforceable by anyone.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes.

14. GOVERNING LAW. This Note shall be governed by, and construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the Company has executed and delivered this Note on April __, 2000.

GARTNER GROUP, INC.

By:______________________________
Name:
Title:

- --

SECURITYHOLDERS AGREEMENT

AMONG

GARTNER GROUP, INC.,

SILVER LAKE PARTNERS, L.P.

AND

THE SECURITYHOLDERS SIGNATORY HERETO

DATED AS OF APRIL 17, 2000

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TABLE OF CONTENTS

PAGE

RECITALS.....1

ARTICLE I DEFINITIONS.....1
SECTION 1.1 Certain Defined Terms.....1
SECTION 1.2 Other Definitional Provisions.....6

ARTICLE II CORPORATE GOVERNANCE.....7
SECTION 2.1 Board Representation.....7
SECTION 2.2 Committees.....7
SECTION 2.3 Consent Rights.....7
SECTION 2.4 Available Financial Information.....9
SECTION 2.5 Board Expenses.....10
SECTION 2.6 Termination of Director Designees and Related Rights.....10

ARTICLE III TRANSFERS.....10
SECTION 3.1 Investor Securityholder Transferees.....10
SECTION 3.2 Transfer Restrictions.....10
SECTION 3.3 Legends.....11

ARTICLE IV REGISTRATION RIGHTS.....12
SECTION 4.1 Incidental Registrations.....12
SECTION 4.2 Registration on Request.....13
SECTION 4.3 Registration Procedures.....15
SECTION 4.4 Information Supplied.....19
SECTION 4.5 Restrictions on Disposition.....19
SECTION 4.6 Indemnification.....19
SECTION 4.7 Required Reports.....22
SECTION 4.8 Selection of Counsel.....22
SECTION 4.9 Holdback Agreement.....22
SECTION 4.10 No Inconsistent Agreements.....22

ARTICLE V EQUITY PURCHASE RIGHTS.....22
SECTION 5.1 Subsidiary Purchase Rights.....22
SECTION 5.2 Acquisition of Additional Shares of Common Stock.....23

ARTICLE VI CERTAIN COVENANTS.....24
SECTION 6.1 HSR Approval.....24
SECTION 6.2 Convertible Preferred Stock.....25

SECTION 6.3 Common Stock Repurchases....................................25

ARTICLE VII MISCELLANEOUS...25
SECTION 7.1 Silver Lake Indemnification.................................25
SECTION 7.2 Termination...26
SECTION 7.3 Amendments and Waivers......................................26
SECTION 7.4 Successors, Assigns and Transferees.........................26
SECTION 7.5 Notices...26
SECTION 7.6 Further Assurances..26
SECTION 7.7 Entire Agreement..27
SECTION 7.8 Delays or Omissions...27
SECTION 7.9 Governing Law; Jurisdiction; Waiver of Jury Trial...........27
SECTION 7.10 Severability...27
SECTION 7.11 Effective Date...27
SECTION 7.12 Enforcement..27
SECTION 7.13 Titles and Subtitles.......................................28
SECTION 7.14 No Recourse..28
SECTION 7.15 Counterparts; Facsimile Signatures.........................28

GARTNER GROUP, INC.

SECURITYHOLDERS AGREEMENT

THIS SECURITYHOLDERS AGREEMENT (this "AGREEMENT") is entered as of April 17, --------- 2000, among GARTNER GROUP, INC., a Delaware corporation (the "COMPANY"), Silver Lake ------- Partners, L.P., a Delaware limited partnership, Silver Lake Investors, L.P., a Delaware limited partnership, and Silver Lake Technology Investors, L.L.C., a Delaware limited liability company (together with successor entities, "SILVER LAKE"), and Integral Capital ----------- Partners IV, L.P., a Delaware limited partnership, and Integral Capital Partners IV MS Side Fund, L.P., a Delaware limited partnership.

RECITALS

WHEREAS, the Company, Silver Lake and certain other Investor Securityholders (as defined below) have entered into a Securities Purchase Agreement, dated as of March 21, 2000, as amended, supplemented or otherwise modified from time to time (the "SECURITIES PURCHASE AGREEMENT"), pursuant to which Silver Lake and other Investor Securityholders will purchase $300.0 million aggregate principal amount of 6% convertible subordinated notes due 2005 of the Company (the "NOTES") and the Options (as defined below), for an aggregate purchase price of $300.0 million; and

WHEREAS, the parties hereto desire to enter into certain arrangements relating to the Company, the Notes, the Class A Common Stock and the Convertible Preferred Stock, to be effective as of the Closing (each as defined below).

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual promises hereinafter set forth, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

SECTION I.1 CERTAIN DEFINED TERMS. As used herein, the following terms shall have the following meanings:

"AFFILIATE" means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, such specified Person, for so long as such Person remains so associated to the specified Person; provided that beneficial ownership of 10% or more of voting interests of a Person shall be deemed "control".

"AS CONVERTED" means, with respect to any Equity Securities owned by any Investor Securityholder and its Affiliates that are convertible into, or exchangeable or exercisable for Class A Common Stock, such Equity Securities on an as converted, exchanged or exercised basis.

"BENEFICIAL OWNER" or "BENEFICIALLY OWN" has the meaning given such term in Rule 13d-3 under the Exchange Act and a Person's beneficial ownership of Common Stock or Preferred Stock or other Voting Securities of the Company shall be calculated in accordance with the provisions of such Rule; PROVIDED, HOWEVER, that for purposes of determining beneficial ownership, (i) a Person shall be deemed to be the beneficial owner of any security which may be acquired by such Person whether within 60 days or thereafter, upon the conversion, exchange or exercise of any warrants, options, rights or other securities and (ii) no Person shall be deemed to beneficially own any security solely as a result of such Person's execution of this Agreement.

"BOARD" means the Board of Directors of the Company.

"BUSINESS DAY" means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in The City of New York.

"BYLAWS" means the Bylaws of the Company, as in effect on the date hereof and as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof and the terms of the Restated Certificate.

"CAPITAL STOCK" means, with respect to any Person at any time, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of capital stock, partnership interests (whether general or limited) or equivalent ownership interests in or issued by such Person, and with respect to the Company includes, without limitation, any and all shares of Common Stock and preferred stock.

"CERTIFICATE OF DESIGNATION" means the Certificate of Designation with respect to the Company's Convertible Preferred Stock.

"CLAIMS" has the meaning assigned to such term in Section 4.6(a).

"CLASS A COMMON STOCK" means the Common Stock, Class A, par value $0.0005 per share, of the Company and any securities issued in respect thereof, or in substitution therefor, in connection with any stock split, dividend or combination, or any reclassification, recapitalization, merger, consolidation, exchange or other similar reorganization.

"CLASS B COMMON STOCK" means the Common Stock, Class B, par value $0.0005 per share, of the Company and any securities issued in respect thereof, or in substitution therefor, in connection with any stock split, dividend or combination, or any reclassification, recapitalization, merger, consolidation, exchange or other similar reorganization.

"CLOSING" has the meaning assigned to such term in the Securities Purchase Agreement.

"COMMON STOCK" means, collectively, the Class A Common Stock and the Class B Common Stock.

"CONTROL" (including the terms "CONTROLLED BY" and "UNDER COMMON CONTROL with"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

"CONVERTIBLE PREFERRED STOCK" means the Company's Series C Junior Convertible Participating Preferred Stock, into which the Notes maybe convertible and having the designations set forth in the Certificate of Designations (as defined in the Letter Agreement).

"CREDIT AGREEMENT" has the meaning assigned to such term in the Notes.

"DEMAND PARTY" has the meaning assigned to such term in Section 4.2(a).

"DIRECTOR" means any member of the Board.

"DIVESTITURE" has the meaning assigned to such term in Section 2.3(vi).

"EQUITY SECURITIES" means any and all shares of Capital Stock of the Company, securities of the Company convertible into, or exchangeable or exercisable for, such shares, and options, warrants or other rights to acquire such shares (including the Notes and the Convertible Preferred Stock).

"EXCHANGE ACT" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"EXEMPT ACQUISITION" means any acquisition (whether through merger, consolidation or otherwise) which has a purchase price (including any assumed indebtedness and valuing any non-cash consideration at its Fair Market Value) of less than $75.0 million.

"EXEMPT DIVESTITURE" means any Divestiture pursuant to which the value of the assets being divested (including any assumed indebtedness and valuing any non-cash consideration at its Fair Market Value) is less than $75.0 million.

"FAIR MARKET VALUE" has the meaning assigned to such term in Section 4(d)(iv) of the Note.

"FULLY-DILUTED BASIS" with respect to Voting Securities means the number of shares of Voting Securities which are issued and outstanding or owned or held, as applicable, at the date

of determination plus the number of shares of Voting Securities issuable pursuant to any securities (other than Voting Securities), warrants, rights or options then outstanding, convertible into or exchangeable or exercisable for (whether or not subject to contingencies or passage of time, or both), Voting Securities (including the Convertible Preferred Stock and the Notes).

"GAAP" means generally accepted accounting principles, as in effect in the United States of America from time to time.

"GROUP" has the meaning assigned to such term in Section 13(d)(3) of the Exchange Act.

"HOLDER" means Silver Lake and any other holder of Registrable Securities (including any direct or indirect Transferees of Silver Lake or its Affiliates) entitled to the rights, and bound by the obligations, under this Agreement in accordance with Section 3.1(b).

"HSR ACT" means the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended.

"INCUR" means, directly or indirectly, to incur, refinance, create, assume, guarantee or otherwise become liable with respect to.

"INDEMNIFIED PARTIES" has the meaning assigned to such term in Section 4.6(a).

"INVESTOR SECURITYHOLDER" means Silver Lake, each other securityholder that purchased Notes from the Company on the Closing Date and any Transferee of the foregoing.

"ISSUANCE NOTICE" has the meaning assigned to such term in Section 5.1(b).

"LAW" has the meaning assigned to such term in the Securities Purchase Agreement.

"LETTER AGREEMENT" shall mean the letter agreement dated the date hereof with respect to the possible issuance of the Convertible Preferred Stock.

"LOSSES" has the meaning assigned to such term in Section 7.1.

"NASD" means the National Association of Securities Dealers, Inc.

"NOTES" means the Company's 6% convertible subordinated notes due 2005.

"NYSE" means the New York Stock Exchange, Inc.

"OTHER HOLDERS" means Persons other than Holders who, by virtue of agreements with the Company, are entitled to include their securities in certain registrations hereunder.

"OTHER SECURITIES" means securities of the Company, other than Registrable Securities which, by virtue of agreements between Other Holders and the Company, are entitled to be included in certain registrations hereunder.

"PERMITTED TRANSFEREE" means, with respect to each Investor Securityholder (A) such Investor Securityholder's officers, employees or consultants, (B) any corporation or corporations, partnership or partnerships (or other entity for collective investment, such as a fund) which is (and continues to be) an Affiliate of such Investor Securityholder and (C) the partners of such Investor Securityholder and the general or limited partners of such partners in the case of a distribution by such Investor Securityholder. In addition, with respect to Silver Lake, Permitted Transferee shall include one or more limited partners of Silver Lake who may purchase up to $100 million aggregate principal amount of Notes, subject to the prior approval of the Company (which approval may not be unreasonably withheld).

"PERSON" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

"REFINANCING RIGHT" has the meaning assigned to such term in Section 4(j) of the Notes.

"REGISTRABLE SECURITIES" means (i) any shares of Class A Common Stock issuable upon conversion of (x) the Notes or (y) the Convertible Preferred Stock and (ii) the shares of Convertible Preferred Stock, in each case held by any Holder. As to any particular Registrable Securities, once issued, such Registrable Securities shall cease to be Registrable Securities when (a) a registration statement with respect to the sale by the Holder of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (b) such securities shall have been distributed to the public pursuant to Rule 144 (or any successor provision) under the Securities Act, or (c) such securities shall have ceased to be outstanding. For purposes of this Agreement, any required calculation of the amount of, or percentage of, Registrable Securities shall be based on the number of shares of Common Stock or Convertible Preferred Stock, as the case may be, which are Registrable Securities, including shares issuable upon the conversion, exchange or exercise of any security convertible, exchangeable or exercisable into Common Stock or Convertible Preferred Stock, as the case may be.

"REGISTRATION EXPENSES" means any and all expenses incident to performance of or compliance with Article IV of this Agreement, including (a) all SEC and securities exchange or NASD registration and filing fees (including, if applicable, the fees and expenses of any "qualified independent underwriter," as such term is defined in Schedule E to the bylaws of the NASD, and of its counsel), (b) all fees and expenses of complying with securities or blue sky laws (including fees and disbursements of counsel for the underwriters in connection with blue sky qualifications of the Registrable Securities), (c) all printing, messenger and delivery expenses, (d) all fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange or NASD pursuant to Section 4.3(h)(i) and all rating agency fees, (e) the fees and disbursements of counsel for the Company and of its independent public accountants, including

the expenses of any special audits and/or "cold comfort" letters required by or incident to such performance and compliance, (f) the reasonable fees and disbursements of counsel selected pursuant to Section 4.8, (g) any fees and disbursements of underwriters customarily paid by the issuers or sellers of securities, including liability insurance if the Company so desires or if the underwriters so require, and the reasonable fees and expenses of any special experts retained in connection with the requested registration, but excluding underwriting discounts and commissions and transfer taxes, if any, and (h) expenses incurred in connection with any road show (including the reasonable out-of-pocket expenses of any Investor Securityholder).

"REQUIRED COMPANY VOTE" means the affirmative vote of holders of shares of Common Stock representing a majority of the total votes cast at a meeting of the holders of outstanding shares of Common Stock.

"RESTATED CERTIFICATE" means the Amended and Restated Certificate of Incorporation of the Company, as in effect on the date hereof and as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof and the terms of this Agreement.

"SEC" means the U.S. Securities and Exchange Commission or any other federal agency then administering the Securities Act or the Exchange Act and other federal securities laws.

"SECURITIES ACT" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"SILVER LAKE DIRECTOR" means any Director nominated for election to the Board by Silver Lake pursuant to Section 2.1 of this Agreement.

"SILVER LAKE INDEMNITEE" has the meaning assigned to such term in Section 7.1.

"SUBSIDIARY" means (i) any corporation of which a majority of the securities entitled to vote generally in the election of directors thereof, at the time as of which any determination is being made, are owned by another entity, either directly or indirectly, and (ii) any joint venture, general or limited partnership, limited liability company or other legal entity in which an entity is the record or beneficial owner, directly or indirectly, of a majority of the voting interests or the general partner.

"TRANSFER" means, directly or indirectly, to sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any shares of Equity Securities beneficially owned by a Person or any interest in any shares of Equity Securities beneficially owned by a Person.

"TRANSFEREE" means any Person to whom any Investor Stockholder or any of its Affiliates or any Transferee thereof Transfers Equity Securities of the Company in accordance with the terms hereof.

"VOTING SECURITIES" means, at any time, shares of any class of Equity Securities of the Company which are then entitled to vote in the election of Directors.

SECTION I.2 OTHER DEFINITIONAL PROVISIONS. (a) The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Article and Section references are to this Agreement unless otherwise specified.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

ARTICLE II

CORPORATE GOVERNANCE

SECTION II.1 BOARD REPRESENTATION. (a) Effective as of the Closing, the Board shall be comprised of ten (10) Directors. Silver Lake shall be entitled to recommend two (2) nominees to fill vacancies on the Board.

(b) The Company shall take such action as may be required under applicable law, the Restated Certificate and the Bylaws to cause the Board to consist of the number of Directors specified in clause (a) and to include in the slate of nominees recommended by the Board two persons recommended by Silver Lake. The Company shall also take such action as may be required under applicable law, the Restated Certificate and the Bylaws to cause nominees of Silver Lake who are elected to the Board to be divided as equally as practicable among each class of Directors.

(c) In the event that a vacancy is created at any time by the death, disability, retirement, resignation or removal (with or without cause) of any Silver Lake Director, Silver Lake may recommend another person to be elected to fill the vacancy created thereby, and the Company hereby agrees to take, at any time and from time to time, all actions necessary to accomplish the same.

(d) Without the prior written consent of Silver Lake, the Company agrees not to take any action that would cause the number of Directors constituting the entire Board to be other than ten (10) from and after the Closing.

SECTION II.2 COMMITTEES. If requested by Silver Lake, the Company shall cause any executive committee, compensation committee, audit committee, investment

committee, governance committee, nominating committee or other committee of the Board to include at least one Silver Lake Director.

SECTION II.3 CONSENT RIGHTS. So long as Silver Lake, together with its Affiliates, shall own Notes, shares of Convertible Preferred Stock or shares of Class A Common Stock that, on an as converted basis, represent more than 20% of the shares of Class A Common Stock into which the Notes purchased by Silver Lake, together with its Affiliates, were convertible on the Closing Date, in addition to any vote or consent of the Board or the stockholders of the Company required by law or the Restated Certificate, the Notes or the Certificate of Designation, the consent in writing of Silver Lake shall be necessary for authorizing, effecting or validating the following actions by the Company:

a. entering into any direct or indirect transaction by the Company or any of its Subsidiaries with an Affiliate of the Company (including without limitation, the purchase, sale, lease or exchange of any property, or rendering of any service or modification or amendment of any existing agreement or arrangement) except (a) transactions in the ordinary course of business that are on terms and conditions no less favorable to the Company or such Subsidiary than could be obtained on an arm's length basis from unrelated third parties, (b) transactions between the Company and any of its wholly-owned Subsidiaries not involving any other Affiliate, (c) any transactions between the Company or any Subsidiary of the Company and SI Ventures that are currently required by existing written agreements.

b. any increase in the number of Directors or any change in the composition or structure of the Board if such change would adversely affect the rights of Silver Lake;

c. any amendment, alteration or change to the rights, preferences, privileges or powers of the Notes, the Convertible Preferred Stock or the Class A Common Stock;

d. any increase or decrease in the (x) aggregate principal amount of Notes authorized or issued or (y) the total number of authorized or issued shares of Convertible Preferred Stock other than in accordance with the terms thereof;

e. any acquisition of securities or assets of another Person by the Company or any Subsidiary, (whether any such acquisition was effectuated by merger, consolidation or otherwise) whether in a single transaction or series of related transactions, other than Exempt Acquisitions;

f. any sale, lease, transfer or disposition (a "DIVESTITURE") of securities or assets of the Company or any of its Subsidiaries (including any spin-off or in-kind distribution to stockholders of the Company), whether in a single transaction or series of related transactions, other than Exempt Divestitures;

g. any incurrence by the Company or any Subsidiary of additional indebtedness for borrowed money in excess of $100 million, except (a) indebtedness incurred to fund the

Refinancing Right provided in the Notes, (b) indebtedness incurred under the Credit Agreement in amounts not to exceed $500.0 million in the aggregate or (c) any refinancing of existing indebtedness or existing commitments thereunder, provided that (i) the aggregate principal amount of "refinancing indebtedness" or commitments does not exceed the principal amount or commitment amount of the indebtedness refinanced, (ii) the "refinancing indebtedness" has a final maturity and "average life" later than that of the indebtedness being refinanced and (iii) the refinancing indebtedness is on terms (taken as a whole) that are as favorable to the holders of the Notes as those governing the refinanced indebtedness;

h. the dissolution or liquidation of, or filing for bankruptcy by, the Company or any significant Subsidiary (as defined in Rule 1-02(w) of Regulation S-X promulgated under the Exchange Act);

i. (A) declaring or paying any dividend or making any distribution to the holders of the capital stock of the Company (other than dividends or distributions payable in shares of Common Stock) or (B) purchasing, redeeming or otherwise acquiring or retiring for value any capital stock of the Company or any Subsidiary (other than pursuant to employee plans) or (C) paying, redeeming, repurchasing or defeasing or otherwise retiring for value prior to any scheduled maturity, scheduled sinking fund or mandatory redemption payment, indebtedness of the Company or any Subsidiary which is subordinate (whether pursuant to its terms or by operation of law) in right of payment to the Notes and which was scheduled to mature on or after the maturity of the Notes, except to the extent permitted under the Credit Agreement as in effect on the date hereof; or

j. any arrangement or contract to do any of the foregoing.

SECTION II.4 AVAILABLE FINANCIAL INFORMATION. (a) The Company will deliver, or will cause to be delivered, the following to each Silver Lake Director (or, if no Silver Lake Directors are then serving on the Board, to Silver Lake): an annual budget, a business plan and financial forecasts for the Company for the next fiscal year of the Company, no later than thirty (30) days before the beginning of the Company's next fiscal year, in such manner and form as approved by the Board, which shall include at least a projection of income and a projected cash flow statement for each fiscal quarter in such fiscal year and a projected balance sheet as of the end of each fiscal quarter in such fiscal year. Any material changes in such business plan shall be delivered to the Silver Lake Directors or Silver Lake, as the case may be, as promptly as practicable after such changes have been approved by the Board.

(b) The Company will promptly deliver to each Investor Securityholder when available one copy of each annual report on Form 10-K and quarterly report on Form 10-Q of the Company, as filed with the SEC. In the event an annual report on Form 10-K or quarterly report on Form 10-Q is unavailable, the Company may, in lieu of the requirements of the preceding sentence, deliver, or cause to be delivered, the following to each Investor Securityholder:

(i) as soon as practicable after the end of each fiscal year of the Company, and in any event within ninety (90) days thereafter, a consolidated balance sheet of the Company and its Subsidiaries as of the end of such fiscal year, and consolidated statements of income and cash flows of the Company and its Subsidiaries for such year, prepared in accordance with GAAP and setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and followed promptly thereafter (to the extent not available) such financial statements accompanied by the opinion of independent public accountants of recognized national standing selected by the Company, and a Company-prepared comparison to the Company's business plan for such year as approved by the Board; and

(ii) as soon as practicable after the end of the first, second and third quarterly accounting periods in each fiscal year of the Company, and in any event within forty-five (45) days thereafter, a consolidated balance sheet of the Company and its Subsidiaries as of the end of each such quarterly period, and consolidated statements of income and cash flows of the Company and its Subsidiaries for such period and for the current fiscal year to date, prepared in accordance with GAAP and setting forth in comparative form the figures for the corresponding periods of the previous fiscal year and to the Company's business plan then in effect and approved by the Board, subject to changes resulting from normal year-end audit adjustments, all in reasonable detail and certified by the principal financial or accounting officer of the Company, except that such financial statements need not contain the notes required by GAAP.

SECTION II.5 BOARD EXPENSES. The Company shall reimburse the Silver Lake Directors for their reasonable out-of-pocket expenses incurred by them for the purpose of attending meetings of the Board or committees thereof in accordance with the Company's current reimbursement policy.

SECTION II.6 TERMINATION OF DIRECTOR DESIGNEES AND RELATED RIGHTS. Notwithstanding Sections 2.1 and 2.3, at such time as Silver Lake, together with its Affiliates, shall cease to own Notes, shares of Convertible Preferred Stock or shares of Class A Common Stock that, on an as converted basis, represent less than 20% of the shares of Class A Common Stock into which the Notes purchased by Silver Lake, together with its Affiliates, were convertible on the Closing Date, Silver Lake and its Affiliates shall cease to have the right to (i) nominate for election any Directors pursuant to Section 2.1 or (ii) consent to certain corporate actions provided in Section 2.3.

ARTICLE III
TRANSFERS

SECTION III.1 INVESTOR SECURITYHOLDER TRANSFEREES. (a) Subject to Section 3.1(b), no Transferee of any Investor Securityholder shall be obligated, or entitled to rights, under this Agreement.

(b) No Transferee shall have any rights or obligations under this Agreement, except that an Investor Securityholder may assign all or a portion of the rights and obligations of

the Investor Securityholder under Article IV to any Transferee (and such rights shall be further transferable to any further Transferee subject to this Section 3.1).

(c) Prior to the consummation of a Transfer from an Investor Securityholder, to the extent rights and obligations are to be assigned, and as a condition thereto, the applicable Transferee shall (i) agree in writing with the other parties hereto to be bound by the terms and conditions of this Agreement to the extent described in Section 3.1(b) and (ii) provide the Company and the other parties to this Agreement at such time complete information for notices under this Agreement.

SECTION III.2 TRANSFER RESTRICTIONS. (a) On or before the third anniversary of the Closing, no Investor Securityholder shall Transfer any Notes other than as expressly permitted by, and in compliance with, the terms and conditions of, this Agreement. Any attempt to transfer any Notes in violation of the preceding sentence shall be null and void.

(b) Notwithstanding anything to the contrary in this Agreement, any transfer permitted or required by this Agreement shall be in compliance with federal and state securities laws, including without limitation the Securities Act.

(c) Notwithstanding Section 3.2(a), an Investor Securityholder may Transfer any or all of its Notes to any Permitted Transferee of such Investor Securityholder, provided that the rights granted to Silver Lake pursuant to Article II and Section 5 may not be assigned by Silver Lake. As a condition precedent to any such transfer, the Permitted Transferee shall execute an instrument pursuant to which such Permitted Transferee agrees to be bound by and to comply with the terms of this Agreement, and obtains the rights and benefits that inure to, the transferor Investor Securityholder as though the Permitted Transferee were such transferor. Upon execution of such instrument, the Permitted Transferee shall be deemed an Investor Securityholder hereunder with respect to such Notes. Any transfer to a Permitted Transferee not made in full compliance with this Section 3.2(c) shall be void and of no effect.

SECTION III.3 LEGENDS. Each certificate representing shares of Class A Common Stock and the Convertible Preferred Stock into which the Notes are convertible will bear a legend on the face thereof substantially to the following effect (with such additions thereto or changes therein as the Company may be advised by counsel are required by law or necessary to give full effect to this Agreement, the "LEGEND"):

> "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR ANY STATE SECURITIES OR BLUE SKY LAWS. THESE SECURITIES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION THEREFROM UNDER SAID ACT OR LAWS. THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE ALSO SUBJECT TO CERTAIN RESTRICTIONS AS MORE PARTICULARLY DESCRIBED IN THAT CERTAIN SECURITYHOLDERS AGREEMENT DATED AS OF APRIL

17, 2000 (AS SUCH AGREEMENT MAY BE AMENDED, MODIFIED OR OTHERWISE SUPPLEMENTED FROM TIME TO TIME, THE "SECURITYHOLDERS AGREEMENT") AMONG THE ISSUER OF SUCH SECURITIES (THE "ISSUER") AND THE OTHER PARTIES THERETO. A COPY OF SUCH SECURITYHOLDERS AGREEMENT WILL BE FURNISHED WITHOUT CHARGE BY THE ISSUER TO THE HOLDER HEREOF UPON WRITTEN REQUEST."

The Legend will be removed by the Company by the delivery of substitute certificates without such Legend in the event the legend is no longer required for purposes of applicable securities laws.

ARTICLE IV
REGISTRATION RIGHTS

SECTION IV.1 INCIDENTAL REGISTRATIONS. (a) If the Company at any time after the date hereof proposes to register Equity Securities under the Securities Act (other than a registration on Form S-4 or S-8, or any successor or other forms promulgated for similar purposes), whether or not for sale for its own account, in a manner which would permit registration of Registrable Securities for sale to the public under the Securities Act, it will, at each such time, give prompt written notice to all Holders of its intention to do so and of such Holders' rights under this Article IV. Upon the written request of any such Holder made within 15 days after the receipt of any such notice (which request shall specify the Registrable Securities intended to be disposed of by such Holder), the Company will use its reasonable best efforts to effect the registration under the Securities Act of all Registrable Securities which the Company has been so requested to register by the Holders thereof; PROVIDED, that (a) if, at any time after giving written notice of its intention to register any securities, the Company shall determine for any reason not to proceed with the proposed registration of the securities to be sold by it, the Company may, at its election, give written notice of such determination to each Holder and, thereupon, shall be relieved of its obligation to register any Registrable Securities in connection with such registration (but not from its obligation to pay the Registration Expenses in connection therewith), and (b) if such registration involves an underwritten offering, all Holders requesting to be included in the Company's registration must sell their Registrable Securities to the underwriters selected by the Company on the same terms and conditions as apply to the Company, with such differences, including any with respect to indemnification and liability insurance, as may be customary or appropriate in combined primary and secondary offerings. If a registration requested pursuant to this Section involves an underwritten public offering, any Holder requesting to be included in such registration may elect, in writing prior to the effective date of the registration statement filed in connection with such registration, not to register all or any part of such securities in connection with such registration. Nothing in this Section shall operate to limit the right of any Holder to request the registration of Common Stock issuable upon conversion, exchange or exercise of securities held by such Holder notwithstanding the fact that at the time of request such Holder does not hold the Common Stock underlying such securities. The registrations provided for in this Section 4.1 are in addition to, and not in lieu of, registrations made upon the request of any Investor Securityholder in accordance with Section 4.2.

(b) EXPENSES. The Company will pay all Registration Expenses in connection with each registration of Registrable Securities requested pursuant to this Section 4.1.

(c) PRIORITY IN INCIDENTAL REGISTRATIONS. If a registration pursuant to this Section 4.1 involves an underwritten offering and the managing underwriter advises the Company in writing that, in its opinion, the number of Registrable Securities requested to be included in such registration would be likely to have an adverse effect on the price, timing or distribution of the securities to be offered in such offering as contemplated by the Company (other than the Registrable Securities), then the Company shall include in such registration (a) FIRST, 100% of the securities the Company proposes to sell, (b) SECOND, any Other Securities requested to be registered by any Other Holders exercising a demand registration right, and (c) THIRD, to the extent of the amount of Registrable Securities and Other Securities requested to be included in such registration which, in the opinion of such managing underwriter, can be sold without having the adverse effect referred to above, the amount of Registrable Securities and Other Securities which the Holders and the Other Holders have requested to be included in such registration, such amount to be allocated pro rata among all requesting Holders and the Other Holders on the basis of the relative amount of Registrable Securities and Other Securities then held by each such Holder and Other Holder (PROVIDED, that any such amount thereby allocated to any such Holder or Other Holder that exceeds such Holder's or Other Holder's request shall be reallocated among the remaining requesting Holders and Other Holders in like manner).

SECTION IV.2 REGISTRATION ON REQUEST. (a) At any time after the date hereof, upon the written request of Silver Lake or any Transferee of Silver Lake; PROVIDED that no Transferee of Silver Lake or its Affiliates or of any Transferee shall be permitted to request a registration pursuant to this Section 4.2 unless the right to make such a request was transferred to such Transferee pursuant to Section 3.1(b) (the "DEMAND PARTY") requesting that the Company effect the registration under the Securities Act of all or part of such Demand Party's Registrable Securities and specifying the amount and intended method of disposition thereof, including without limitation, pursuant to a shelf registration statement utilizing Rule 415 under the Securities Act, the Company will promptly give written notice of such requested registration to all other Holders, and thereupon will, as expeditiously as possible, use its reasonable best efforts to effect the registration under the Securities Act of:

(i) the Registrable Securities which the Company has been so requested to register by the Demand Party; and

(ii) all other Registrable Securities which the Company has been requested to register by any other Holder thereof by written request given to the Company within 15 days after the giving of such written notice by the Company (which request shall specify the amount and intended method of disposition of such Registrable Securities), all to the extent necessary to permit the disposition (in accordance with the intended method thereof as aforesaid) of the Registrable Securities so to be registered; PROVIDED, that in no event shall the Company be required to effect more than three registrations pursuant to this Section 4.2 (which number shall be increased to four in the event any shares of Convertible Preferred Stock are issued); and PROVIDED, FURTHER, that, in the event the

Company shall not have postponed the filing of a registration statement required by this Section 4.2 pursuant to Section 4.2(g) hereof within a period of 360 days from the date of a demand notice under Section 4.2(a), the Company shall not be obligated to file a registration statement relating to any registration request under this Section 4.2 (other than a registration statement on Form S-3 or any successor or similar short-form registration statement) within a period of 90 days after the effective date of any other registration statement relating to any registration request under this Section 4.2 or to any registration effected under Section 4.1, in either case which was not effected on Form S-3 (or any successor or similar short-form registration statement). Nothing in this Section 4.2 shall operate to limit the right of any Holder to request the registration of Common Stock issuable upon conversion of the Notes or the Convertible Preferred Stock or the conversion, exchange or exercise of any other securities held by such Holder notwithstanding the fact that at the time of request such Holder does not hold the Common Stock underlying such securities.

(b) REGISTRATION STATEMENT FORM. The Company shall select the registration statement form for any registration pursuant to this Section 4.2; PROVIDED, that if any registration requested pursuant to this Section 4.2 which is proposed by the Company to be effected by the filing of a registration statement on Form S-3 (or any successor or similar short-form registration statement) shall be in connection with an underwritten public offering, and if the managing underwriter shall advise the Company in writing that, in its opinion, the use of another form of registration statement is of material importance to the success of such proposed offering, then such registration shall be effected on such other form.

(c) EXPENSES. The Company will pay all Registration Expenses in connection with registrations of each class or series of Registrable Securities pursuant to this Section 4.2.

(d) EFFECTIVE REGISTRATION STATEMENT. A registration requested pursuant to this Section 4.2 will not be deemed to have been effected unless it has become effective and all of the Registrable Securities registered thereunder have been sold.

(e) SELECTION OF UNDERWRITERS. If a requested registration pursuant to this Section 4.2 involves an underwritten offering, the investment banker(s), underwriter(s) and manager(s) for such registration shall be selected by the Holders of a majority of the Registrable Securities which the Company has been requested to register; PROVIDED, HOWEVER, that such investment banker(s), underwriter(s) and manager(s) shall be reasonably satisfactory to the Company.

(f) PRIORITY IN REQUESTED REGISTRATIONS. If a requested registration pursuant to this Section 4.2 involves an underwritten offering and the managing underwriter advises the Company in writing that, in its opinion, the number of securities to be included in such registration (including securities of the Company which are not Registrable Securities) would be likely to have an adverse effect on the price, timing or distribution of the securities to be offered in such offering as contemplated by the Holders (an "ADVERSE EFFECT"), then the Company shall include in such registration (a) FIRST, 100% of the Registrable Securities requested to be included in such registration by the Demand Party and all other Holders of Registrable Securities pursuant to this

Section 4.2 (to the extent that the managing underwriter believes that all such Registrable Securities can be sold in such offering without having an Adverse Effect; PROVIDED, that if they cannot and the Demand Party does not exercise its right set forth in the second succeeding sentence of this clause (f), such lesser number of Registrable Securities as specified by the Demand Party) and (B) SECOND, to the extent the managing underwriter believes additional securities can be sold in the offering without having an Adverse Effect, the amount of Other Securities requested to be included by Other Holders in such registration, allocated pro rata among all requesting Other Holders on the basis of the relative amount of all Other Securities then held by each such Other Holder (PROVIDED, that any such amount thereby allocated to any such Other Holder that exceeds such Other Holder's request shall be reallocated among the remaining requesting Other Holders in like manner). In the event that the number of Registrable Securities and Other Securities to be included in such registration is less than the number which, in the opinion of the managing underwriter, can be sold without having an Adverse Effect, the Company may include in such registration the securities the Company proposes to sell up to the number of securities that, in the opinion of such managing underwriter, can be sold without having an Adverse Effect. If the managing underwriter of any underwritten offering shall advise the Holders participating in a registration pursuant to this Section 4.2 that the Registrable Securities covered by the registration statement cannot be sold in such offering within a price range acceptable to the Demand Party, then the Demand Party shall have the right to notify the Company that it has determined that the registration statement be abandoned or withdrawn, in which event the Company shall abandon or withdraw such registration statement.

(g) POSTPONEMENTS IN REQUESTED REGISTRATIONS. Notwithstanding Section 4.2(f), (i) if the Board determines, in its good faith judgment, that the registration and offering otherwise required by this Section 4.2 would have an adverse effect on a then contemplated public offering of the Company's Equity Securities, the Company may postpone the filing (but not the preparation) of a registration statement required by this Section 4.2, during the period starting with the 30th day immediately preceding the date of the anticipated filing of, and ending on a date 60 days following the effective date of, the registration statement relating to such other public offering and (ii) if the Company shall at any time furnish to the Holders a certificate signed by its chairman of the board, chief executive officer, president or any other of its authorized officers stating that the Company or any Subsidiary of the Company has pending or in process a material transaction, the disclosure of which would, in the good faith judgment of the Board, after consultation with its outside securities counsel, materially and adversely affect the Company or such Subsidiary, the Company may postpone the filing (but not the preparation) of a registration statement required by this Section 4.2 for up to 90 days; PROVIDED, that, the Company shall at all times in good faith use its reasonable best efforts to cause any registration statement required by this Section 4.2 to be filed as soon as possible thereafter and; PROVIDED, FURTHER, that, the Company shall not be permitted to postpone registration pursuant to this Section 4.2(g) more than once in any 360-day period. The Company shall promptly give the Holders requesting registration thereof pursuant to this Section 4.2 written notice of any postponement made in accordance with the preceding sentence. If the Company gives the Holders such a notice, the Holders shall have the right, within 15 days after receipt thereof, to withdraw their request in which case, such request will not be counted for purposes of this Section 4.2.

(h) ADDITIONAL RIGHTS. If the Company at any time grants to any other holders of capital stock any rights to request the Company to effect the registration under the Securities Act of any such shares of capital stock on terms more favorable to such holders than the terms set forth in this Article IV, the terms of this Article IV shall be deemed amended or supplemented to the extent necessary to provide the Holders such more favorable rights and benefits. The Company shall provide the Holders prior written notice of any such deemed amendment or supplement to the terms of this Article IV.

SECTION IV.3 REGISTRATION PROCEDURES. If and whenever the Company is required to use its reasonable best efforts to effect or cause the registration of any Registrable Securities under the Securities Act as provided in this Agreement, the Company will promptly:

(a) prepare and, in any event within 45 days after the end of the period within which a request for registration may be given to the Company, file with the SEC a registration statement with respect to such Registrable Securities and use its reasonable best efforts to cause such registration statement to become effective within 90 days of the initial filing;

(b) prepare and file with the SEC such amendments and supplements to such registration statement (including Exchange Act documents incorporated by reference into the registration statement) and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period not in excess of 180 days (or such longer period as may be requested by the Holders in the event of a shelf registration statement) and to comply with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such registration statement; PROVIDED, that before filing a registration statement or prospectus, or any amendments or supplements thereto in accordance with Sections 4.3(a) or (b), the Company will furnish to counsel selected pursuant to Section 4.8 hereof copies of all documents proposed to be filed, which documents will be subject to the review of such counsel;

(c) furnish to each seller of such Registrable Securities such number of copies of such registration statement and of each amendment and supplement thereto (in each case including all exhibits filed therewith, including any documents incorporated by reference), such number of copies of the prospectus included in such registration statement (including each preliminary prospectus and summary prospectus), in conformity with the requirements of the Securities Act, and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities by such seller;

(d) use its reasonable best efforts to register or qualify such Registrable Securities covered by such registration in such jurisdictions as each seller shall reasonably request, and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller, except that the Company shall not for any such purpose

be required to qualify generally to do business as a foreign corporation in any jurisdiction where, but for the requirements of this subsection (d), it would not be obligated to be so qualified, to subject itself to taxation in any such jurisdiction or to consent to general service of process in any such jurisdiction;

(e) use its reasonable best efforts to cause such Registrable Securities covered by such registration statement to be registered with or approved by such other governmental authorities as may be necessary to enable the seller or sellers thereof to consummate the disposition of such Registrable Securities;

(f) notify each seller of any such Registrable Securities covered by such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the Company's becoming aware that the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, and at the request of any such seller, prepare and furnish to such seller a reasonable number of copies of an amended or supplemental prospectus as may be necessary so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(g) otherwise use its best efforts to comply with all applicable rules and regulations of the SEC, and make available to its security holders, as soon as reasonably practicable (but not more than 18 months) after the effective date of the registration statement, an earnings statement which shall satisfy the provisions of Section 11(a) of the Securities Act;

(h) (i) use its reasonable best efforts to list such Registrable Securities on any securities exchange on which the Common Stock is then listed if such Registrable Securities are not already so listed and if such listing is then permitted under the rules of such exchange; and (ii) use its best efforts to provide a transfer agent and registrar for such Registrable Securities covered by such registration statement not later than the effective date of such registration statement;

(i) enter into such customary agreements (including an underwriting agreement in customary form), which may include indemnification provisions in favor of underwriters and other Persons in addition to, or in substitution for the provisions of Section 4.6 hereof, and take such other actions as sellers of a majority of shares of such Registrable Securities or the underwriters, if any, reasonably requested in order to expedite or facilitate the disposition of such Registrable Securities;

(j) obtain a "cold comfort" letter or letters from the Company's independent public accounts in customary form and covering matters of the type customarily covered by "cold

comfort" letters as the seller or sellers of a majority of shares of such Registrable Securities shall reasonably request;

(k) make available for inspection by any seller of such Registrable Securities covered by such registration statement, by any underwriter participating in any disposition to be effected pursuant to such registration statement and by any attorney, accountant or other agent retained by any such seller or any such underwriter, all pertinent financial and other records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement;

(l) notify counsel (selected pursuant to Section 4.8 hereof) for the Holders of Registrable Securities included in such registration statement and the managing underwriter or agent, immediately, and confirm the notice in writing (i) when the registration statement, or any post-effective amendment to the registration statement, shall have become effective, or any supplement to the prospectus or any amendment to the prospectus shall have been filed, (ii) of the receipt of any comments from the SEC, (iii) of any request of the SEC to amend the registration statement or amend or supplement the prospectus or for additional information, and (iv) of the issuance by the SEC of any stop order suspending the effectiveness of the registration statement or of any order preventing or suspending the use of any preliminary prospectus, or of the suspension of the qualification of the registration statement for offering or sale in any jurisdiction, or of the institution or threatening of any proceedings for any of such purposes;

(m) make reasonable best efforts to prevent the issuance of any stop order suspending the effectiveness of the registration statement or of any order preventing or suspending the use of any preliminary prospectus and, if any such order is issued, to obtain the withdrawal of any such order as soon as practicable;

(n) if requested by the managing underwriter or agent or any Holder of Registrable Securities covered by the registration statement, promptly incorporate in a prospectus supplement or post-effective amendment such information as the managing underwriter or agent or such Holder reasonably requests to be included therein, including, with respect to the number of Registrable Securities being sold by such Holder to such underwriter or agent, the purchase price being paid therefor by such underwriter or agent and with respect to any other terms of the underwritten offering of the Registrable Securities to be sold in such offering; and make all required filings of such prospectus supplement or post-effective amendment as soon as practicable after being notified of the matters incorporated in such prospectus supplement or post-effective amendment;

(o) cooperate with the Holders of Registrable Securities covered by the registration statement and the managing underwriter or agent, if any, to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legends) representing securities to be sold under the registration statement, and enable such

securities to be in such denominations and registered in such names as the managing underwriter or agent, if any, or such Holders may request;

(p) obtain for delivery to the Holders of Registrable Securities being registered and to the underwriter or agent an opinion or opinions from counsel for the Company in customary form and in form, substance and scope reasonably satisfactory to such Holders, underwriters or agents and their counsel;

(q) cooperate with each seller of Registrable Securities and each underwriter or agent participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with the NASD;

(r) use its reasonable best efforts to make available the executive officers of the Company to participate with the Holders of Registrable Securities and any underwriters in any "road shows" or other selling efforts that may be reasonably requested by the Holders in connection with the methods of distribution for the Registrable Securities; and

(s) if at any time a shelf registration statement requested to be used by the Holders to dispose of the Registrable Securities ceases to be effective, use its reasonable best efforts to file and cause to become effective a new "evergreen" shelf registration statement providing for an offering to be made on a continuous basis of the Registrable Securities.

SECTION IV.4 INFORMATION SUPPLIED. The Company may require each seller of Registrable Securities as to which any registration is being effected to furnish the Company with such information regarding such seller and pertinent to the disclosure requirements relating to the registration and the distribution of such securities as the Company may from time to time reasonably request.

SECTION IV.5 RESTRICTIONS ON DISPOSITION. Each Holder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 4.3(f), such Holder will forthwith discontinue disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until such Holder's receipt of the copies of the supplemented or amended prospectus contemplated by Section 4.3(f), and, if so directed by the Company, such Holder will deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Holder's possession, of the prospectus covering such Registrable Securities current at the time of receipt of such notice. In the event the Company shall give any such notice, the period mentioned in Section 4.3(b) shall be extended by the number of days during the period from and including the date of the giving of such notice pursuant to Section 4.3(f) and to and including the date when each seller of Registrable Securities covered by such registration statement shall have received the copies of the supplemented or amended prospectus contemplated by Section 4.3(f).

SECTION IV.6 INDEMNIFICATION. (a) In the event of any registration of any securities of the Company under the Securities Act pursuant to Section 4.1 or 4.2, the Company shall, and it hereby does, indemnify and hold harmless, to the extent permitted by law, the seller of

any Registrable Securities covered by such registration statement, each Affiliate of such seller and their respective directors, officers, members or general and limited partners (and any director, officer, and controlling Person of any of the foregoing), each Person who participates as an underwriter in the offering or sale of such securities and each other Person, if any, who controls such seller or any such underwriter within the meaning of the Securities Act (collectively, the "INDEMNIFIED PARTIES"), against any and all losses, claims, damages or liabilities, joint or several, actions or proceedings (whether commenced or threatened) in respect thereof ("CLAIMS") and expenses (including reasonable attorney's fees and reasonable expenses of investigation) to which such Indemnified Party may become subject under the Securities Act, common law or otherwise, insofar as such Claims or expenses arise out of, relate to or are based upon (a) any untrue statement or alleged untrue statement of any material fact contained in any registration statement under which such securities were registered under the Securities Act, any preliminary, final or summary prospectus contained therein, or any amendment or supplement thereto, or (b) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a prospectus, in light of the circumstances under which they were made) not misleading; PROVIDED, that the Company shall not be liable to any Indemnified Party in any such case to the extent that any such Claim or expense arises out of, relates to or is based upon any untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement or amendment or supplement thereto or in any such preliminary, final or summary prospectus in reliance upon and in conformity with written information furnished to the Company by or behalf of such seller specifically stating that it is for use in the preparation thereof. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of any Indemnified Party and shall survive the transfer of securities by any seller.

(b) The Company may require, as a condition to including any Registrable Securities in any registration statement filed in accordance with Section 4.2 or 4.3 herein, that the Company shall have received an undertaking reasonably satisfactory to it from the prospective seller of such Registrable Securities or any underwriter to indemnify and hold harmless (in the same manner and to the same extent as set forth in Section 4.6(a)) the Company and all other prospective sellers or any underwriter, as the case may be, with respect to any untrue statement or alleged untrue statement in or omission or alleged omission from such registration statement, any preliminary, final or summary prospectus contained therein, or any amendment or supplement thereto, if such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by or on behalf of such seller or underwriter specifically stating that it is for use in the preparation of such registration statement, preliminary, final or summary prospectus or amendment or supplement, or a document incorporated by reference into any of the foregoing. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Company or any of the prospective sellers, or any of their respective Affiliates, directors, officers or controlling Persons and shall survive the transfer of securities by any seller. In no event shall the liability of any selling Holder of Registrable Securities hereunder be greater in amount than the dollar amount of the proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) Promptly after receipt by an indemnified party hereunder of written notice of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Section 4.6, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the latter of the commencement of such action or proceeding; PROVIDED, that the failure of the indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under Section 4.6, except to the extent that the indemnifying party is materially prejudiced by such failure to give notice. In case any such action or proceeding is brought against an indemnified party, unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist in respect of such action or proceeding (in which case the indemnified party shall have the right to assume or continue its own defense and the indemnifying party shall be liable for any reasonable expenses therefor, but in no event will bear the expenses for more than one firm of counsel for all indemnified parties in each jurisdiction who shall be approved by the majority of the participating Holders in the registration in respect of which such indemnification is sought), the indemnifying party will be entitled to participate in and to assume the defense thereof (at its expense), jointly with any other indemnifying party similarly notified to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof other than reasonable costs of investigation and shall have no liability for any settlement made by the indemnified party without the consent of the indemnifying party, such consent not to be unreasonably withheld. No indemnifying party will settle any action or proceeding or consent to the entry of any judgment without the prior written consent of the indemnified party, unless such settlement or judgment (i) includes as an unconditional term thereof the giving by the claimant or plaintiff of a release to such indemnified party from all liability in respect of such action or proceeding and (ii) does not involve the imposition of equitable remedies or the imposition of any obligations on such indemnified party and does not otherwise adversely affect such indemnified party, other than as a result of the imposition of financial obligations for which such indemnified party will be indemnified hereunder.

(d) (i) If the indemnification provided for in this Section 4.6 from the indemnifying party is unavailable to an indemnified party hereunder in respect of any Claim or expenses referred to herein, then the indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such Claim or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party and indemnified party in connection with the actions which resulted in such Claim or expenses, as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, has been made by, or relates to information supplied by, such indemnifying party or indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action. The amount paid or payable by a party under this Section 4.6(d) as a result of the Claim and expenses referred to above shall be

deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with any action or proceeding.

(ii) The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 4.6(d) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in Section 4.6(d)(i). No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(e) Indemnification similar to that specified in this Section 4.6 (with appropriate modifications) shall be given by the Company and each seller of Registrable Securities with respect to any required registration or other qualification of securities under any Law or with any governmental authority other than as required by the Securities Act.

(f) The obligations of the parties under this Section 4.6 shall be in addition to any liability which any party may otherwise have to any other party.

SECTION IV.7 REQUIRED REPORTS. The Company covenants that it will file the reports required to be filed by it under the Securities Act and the Exchange Act (or, if the Company is not required to file such reports, it will, upon the request of any Holder, make publicly available such information), and it will take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell shares of Registrable Securities and Notes without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 under the Securities Act, as such Rule may be amended from time to time, or (b) any similar rule or regulation hereafter adopted by the SEC. Upon the request of any Holder, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements.

SECTION IV.8 SELECTION OF COUNSEL. In connection with any registration of Registrable Securities pursuant to Sections 4.1 and 4.2 hereof, the Holders of a majority of the Registrable Securities covered by any such registration may select one counsel to represent all Holders of Registrable Securities covered by such registration; PROVIDED, HOWEVER, that in the event that the counsel selected as provided above is also acting as counsel to the Company in connection with such registration, the remaining Holders shall be entitled to select one additional counsel to represent all such remaining Holders.

SECTION IV.9 HOLDBACK AGREEMENT. If any registration hereunder shall be in connection with an underwritten public offering, each Holder agrees not to effect any public sale or distribution, including any sale pursuant to Rule 144 under the Securities Act, of any Equity Securities of the Company (in each case, other than as part of such underwritten public offering), within 10 days before, or subject to Section 4.2(g) in the case of a requested registration that has been postponed pursuant to clause (i) thereof, 180 days (or such lesser period as the managing underwriters may require or permit) after, the effective date of such registration (except as part of such registration), and the Company hereby also agrees to use its reasonable best efforts to

have each other holder of any Equity Security of the Company purchased from the Company (at any time other than in a public offering) to so agree.

SECTION IV.10 NO INCONSISTENT AGREEMENTS. The Company represents and warrants that it is not a party to, will not enter into, or cause or permit any of its Subsidiaries to enter into, any agreement which conflicts with or limits or prohibits the exercise of the rights granted to the Holders of Registrable Securities in this Article IV.

ARTICLE V
EQUITY PURCHASE RIGHTS

SECTION V.1 SUBSIDIARY PURCHASE RIGHTS. (a) The Company hereby grants to the Purchasers, as defined in the Securities Purchase Agreement (such Purchasers referred to in this Section 5.1 as the "PURCHASERS"), an option (the "TECHREPUBLIC OPTION") to purchase up to 5.00% (as may be allocated among the Purchasers in their discretion) of the fully diluted capital stock of TechRepublic, Inc. ("TECHREPUBLIC") (after giving effect to all the transactions contemplated by the Agreement and Plan of Reorganization dated March 21, 2000 between the Company, TechRepublic and the other parties thereto (the "TECHREPUBLIC Agreement")) pursuant to the general terms and conditions applicable to the Company set forth in the TechRepublic Agreement and at a price which values TechRepublic at the lesser of (a) the value assigned to TechRepublic in connection with the Company's purchase, or (b) $90.0 million. In the event TechRepublic issues to the Company any options, warrants, convertible securities or capital stock subsequent to the consummation of the transactions contemplated by the TechRepublic Agreement, the Purchasers shall receive options to purchase additional shares of TechRepublic capital stock in an amount sufficient to permit it to maintain its 5% stake of TechRepublic on a fully diluted basis (giving effect to all options, warrants or convertible securities issued to the Company on an as converted basis) at an exercise price equal to (i) the per share price received by TechRepublic in connection with such issuance or (ii) the per share exercise price or conversion price of the options, warrants or convertible securities issued, as the case may be. Prior to any contribution of assets (other than cash) by the Company to TechRepublic, the Company shall notify the Purchasers and the Company and the Purchasers shall negotiate in good faith to agree upon the value to the assets to be contributed. The Company and the Purchasers will use reasonable best efforts to enable the Company to include TechRepublic in its consolidated group for federal income tax purposes.

(b) In the event that a Purchaser elects to purchase shares of the capital stock of TechRepublic during the term of this Article V, such Purchaser shall give the Company written notice of such election, which notice shall specify the number of shares of capital stock such Purchaser is electing to purchase, provided that the total number of shares of capital stock purchased by all Purchasers shall not exceed 5.00% of the fully diluted capital stock of TechRepublic (after giving effect to all of the transactions contemplated by the TechRepublic Agreement).

(c) The Company hereby grants to the Purchasers the right (the "SPIN Right"; together with the TechRepublic Option, the "OPTION") to purchase up to 5.00% (as may be allocated among the Purchasers in their discretion) of the fully diluted common stock of any Subsidiary of the Company whose shares of common stock are (i) distributed to stockholders of the Company ("SPUN-OFF") or (ii) sold by the Company in a public offering ("SPUN-OUT") at a per share price equal to (x) 80.0% of the initial public offering price in the case of a spun-out Subsidiary and (y) 80.0% of the first day's closing price in the case of a spun-off subsidiary.

(d) In the event that the Company effects either a spun-off or spun-out subsidiary transaction during the term of this Article V, the Company shall give each Purchaser written notice of such transaction at least 30 business days prior to the consummation of the spin-off or spin-out, as the case may be. If timely notice has been received, on or prior to ten business days prior to the consummation of the spin-off or spin-out, as the as may be, each Purchaser shall notify the Company in writing of the number of shares of common stock, if any, such Purchaser is electing to purchase in such transaction (each a "Response"), provided that the total number of shares of common stock purchased by all Purchasers in each such transaction shall not exceed 5.00% of the fully diluted common stock of the subject subsidiary. An election by a Purchaser to purchase shares of common stock shall be deemed to be an irrevocable commitment from such Purchaser to purchase the number of shares of common stock specified in such Purchaser's Response. If a Purchaser shall have received timely notice of a spin-off or spin-out, as the case may be, and does not provide a Response to the Company on or prior to the tenth business day prior to the consummation of the spin-off or spin-out, as the case may be, such Purchaser shall be deemed to have declined to purchase shares of common stock in such transaction.

SECTION V.2 ACQUISITION OF ADDITIONAL SHARES OF COMMON STOCK. So long as each of Silver Lake's nominees to the Board are elected to, and not removed from, the Board, each Investor Securityholder agrees that for so long as such Investor Securityholder holds either Notes, shares of Convertible Preferred Stock or shares of Class A Common Stock, such Investor Securityholder shall not increase his, her or its ownership of Common Stock or Equity Securities exercisable or exchangeable for, or convertible into, shares of Common Stock from the number of shares of Common Stock held by such Investor Securityholder (on an as converted basis) as of the date hereof, except for any increase that results solely from (i) any adjustment to the Conversion Price (as defined in the Notes) in accordance with the provisions of Section 4 of the Notes, (ii) any adjustment to the Adjustment Number (as defined in the Certificate of Designation) in accordance with Section 6(c) of the Certificate of Designation or (iii) any stock dividend, stock split, reclassification, combination or similar event.

ARTICLE VI
CERTAIN COVENANTS

SECTION VI.1 HSR APPROVAL. (a) The Company shall promptly make any and all filings which it is required to make under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR ACT"), for the sale or issuance of the Notes, the Conversion Shares (as defined in the Securities Purchase Agreement), and the Convertible Preferred Stock and the Company agrees to furnish Silver Lake or any Transferee with such necessary information

and reasonable assistance as Silver Lake or any Transferee may reasonably request in connection with its preparation of any necessary filings or submissions to the Federal Trade Commission ("FTC") or the Antitrust Division of the U.S. Department of Justice (the "ANTITRUST DIVISION"), including, without limitation, any filings or notices necessary under the HSR Act. Any such actions, if necessary, with respect to the conversion of the Notes or the Convertible Preferred Stock into Conversion Shares shall be taken by the Company three months prior to the first date on which Investor Securityholders are first able to convert the Notes into shares of Class A Common Stock and at such times thereafter as Silver Lake or any Transferee shall reasonably request. The Company shall, at its own expense, use all reasonable efforts to respond to any request for additional information, or other formal or informal request for information, witnesses or documents which may be made by any governmental authority pertaining to the Company with respect to the sale of the Notes and the issuance of the Convertible Preferred Stock and shares of Class A Common Stock issuable upon conversion of the Notes and the Convertible Preferred Stock and shall keep Silver Lake and any relevant Transferee fully apprised of its actions with respect thereto.

(b) Each of Silver Lake and any relevant Transferee shall promptly make any and all filings which it is required to make under the HSR Act with respect to the purchase or issuance of the Notes, the Conversion Shares and the Convertible Preferred Stock and Silver Lake agrees (and any relevant Transferee will agree) to furnish the Company with such necessary information and reasonable assistance as it may request in connection with its preparation of any necessary filings or submissions to the FTC or the Antitrust Division, including, without limitation, any filings or notices necessary under the HSR Act. Silver Lake and the relevant Transferees shall, at their own expense, use all reasonable efforts to respond promptly to any request for additional information, or other formal or informal request for information, witnesses or documents which may be made by any governmental authority pertaining to Silver Lake or the relevant Transferee, as case may be, with respect to the sale of the Notes and the issuance of, the Convertible Preferred Stock and shares of Class A Common Stock issuable upon conversion of the Notes and the Convertible Preferred Stock and shall keep the Company fully apprised of its actions with respect thereto.

(c) Each of the parties hereto shall use their commercially reasonable efforts to give such notices and obtain all other authorizations, consents, orders and approvals of all governmental authorities and other third parties that may be or become necessary for its execution and delivery of, and the performance of its obligations pursuant to this Agreement and will cooperate fully with the other parties hereto in promptly seeking to obtain all such authorizations, consents, orders and approvals.

(d) The Company shall pay all expenses and fees payable to governmental authorities in connection with filings made pursuant to this Section 6.1.

SECTION VI.2 CONVERTIBLE PREFERRED STOCK. In the event that any shares of Convertible Preferred Stock are issued pursuant to the terms of the Notes, the Company hereby agrees to use its reasonable best efforts (i) to eliminate any and all contractual, legal or other prohibitions on the ability of the Company to redeem the shares of Convertible Preferred Stock

for cash consideration in accordance with the provisions of the Certificate of Designation; (ii) to duly call, give notice of, convene and hold a meeting of its stockholders for the purpose of obtaining the Required Company Vote necessary under the rules of the NYSE (or any successor securities exchange on which the Common Stock may then be listed) to approve the issuance of shares of Class A Common Stock upon the conversion of shares of Convertible Preferred Stock (the "SHARE ISSUANCE"); and (iii) to solicit from stockholders of the Company proxies in favor of the approval of the Share Issuance and to secure the Required Company Vote; and the Board shall recommend approval of the Share Issuance.

SECTION VI.3 COMMON STOCK REPURCHASES. The Company hereby agrees not to effect any repurchases or redemptions of shares of Common Stock at any time at which the result of such repurchases or redemptions would be to cause the shares of Class A Common Stock held by the Investor Securityholders on an as converted basis to trigger a change of control provision pursuant to the Credit Agreement or any other material contract of the Company.

ARTICLE VII
MISCELLANEOUS

SECTION VII.1 SILVER LAKE INDEMNIFICATION. The Company agrees to indemnify and hold harmless Silver Lake, its respective directors and officers and its Affiliates (and the directors, officers, partners, Affiliates and controlling persons thereof, each, a "SILVER LAKE INDEMNITEE") from and against any and all liability, including, without limitation, all obligations, costs, fines, claims, actions, injuries, demands, suits, judgments, proceedings, investigations, arbitrations (including stockholder claims, actions, injuries, demands, suits, judgments, proceedings, investigations or arbitrations) and expenses, including, without limitation, accountant's and attorney's fees and expenses (together the "LOSSES"), incurred by Silver Lake or a Silver Lake Indemnitee before or after the date of this Agreement and arising out of, resulting from, or relating to (i) any third party claims (other than third party claims by an Affiliate, partner, director, officer or employee of Silver Lake) in connection with (a) Silver Lake's purchase of the Equity Securities and (b) the transactions contemplated by the Securities Purchase Agreement, the Notes and the Securityholders Agreement or (ii) any litigation to which Silver Lake or a Silver Lake Indemnitee is made a party in its capacity as a stockholder or owner of securities (or a partner, director, officer, Affiliate or controlling person of Silver Lake) of the Company other than any losses incurred by Silver Lake as a result of its gross negligence or willful misconduct.

SECTION VII.2 TERMINATION. The provisions of Article II of this Agreement shall terminate as provided in Section 2.6. The provisions of Article V of this Agreement shall terminate simultaneously with the termination of the provisions of Article II of this Agreement. The provisions of Article IV of this Agreement (other than Section 4.6 thereof) shall terminate at such time as there shall be no Registrable Securities outstanding. The provisions of Articles I, III, VI and VII and Section 4.6 of this Agreement shall not terminate. Nothing herein shall relieve any party from any liability for the breach of any of the agreements set forth in this Agreement.

SECTION VII.3 AMENDMENTS AND WAIVERS. Except as otherwise provided herein, no modification, amendment or waiver of any provision of this Agreement shall be

effective against the Company or any Holder unless such modification, amendment or waiver is approved in writing by the Company, Silver Lake (so long as it is entitled to its rights under Article II hereof) and those Investor Security holders who hold a majority of the outstanding Class A Common Stock and all shares of Class A Common Stock issuable (without regard to any present restrictions on such issuance) upon conversion of the Notes or Preferred Stock. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

SECTION VII.4 SUCCESSORS, ASSIGNS AND TRANSFEREES. This Agreement shall bind and inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by any party hereto (except as described in the next sentence) without the prior written consent of the other parties. Silver Lake and its Affiliates may assign their respective rights and obligations hereunder to any Affiliate or Affiliates thereof and, subject to the Transfer provisions herein, to any other third party.

SECTION VII.5 NOTICES. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified; (b) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient, if not, then on the next business day; (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (d) one (1) business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent, with respect to the Company and Silver Lake, to their respective addresses specified in the Securities Purchase Agreement (or at such other address as any such party may specify by like notice) and, with respect to any other Holder, to the address of such Holder as shown in the stock record books of the Company (or at such other address as any such Holder may specify to all of the above by like notice).

SECTION VII.6 FURTHER ASSURANCES. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

SECTION VII.7 ENTIRE AGREEMENT. Except as otherwise expressly set forth herein, this document, the Notes and the Stock Purchase Agreement embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof in any way.

SECTION VII.8 DELAYS OR OMISSIONS. It is agreed that no delay or omission to exercise any right, power or remedy accruing to any party, upon any breach, default or noncompliance by another party under this Agreement, shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach, default or noncompliance, or any acquiescence therein, or of or in any similar breach, default or noncompliance thereafter

occurring. It is further agreed that any waiver, permit, consent or approval of any kind or character on the part of any party hereto of any breach, default or noncompliance under this Agreement or any waiver on such party's part of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement, by law, or otherwise afforded to any party, shall be cumulative and not alternative.

SECTION VII.9 GOVERNING LAW; JURISDICTION; WAIVER OF JURY TRIAL. This Agreement shall be governed in all respects by the laws of the State of New York. No suit, action or proceeding with respect to this Agreement may be brought in any court or before any similar authority other than in a court of competent jurisdiction in the State of New York, and the parties hereto hereby submit to the exclusive jurisdiction of such courts for the purpose of such suit, proceeding or judgment. The parties hereto hereby irrevocably waives any right which they may have had to bring such an action in any other court, domestic or foreign, or before any similar domestic or foreign authority. Each of the parties hereto hereby irrevocably and unconditionally waives trial by jury in any legal action or proceeding in relation to this Agreement and for any counterclaim therein.

SECTION VII.10 SEVERABILITY. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

SECTION VII.11 EFFECTIVE DATE. This Agreement shall become effective immediately upon the Closing.

SECTION VII.12 ENFORCEMENT. Each party hereto acknowledges that money damages would not be an adequate remedy in the event that any of the covenants or agreements in this Agreement are not performed in accordance with its terms, and it is therefore agreed that in addition to and without limiting any other remedy or right it may have, the non-breaching party will have the right to an injunction, temporary restraining order or other equitable relief in any court of competent jurisdiction enjoining any such breach and enforcing specifically the terms and provisions hereof.

SECTION VII.13 TITLES AND SUBTITLES. The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

SECTION VII.14 NO RECOURSE. Notwithstanding anything that may be expressed or implied in this Agreement, the Company and each Holder covenant, agree and acknowledge that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement shall be had against any current or future director, officer, employee, general

or limited partner or member of Silver Lake or of any Affiliate or assignee thereof, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any current or future officer, agent or employee of Silver Lake or any current or future member of Silver Lake or any current or future director, officer, employee, partner or member of Silver Lake or of any Affiliate or assignee thereof, as such for any obligation of Silver Lake under this Agreement or any documents or instruments delivered in connection with this Agreement for any claim based on, in respect of or by reason of such obligations or their creation.

SECTION VII.15 COUNTERPARTS; FACSIMILE SIGNATURES. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. This Agreement may be executed by facsimile signature(s).

IN WITNESS WHEREOF, the parties hereto have executed the SECURITYHOLDERS AGREEMENT as of the date set forth in the first paragraph hereof.

GARTNER GROUP, INC.

BY:

Name:

Title:

IN WITNESS WHEREOF, the parties hereto have executed the SECURITYHOLDERS AGREEMENT as of the date set forth in the first paragraph hereof.

SILVER LAKE PARTNERS, L.P.
By: Silver Lake Technology Associates, L.L.C., its general partner

By: ______________________________________
Name:
Title:

SILVER LAKE INVESTORS, L.P.
By: Silver Lake Technology Associates, L.L.C., its general partner

By: ______________________________________
Name:
Title:

SILVER LAKE TECHNOLOGY INVESTORS, L.L.C.

By: ____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed the SECURITYHOLDERS AGREEMENT as of the date set forth in the first paragraph hereof.

INTEGRAL CAPITAL PARTNERS IV, L.P.
By: Integral Capital Management IV, LLC
its general partner

By: ____
Name: Pamela K. Hagenah
Title: a Manager

INTEGRAL CAPITAL PARTNERS IV MS SIDE FUND, L.P.
By: Integral Capital Partners NBT, LLC
its general partner

By: ____
Name: Pamela K. Hagenah
Title: a Manager