

SECURITIES AND EXCHANGE COMMISSION

FORM S-1/A

General form of registration statement for all companies including face-amount certificate companies [amend]

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FILER

KPMG CONSULTING INC

CIK: **1113247** | IRS No.: **223680505** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **S-1/A** | Act: **33** | File No.: **333-36328** | Film No.: **716832**
SIC: **8742** Management consulting services

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1676 INTERNATIONAL DRIVE
MCLEAN VA 22102

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7037473000

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 2

TO

FORM S-1

REGISTRATION STATEMENT

UNDER THE

SECURITIES ACT OF 1933

KPMG CONSULTING, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

54161
(Primary Standard Industrial
Classification Code Number)

22-3680505
(I.R.S. Employer
Identification No.)

1676 International Drive

McLean, Virginia 22102
(703) 747-3000

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

David W. Black, Esq.

**Executive Vice President,
General Counsel and Secretary**
1676 International Drive
McLean, Virginia 22102
(703) 747-3000

(Name and Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

Paul L. Choi, Esq.
Sidley & Austin
Bank One Plaza
10 South Dearborn Street
Chicago, Illinois 60603

Jeffrey Small, Esq.
Davis Polk & Wardwell
450 Lexington Avenue
New York, New York 10017

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. []

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If delivery of the prospectus is expected to be made pursuant to Rule 434 under the Securities Act, check the following box. []

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

The purpose of this Amendment No. 2 is solely to file certain exhibits to the Registration Statement as set forth below as in Item 16(a) of Part II.

Item 16. Exhibits and Financial Statement Schedules

(a) Exhibits

Exhibit No.	Description
1.1	Form of Underwriting Agreement*
3.1	Amended and Restated Certificate of Incorporation of Registrant**
3.2	Amended and Restated Bylaws of the Registrant**
3.3	Certificate of Designation for the Series A Mandatorily Redeemable Convertible Preferred Stock**
4.1	Specimen Certificate for shares of Common Stock of the Registrant*
5.1	Opinion of Sidley & Austin relating to legality of shares being registered**
10.1	Amended and Restated Separation Agreement dated as of , 2000 among KPMG LLP, KPMG Consulting, LLC and the Registrant*
10.2	Limited License Agreement with KPMG International*

10.3	Transition Services Agreement dated as of _____, 2000 among KPMG LLP, KPMG Consulting, LLC and the Registrant*
10.4	Non-Competition Agreement dated as of _____, 2000 among KPMG LLP, KPMG Consulting, LLC and the Registrant*
10.5	Form of Member Distribution Agreement for KPMG LLP Qualified Partners**
10.6	Form of Member Distribution Agreement for KPMG Consulting Qualified Employees**
10.7	Form of Member Distribution Agreement for KPMG Consulting Non-Qualified Employees**
10.8	Form of Member Agreement for KPMG Consulting Non-Eligible Employees**
10.9	Form of Managing Director Agreement**
10.10	Registration Rights Agreement dated as of January 31, 2000 between KPMG LLP and the Registrant**
10.11	Stock Purchase Agreement dated as of December 29, 1999 between Cisco Systems, Inc. and the Registrant**
10.12	Investor Rights Agreement dated as of January 31, 2000 among KPMG LLP, Cisco Systems, Inc. and the Registrant**
10.13	Alliance Agreement dated as of December 29, 1999 between Cisco Systems, Inc. and KPMG LLP†
10.14	Limited Liability Company Agreement of Qwest Cyber.Solutions LLC†
10.15	Marketing Alliance Agreement dated as of October 12, 1999 between KPMG LLP and FedEx Corporation**
10.16	Business Alliance Agreement dated as of November 22, 1995 between KPMG LLP and Oracle Corporation**
10.17	National Partner Agreement dated as of September 20, 1993 between KPMG LLP and SAP America, Inc.**
10.18	Registrant's 2000 Long-Term Incentive Plan and forms of stock option agreements**
10.19	Registrant's 2000 Employee Stock Purchase Plan*
10.20	Registrant's 401(k) Plan**
10.21	Valuation Services Conveyance Agreement effective as of June 30, 2000 between KPMG LLP and the Registrant*

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Exhibit No.	Description
21.1	List of subsidiaries of the Registrant*
23.1	Consent of Grant Thornton LLP**
23.2	Consent of Deloitte & Touche LLP**
23.3	Consent of Sidley & Austin (included in Exhibit 5.1 above)**
24.1	Power of Attorney**
27.1	Financial Data Schedule**

* To be filed by amendment

** Previously filed

Confidential material appearing in this document has been omitted and filed separately with the Securities and Exchange Commission in accordance with the Securities Act of 1933, as amended, and Rule 406 promulgated thereunder. Omitted information has been replaced with asterisks.

(b) Financial Statement Schedules

No Schedules are listed because they are not required under the instructions related to the applicable accounting regulations of the Securities and Exchange Commission, are not applicable or the information has been provided in financial statements (or notes thereto) included in this Registration Statement.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of McLean, State of Virginia on the 5th day of September, 2000.

KPMG CONSULTING, INC.

By: /s/ RANDOLPH C. BLAZER

Name: Randolph C. Blazer
Title: Chief Executive Officer
President and Director

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed as of September 5, 2000 by the following persons in the capacities indicated.

Name	Title
*	Chairman of the Board
Stephen G. Butler	
/s/ RANDOLPH C. BLAZER	Chief Executive Officer, President and Director (Principal Executive Officer)
Randolph C. Blazer	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)
*	Director
Robert C. Lamb, Jr.	Director
*	Director
Douglas C. Allred	Director
*	Director
Robert W. Alspaugh	Director
*	Director
Kevin A. DeNuccio	Director
*	Director
Joseph E. Heintz	Director
*	Director
John T. Lanning	Director
*	Director
Roderick C. McGearry	Director
*	Director
Eugene D. O' Kelly	

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Name	Title
*	Director
Michael J. Regan	
*	Director
J. Terry Strange	
* By: /s/ DAVID W. BLACK	Attorney-In-Fact
David W. Black	

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EXHIBIT INDEX

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EXHIBIT 10.13

ALLIANCE AGREEMENT

This ALLIANCE AGREEMENT (the "Alliance Agreement"), dated December 29, 1999 is between Cisco Systems, Inc., a California corporation ("Cisco") and KPMG LLP, a Delaware limited liability partnership ("KPMG").

BACKGROUND.

A. Cisco is in the business of developing, manufacturing and selling hardware and software products for use in communications networks. KPMG is in the business of, among other things, providing management consulting and system integration services to clients.

B. The Parties desire to continue their ongoing relationship and formalize a strategic alliance (the "Alliance") to work cooperatively to develop and expand service delivery capabilities for the Service Provider Market and Enterprise Market.

C. KPMG intends to spin off its consulting service organization into a separate corporate entity. Cisco has agreed, subject to legal and regulatory approvals, to provide capital toward the formation and operation of that entity.

D. The service delivery capability of the Alliance within the Service Provider Market intends to address the design, development, deployment and integration of service provider internet operational support systems ("OSS"), business support systems ("BSS") and network infrastructure solutions related to the global communications market. The service delivery capability within the Enterprise Market intends to address the design, development, deployment and integration necessary to support initiatives such as e-engineering, (including but not limited to e-procurement, e2e supply chain, work force optimization, Internet commerce, one-to-one marketing, e-contact centers and other consulting services as they are developed), large scale network deployment, and LAN, PBX and IP-enabled call centers.

E. The Parties intend to cooperate to take advantage of Cisco's expertise as the worldwide leader in networking for the Internet and in supply of advanced networking technologies and products and KPMG's experience and thought leadership as a management consultant and systems integrator in the Service Provider Market and the Enterprise Market. The focus of the relationship contemplated in this Agreement will be on the collaborative effort to build and scale KPMG's service delivery capabilities to the mutual benefit of Cisco and KPMG by more effectively exploiting their potential synergies in areas where the Parties' joint efforts will allow.

F. The Parties have agreed on the following mission statement defining the goals of the Alliance:

MISSION STATEMENT: To cooperatively use the assets and resources of each of the Parties to promote the expansion of the available service delivery capacity in the

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Service Provider Market and the Enterprise Market for the purpose of

accelerating the adoption rate for Cisco technology, increasing revenue and profits and market share for both parties, and maximizing network functionality and customer satisfaction for joint customers.

To give effect to the Alliance, Cisco and KPMG desire to enter into this Alliance Agreement as follows:

1. DEFINITIONS.

Except as otherwise defined in this Alliance Agreement or in a Specific Agreement, all capitalized terms shall have the meanings set forth as follows:

"Cisco Competitors" shall have the meaning set forth in section 4.10 of the Stock Purchase Agreement for "Specified Companies".

"Cisco Intellectual Property" shall mean all current and future worldwide patents and other patent rights, utility models, copyrights, mask work rights, trade secrets, and all other intellectual property rights, including any applications for such rights and the right to apply therefor, and the related documentation or other tangible expression thereof which are owned or licensed by Cisco. "Cisco Literate Consultant" shall have the meaning set forth in Exhibit A attached hereto.

"Closing" shall mean the completion of the funding undertaken pursuant to the Stock Purchase Agreement.

"Investor Rights Agreement" shall mean that Investor Rights Agreement by and among Cisco Systems, Inc., KPMG LLP and KPMG Consulting, Inc..

"Service Provider Market" shall mean that market comprised of all businesses which provide for a fee to third parties, telecommunications and voice, video and data networking services. Service providers include telecommunication carriers, Internet Service Providers, cable companies and wireless communication providers.

"Specific Agreements" shall have the meaning set forth in Section 2.1 below.

"Enterprise Market" shall mean that market comprised of all businesses with complex networking infrastructure needs for their primary business, often spanning multiple locations and types of computer systems. Enterprises include corporations, government agencies, utilities and educational institutions.

"Stock Purchase Agreement" shall mean that Stock Purchase Agreement by and among Cisco Systems, Inc., KPMG LLP and KPMG Consulting, Inc., dated ,

2. SCOPE OF AGREEMENT; SPECIFIC AGREEMENTS.

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2.1 Scope of the Alliance Agreement. The Parties intend to enter into this Alliance Agreement ("Agreement") to define the objectives of the Alliance and to articulate the agreements of the Parties in establishing a working relationship and developing the capability to achieve those objectives. The Parties contemplate that in the context of the Alliance they will enter into one or more specific agreements ("Specific Agreements") setting forth terms and conditions more directly applicable to specific projects outlined in this Agreement. Except as provided in Section 12.9, this Alliance Agreement shall not affect any agreements by either Party entered into prior to the execution date hereof.

2.2 Objectives of the Alliance. The primary objective of the Alliance is to generate incremental profits and revenues for both KPMG and Cisco by developing

and further expanding KPMG consulting solutions and service delivery capacity in the Service Provider Market and Enterprise Market. The capacity will support solutions based upon a KPMG delivery approach using key technologies and platforms from Cisco.

2.2.1 Specific objectives. The Parties will pursue the following specific objectives according to the terms and conditions of the Alliance Agreement and as set forth in the applicable Specific Agreements:

- Exploit new and emerging opportunities in the Service Provider Market and the Enterprise Market that will substantially grow the revenues for the Parties;
- Create solutions and consulting service models for the Service Provider Market and Enterprise Market that are designed to:
 - increase the value of services and products to customers;
 - decrease time-to-market for clients in solution and product development and deployment; and
 - reduce technical risk to clients and customers in provisioning solutions;
- Create competitive advantage in the development, delivery and deployment of Internet based solutions in the Service Provider Market and the Enterprise Market; and
- Promote and accelerate adoption and deployment of Internet based solutions by providing repeatable, complete solutions utilizing Internet Protocol ("IP")-based technologies on a Digital Broadband delivery infrastructure.

2.2.2 Initial Opportunities. The Parties intend initially to focus on a sub-set of opportunities in both the Service Provider Market and the Enterprise

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Markets. Based on the outcome of the initial exploration, Cisco and KPMG will then consider further specific efforts.

2.3 Potential Benefits for the Parties.

2.3.1 Potential Benefits to KPMG

- Share in Cisco's technology resources, knowledge and experience to enable KPMG to develop better solutions and services related to Cisco's technology;
- Increase visibility into Cisco products and strategy, including the opportunity to influence the development of future networking and computing technology to enable increased business value to clients; and
- Increase revenue growth by exploiting opportunities identified through the Cisco sales lead flow.

2.3.2 Potential Benefits to Cisco

- Realize a competitive advantage relative to its equipment manufacturer competitors who offer "total" OSS and BSS solutions;
- Facilitate development and market adoption of Cisco products and key technologies;
- Add value to Cisco products for end customers;
- Leverage KPMG business reputation and market position to promote the ecosystem marketing model and assist in the transition of Cisco's current market perception from equipment provider to a provider of end-to-end business solutions; and
- Increase revenue growth through increased opportunities and sales from KPMG's deployment of network solutions utilizing Cisco technology and platforms.

2.4 The parties contemplate that they may enter into one or more of the following Specific Agreements: a professional services subcontractor agreement and a master development and licensing agreement. The Parties may enter into additional Specific Agreements, which upon execution shall be attached to this Alliance Agreement. The Parties may also mutually agree to enter into other agreements with third parties in connection with the Alliance.

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3. EXCLUSIVITY.

3.1 During the five (5) years following the Closing of Cisco's investment in KPMG Consulting, Inc., KPMG will not directly or indirectly enter into any agreement, understanding or arrangement with a Cisco Competitor to offer services or products competing with those offered by Cisco. KPMG will not: (a) engage in joint marketing or joint bidding with Cisco Competitors to develop or provide solutions in the Service Provider Market or the Enterprise Market or (b) build substantial capability around Cisco Competitors' products (including sponsoring or investing in training, marketing and solution development of service offerings that include Cisco Competitor products and/or that undermine Cisco's market strategy as implemented in Cisco's Ecosystem Program as set forth in Exhibit G, which exhibit shall be amended annually by Cisco); provided, however, that nothing herein shall prohibit KPMG from deploying competing products where requested or required by a customer in the course of providing consulting services, or engaging in education and training necessary to support such deployment. It is the intent of the parties to allow KPMG to train to deploy in a multi-vendor platform environment, but not to build or acquire substantial capacity in the products of a Cisco Competitor or the products of any network hardware vendor which competes with Cisco.

The Parties have agreed that the principles set forth above will be applied in specific situations as follows:

3.1.1 No Hardware or Cisco Intellectual Property. KPMG shall be entitled to participate in any bid for services where the request or requirement of the client does not require KPMG to perform the installation of networking technology hardware of the type marketed by Cisco or the use of Cisco Intellectual Property.

3.1.2 Cisco Support for KPMG Bid. Cisco shall, to the extent appropriate, support KPMG in its bids and position KPMG as its preferred partner in such bids. In the event that Cisco chooses to submit a bid without KPMG, Cisco shall provide KPMG with the support necessary or appropriate to make its own bid. Notwithstanding any

provision herein to the contrary, in those circumstances where the request or requirement of the client only permits Cisco to bid with a single party and Cisco chooses to submit a bid without KPMG, Cisco shall not be required to support KPMG in making its own bid.

3.1.3 KPMG Participation. Cisco shall have sole discretion in managing its bid processes. Where Cisco elects to receive proposals from more than one subcontractor or integrator for projects for which KPMG has the capability as represented to Cisco by KPMG in Exhibit E as it shall be amended by KPMG from time to time, KPMG shall have the right to submit such a proposal and otherwise fully participate in any competition to bid for such project.

3.1.4 Cisco Primes Without KPMG. The parties agree that in situations where Cisco is bidding as the prime contractor in a bid in which a customer requests both hardware and services, and Cisco chooses a party other than KPMG as the

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services subcontractor, KPMG may make a separate bid to the customer as the as prime contractor for such hardware and services, subject to the limitations set forth in Section 3.1 above.

3.1.5 Cisco Competitive Account. The parties agree that KPMG may submit its bid to a client * * * KPMG shall submit such a request to bid to the Cisco Responsible Executive or his/her designee, who shall respond to such request within five (5) business days, provided that failure to respond in such five day period shall be deemed a denial of the request.

3.2 Cisco Discretion to Waive Exclusivity Rights. Cisco may in its discretion waive its exclusivity rights under Section 3.1.

3.3 Grandfather Provisions.

3.3.1. Nothing in this Section 3 shall be interpreted to require KPMG to withdraw, terminate, breach, curtail, change or amend any contracts, irrevocable offers or the project set forth on Exhibit F hereto which were entered into or bid prior to the date hereof, including any such contracts, offers or projects which would otherwise not be permitted hereunder.

3.3.2. In the event that, pursuant to Section 4.10 of the Stock Purchase Agreement, Cisco designates an entity as a Cisco Competitor which entity was not a Cisco Competitor in the prior period as (such newly-designated entity a "New Cisco Competitor") and KPMG has an existing contract with such New Cisco Competitor, then nothing in this Section 3 shall be interpreted to require KPMG to terminate, breach, curtail, change or amend any such contract;
* * *

3.4. In the event an opportunity arises in the Service Provider Market or the Enterprise Market to make a bid to provide both network hardware/software and consulting services, and such opportunity requires that a network hardware/software vendor serve as the prime bidder and allows the network hardware/software vendor to pair with one and only one consulting partner (each a "Single Consultant Opportunity") and, in such instance, Cisco does not chose to bid with KPMG, thereby effectively excluding KPMG from bidding on such opportunity (each such exclusion a "Box-Out"), KPMG shall have the rights set forth in Section 3.5. In addition, at the end of each calendar quarter, the Parties shall review and calculate the ratio of Box-Outs to Single Consultant Opportunities (the "Box-Out Ratio") as well as the ratio of Box-Outs which occurred in instances where KPMG submitted a bid and Cisco neither accepted the bid nor articulated a business-related reason for not accepting the bid (each such exclusion an "Unjustified Box-Out") to Single Consultant Opportunities (the "Unjustified Box-Out Ratio"). In the event that (a) at least ten Single

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since the date hereof and (b) the Unjustified Box-Out Ratio for such quarter is fifty percent (50%) or greater, then Cisco shall waive KPMG's failure to comply with the exclusivity provisions set forth in Section 3 of this Alliance Agreement only with respect to any Single Consultant Opportunities which occur during the calendar quarter following the calendar quarter in which the Unjustified Box-Out ratio is fifty percent (50%) or greater.

3.5 * * * In any situation where KPMG in good faith believes * * *, KPMG shall be entitled to * * *. The Executive Sponsors or agreed designees shall work in good faith to resolve such dispute; provided, however, that * * *.

4. PROJECTS.

The Parties intend to work together on the following specific activities to develop the infrastructure needed to support the Alliance. The parties shall, on an annual basis, agree upon a business plan, (the "Business Plan"), including the detailed working plans, schedules and allocations. The Initial Business Plan shall be attached to this agreement when it is complete. The Resource Allocation Schedule set forth in Exhibit A to this Alliance Agreement shall be part of the Initial Business Plan.

4.1 Recruiting. KPMG shall establish a core recruiting team lead by a designated, experienced and qualified team leader. KPMG shall provide the team with sufficient budget and resources and recruit qualified consultants for employment with KPMG in accordance with the plans set forth in Exhibit A.

4.1.1 KPMG shall use commercially reasonable, good faith efforts to have on staff, subject to Section 4.9, * * * consulting professionals by March 31, 2000, and 4,000 Cisco Literate Consultants (as defined in Exhibit A) by the end of calendar year 2000 (plus a commensurate number of business support staff), with an incremental, mutually agreed upon commitment for additional staffing on a quarterly basis thereafter. Subject to Section 4.9, the increase in headcount during calendar year 2000 shall be substantially constant and in accordance with the skill and geographic allocations agreed by the Parties as reflected in Exhibit A or as otherwise agreed in writing. The parties agree that so long as KPMG is in substantial compliance with the goals created pursuant this section and Section 4.9 and the parties are working together to revise those goals as the circumstances require, KPMG shall not be in default under this Agreement.

4.2 Training and Resource Development. KPMG agrees to develop skills in new Cisco products to foster the rapid assimilation of such products into the market.

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KPMG will develop a curriculum and provide training such that the newly hired and existing consultants deployable pursuant to this Alliance Agreement will be Cisco Literate Consultants.

The training program ("Training Program") will consist of:

- Cisco technology training;
- Service Provider Solutions;
- Enterprise Solutions; and
- E-Business Leadership.

4.2.1 The Training Program will include, but not necessarily be limited to, a new hire "bootcamp", specialty training on network engineering, Cisco essential skills and KPMG best practices, and on-going self-directed learning in topics such as network engineering and program management, as set forth in Exhibit A. The training Program will award Cisco certifications in the areas of support, design and other specialties as agreed between Cisco and KPMG. KPMG shall have the right and the obligation (on terms as the Parties may agree) under this Alliance Agreement to participate in future certification programs made available to other Cisco solution partners.

4.2.2. In conjunction with the Training Program, Cisco will provide resources and materials at a substantial discount off the MSRP, as set forth in Exhibit B as shall be amended by the mutual agreement of the Parties from time to time, to enable KPMG to develop and deliver Training Programs in support of the Alliance. Such resources will include product experts for ongoing training and education of new Cisco technologies and will support required training sessions to build expertise within KPMG on new products prior to market availability. KPMG shall be responsible for all costs associated with development and execution of the Training Program.

4.2.3 Cisco shall grant KPMG a worldwide, nonexclusive license to use, reproduce and distribute Cisco training materials which are purchased from Cisco by KPMG, in whole or in part, solely for internal use to train KPMG personnel, including the right to incorporate the whole or portions thereof in KPMG's training materials; provided that KPMG shall not remove, overprint or deface any notice of copyright, trademark, logo, legend, or other notices of ownership from any originals or copies (whether of the whole or a portion) thereof.

4.3 Opportunity and Sales Management. Cisco and KPMG will work jointly in the field to identify, pursue and track sales opportunities, deploy resources, generate proposals and sell and deploy solutions in support of Service Provider Market and Enterprise Market customers. In furtherance of this goal, the Parties agree:

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- KPMG shall deploy dedicated contacts to field operations locations to facilitate field interaction.
- KPMG shall provide dedicated personnel to serve as single points of contact with each of Cisco's sales vice presidents (of which there are currently six in the Enterprise Market and three in the Service Provider Market).
- Cisco shall provide a single point of contact in the field for KPMG representatives to enable real-time field interaction. KPMG shall provide personnel to match up with Cisco's existing Offer

Integration Team ("OIT") to prepare joint responses to customer RFPs.

- Cisco shall provide resources to assist with field opportunity identification and notification. The Parties shall cooperate in joint marketing efforts and shall encourage participation in joint account planning sessions.
- KPMG shall maintain a Project Management Organization ("PMO") consisting of sufficient infrastructure and resources to provide proposal development, customer bid and field deployment activities in a short time frame. Cisco and KPMG shall provide dedicated resources to jointly staff the PMO.

4.4 Facilities and Infrastructure. Subject to Section 4.9, KPMG will establish an agreed upon number (but not less than six (6)) Solution Centers for development, training and client demonstration, at least one of which will be located in Asia and one in Europe. Two Solution Centers will be substantially operational by March 1, 2000. Subject to Section 4.9, all six Solution Centers will be staffed and operational not later than end of calendar year 2000. KPMG shall make commercially reasonable efforts to meet the target rate of deployment of the Solution Centers of a minimum of * * * per calendar quarter.

4.4.1 Cisco desires to enable KPMG to upgrade and maintain these Solution Centers at minimum cost and is willing to offer the following discounts for Cisco products for use in such Solution Centers: (i) * * * off MSRP for Cisco hardware products (ii) * * * off MSRP for Cisco software products. Cisco will also provide ongoing service and maintenance contracts at * * * discounts from Cisco's standard professional services rates to support the maintenance of the products deployed in each Solution Center. The Parties agree that in the situation where the Parties are working to develop a joint solution under this Alliance Agreement, it is in the Parties' best interests for Cisco to make its software available to KPMG at * * * or, where possible, at * * * ; provided that the Parties also agree that the final decision as to the cost of the software is at the discretion of the individual Cisco business units.

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4.4.2 KPMG agrees that the equipment sold to KPMG at discount pursuant to this Alliance Agreement shall be used solely in authorized Solution Centers and solely for purposes in connection with solutions based on Cisco products (i) developed by KPMG, (ii) developed by KPMG and Cisco jointly or (iii) developed by Cisco and which KPMG agrees to deploy (collectively, the "Alliance Solutions") to train, demonstrate or otherwise make sales of such solutions, to perform contracts with customers purchasing such solutions and for internal training and development in support of the Alliance; provided, however, KPMG is prohibited from using such Cisco equipment for operations or outsourcing unless approval in writing is received from the Cisco Executive Sponsor.

4.4.3 Customer Training. KPMG may train customers for solutions for profit on discounted equipment in the Solutions Centers; provided however that such training shall not compete with Cisco Partner Training offered by Cisco's World Wide Training organization except as specifically authorized by Cisco.

4.5 Solution Development. KPMG and Cisco shall work in good faith to agree upon a method and means to work together to enhance product and service delivery capability and, subject to Section 4.9, to develop packaged solutions at a rate

of not less than one per quarter. Solution development efforts shall initially focus on DSL, cable and wireless technologies, Virtual Private Networks and Optical Switching and e-engineering, (including but not limited to e-procurement, e2e supply chain, work force optimization, Internet commerce, one-to-one marketing, e-contact centers and other consulting services as they are developed), large scale network deployment, and LAN, PBX and IP-enabled call centers.

4.6 Solution Delivery. Subject to Section 4.9, KPMG will dedicate the appropriate resources and personnel necessary for deployment of the Alliance Solutions in all geographic theaters as specified in Exhibit A and any subsequent Resource Allocation Schedule during the term of this Agreement.

4.7 Go-to-Market Plan. Cisco and KPMG will jointly work to develop an annual joint go-to-market plan ("Marketing Plan"), with the initial Marketing Plan being completed within 60 days of the execution of this Alliance Agreement. The Marketing Plan will be presented to the Parties' field sales teams and will be available to share with customers. KPMG and Cisco will each dedicate the equivalent of one full time marketing professional to define, manage and execute the Marketing Plan. The Marketing Plan will include:

- A mutually agreeable market message and marketing strategy to describe this Alliance and the benefits offered to the market through the cooperation of the parties.

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- Appropriate press, analyst, client and field sales briefings to better describe the value and how the Alliance will execute in the market.
- Definition of a marketing program to create awareness and provide lead generation for the Alliance activities.

4.8 Preliminary budget for joint funding of marketing programs, sales education and sales support. The parties agree:

- (a) that they will on an annual basis, each allocate the resources and budget necessary to support these sales and marketing activities; and
- (b) that a reasonable target to budget for the initial Marketing Plan is * * * from each Party to promote the Alliance and the Alliance Solutions, with the actual initial budget to be subject to mutually agreed upon Marketing and Business Plans.

4.9 Business Plans; Regular Review of Dashboard Indicators and Reasonableness Standard.

(a) On an annual basis, the Parties shall meet and agree upon a business plan (the "Business Plan") and a resource allocation schedule (the "Resource Allocation Schedule") for the next year. Upon the mutual written consent of the Parties, the annual Business Plan or the annual Resource Allocation Schedule may be amended from time to time throughout the year.

(b) Regular Review of Dashboard Indicators. KPMG and Cisco shall meet for the first six months from the date hereof every sixty days and thereafter, at least quarterly to review progress of hiring and training against the agreed goals, assess the effectiveness of the joint field efforts and assess progress toward goals set forth in the operative Business Plan, including consideration by the Parties of (i) deployable headcount (including progress in recruitment, training and number of Cisco Literate Consultants), (ii) number of fully-trained

Cisco consultants, (iii) KPMG dedication and distribution of resources, (iv) market penetration, (v) KPMG investments to realize markets, (vi) critical mass of KPMG resources, (vii) assessment of relevant markets and prospect of future opportunities therein, through internal business trend analysis and external industry statistics and analysis (viii) the number of joint field pursuits, (ix) the number of joint wins, (x) the number of joint RFP responses, (xi) the number of solutions developed, (xii) the resources dedicated to solutions development, (xiii) the solutions development schedule, (xiv) the revenue per solution of each Party, (xv) Solution Center implementation schedule, (xvi) each Party's Alliance-related revenue, (xvii) utilization of KPMG resources, (xviii) the results of KPMG and Cisco field satisfaction surveys, (xix) annual overall Alliance customer satisfaction, (xx) the Box-Out Ratio, (xxi) Cisco's delivery of support reasonably necessary for KPMG to meet its obligations hereunder and (xxii) such other metrics as the Parties deem appropriate (all of the items of consideration to be,

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collectively, the "Dashboard Indicators"). In the event the foregoing analysis does not support continued deployment of resources in accordance with the Resource Allocation Schedule then in effect, the Parties shall make mutually agreeable adjustments to the Resource Allocation Schedule. In the event the Parties are unable to reach an agreement on an adjustment, then such disagreement will become a Dispute, which Dispute shall be resolved in accordance with Section 5.3 of this Alliance Agreement, based on what a reasonable and prudent business person would do in like circumstances.

(c) KPMG and Cisco shall meet at least quarterly to review the profitability of KPMG's business for the prior three month period. In the event KPMG's consulting business, on the whole, is not profitable during such period, then the Parties shall make mutually agreeable adjustments to the Resource Allocation Schedule. In the event the Parties are unable to reach an agreement on an adjustment, then such disagreement will become a Dispute, which Dispute shall be resolved in accordance with Section 5.3 of this Alliance Agreement, based on what a reasonable and prudent business person would do in like circumstances.

(d) On the earlier of (i) one year from the date hereof and (ii) the date on which KPMG has 4,000 Cisco Literate Consultants, and on a quarterly basis thereafter, KPMG and Cisco shall meet to review the profitability of the Alliance component of KPMG's business. In the event the Alliance component of KPMG's business is not profitable during such period, then the Parties shall make mutually agreeable adjustments to the Resource Allocation Schedule. In the event the Parties are unable to reach an agreement on an adjustment, then such disagreement will become a Dispute, which Dispute shall be resolved in accordance with Section 5.3 of this Alliance Agreement, based on what a reasonable and prudent business person would do in like circumstances.

(e) KPMG covenants to use good faith best efforts to make its consulting business and the Alliance component of its consulting business profitable.

5. ALLIANCE MANAGEMENT.

5.1 Alliance Team. Each Party agrees to provide personnel and resources to make up the Alliance management team ("Alliance Team") as set forth in Exhibit C. The composition and membership of the Alliance Team may be changed from time to time by mutual agreement of the Parties. The Alliance Team shall

oversee the operation of the Alliance and the competitive positioning of the Alliance solutions. The Alliance Team shall meet as often as either Party believes necessary for the effective operation of the Alliance, but no less often than each calendar quarter.

5.2 Executive Sponsors. Each Party shall appoint a member of its senior management as an executive sponsor for the Alliance ("Executive Sponsor"). Executive Sponsors shall be responsible for monitoring the Alliance relationship, conducting periodic briefings for each other and their management teams, and providing a defined

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means of communication with other senior executives. The initial Executive Sponsors shall be as set forth in Exhibit C.

5.3 Dispute Resolution/Escalation. In the event that a dispute arises between Cisco and KPMG pertaining to any matters which are the subject matter of the Alliance (a "Dispute"), and either Party so requests in writing, prior to the initiation of any formal legal action, the following dispute resolution process shall apply:

5.3.1 Sales Issues - Territorial Executives. If the Dispute involves a sales related issue, the Dispute may, at the option of either Party, be submitted for discussion and resolution to the parties' respective regional sales vice president or equivalent senior executive for the geographical territory in which the dispute arose ("Territorial Executives"). The Territorial Executives shall be responsible for including any other relevant senior managers from their Party, such as any affected business unit general managers. The Territorial Executives shall use their good faith efforts to resolve the Dispute within ten (10) days. If the Territorial Executives are unable to resolve the Dispute in such period, the matter shall be referred to the Executive Sponsors for resolution. The initial Territorial Executives shall be as identified in Exhibit C.

5.3.2 Technical Issues - Responsible Executives. If the Dispute involves a technical issue or any other non-sales related issue, the matter may, at the option of either Party, be submitted for discussion and resolution to the Responsible Executives of KPMG and Cisco ("Responsible Executives"), as identified in Exhibit C. The Responsible Executives shall be responsible for including any other relevant senior managers from their Party, such as any affected business unit general managers. The Responsible Executives shall use their good faith efforts to resolve the Dispute within ten (10) days. If the Responsible Executives are unable to resolve the Dispute in such period, the matter shall be referred to the Executive Sponsors for resolution.

5.3.3 Executive Sponsors. For all Disputes referred to the Executive Sponsors, the Executive Sponsors shall use their good faith efforts to resolve the Dispute within twenty (20) days after such referral. If the Executive Sponsors are unable to resolve the Dispute in such period, the Dispute shall be referred to the respective Chief Executive Officers of Cisco and KPMG for resolution.

5.3.4 Chief Executive Officers. For all Disputes referred to the Chief Executive Officers from the Executive Sponsors, the Chief Executive Officers shall use their good faith efforts to resolve the Dispute within twenty (20) days after such referral.

5.3.5 Mediation and Legal Action. In the event that the Chief Executive

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Officers are unable to resolve the Dispute within the period allowed, then either Party shall have the right to submit the Dispute to mediation in accordance with the terms of Section 10.1, unless the Chief Executive Officer of a Party notifies the other Party's Chief Executive Officer in writing that mediation is not desired and would not be effective. In the event that the parties are unable to resolve the Dispute under such mediation (or either Party receives the notice declining mediation as set forth in this Section 5.3.5), then either Party shall have the right to pursue any remedies available to it relating to the Dispute under the terms of this Alliance Agreement or otherwise available to it under law or equity.

5.3.6 Disputes Concerning Termination of Alliance Agreement; Acceleration. For Disputes that constitute Termination Disputes (as defined in Section 8.2) the timelines for dispute resolution as set forth in this Section 5.3 shall be accelerated to the following periods: for Territorial Executives, five (5) days, for Responsible Executives, five (5) days, for Executive Sponsors, ten (10) days, and for Chief Executive Officers, ten (10) days. In the event that a Party provides notice of a Termination Dispute at a time after which the Dispute is already before the Executive Sponsors or later, then the Termination Dispute shall be returned automatically to the Executive Sponsors, and the time periods for resolution for the Termination Dispute shall be reset to the commencement of consideration by the Executive Sponsors.

5.3.7 Disputes Concerning Confidentiality or Intellectual Property. For Disputes under this Alliance relating to confidentiality obligations or intellectual property disputes, the Parties shall employ the expedited dispute resolution procedures set forth in Section 5.3.6. Notwithstanding the foregoing, the Parties reserve the right to seek an injunction or other equitable relief in court to prevent or stop a breach of any confidentiality provisions or intellectual property rights set forth in the Alliance Agreement or any Specific Agreement.

5.3.8 Disputes Concerning Breach of Exclusivity Obligations. Notwithstanding anything herein to the contrary, the Parties agree that violation by KPMG of the exclusivity obligations set forth in Section 3 hereof would be likely to cause irreparable injury to Cisco and would result in damage to Cisco's business for which there is no adequate remedy at law. Accordingly, in the event that Cisco reasonably believes that such a breach has occurred or is about to occur, it may apply for appropriate injunctive relief from a court of competent jurisdiction, and may do so without necessity of bond or surety.

6. CONFIDENTIAL INFORMATION.

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The Mutual Non-Disclosure Agreement executed by the Parties on or about December 29, 1999 and attached as Exhibit D hereto is hereby incorporated herein as if fully set forth and shall govern the actions of the Parties with respect to Confidential Information relating to the Alliance. The Parties agree that the terms and conditions of this Alliance Agreement shall be Confidential Information subject to the Mutual Non-Disclosure Agreement. Each Party shall obtain the other Party's written consent prior to any publication, advertisement, presentation, public announcement or press release concerning the terms and conditions of this Alliance Agreement.

7. NONSOLICITATION.

7.1 Notification...During the term of this Alliance Agreement, each Party will make a good faith effort to notify the other Party in the event that it forms an intention to make an offer of employment to a senior level employee of the other Party, which, in the case of Cisco, shall mean a person in the position of Director or above and, in the case of KPMG, shall mean a person in the position of Senior Manager or above.

7.2 No-Raid Prior to Termination...During the term of this Alliance Agreement, each Party agrees that it will not make a concerted effort to hire a significant portion of the employees from any discrete practice group or business unit of the other Party; provided however, that the Parties agree that this obligation shall not survive termination, for any reason, of this Alliance Agreement.

8. TERM AND TERMINATION.

8.1 Term of Alliance Agreement. This Alliance Agreement shall be effective upon the Effective Date and shall remain in force for a period of five (5) years thereafter, unless terminated sooner by (i) the terms of this Alliance Agreement or (ii) the mutual agreement of the Parties. The term may be extended as mutually agreed upon by the Parties in writing.

8.2 Termination for Cause. Either Party may terminate the Alliance Agreement and the Specific Agreements immediately by delivering written notice to the other Party upon the occurrence of any of the following events:

(a) Insolvency Event. If, with respect to the other Party, (i) a receiver is appointed for such Party or its property; (ii) such Party makes a general assignment for the benefit of its creditors; (iii) such Party commences, or has commenced against it, proceedings under any bankruptcy, insolvency or debtor's relief law, which proceedings are not dismissed within sixty (60) days; or (iv) such party is liquidated or dissolved;

(b) Default Event. If the other Party violates any material covenant, agreement, representation or warranty contained in this Alliance Agreement or defaults or fails to perform any of its material obligations or agreements hereunder, which violation, default or failure of the non-breaching Party is not cured within thirty (30) days after notice

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thereof from the non-breaching Party stating its intent to terminate (collectively, a "Termination Dispute") provided that the violation, default or failure has been escalated through the procedures set forth in Section 5.3 and, if appropriate, the mediation procedures in accordance with the terms of Section 10.1, and remains unresolved; or

(c) Change of Control Event. If the other Party accepts an "Acquisition Proposal" as defined in Section 2.5 of the Investor Rights Agreement.

8.3 Termination Upon Termination of Stock Purchase Agreement. If the Stock Purchase Agreement is terminated by any Party thereto for any reason in accordance with its terms or if the exclusivity provision of Section 3 hereof is terminated or excused pursuant to the Stock Purchase Agreement, this Alliance Agreement shall terminate.

8.4 Scope of Termination and Survival of Rights and Obligations Upon Expiration or Termination.

(a) Unless otherwise agreed by both Parties, any termination hereunder shall apply equally to the Alliance and this Alliance Agreement; provided, however, Sections 1,6, 8.4, 9, 10.2, 11, 12.3, 12.13, 12.14 and 12.15 of this Alliance Agreement shall survive such termination or expiration. Upon termination or expiration termination of this Alliance Agreement for any reason, or upon termination of a Specific Agreement, and except as may be specified in a Specific Agreement, each Party shall return to the other Party all of the other Party's Confidential Information and property in accordance with this Alliance Agreement and any agreement collateral to this Alliance Agreement.

9. LIMITATION OF LIABILITY FOR CONSEQUENTIAL DAMAGES.

9.1 EXCEPT WITH RESPECT TO CLAIMS OR CAUSES OF ACTION FOR BREACH OF THE EXCLUSIVITY OBLIGATIONS UNDER THIS ALLIANCE AGREEMENT, IN NO EVENT SHALL KPMG OR CISCO BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, LOST PROFITS, OR LOST DATA, OR ANY OTHER INDIRECT DAMAGES, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EVEN IF THE PARTIES HAVE BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES.

9.2 NOTWITHSTANDING ANY PROVISION IN SECTION 9.1 TO THE CONTRARY, NO PARTY SHALL BE REQUIRED TO PAY INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, LOST PROFITS, OR LOST DATA OR ANY OTHER INDIRECT DAMAGES, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EVEN IF THE PARTIES HAVE BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES, IN AN AMOUNT IN EXCESS OF ONE BILLION (\$1,000,000,000) DOLLARS.

10. MEDIATION, GOVERNING LAW AND FORUM.

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10.1 Mediation. Subject to Section 5.3.5, both Parties agree that any claims or disputes that cannot be resolved by the dispute resolution process described in Section 5.3 shall be submitted to non-binding mediation prior to institution of any formal legal process. Costs of mediation shall be shared equally, and the parties will use their best efforts to engage a mediator and complete the mediation process within thirty (30) days after completion of the dispute resolution process set forth in Section 5.3. In the event of a dispute between the parties concerning confidentiality or intellectual property rights, the parties are free to seek whatever legal remedies are available.

10.2 Governing Law and Forum. California law shall govern the provisions of this Alliance Agreement and the Specific Agreements, and the parties agree to submit to the jurisdiction of California courts. The parties specifically disclaim the U.N. Convention on Contracts for the International Sale of Goods.

11. INDEMNIFICATION.

11.1 Indemnity. Each Party shall defend, indemnify and hold harmless the other, its affiliates and their respective officers, directors, partners, principals, employees, and agents and their respective successors and assigns from and against any and all claims, losses, liabilities, damages, and expenses (including, without limitation, reasonable attorneys' fees), including without limitation, those based on contract or tort, arising out of or in connection with a claim, suit or proceeding brought by a third party based upon (i) bodily injury (including death) or damage to tangible personal property (not including lost data) arising from the negligent or intentional acts or omissions of the indemnifying Party or its subcontractors, or the officers, directors, partners, principals, employees, agents, successors and assigns of any of them, or (ii) assertions under worker's compensation or similar laws made by persons furnished by the indemnifying Party. In the event that the indemnified Party's concurrent negligent or intentional acts or omissions contributed to cause the injury or damage for which a claim of indemnity is being asserted against the indemnifying Party hereunder, the damages shall be allocated between the indemnified Party and the indemnifying Party in such proportion as appropriately reflects the relative fault of the two parties, or their subcontractors, or the officers, directors, partners, principals, employees, agents, successors and assigns of any of them, and the liability of the indemnifying Party shall be proportionately reduced.

11.2 Conditions. The foregoing indemnification obligations are conditioned upon the indemnified Party promptly notifying the indemnifying Party in writing of the claim, suit or proceeding for which the indemnifying Party is obligated under this Section 11.2, cooperating with, assisting and providing information to, the indemnifying Party as reasonably required, and granting the indemnifying Party the exclusive right to defend or settle such claim, suit or proceeding.

12. GENERAL.

12.1 Insurance. The provisions in this Section apply with respect to all insurance that is required to be maintained by a Party pursuant to the terms of this Alliance Agreement. Such insurance shall be maintained with insurance companies with an A.M.

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Best's Insurance Rating of A-:VIII or better. Each Party shall give the other Party thirty (30) days prior written notice of cancellation, nonrenewal or adverse material change in such insurance if it no longer complies with any of the requirements set forth in this Alliance Agreement. If any policy of insurance required to be maintained by a Party pursuant to this Alliance Agreement is canceled or nonrenewed, that Party shall promptly replace the policy with a substantially similar policy from an insurer with an A.M. Best's Insurance Rating of A-:VIII or better, provided that either Party may provide a notice of self insurance, and that Party will provide evidence of same to the other Party. If requested by a Party, the other Party shall supply current certificates of insurance evidencing that the insurance required to be maintained pursuant to this Alliance Agreement is in force, provided that nothing in this Section 12.1 shall prohibit either Party from providing any or all of the insurance coverages required on a self-insured basis.

12.2 Notice. All notices required or permitted to be given under this Alliance Agreement or any Specific Agreement to any Party shall be in writing and shall

be deemed given upon delivery (by the other Party or overnight delivery service) or acknowledgment of facsimile transmission or three (3) days after mailing if sent by certified mail, return receipt requested, all postage and registration or certification fees prepaid and addressed as set forth on the signature page of this Alliance Agreement.

12.3 Severability. If any provision of this Alliance Agreement or any Specific Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions shall nevertheless remain in full force and effect, and the parties shall negotiate in good-faith a substitute valid and enforceable provision which most nearly effects the Parties' intent in entering into the Alliance Agreement or any Specific Agreement.

12.4 Headings. The captions and headings used in this Alliance Agreement and the Specific Agreements are for convenience of reference only and are not to be construed in any way as material terms or be used to interpret the provisions of such agreement.

12.5 Force Majeure. Except for the obligation to pay moneys due and owing, neither Party shall be liable for any delay or failure in performance due to events outside the defaulting Party's reasonable control, including without limitation acts of God, earthquake, labor disputes, shortages of supplies, riots, war, fire, epidemics, or delays of common carriers or other circumstances beyond its reasonable control. The obligations and rights of the excused Party shall be extended on a day to day basis for the time period equal to the period of the excusable delay.

12.6 Exhibits. Each Exhibit referred to in this Alliance Agreement or any Specific Agreement is incorporated in full in such agreement wherever reference to it is made.

12.7 Assignment. Except as otherwise provided in this Section 12.7, neither Party may assign its rights or delegate its obligations under the Alliance Agreement or any Specific Agreement, either in whole or in part, whether by operation of law or otherwise, without the prior written consent of the other Party. KPMG may, upon the consummation of the

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transactions contemplated by that certain Separation Agreement between KPMG, KPMG, LLC and KPMG Consulting, Inc., substitute either KPMG, LLC or KPMG Consulting, Inc. for KPMG hereunder. In the event of such substitution, KPMG shall be released and relieved of any and all rights and obligations hereunder and all references in this Alliance Agreement to KPMG shall be deemed to be solely to refer to KPMG, LLC or KPMG Consulting, Inc. as the case may be. The rights and liabilities of the parties under the Alliance Agreement and the Specific Agreements shall bind and inure to the benefit of the parties' respective successors and permitted assigns.

12.8 Waiver and Modification. Failure by either Party to enforce any provision of the Alliance Agreement or a Specific Agreement shall not be deemed a waiver of future enforcement of that or any other provision. Any waiver, amendment or other modification of any provision of such Agreement shall be effective only if in writing and signed by the Parties.

12.9 Entire Agreement. This Alliance Agreement including all exhibits, attachments, supplements and addenda of such agreements, constitute the entire agreement between the Parties with respect to its subject matters. This Alliance Agreement and the Specific Agreements supersede and replace all prior and other contemporaneous understandings or agreements, written or oral, regarding the specific subject matter of the Alliance Agreement.

12.10 Counterparts. This Alliance Agreement may be executed in multiple counterparts, each of which shall be an original and together which shall

constitute one and the same instrument.

12.11 Expenses. Each Party shall be responsible for all of its respective costs, expenses and liabilities incurred by it in performing its obligations under the Alliance Agreement and any Specific Agreements, unless otherwise set forth in a Specific Agreement.

12.12 Equitable Relief. Each Party acknowledges that a breach by the other Party of any confidentiality or proprietary rights provision of this Alliance Agreement or any Specific Agreement may cause the non-breaching Party irreparable damage, for which the award of damages would not be adequate compensation. Consequently, the non-breaching Party may institute an action to enjoin the breaching Party from any and all acts in violation of those provisions, which remedy shall be cumulative and not exclusive, and a Party may seek the entry of an injunction enjoining any breach or threatened breach of those provisions, in addition to any other relief to which the non-breaching Party may be entitled at law or in equity.

12.13 Import. Each Party shall provide all information under its control which is necessary or useful for the other Party to obtain any import licenses required for a Party to receive the other Party's property including, but not limited to, certificates of origin (NAFTA, etc.), manufacturer's affidavits, Buy America qualification, and U.S. Federal Communications Commissions identifier, if applicable. This information is to be provided within ten (10) business days of a Party's request.

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12.14 Export. KPMG hereby acknowledges that the products and technology or direct products thereof ("Products And Technology"), supplied by Cisco hereunder are subject to export controls under the laws and regulations of the United States. Cisco and KPMG shall comply with such laws and regulations and agree not to export, re-export or transfer Products And Technology without first obtaining all required U.S. Government authorizations or licenses. Cisco and KPMG each agree to provide the other such information and assistance as may reasonably be required by the other in connection with securing such authorizations or licenses, and to take timely action to obtain all required support documents. The obligations of Cisco and KPMG under this clause shall survive the expiration or termination of this Alliance Agreement.

12.15 Compliance with Laws.

(a) KPMG shall comply with all standards that Cisco has placarded on the products and shall comply with all laws and regulations applicable to the manufacture of the products, not including non-mandatory standards body recommendations. Cisco shall not be responsible for noncompliance with laws arising out of combination, operation or use of the products with products not supplied by Cisco where use of the products without such combination, operation or use would be in compliance with such laws. In the event of any third party claim against KPMG relating to the foregoing, Cisco shall provide reasonable information and assistance in the resolution of the claim.

(b) Each Party shall obtain all licenses, permits and approvals required by any government and shall comply with all applicable laws, rules, policies and procedures including requirements applicable to the use of products under telecommunications and other laws and regulations, of any government as may be required for each Party to comply with its obligations under this Alliance Agreement (collectively "Applicable Laws"). Each Party will indemnify and hold the other Party, its officers, directors, partners, principals, employees and agents harmless for any violations of any Applicable Laws. Each Party hereby represents and warrants that: (i) it shall comply with all Applicable

Laws; (ii) this Alliance Agreement and the Specific Agreements and each of their terms are in full conformance and in compliance with such laws; and (iii) it shall not act in any fashion or take any action or permit or authorize any action which will render the other Party liable for a violation of the U.S. Foreign Corrupt Practices Act, of 1977 (15 USC ss.78dd et. seq.), as amended. Each Party shall use reasonable efforts to regularly and continuously inform the other Party of any requirements of, and cooperate in the event either Party becomes involved in any challenges relating to the laws, statutes, ordinances, governmental authorities directly or indirectly affecting Alliance Agreement, the manufacture, sale, use and distribution of products, or each Party's trade name, trademarks or other commercial, industrial or intellectual property interests, including, but not limited to, certification of the products from the proper authorities in the territory.

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IN WITNESS WHEREOF, authorized representatives of the Parties have executed this Alliance Agreement as of the date and year first above written.

CISCO SYSTEMS, INC.

KPMG LLP

By: /s/ John T. Chambers

By: /s/ Stephen G. Butler

Name: John T. Chambers

Name: Stephen G. Butler

Title: President & Chief Executive Officer

Title: Chairman

Address: 170 West Tasman Drive

Address: 345 Park Avenue

San Jose, CA 95134

New York, NY 10154

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TABLE OF EXHIBITS

- EXHIBIT A RESOURCE ALLOCATION SCHEDULE
- EXHIBIT B TRAINING MATERIALS
- EXHIBIT C ALLIANCE TEAM MANAGEMENT
- EXHIBIT D NONDISCLOSURE AGREEMENT
- EXHIBIT E BIDS FOR WHICH KPMG HAS CAPABILITY AS REFERENCED IN SECTION 3.1.3
- EXHIBIT F EXISTING KPMG OPPORTUNITIES GRANDFATHERED PURSUANT TO SECTION 3.3.1
- EXHIBIT G CISCO MARKET STRATEGY FOR CISCO ECOSYSTEM PROGRAM

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EXHIBIT A

6 RESOURCE ALLOCATION SCHEDULE

I. Regional And Skill Allocation And Schedule For Consulting Professionals And Cisco Literate Consultants.

A. REGIONAL ALLOCATION.

By December 31, 2000, KPMG shall have allocated the 4000 Cisco Literate Consultants to the following regions in the following percentages:

REGION	PERCENTAGE OF 4000
North America	***
Latin America	***
EMEA	***
ASIA	***

B. SCHEDULE FOR DEPLOYMENT OF CONSULTING PROFESSIONALS AND CISCO LITERATE CONSULTANTS.

KPMG shall have the following number of Consulting Professionals and Cisco Literate Consultants on the following dates:

1. DATE	NUMBER AND TYPE OF CONSULTANT
March 31, 2000	***
June 30, 2000	***
September 30, 2000	***
December 31, 2000	***

C. SKILL ALLOCATION OF CISCO LITERATE CONSULTANTS.

1. The skill allocation of the Cisco Literate Consultants as of December 21, 2000 shall be distributed according to the following specialties in the following percentages:

SKILL	PERCENTAGE OF 4000
Enterprise Consultants	***
SP Consultants	***
Cisco Certified	***

Individuals who may complete requirements in more than one category can only be counted once.

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2. The Enterprise Consultants and SP Consultants identified in Section I.C.1. of this Exhibit A shall hold Cisco certifications in the areas of support and design in ratios to be determined by Cisco. KPMG shall provide Cisco with updated records on a periodic basis of all current KPMG staff holding Cisco certifications, including which certification each individual holds. All Enterprise Consultants and SP Consultants will have been trained on Cisco solutions for the Enterprise Market and the Service Provider Markets.

3. A minimum of *** of Cisco Literate Consultants shall be Cisco-Certified

Network Integrators. The distribution of these Cisco Certified Network Integrators among other Cisco certification levels, which include Cisco Certified Internetworking Expert ("CCIE"), Cisco Certified Networking Professional ("CCNP"), Cisco Certified Design Professional ("CCDP") and Cisco Certified Network Associate ("CCNA") shall, assuming no change in the total number of Cisco Literate Consultants required hereby, be as follows:

CISCO CERTIFICATION	NUMBER OF CONSULTANTS
CCIE	***
CCNP and CCDP (collectively)	***
CCNA	***

1. II. "Cisco Literate" Definition.

Cisco Literate Consultant means a person directly employed by KPMG, any entity which is a member of KPMG International, any other entity that has the right to use the name "KPMG", any other entity over which KPMG has actual control or any other entity in which KPMG has the ability to direct the deployment of such person, in a consulting capacity in one of the following areas:

. Cisco Certified Professionals

Obtained one of the levels of Cisco Certification specified in Section I.C.3. above and assigned to any practice to provide network engineering services to either Enterprise Market or Service Provider Market clients.

. Service Provider Practice

Attended training on Service Provider Market Fundamentals and be on track to complete the training relevant to their job function. These individuals will be focused at the Service Provider Market . Skills of such individuals may include project management, OSS/BSS integration, business development and technical or network integration

. Enterprise Practice

Attended training in Cisco ATG products such as Geotel, Weblines, etc or completed training appropriate to their job in co-branded solutions as defined by the Cisco solution development

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manager responsible for the development and deployment of each solution and be on track to complete the training relevant to the job function.

Training may include business development, best practices and ISV technologies such as Ariba, Broadvision, Extricity, etc.

Individuals who may complete requirements in more than one category can only be counted once. It is expected that these * * * consulting professionals are prepared to deploy solutions to Cisco customers by March 31, 2000 with the total of 4,000 hired and trained by January 1, 2001. To address Cisco customer requirements it is anticipated that these 4,000 professionals will be assigned as per the following minimum requirements (The parties agree that these percentages will apply to the 4000 Cisco Literate Consultants, but not to the * * * Cisco Literate Consultants described in Section I.C.3. above.):

* * *

The additional * * * will be applied as needed by market demand. The defined minimum allocation must be reached by December 31, 2000, with KPMG demonstrating progress to reach that number commencing with the execution of the Alliance Agreement. The mix of consulting professionals may be adjusted as provided in

Section 4.9 of the Alliance Agreement.

Cisco has the right to audit the list of trained professionals (consulting professionals and Cisco Literate Consultants) at its discretion.

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EXHIBIT B

TRAINING MATERIALS

The price to KPMG for the Cisco Service Provider Market Fundamentals and Cisco Service Provider Service Fundamentals courses shall be as follows:

# USERS	LIST PRICE	DISCOUNTED LIST PRICE	NET COST
4000	***	***	***
2000	***	***	***
1000	***	***	***

The following terms apply:

The 4000 user price is for a 2 year license or 4000 users whichever occurs first. The 2000 user price is for a 1 year license or 2000 users whichever occurs first. The 1000 user price is for a 1 year license or 1000 users whichever occurs first.

All prices are payable up front for these heavily discounted prices to apply.

Instructor Led Training:

>

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EXHIBIT C

ALLIANCE MANAGEMENT TEAM

Territorial Executives--Level One

KPMG:

Equivalent KPMG executives assigned to Cisco sales area
Vice President

Cisco:

Respective Sales Area Vice Presidents

1. Territorial Executives--Level Two

KPMG and Cisco:

Regional executives responsible EMEA, Asia-Pacific, Americas

Responsible Executives

Service Provider Market:

Brad Schwartz for KPMG

Todd Murray for Cisco

Enterprise Market:

Deborah Mazon for KPMG

Sue Bostrom for Cisco

Executive Sponsors

Rod McGeary for KPMG

Doug Allred for Cisco.

CEOs

Rod McGeary for KPMG
John Chambers for Cisco

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EXHIBIT D

NONDISCLOSURE AGREEMENT

o

[CISCO LOGO]

CISCO SYSTEMS, INC. MASTER MUTUAL NON-DISCLOSURE AGREEMENT (WITH SUPPLEMENTS)

This Non-Disclosure Agreement ("Master NDA") is entered into as of the date last written below between Cisco Systems, Inc. a California corporation having its principal place of business at 170 West Tasman Drive, San Jose, California 95134-1706 (and its wholly owned subsidiaries), ("Cisco") and KPMG LLP, a Delaware limited liability partnership having its principal place of business at 3 Chestnut Ridge Road, Montvale, New Jersey 07645.

Whereas, the parties desire to create a Master NDA upon the following terms and conditions, which the parties can use for particular disclosures of Confidential Information for particular Purposes by completing and executing the Supplement(s) attached and without renegotiating the terms and conditions hereof.

NOW, THEREFORE, in consideration of the mutual promises and covenants

contained in this Master NDA and the disclosure of Confidential Information to each other, the parties to this Master NDA agree as follows:

1. DEFINITION OF CONFIDENTIAL INFORMATION. "Confidential Information" means the terms and conditions of this Master NDA, the existence of the discussions between the parties, the information described in the Supplement(s) attached hereto as Confidential Information, and any other information concerning the Purpose described in the Supplement(s), including but not limited to, information regarding each Party's product plans, product designs, product costs, product prices, finances, marketing plans, business opportunities, personnel, research and development activities, know-how and pre-release products; provided that information disclosed by the disclosing Party ("Disclosing Party") in written or other tangible form will be considered Confidential Information by the receiving party ("Receiving Party") only if such information is conspicuously designated as "Confidential," "Proprietary" or a similar legend. Information disclosed orally shall only be considered Confidential Information if: (i) identified as confidential, proprietary or the like at the time of disclosure, and (ii) confirmed in writing within thirty (30) days of disclosure. Confidential Information disclosed to the Receiving Party by any affiliate or agent of the Disclosing Party is subject to this Master NDA.

2. SUPPLEMENT. The Confidential Information to be disclosed and the Purpose of such a disclosure shall be set forth in a Supplement in the form attached hereto as Exhibit A, which, when completed and executed by the parties shall be incorporated herein by reference.

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3. SOURCE CODE SHOULD NOT BE DISCLOSED HEREUNDER. This Master NDA does not contemplate the disclosure of source code and shall not be used for disclosures involving source code. Disclosures of Cisco's source code shall only be done pursuant to an appropriate Cisco Source Code Non-Disclosure Form.

4. DESCRIPTION. The Confidential Information to be disclosed under this Master NDA shall be described in the Supplement.

5. PURPOSE. The Receiving Party may use the Confidential Information solely for the Purpose described in the Supplement.

6. DISCLOSURE. The Receiving Party shall not disclose the Confidential Information to any third party other than employees and contractors of the Receiving Party who have a need to have access to and knowledge of the Confidential Information solely for the Purpose authorized above. The Receiving Party shall have entered into non-disclosure agreements with such employees and contractors having obligations of confidentiality as strict as those herein prior to disclosure to such employees and contractors to assure against unauthorized use or disclosure. If the terms of any agreement involving the parties is deemed to be Confidential Information, then, notwithstanding any contrary provision of this Master NDA, the Receiving Party may disclose such terms (i) to accountants, attorneys and other professionals bound by similar confidentiality obligations providing services to such party to the extent that such professionals are notified of the confidential nature of such terms, and (ii) to the extent required under securities or other applicable laws; provided, however, that in any other circumstance where KPMG wants to disclose the terms of the Alliance Agreement executed by the Parties on December 29, 1999 to a third party for a business purpose, KPMG shall notify Cisco and obtain Cisco's consent, which consent shall not be unreasonably withheld.

7. EXCEPTIONS TO CONFIDENTIAL INFORMATION. The Receiving Party shall have no obligation with respect to information which (i) was rightfully in possession of or known to the Receiving Party without any obligation of confidentiality prior to receiving it from the Disclosing Party; (ii) is, or subsequently becomes, legally and publicly available without breach of this Master NDA; (iii) is rightfully obtained by the Receiving Party from a source other than the Disclosing Party without any obligation of confidentiality; (iv) is developed by or for the Receiving Party without use of the Confidential Information and such independent development can be shown by documentary evidence; (v) becomes

available to the Receiving Party by wholly lawful inspection or analysis of products offered for sale; and (vi) is transmitted by a party after receiving written notification from the other party that it does not desire to receive any further Confidential Information. Further, the Receiving Party may disclose Confidential Information pursuant to a valid order issued by a court or government agency, provided that the Receiving Party provides the Disclosing Party: (a) prior written notice of such obligation; and (b) the opportunity to oppose such disclosure or obtain a protective order.

8. RETURN OR DESTRUCTION OF CONFIDENTIAL INFORMATION. Upon written demand by the Disclosing Party, the Receiving Party shall: (i) cease using the Confidential Information, (ii) return the Confidential Information and all copies, notes or extracts thereof to the Disclosing Party within seven (7) days of receipt of demand; and (iii) upon request of the Disclosing Party, certify in writing that the Receiving Party has complied with the obligations set

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forth in this paragraph; provided, however, that during the term of the Alliance Agreement executed by the Parties on December 29, 1999 a Receiving Party shall be entitled to retain the Confidential Information of the Disclosing Party to the extent necessary for such Receiving Party to perform its obligations under such Alliance Agreement.

9. INDEPENDENT DEVELOPMENT AND RESIDUALS. The terms of confidentiality under this Master NDA shall not be construed to limit either party's right to develop independently or acquire products without use of the other party's Confidential Information. The Disclosing Party acknowledges that the Receiving Party may currently or in the future be developing information internally, or receiving information from other parties, that is similar to the Confidential Information. Accordingly, nothing in this Master NDA will prohibit the Receiving Party from developing or having developed for it products, concepts, systems or techniques that are similar to or compete with the products, concepts, systems or techniques contemplated by or embodied in the Confidential Information provided that the Receiving Party does not violate any of its obligations under this Master NDA in connection with such development. Further, subject to Section 10, either party shall be free to use for any purpose the 'residuals,' provided that such party shall not use in any manner information that is considered Confidential Information under this Agreement and shall maintain the confidentiality of the Confidential Information as provided herein. The term 'residuals' means ideas, concepts, know-how or techniques that may be generated, developed or conceived by the Receiving Party in connection with reviewing the Confidential Information and in no circumstance shall 'residuals' be deemed to include Confidential Information. Neither party shall have any obligation to limit or restrict the assignment of such persons or to pay royalties for any work resulting from the use of residuals.

10. NO LICENSES. Each party shall retain all right, title and interest to such party's Confidential Information. No license under any trademark, patent or copyright, or application for same which are now or thereafter may be obtained by such party is either granted or implied by the disclosure of Confidential Information.

11. DISCLAIMER. CONFIDENTIAL INFORMATION IS PROVIDED "AS IS" WITH ALL FAULTS. IN NO EVENT SHALL THE DISCLOSING PARTY BE LIABLE FOR THE ACCURACY OR COMPLETENESS OF THE CONFIDENTIAL INFORMATION.

None of the Confidential Information disclosed by the parties constitutes any representation, warranty, assurance, guarantee or inducement by either party to the other with respect to the infringement of trademarks, patents, copyrights, any right of privacy, or any rights of third persons.

12. EXPORT. The parties acknowledge that the Confidential Information disclosed by each of them under this Master NDA may be subject to export controls under the laws of the United States. Each party shall comply with such laws and agrees not to knowingly export, re-export or transfer Confidential Information of the other party without first obtaining all required United States authorizations or

licenses.

13. TERM. This Master NDA shall continue from the date last written below until terminated by either party by giving thirty (30) days written notice to the other party of its intent to

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terminate this Master NDA. Notwithstanding such termination, the obligations of the Receiving Party concerning confidentiality shall terminate five (5) years following receipt of the Confidential Information.

14. GENERAL. Each party acknowledges that monetary remedies may be inadequate to protect Confidential Information and that injunctive relief may be appropriate to protect such Confidential Information.

The Receiving Party shall not reverse-engineer, decompile, or disassemble any software disclosed to it under this Master NDA and shall not remove, overprint or deface any notice of confidentiality, copyright, trademark, logo, legend or other notices of ownership or confidentiality from any originals or copies of Confidential Information it obtains from the Disclosing Party.

The parties hereto are independent contractors. Neither this Master NDA nor any right granted hereunder shall be assignable or otherwise transferable.

If any term of this Master NDA shall be held to be illegal or unenforceable by a court of competent jurisdiction, the remaining terms shall remain in full force and effect.

This Master NDA may be modified only by a writing signed by both parties.

This Master NDA shall be construed in accordance with the laws of the State of California.

15. RESERVATION. EACH PARTY HERETO RESERVES THE RIGHT REFUSE TO EXECUTE A SUPPLEMENT AND TO REQUIRE THE EXECUTION OF A NON-DISCLOSURE AGREEMENT ON DIFFERENT OR ADDITIONAL TERMS SHOULD THE BUSINESS NEEDS OF THAT PARTY SO REQUIRE.

16. ENTIRE AGREEMENT. This Master NDA, including all Supplements completed and executed by the parties, represents the entire agreement of the parties hereto pertaining to the subject matter of this Master NDA, and supersedes any and all prior oral discussions and/or written correspondence or agreements between the parties with respect thereto.

IN WITNESS WHEREOF, the parties have executed this Master NDA as of the date last written below.

CISCO SYSTEMS, INC.

KPMG LLP

By _____

By _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date _____

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EXHIBIT A

SUPPLEMENT TO MASTER NON-DISCLOSURE AGREEMENT BETWEEN CISCO SYSTEMS, INC. AND

KPMG LLP

This Supplement to the Master Non-Disclosure Agreement is entered into by and between Cisco Systems, Inc. ("Cisco") and KPMG,LLP, with an Effective Date of December 29, 1999 ("Supplement NDA").

- 1. The Confidential Information disclosed hereunder shall be governed by the terms and conditions of the Master NDA.
- 2. DESCRIPTION OF CONFIDENTIAL INFORMATION: The Confidential Information to be disclosed under this Supplement is described as follows:

Cisco Confidential Information: -----

KPMG's Confidential Information: -----

- 3. PURPOSE. The Receiving Party may use the Confidential Information disclosed pursuant to this Supplement solely for the Purpose of:

Cisco: -----

- 4. This Supplement is incorporated by reference into the Master NDA and made a part thereof, and the terms and conditions of such Master NDA shall become effective with regard to the Confidential Information identified herein upon the Effective Date shown above.

CISCO SYSTEMS, INC.	KPMG, LLP
By: -----	By: -----
Title: -----	Title: -----
Date: -----	Date: -----

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. EXHIBIT E

. KPMG CONSULTING CAPABILITIES FOR BIDS AS REFERENCED IN SECTION 3.1.3

The following represents the major consulting capabilities and service offerings as of December 1999.

1. E-BUSINESS CO-BRANDED (with Cisco) Solution Offerings:

1A. E-Business

. Available

- >> Internet Commerce (HT)
- >> Workforce Optimization
- >> R2I
- >> Supply Chain (HT)

. In Development

- >> 1:1 Marketing
- >> eStrategy w/Net Readiness
- >> eContact Center
- >> eProcurement (Arriba)

. 1B. Network Engineering

. Available

- >> EI Strategy
- >> Readiness Review
- >> Architecture & Design
- >> Selection & Contract Negotiations
- >> IT Transformation
- >> Messaging
- >> IV&V (Assessment)
- >> EI Technology Management
- >> Web Hosting Infrastructure

2. SERVICE PROVIDER Unique Solution Offerings:

2A. E-Business - Service Provider

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. Available

- >> EStrategy & New World Service Strategy
- >> OSS/BSS Integration
- >> New World Configure-to-fit Reference Architecture
 - . 1-2-1 Marketing & SFA
 - . Billing & Customer Care
 - . Order Management & Product Configuration
 - . Service Assurance
 - . Network Element Management
 - . Network Provisioning & Mediation
- >> Local Access Interconnect Testing

. In Development

- >> Next Generation OSS/BSS
 - . DSL
 - . Cable
 - . VPN
 - . Hosting
- >> Digital Asset Management

2B. Network Engineering - Service Provider

. Available

- >> Strategy
- >> Architecture & Design
- >> NOC Design & Implementation
- >> Network Engineering
 - . DSL
 - . ATM/Frame
 - . VPN
- >> CSRC Integration
- >> Network Performance Management
- >> Network Management & Operations
- >> SLA/Performance Assurance
- >> Web Hosting Infrastructure
- >> Network Implementation

. In Development

- >> Network Engineering
 - . VOX

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- . Optical Switching
- >> Security

3. The following 93 Consulting solutions are offered across these 6 broad industry groupings: Communications & Content, Financial Services, Health Care & Life Sciences, Public Services (State & Local Government, Federal Services, Higher Education), High Tech, and Consumer & Industrial Markets:

<TABLE>
<CAPTION>

<S> PRODUCT	<C> 2. Service Offering	<C> SUB-SERVICE OFFERING
----------------	----------------------------	-----------------------------

END TO END SOLUTIONS:

Customer Management (3A)	CUSTOMER MANAGEMENT
--------------------------	---------------------

Sales Force Automation (01)

Customer Service (02)

Marketing (03)

Integrated Sales Marketing & Service (04)

Supply Chain (3B)	SUPPLY CHAIN
-------------------	--------------

Purchasing (05)

Logistics (06)

Production (07)

Product Design (08)

	Order Management (09)
	e2e Supply Chain Solutions (10)
	e2e Advanced Planning Solutions (11)
	i2 (12)
	Manugistics (13)
	SAP APO (14)

WC Finance (3C)	WC FINANCE
	Financial Systems Solutions (15)
	Transformation Planning & Management (16)
	Best Practice Process Solutions (17)
	Performance Management (18)

WC HR (3D)	WC HR
	HR Transformation
	People Solutions (20)
	Application Integration Support (21)
	eHR Solutions (97)
	HR Shared Services (98)

Knowledge Management (3E)	KNOWLEDGE MANAGEMENT
---------------------------	----------------------

</TABLE>

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<TABLE>

<S>	<C>	<C>
		Knowledge Management (22)

e-ENGINEERING SERVICES:

Packages (3F)	BAAN
	BAAN Enterprise Implementation (23)
	BAAN General (24)

ORACLE

Oracle (25)

	Finance (26)
	Enterprise (27)
	Oracle CRM (28)
PEOPLESOFT	
	PeopleSoft (29)
	Finance (30)
	Human Resources (31)
SAP	
	SAP (32)
	Finance (33)
	Manufacturing (34)
PROPRIETARY	
	Proprietary (35)
OTHER	
	Other Packages (36)
	JD Edwards Enterprise Implement (37)
	CVM Packages (38)
e-INTEGRATION (3G)	
DATA WAREHOUSING	
	Custom Development Services (39)
	Solutions (40)
	Center for Data Insight (41)
	Client Mentoring Center (42)
ELECTRONIC COMM.	
	EC/Entertainment and Education (43)
	EC/Electronic Transaction Processing (44)
	EC/Electronic Storefronts (45)
	EC/Online Services and Info. Publishing (46)
	EC/Extended Enterprises (Intranets, Extranets, Groupware, Lotus Notes, Workflow Automation, etc.) (47)
	EC/Electronic Financial Services (48)

</TABLE>

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<TABLE>

<S>	<C>	<C>
	ENTERPRISE INFRASTRUCTURE	
		Enterprise Infrastructure Assessment (49)
		Enterprise Information Technology Mgmt. (50)
		Enterprise Infrastructure Architecture (51)
		Service Selection & Contract Negotiations Assist. (52)
		Equipment Selection and Procurement (53)
		IT Transformation (54)
		Post Implementation Support (55)
		Enterprise Messaging Services (56)
	IMAGING & DOC. MGMT.	
		Enterprise Document Management Strategies (57)
		Requirements Definition (58)
		Vendor Selection/Validation (59)
		Systems Implementation (60)
		Sustaining Support (61)
	LARGE SCALE SYS. INT.	
		Portfolio Assembly (62)
		SI Other (63)
	WC INFO TECHNOLOGY	
		IT Strategy (64)
		Assessment/Benchmarking (65)
		Outsourcing Advisory Services (66)
		IT Transformation (67)
		IT Integration (68)
	TRANSITION MGMT. SERVICES	
		Millennium Completion Services (69)
		TMS Other (70)
		European Monetary Union (99)
		US Japanese Specialized Services (100)

	E-Engineering (110)
	Business Systems Integration (120)
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EXHIBIT F

EXISTING KPMG OPPORTUNITIES GRANDFATHERED PURSUANT TO SECTION 3.3.1

(1) Joint Bid and Award with Lucent on Southwestern Bell National/Local Initiative. The project which is grandfathered pursuant section 3.3.1 of the Alliance Agreement includes only KPMG's billing and customer care, OSS interconnect, program management, system integration and testing services. KPMG agrees it will not bid on new work related to this Southwestern Bell National/Local in competition with Cisco.

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CISCO MARKET STRATEGY FOR CISCO ECOSYSTEM PROGRAM

The New World Ecosystem is an open and flexible program composed of Business Solution, OSS and Software Application Vendors, System Integration, Network Integration, Technology and Application Partners committed to working with Cisco to create integrated and profitable solutions for service providers and enterprise customers.

OVERVIEW SUMMARY

In recognition of the changing dynamics of the telecommunications and enterprise industries, Cisco has developed its New World Ecosystem. This is an open and flexible program comprised of industry partners committed to working with Cisco in creating profitable solutions for service provider and enterprise customers. The New World Ecosystem solutions will provide faster access to new markets and return on investments for service provider and enterprise customers by delivering competitive and differentiated services to the marketplace. The solutions offered by the New World Ecosystem are based on Cisco's application programming interface set, industry standards and packet technology.

Members of the New World Ecosystem will experience significant increases in interoperability through the developments that utilize existing open standards and Cisco's open architecture API set. Cisco complies with many of the international standards bodies, including the ITU (International Telecommunication Union) and the IETF (Internet Engineering Task Force). In addition, Cisco participates in many industry forums such as the ATM Forum, Frame Relay Forum, Optical Internetworking Forum, Multiservice Switching Forum and Telecommunications Management Forum. Cisco also works with a range of de-facto standards, such as Corba, Sun's Java, Microsoft's TAPI, and others. In addition to the technical advantages of joining Cisco's New World Ecosystem, a member of the new program will also benefit from development equipment, technology sharing, joint marketing, sales support, access to market development funds and Cisco's overall expertise in the marketplace.

VALUE PROPOSITION

FOR SERVICE PROVIDER AND ENTERPRISE CUSTOMERS:

The New World Ecosystem offers a truly open architecture with best-of-breed components based on standards that allow providers to rapidly deploy profitable new services and enhance competitive advantage, as well as allow non-service providers access to more value-added services. Service provider and enterprise customers are able to:

- . integrate best-of-breed technologies
- . differentiate their service portfolios or receive differentiated services
- . create profitable new services or receive value-added new services
- . accelerate time to market for new service introductions

FOR ECOSYSTEM PARTNERS:

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The New World Ecosystem offers the best market opportunity, platform support and cooperative sales engagement, unlike vertically-integrated competitors. Partners will be able to benefit from:

- . access to Cisco's expanding account base through joint marketing and sales initiatives
- . enhanced product inter-operability through engagement with Systems Integrators
- . product discount programme for Cisco equipment used for development or

demo purposes

- . qualified use of Cisco's New World Ecosystem logo

FOR CISCO FIELD SALES:

The New World Ecosystem enables sales cycle acceleration, resulting in pull-through of more Cisco product and service. The New World solutions enabled by the Ecosystem will enable account teams to:

- . sell complete, end-to-end solutions
- . gain more account control through the provision of end-to-end solutions
- . sell higher into accounts

FOR BU'S:

The New World Ecosystem provides faster, leveraged training, support and certification for developers, leading to increased platform share and sales.

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EXHIBIT 10.14

LIMITED LIABILITY COMPANY AGREEMENT

OF

QWEST CYBER.SOLUTIONS LLC

(A DELAWARE LIMITED LIABILITY COMPANY)

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LIMITED LIABILITY COMPANY AGREEMENT

OF

QWEST CYBER.SOLUTIONS LLC

A DELAWARE LIMITED LIABILITY COMPANY

This Limited Liability Company Agreement of Qwest Cyber.Solutions LLC (the "COMPANY"), is made effective as of June 3, 1999 by and among Qwest Communications International Inc., a Delaware corporation, KPMG LLP, a Delaware limited liability partnership, and Softline Consultants & Integrators, Inc., a California corporation, and each other person who becomes a Member in accordance with the terms of this Agreement.

WHEREAS, the Members wish to form a limited liability company pursuant to the Act by filing a Certificate of Formation of the Company with the Secretary of State of the State of Delaware and by entering into this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the Members hereby agree as follows:

ARTICLE 1
DEFINITIONS

SECTION 1.1 CERTAIN DEFINITIONS. When used in this Agreement, the following capitalized terms have the meanings set forth below.

"Act" means the Delaware Limited Liability Act, Delaware Code Annotated Title 6, Section 18-101 et seq., as amended from time to time.

"Additional Capital Contributions" is defined in Section 4.5.

"Affiliate" means any Person, directly or indirectly, through one or more intermediaries, Controlling, Controlled by, or under common Control with a Member.

"Agreed Upon Milestone" means any of the following:

- (i) the Company having earned, on an accrual basis, at least * * * million of cumulative * * * by the end of the * * * month following the Formation Date;
- (ii) the Company having earned, on an accrual basis, at least * * * million of cumulative * * * by the end of the * * * month following the Formation Date; and

(iii) the Company having earned, on an accrual basis, at least * * * million of cumulative * * * by the end of the * * * month following the Formation Date.

"Agreement" means this Limited Liability Company Agreement, as originally executed and as amended from time to time.

"AHS" or "application hosting services" means the delivery of any software application within the Application Categories to networked, multi-user customers via a dedicated or remote access facility from the Company's centralized data center infrastructure. AHS services may be

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delivered on a price-per-user model with the individual software application licenses taking the form of perpetual use licenses held by the customer.

"AM" or "application management" services, means the ongoing management of any software application within the Application Categories for a networked, multi-user customer. In addition, AM services may include the ongoing management of non-standard or customized APIs, custom developed client applications, end user interfaces and tools, support tools, and other customized functionality of the individual software applications.

"Ancillary Implementation Agreement" is defined in Section 2.4(1).

"API" or "application program interface" means the specific method prescribed by an information system operating system or by an individual software application by which a programmer or an end user writing or using an individual software application can make requests of the operating system or such application or input or receive data from the operating system or such application.

"Application Categories" means each of * * *, and any database service, database application, or database tool related thereto.

"Applicable Business Plan Period" is defined in Section 6.2.

"ASP" or "application service provider" services, means the management and delivery of any software application within the Application Categories to networked, multi-user customers via a dedicated or remote access facility from the Company's centralized data center infrastructure. ASP services may be delivered on a price-per-user model with the individual software application licenses taking the form of non-perpetual use licenses which may remain with either the Company or the software company and not with the ultimate end user.

"Assigned Contracts" is defined in Section 2.5.

"Bankruptcy" or "Bankruptcy Event" means, with respect to a Person, that such Person

- (i) becomes insolvent or fails to pay, is unable to pay, or admits in writing its inability generally to pay its debts as they become due;
- (ii) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (iii) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar Law affecting creditors' rights, or a petition is presented for the winding-up or liquidation of such Person, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (a) results in a judgment of insolvency or bankruptcy or the entry of an Order for relief or the making of an Order for the winding-up or liquidation of such Person or (b) is not dismissed, discharged, stayed or restrained in each case within sixty days of the institution or presentation thereof;
- (iv) has a resolution passed for its winding-up or liquidation;

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- (v) seeks or becomes subject to the appointment of an administrator, receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets (regardless of how brief such appointment may be, or whether any obligations are promptly assumed by another entity or whether any other event described in this clause (v) has occurred and is continuing);
- (vi) is the subject of any event which, under the applicable Laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) through (v) (inclusive) of this definition; or
- (vii) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

"Benefit Arrangement" of an entity means each employment, severance, continuation pay, termination pay, layoff, or other similar contract, arrangement or policy and each plan or arrangement providing for health, medical, life or other welfare benefit insurance coverage (including any insured, self-insured or other arrangements), workers' compensation, disability benefits, supplemental employment benefits, holiday, dependent care assistance, education or vacation benefits, retirement benefits or deferred compensation, profit-sharing, benefits in the event of a sale or other change in control, management or ownership of the employer, bonuses, stock options, stock purchase, stock appreciation or other forms of incentive compensation or post-retirement insurance, compensation or benefits which (i) is not an Employee Plan, (ii) is or has been entered into, sponsored, maintained or contributed to, as the case may be, by such entity, and (iii) covers any employee or former employee of such entity.

"Business" means the provision of ASP, AHS, and AM products and services by the Company to its Customers over public and private networks by means of specified transmission and routing protocols (including TCP/IP protocols) and using a variety of transmission media and methods, with the intent of allowing its Customers to use such products and services to perform any function within the Scope of Services, and ancillary products and services in connection therewith.

"Business Day" means any day other than a Saturday, Sunday or legal holiday under the Laws of the States of Colorado or New York or any other day on which banking institutions located in either of such states are authorized or required by law or other governmental action to close.

"Business Plan Period" means the Initial Business Plan Period and each subsequent one-year period during the term of this Agreement ending each succeeding December 31.

"Buyer" is defined in Section 13.7

"Capital Account" is defined in Exhibit D.

"Capital Call Notice" is defined in Section 4.5(b).

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"Capital Contributions" means the sum of all contributions to the Company by a Member or all the Members, as the case may be, including the Initial Contributions and any Additional Capital Contributions.

"Cash Flow" means, for any period, the amount, if any, computed on a cash basis, by which (a) the sum of (i) the gross cash receipts of the Company for such period from all sources (other than proceeds of Capital Contributions or Company borrowings) and (ii) the amount, if any, no longer needed in any reserve fund maintained by the Company and withdrawn therefrom during such period exceeds (b) the sum of (i) all cash expenditures of the Company during

such period (other than (x) expenditures the payment of which was made with the proceeds of Capital Contributions or Company borrowings and (y) any withholding taxes paid by the Company on behalf of a Member attributable to such Member's interest in the Company) including, without limitation, all operating expenses of the Company and payments of interest and principal on Company indebtedness and (ii) all amounts deposited into a reserve fund during such period by the Management Committee.

"Certificate of Formation" means the Certificate of Formation for the Company, as originally filed with the Delaware Secretary of State and as amended from time to time.

"Class A Manager" means each Manager nominated and appointed by the Class A Member (or the Class A Members collectively, as applicable) pursuant to Section 5.2.

"Class A Member" means the Initial Class A Member, and includes any successor or permitted assign of such Initial Class A Member and each additional and/or subsequent Class A Member.

"Class B Manager" means each Manager nominated and appointed by the Class B Member (or the Class B Members collectively, as applicable) pursuant to Section 5.2.

"Class B Member" means the Initial Class B Member, and includes any successor or permitted assign of such Initial Class B Member and each additional and/or subsequent Class B Member.

"Class C Member" means the Initial Class C Member, and includes any successor or permitted assign of such Initial Class C Member and each additional and/or subsequent Class C Member.

"Closing" is defined in Section 13.7.

"Closing Date" is defined in Section 13.7.

"Code" means the Internal Revenue Code of 1986, as amended.

"Company" is defined in the introductory paragraph of this Agreement.

"Control," "Controlling," or "Controlled by" means, when used with respect to any Person, the power to direct the management and policies of such Person, directly or indirectly,

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whether through the ownership of voting securities, by contract or otherwise, and, for the purpose of clarifying the foregoing, the Class B Member will not be deemed to Control any other member of KPMG International, unless and until contractual provisions are put into force pursuant to which the management and policies of any such entity and the Class B Member are established and directed by a single governing entity or body.

"CRM" or "customer relationship management" means an information system that integrates and unifies, and serves as an interface for, customer contact with an enterprise and with the products and services it provides, and may include online commerce, order tracking, customer service, and product or company information dissemination.

"Customer," for the purpose of this definition, means an enterprise purchaser of Hosting Services from the Company (including any public agency or governmental entity).

"Deadlock" means a situation where:

- (i) a Unanimous Consent Item has been properly presented to and considered by the Management Committee and disapproved of by at least one Manager;
- (ii) the Member all of whose appointed Managers approved such Unanimous Consent Item has sought to reach agreement with the other Member entitled to appoint Managers on such Unanimous Consent Item by engaging in the procedures outlined in ARTICLE 16, through the mediation stage described in Section 16.1(b) but excluding arbitration; and

(iii) the negotiation and mediation procedures failed to resolve such Member's disagreement over the Unanimous Consent Item,

and such situation creates or evidences a systemic frustration of the Company's fundamental business purposes in the reasonable judgment of either the Class A Member or the Class B Member. For the purposes of this definition, the Chief Executive Officer of the Company (in his or her capacity as a Manager) will be deemed a Manager appointed by the Initial Class A Member.

"Defaulting Member" is defined in Exhibit E-2.

"Discounted Services Contribution Agreement" is defined in Section 2.4(6).

"Distributable Assets" means that cash or those assets that the Management Committee deems available for distribution to the Members from time to time.

"Distribution" means any distribution of Distributable Assets made pursuant to the direction of the Management Committee.

"Economic Interest" means a Member's share of the Company's net income, net losses, and distributions of the Company's assets pursuant to this Agreement and the Act, but does not include any other rights of a Member, including but not limited to the right to vote or participate in the management or any right to information concerning the business and affairs of the Company.

"Effective Date of Transfer" means June 1, 1999.

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"Employee Plan" of an entity means each "employee benefit plan", as such term is defined in Section 3(3) of ERISA, which (i) is subject to any provision of ERISA, (ii) is or has been entered into, sponsored, maintained or contributed to, as the case may be, by such entity, and (iii) covers any employee of former employee of such entity.

"Employee Loan-Out Agreements" is defined in Section 2.3(b).

"Encumbrance" means any mortgage, pledge, lien, other encumbrance, claim, charge or other security interest, other than mechanics, materialmen's and similar liens, liens for taxes not yet due and payable, liens securing rental payments under capital lease arrangement, community property interest, right of first refusal, or other restrictions of any kind.

"End of Exclusivity" means the date * * * years after the Effective Date of Transfer, unless as of such date the Company has not effected a Qualified Public Offering, in which case the "End of Exclusivity" will be extended by * * * if (1) the Management Committee makes a determination that a Qualified Public Offering could feasibly be completed within such period within an acceptable price range and (2) the making of a resolution by the Management Committee to commit, subject to market conditions and other relevant factors, to effect a Qualified Public Offering within such * * * period.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" of any entity means any other entity that, together with such entity, would be treated as a single employer under Section 414 of the Code or Section 4001 of ERISA.

"ERP" or "enterprise resource planning" means an integrated information system that serves multiple departments or business units within a single enterprise by integrating a multi-module application software environment in order to assist a customer in managing processes integral to its overall business (e.g., product planning, parts purchasing, inventory maintenance, supplier and customer interaction, customer service, order tracking, and finance and human resources tasks).

"Europe" means the following countries and territories, and all successor and new states which may be created or arise therefrom: Albania, Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France,

Germany, Gibraltar, Greece, Greenland, Hungary, Iceland, Ireland, Italy, Kosovo, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Monaco, Montenegro, Netherlands, Norway, Poland, Portugal, Republic of Georgia, Republic of Macedonia, Romania, Russia, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom, Vatican City, and Yugoslavia.

"Event of Default" is defined in Exhibit E-2.

"Exclusivity Period" means the period which begins on the Effective Date of Transfer and ends on the earlier of (x) the End of Exclusivity or (y) the * * *.

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"Fair Market Value" means the price at which a willing seller would sell and a willing buyer would purchase the Member Interest or other equity interest or asset(s) for which the determination is being made (provided, that a Membership Interest or other equity interest will be valued with reference to the going concern value of the relevant Person), having full knowledge of the facts, and in an arm's length transaction without being under any compulsion to buy or sell. In all cases, Fair Market Value will be determined after deducting, without duplication of deduction, any liabilities, claims or Encumbrances to which the asset is subject or that must be assumed by the transferee.

"First Closing Date" is defined in Section 2.3.

"Fiscal Year" means the Company's fiscal year, which will be the calendar year.

"Formation Date" means June 3, 1999, the date of filing of the Certificate of Formation of the Company with the Secretary of State of the State of Delaware.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession.

"Hosting Services" means the delivery of software applications to customers via a dedicated or remote access facility and services related thereto, including the creation, maintenance and support of Virtual Private Networks and Virtual Private Dial-Up Networks.

"Initial Business Plan Period" means the period commencing on the Effective Date of Transfer and ending December 31, 1999.

"Initial Class A Member" means Qwest Communications International Inc., a Delaware corporation.

"Initial Class B Member" means KPMG LLP, a Delaware limited liability partnership.

"Initial Class C Member" means Softline Consultants & Integrators, Inc., a California corporation, an Affiliate of the Initial Class B Member.

"Initial Contributions" means all of the respective contributions of the Initial Members to the Company set forth on Exhibit A-1, Exhibit A-2 and Exhibit A-3.

"Initial Members" means the Initial Class A Member, the Initial Class B Member and the Initial Class C Member.

"Initial Member Group" means, as applicable, (a) the Initial Class A Member, or (b) the Initial Class B Member and the Initial Class C Member, together.

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"Initial Scope of Services" are activities related to the management, delivery, enhancement, control or recordkeeping of the following: * * * payroll, payroll interface, * * * sales (inside and field), sales support, marketing, marketing support, * * * (together with any other functions agreed to from time to time by both Initial Member Groups).

"IP OSS/BSS" means the Initial Class A Member's internet protocol operations support system and business support system developed with the Initial Class B Member pursuant to the arrangements contemplated by the IP OSS/BSS MOU.

"IP OSS/BSS MOU" is defined in Section 2.3(b).

"IP OSS/BSS Sublicense" is defined in Section 2.3(b).

"Law" means collectively, any constitutional provision, statute, permit, order, ordinance or other law, rule or regulation of any governmental entity, common law and any Order.

"Leased Line Agreement" is defined in Section 2.4(5).

"Manager" is defined in Section 5.2(b)(1).

"Management Committee" is defined in Section 5.1.

"Majority in Interest" means the Percentage Interests of one or more Members having voting rights that, when taken together, exceed(s) fifty percent of the aggregate of all Percentage Interests of Members having voting rights relating to the matter in question.

"Material Adverse Effect" means a material adverse effect in the business, financial condition, results of operations, properties, assets or liabilities of the Company and its subsidiaries, if any, taken as a whole.

"Member" means each of the Class A Member, the Class B Member, the Class C Member and each Person who is hereafter admitted as a member in accordance with the terms of this Agreement; "Members" means all of the Members of the Company as of a given date.

"Member Group" means any one or more Members that are Affiliates, including but not limited to the Initial Member Groups.

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"Membership Interest" means a Member's entire interest in the Company, including the Member's Economic Interest, the right to vote on or participate in the management of the Company and the right to receive information concerning the business and affairs of the Company.

"Offering Notice" is defined in Section 13.6.

"Order" means any decree, injunction, judgment, order, ruling or writ.

"Percentage Interest" means, with respect to a Member, each Member's percentage interest of the total Membership Interests in the Company, as set forth opposite each Member's name on Exhibit C hereto (as such Exhibit may be amended from time to time).

"Person" means an individual, general partnership, limited partnership, limited liability company, corporation, trust, estate, real estate investment trust, association or any other entity.

"Qualified Public Offering" means a public offering of Membership Interests in the Company or equity securities of a Resulting Corporation, pursuant to a registration statement filed and declared effective with the Securities and Exchange Commission under the Securities Act of 1933, as amended.

"Resulting Corporation" is defined in Section 12.1.

"Scope of Services" means the Initial Scope of Services, as modified from time to time by the Management Committee.

"Seller" is defined in Section 13.7.

"Supply Chain Applications" means applications which assist in the control, planning and/or scheduling of the sequence of an organization's functions that mine, make, process, or assemble materials and products from manufacturer to wholesaler to retailer to consumer.

"Target Market" means the market for the products and services constituting the * * * ,and to other Customers. Such Customers may be located in any jurisdiction, except for Europe, unless the Management Committee determines otherwise.

"Tax Matters Member" means the Class A Member.

"Templates" is defined in Section 8.1.

"Term" is defined in Section 13.1.

"Terms of Sale" means all of the terms and conditions governing a particular commercial transaction, including (a) price and other contract terms and conditions of the transaction, and (b) other factors related to such transaction or the provider of the products or services, including without limitation timeliness of access, service level agreements and other factors employed by the Management Committee from time to time.

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"Tier I Event" means one or more actions or omissions constituting bad faith or willful misconduct which results in or substantially contributes to a material breach by a Member Group of its obligations under this Agreement or under any of the Transaction Documents and substantially impairs the Company's ability to conduct its business in the ordinary course.

"Tier II Event" means the occurrence of any of the following:

- (i) a material breach by a Member Group or any Member constituting part of a Member Group (after written notice thereof from the other Member Group and a reasonable opportunity to cure) of its obligations set forth in this Agreement, or of any of the Transaction Documents, that substantially impairs the Company's ability to conduct its business in the ordinary course, except for a Tier I Event;
- (ii) a failure by a Member to timely make any of its contributions set forth on Exhibit A-1, Exhibit A-2, or Exhibit A-3, as applicable, by the 15th Business Day following the receipt of written notice from any other Member of such failure;
- (iii) a failure by a Member Group to cause the transfer to the Company of the employees required to be so transferred prior to or upon a Qualified Public Offering pursuant to the applicable Employee Loan-Out Agreements (subject to the ability to make certain substitutions as set forth therein); or
- (iv) a Bankruptcy Event occurring with respect to a Member.

"Tier III Event" means the occurrence of any of the following:

- (i) * * * ;
- (ii) a failure to complete any of the transactions contemplated by Section 2.4 on or prior to the 15th Business Day following the receipt of written notice from any Initial Member Group of such a failure;
- (iii) a change in applicable Law requiring a Member to dispose of or transfer any equity interest in the Company without respecting the approval rights of the other Members provided herein;
- (iv) a Deadlock;
- (v) the Company experiencing a shortage of cash required to continue

operations in the normal course of business, and the following conditions existing at such time: (1) a failure of the Member Groups to approve Additional Capital Contributions, and (2) the Company's inability to borrow the needed funds on commercially reasonable terms; or

- (vi) a failure to effect a Qualified Public Offering by the * * * anniversary of the Effective Date of Transfer.

"Trademark License Agreement" is defined in Section 2.3(b).

"Transaction Documents" means the Ancillary Implementation Agreement, the Web Hosting and Internet Access Service Agreement, the Employee Loan-Out Agreements, the Leased Line Agreement, the IP OSS/BSS MOU, the IP OSS/BSS Sublicense, the Trademark License Agreement, and the Transition Services Agreement.

"Transfer" is defined in Section 11.1.

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"Transition Services Agreement" is defined in Section 2.4(2).

"Unanimous Consent Items" is defined in Section 5.3(f).

"Virtual Private Network" and "Virtual Private Dial-Up Network" means a service which allows businesses to connect to their local area networks, hosting sites, business partners, customers, branch offices, telecommuters, mobile employees, and other entities in a secure manner.

"Web Hosting and Internet Access Service Agreement" is defined in Section 2.4(2).

ARTICLE 2 ORGANIZATIONAL MATTERS

SECTION 2.1 FORMATION. Pursuant to the Act and subject to the satisfaction of the conditions set forth in Section 2.3, the Initial Members intend to form a limited liability company under the Laws of the State of Delaware. On the Formation Date, the Initial Members have caused the Certificate of Formation to be filed with the Secretary of State of the State of Delaware by Delaware Corporate Services, Inc., an authorized Person. The Initial Members hereby ratify and confirm the filing of the Company's Certificate of Formation. The rights and liabilities of the Members will be determined pursuant to the Act and this Agreement. To the extent that the rights or obligations of any Member are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement will, to the extent permitted by the Act, control.

SECTION 2.2 NAME. The name of the Company is "QWEST CYBER.SOLUTIONS LLC". The business of the Company may be conducted under that name or, upon compliance with applicable Laws, any other name that the Management Committee deems appropriate or advisable. The Management Committee, or any officer who is delegated the ability to do so by the Management Committee, will file any fictitious name certificates and similar filings, and any amendments thereto, that the Management Committee considers appropriate.

SECTION 2.3 FIRST CLOSING DATE.

(a) On the date (the "FIRST CLOSING DATE") on which the last of the conditions set forth in subsection (b) below are met, the Initial Members will make those of its Initial Contributions required to be made on or by such date; provided, that the Initial Members agree that such Initial Contributions will be deemed to have been made as of the Effective Date of Transfer and that the Company will be entitled to receive all revenues and other benefits that would have accrued to the Company and will be obligated to pay or otherwise discharge all obligations that would have been assumed by the Company had such Initial Contributions been made as of the Effective Date of Transfer. To accomplish the foregoing, each Initial Member will provide a statement to the Company within 60 days after the First Closing Date setting forth in reasonable detail the relevant items of revenue and expense and will transfer to the Company cash in the net amount reflected in such statement. Each Initial Member will give full access to the Company and its

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representatives to examine and audit its books and records to verify such statements. Any discrepancies or disputes arising under this subsection (a) will be subject to the dispute resolution procedures provided in ARTICLE 16.

(b) On or prior to the First Closing Date:

(1) Each Initial Member will have executed and delivered to each other Initial Member a copy of this Agreement;

(2) The Initial Class A Member and the Initial Class B Member will have entered into a Memorandum of Understanding (the "IP OSS/BSS MOU"), acceptable in form and substance to each such Initial Member, containing the general terms of an agreement in principle whereby the Initial Class B Member will design and implement the Initial Class A Member's IP OSS/BSS;

(3) The Initial Class A Member and the Company will have entered into the "TRADEMARK LICENSE AGREEMENT" substantially in the form attached hereto as Exhibit H, pursuant to which the Initial Class A Member will license certain trademarks to the Company on the terms and conditions set forth therein; and

(4) Notwithstanding Section 2.5(b) the Initial Class B Member will have caused the Initial Class C Member's contract with SAP America, Inc. to have been assigned to the Company, as of the Effective Date of Transfer, including obtaining any required consents thereto.

(c) On or as soon as reasonably practicable following the First Closing Date, each Initial Member Group will deliver a legal opinion to the other Initial Member Group, acceptable in form and substance to such other Initial Member Group, opining as to the valid existence and good standing of each Member of such Initial Member Group under its state of organization and to the due authorization and valid execution and delivery of this Agreement by each Member of such Initial Member Group.

SECTION 2.4 SECOND CLOSING DATE.

As soon as reasonably practicable following the First Closing Date but in no event later than thirty days after the First Closing Date (the "SECOND CLOSING DATE"), the Initial Members will have caused the following events to happen:

(1) The Initial Class A Member and the Initial Class B Member will have entered into the "ANCILLARY IMPLEMENTATION AGREEMENT," in form and substance reasonably satisfactory to each such Initial Member, pursuant to which the Initial Class B Member will perform ongoing implementation and adjustment of certain "Peoplesoft" software (or an equivalent product) licensed by the Initial Class A Member, and/or the initial and ongoing implementation and adjustment of the Global Sales Force Automation software (or an equivalent product) licensed by the Initial Class A Member, on the terms and conditions set forth therein but including the following: (i) the total commitment by the Initial Class A Member to purchase services from the Initial Class B Member will equal \$5 million; (ii) such commitment will be retired over time as determined by the Initial Class A Member

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but will be fully retired prior to the third anniversary of the Second Closing Date; and (iii) the Class B Member will provide the relevant services based on an hourly blended rate for personnel of \$164 per hour.

(2) The Initial Members and the Company will have entered into a "TRANSITION SERVICES AGREEMENT," in form and substance reasonably satisfactory to each Initial Member Group, pursuant to which each Initial Member will perform certain services for the Company on the terms and conditions set forth therein and will agree to provide such services for a period following a termination of the Company or a sale by such Initial Member of its Membership Interest.

(3) The Initial Class A Member and the Company will have entered into an agreement (the "IP OSS/BSS SUBLICICENSE") in form and substance reasonably satisfactory to each Initial Member Group, pursuant to which the Initial Class A Member will make access to the IP OSS/BSS system available to the Company (upon and after the completion of the IP OSS/BSS) on the terms and conditions set forth therein.

(4) The Initial Class A Member and the Company will have entered into a "WEB HOSTING AND INTERNET ACCESS SERVICE AGREEMENT" in form and substance reasonably satisfactory to each Initial Member Group, pursuant to which the Initial Class A Member will provide broadband services, other telecommunications services, and internet hosting services to the Company on the terms and conditions set forth therein.

(5) The Initial Class A Member and the Company will have entered into an agreement (the "LEASED LINE AGREEMENT"), in form and substance reasonably satisfactory to each Initial Member Group, pursuant to which the Initial Class A Member will provide to the Company connectivity to the network operated by the Initial Class A Member and its Affiliates and to the internet on the terms and conditions set forth therein.

(6) The Initial Members and the Company will have entered into a "DISCOUNTED SERVICES CONTRIBUTION AGREEMENT" in form and substance reasonably satisfactory to each Initial Member Group, pursuant to which the Initial Members will transfer services and other items to the Company on a periodic basis without charge or for a discounted charge as a capital contribution as and when required by the Management Committee, with an agreed value as set forth and on the terms and subject to the conditions set forth therein, and further subject to the allocation rules set forth in Paragraph 1.4(h) of Exhibit D attached hereto.

(7) The Initial Class A Member and the Company will have entered into an agreement, in form and substance reasonably satisfactory to each Initial Member Group, pursuant to which the Initial Class A Member will loan or continue to loan those employees listed on Exhibit B-1 to the Company on an exclusive, irrevocable basis, on the terms and conditions set forth therein. (Such agreement, collectively with the agreements discussed in subsections (8) and (9) are collectively referred to as the "EMPLOYEE LOAN-OUT AGREEMENTS.")

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(8) The Initial Class B Member and the Company will have entered into an agreement, in form and substance reasonably satisfactory to each Initial Member Group, pursuant to which the Initial Class B Member will loan those employees listed on Exhibit B-2 to the Company on an exclusive, irrevocable basis, on the terms and conditions set forth therein.

(9) The Initial Class C Member and the Company will have entered into an agreement, reasonably acceptable to each Initial Member Group, pursuant to which the Initial Class C Member will loan those employees listed on Exhibit B-3 to the

Company on an exclusive, irrevocable basis, on the terms and conditions set forth therein.

(10) The Employee Loan-Out Agreements will provide that (i) such employees will be transferred to the Company preceding and in contemplation of a Qualified Public Offering, (ii) until a listed employee is transferred to the Company, the services of such employee (or any permitted replacement employee) will be "loaned" to the Company and the Company will pay the relevant Initial Member the fee set forth in the applicable Employee Loan-Out Agreement, (iii) if, prior to a transfer to the Company, any listed employee ceases to be employed by the relevant Initial Member, such Initial Member will substitute another employee of equivalent skills and experience reasonably acceptable to the Management Committee, and (iv) all costs of transfer of the employees, including severance and other termination benefits, if any, and the transfer of visas, will be borne by the transferring Initial Member.

(11) Each of the Initial Member Groups will have provided evidence to the other that each of the employees listed on Exhibit B-1, Exhibit B-2, or Exhibit B-3, as applicable, can perform the services associated with the Company's job classification to which such employee will be assigned.

(12) Each of the Initial Member Groups will agree with each other, and the Initial Class A Member and the Initial Class B Member will cause each of the Managers it has appointed to the Management Committee, on behalf of the Company to agree with each Initial Member, on the appropriate valuation of each Initial Member's non-cash Initial Contributions.

SECTION 2.5 COVENANTS REGARDING TRANSITION SERVICES AND ASSIGNED CONTRACTS

(a) Until the Company and each of the Initial Members which is a party thereto have entered into the Transition Services Agreement:

(1) each Initial Member Group will provide to the Company all services (and will allocate sufficient numbers of employees and other resources to provide all services) which it currently provides in respect of the activities relating to the assets and assigned contracts and agreements comprising the Initial Contributions, including, without limitation, providing services relating to billing, recordkeeping and customer service and other services to the Company, and to employee benefits (including without limitation health insurance, life insurance, retirement and

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savings plans, and incentive plans) and other services directly to the employees engaged in such activities who are listed on Exhibit B-1, Exhibit B-2, or Exhibit B-3, as applicable subject to an Employee Loan-Out Agreement, and such services will be provided by each Initial Member Group * * *, and will be performed at a level at least as high as that at which they are currently performed;

(2) modifications to the services currently provided by the Initial Members referenced in subsection (1), above, and additional services which are necessitated by the structure of the Company and the nature of the Initial Members' interests therein will also be provided by each Initial Member * * *, and at a level which the Company determines is reasonably acceptable;

(3) the office facilities, clerical and administrative support, and office infrastructure (including, without limitation, access to and use of telephones, standalone computers, computer networks, internet access, and secretarial and receptionist services) which the employees listed on Exhibit B-1, Exhibit B-2, or Exhibit B-3 currently are provided by any Initial Member will continue to be provided to

such employees, and the Company will reimburse each such Member for all direct costs associated therewith, and

(4) all books, records, data, work product and other documents relating to the such services, including, without limitation, employee and client records, software, and manuals, will become and remain the exclusive property of the Company, and none of the Initial Members (nor any successor or assignee thereof) will at any time, directly or indirectly, assert any interest or property rights therein.

(b) With respect to each of the licenses and other agreements and contracts (the "ASSIGNED CONTRACTS") listed on Exhibit A-2 or Exhibit A-3 that is not assigned to the Company on the First Closing Date, the Initial Class B Member or the Initial Class C Member, as applicable, will continue to deal with the other contracting party or parties to such Assigned Contract as the prime contracting party, and the applicable Initial Member Group will use its best efforts to obtain the consent of all required parties to the assignment of such Assigned Contract. Such Assigned Contract will be promptly assigned by the applicable Initial Member to the Company after the receipt of such consent. Notwithstanding the absence of any such consent, the Company will be entitled to the benefits of any such Assigned Contract accruing from and after the Effective Date of Transfer net of the expenses (consistent with the assumptions contained in the financial model included in the Initial Business Plan) incurred by such Initial Member in connection with servicing such Assigned Contract from and after the Effective Date of Transfer (without duplication of any expense subject to reimbursement by the Company pursuant to Section 2.5(a)) to the extent that the Initial Class B Member or the Initial Class C Member, as applicable, may provide the Company with such benefits without violating the terms of such Assigned Contract.

SECTION 2.6 TERM. The term of this Agreement will be co-terminus with the Term of the Company, unless extended or sooner terminated as hereinafter provided.

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SECTION 2.7 OFFICE AND AGENT. The Company will continuously maintain an office and a registered agent in the State of Delaware as required by the Act. The registered and principal offices of the Company will be as the Management Committee may determine. The Company also may have such offices, anywhere within and without the State of Delaware, as the Management Committee from time to time may determine, or as the business of the Company may require. The registered agent will be as stated in the Certificate of Formation.

SECTION 2.8 ADDRESSES OF THE MEMBERS. The respective addresses of the Members are set forth in Exhibit C hereto.

SECTION 2.9 PURPOSE OF THE COMPANY. The purpose of the Company is to engage in the Business within the Target Market. The Company may, subject to Section 5.3(f), engage in any other lawful act, business or activity that the Management Committee approves. The Company will have the power to do any and all acts necessary or advisable for the furtherance of its business and activities.

SECTION 2.10 FOREIGN QUALIFICATION. The Management Committee will cause the Company to comply with all requirements necessary to qualify the Company as a foreign limited liability company in any jurisdiction in which the Company owns property or transacts business to the extent, in the reasonable judgment of the Management Committee, such qualification or registration is necessary or advisable for the protection of the limited liability of the Members or to permit the Company lawfully to own property or transact business. The Management Committee may, and, at the request of the Management Committee or any officer, each Member will, execute, acknowledge, swear to and deliver any or all certificates and other instruments conforming with this Agreement that are necessary or appropriate to qualify, continue or terminate the Company as a foreign limited liability company in all such jurisdictions in which the Company may conduct business.

SECTION 2.11 NO STATE-LAW PARTNERSHIP. The Members intend that the Company not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member, holder of an Economic Interest, Manager or officer will be a partner or joint venturer of any other Member, holder of an Economic Interest, Manager or officer for any purposes

other than federal and, if applicable, state tax purposes, and this Agreement will not be construed to the contrary. The Members intend that the Company will be treated as a partnership for federal and, if applicable, state income tax purposes, and each Member and the Company will file all tax returns and will otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

ARTICLE 3
MEMBERS

SECTION 3.1 LIMITED LIABILITY. Except as expressly set forth in this Agreement or required under the Act, no Member will be personally liable under any judgment of a court, or in any other manner, for any debt, obligation, or liability of the Company, whether that liability or

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obligation arises in contract, tort, or otherwise, solely by reason of being a Member of the Company.

SECTION 3.2 REMUNERATION TO MEMBERS. Except as otherwise provided in this Agreement or as provided by a separate written agreement signed by all Members, no Member is entitled to remuneration for acting in the Company business.

SECTION 3.3 VOTING RIGHTS. Except as provided in this Agreement or the Certificate of Formation, Members will have no voting, approval or consent rights.

SECTION 3.4 ADMISSION OF ADDITIONAL MEMBERS. The Management Committee may, subject to Section 5.3(f), admit to the Company additional Members. Any additional Members will obtain Membership Interests and will participate in the management, net profits, net losses, and distributions of the Company on such terms as are determined by the Management Committee.

SECTION 3.5 WITHDRAWALS OR RESIGNATIONS. No Member may withdraw or resign from the Company except pursuant to ARTICLE 4 and Exhibit E-2, ARTICLE 11, ARTICLE 13 or ARTICLE 14.

SECTION 3.6 MEMBERS ARE NOT AGENTS; NO MANAGEMENT AUTHORITY. Pursuant to ARTICLE 5 and the Certificate of Formation, the management of the Company is vested in the Management Committee. No Member, acting solely in the capacity of a Member, is an agent of the Company nor can any Member in such capacity bind or execute any instrument on behalf of the Company. The Members will have no power to participate in the management of the Company except as expressly authorized by this Agreement or the Certificate of Formation and except as expressly required by the Act.

SECTION 3.7 MEMBER GROUPS. Each Member Group comprised of more than one Member will designate a "lead" Member, which designation will be subject to approval by the Management Committee. The lead Member of a Member Group will take all actions, make all decisions and give and receive all notices on behalf of and regarding all Members comprising its Member Group. The lead Member for the Initial Member Group comprised of the Initial Class B Member and the Initial Class C Member will be the Initial Class B Member.

ARTICLE 4
OWNERSHIP INTERESTS, CONTRIBUTIONS AND CERTIFICATES

SECTION 4.1 INITIAL CONTRIBUTIONS.

(a) On the First Closing Date, the Initial Class A Member will contribute the cash and any other assets set forth with respect to that Member on Exhibit A-1 hereto as its Initial Contribution, except to the extent such Exhibit indicates that any relevant asset(s) or contracts are to be contributed or assigned at some later date.

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(b) On the First Closing Date, the Initial Class B Member will contribute, and will cause the Initial Class C Member to contribute the assets, and assign each of the Assigned Contracts, that are set forth with respect to each such Initial Member on Exhibit A-2 and Exhibit A-3 hereto as its Initial Contribution, except to the extent such Exhibits indicate that any relevant asset(s) or Assigned Contract(s) are to be contributed or assigned at some later date.

(c) The Initial Contributions are comprised of contributions to the Company of the assets set forth on Exhibit A-1, Exhibit A-2 and Exhibit A-3 and assignments to the Company of the Assigned Contracts. The Company, except as set forth on such schedules, will not assume, does not assume, and has not assumed any liabilities or obligations (contingent or otherwise) in conjunction with the Initial Contributions which arise from or are related to any period of time prior to the Effective Date of Transfer.

(d) The Initial Members acknowledge and agree that the failure by any Initial Member to timely make its Initial Contribution by any Initial Member would result in damage to the other Initial Members which would be difficult to calculate, and therefore agree that if any contract or agreement to be assigned to the Company which is listed on Exhibit A-2 or Exhibit A-3 is not assigned to the Company within 30 days after the First Closing Date the Initial Class B Member will pay to the Company, as liquidated damages for the failure to assign such contract or agreement, sums equal to the revenue assumed for purposes of calculating the total revenue component of the financial model included in the Initial Business Plan, net of the expenses (consistent with the assumptions contained in the financial model) incurred by such Initial Member and not the Company (whether by reimbursement pursuant to Section 2.5(a) or otherwise) in connection with servicing such Assigned Contract from and after the Effective Date of Transfer for such period as the financial model included in the Initial Business Plan assumes such revenue. Payments to the Company under this Section shall be made at the time revenue would be paid to the Company under the relevant contract or agreement.

SECTION 4.2 OWNERSHIP INTERESTS. Upon the making of the Initial Contribution of each Initial Member as set forth above, the Company will issue to each such Initial Member the percentage of Membership Interests in the Company set forth in Exhibit C hereto. The Membership Interests will be reflected in the books and records of the Company but will be uncertificated unless certification is approved by the Management Committee.

SECTION 4.3 CAPITAL ACCOUNTS. On the Formation Date, a separate Capital Account will be established for each Member. Thereafter, each Member's Capital Account will be maintained in accordance with Exhibit D hereto.

SECTION 4.4 INTEREST. No interest will accrue on any Capital Contribution and no Member will have the right to withdraw or be repaid any Capital Contribution except as provided in this Agreement.

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SECTION 4.5 ADDITIONAL CAPITAL CONTRIBUTIONS.

(a) FINANCIAL SUPPORTS AND GUARANTEES. Except for the Initial Contributions and Additional Capital Contributions unanimously agreed to by the Members (other than the Class C Member, which agreement will be deemed given together with the Class B Member's), no Member (nor any Affiliate of any Member) will be obligated to extend any financial support to the Company, nor to guarantee any obligation of the Company.

(b) CAPITAL CALL. Subject to the approval of the Class A Member and the Class B Member (except as noted in paragraph (a) above) and to the unanimous approval of the Management Committee pursuant to Section 5.3(f), the Management Committee may from time to time, by the delivery of written notice to the Members (a "CAPITAL CALL NOTICE") require the Members, pro rata in accordance with their respective

Percentage Interests, to contribute cash or other assets with a value assigned thereto which has been agreed to by all Members to the capital of the Company ("ADDITIONAL CAPITAL CONTRIBUTIONS"), all as provided for in this Section 4.5, and in accordance with the procedures set forth in Exhibit E-1. No Member may voluntarily make any Additional Capital Contributions.

(c) ADDITIONAL TRADEMARKS. At the request of the Company, the Initial Class B Member and the Initial Class C Member will license certain of their respective trademarks to the Company on terms substantially similar to the terms included in the Trademark License Agreement, with such changes thereto as are required to comply with restrictions on use applicable to all licensees of the relevant trademarks.

SECTION 4.6 DEFAULTING MEMBERS.

(a) GENERAL. Each Member agrees that timely payment or other satisfaction of its obligations under this Agreement when due is of the essence, that any failure by a Member to timely make any Initial Contributions or Additional Capital Contributions to the Company when required to be made by such Member would cause injury to the Company and to the other Members, and that the amount of damages caused by any such injury would be extremely difficult to calculate. Accordingly, each Member agrees that upon any failure (an "EVENT OF DEFAULT") by a Member to timely make any Initial Contributions or Additional Capital Contributions to the Company when required to be made by such Member (a "DEFAULTING MEMBER"), the remedies set forth in this Section 4.6 and Exhibit E-2 will apply to it, except to the extent the Management Committee, acting in its sole discretion (but without the vote of the Managers appointed by the Defaulting Member), otherwise agrees in writing with such Defaulting Member; provided, however, that the Management Committee will provide a Defaulting Member with at least five Business Days written notice prior to the application of such provisions; and, provided, further, that if, during such period, the Defaulting Member cures such Event of Default, including interest as provided in Paragraph (b) of Exhibit E-2 on such amount from the date such contribution was originally due until the actual date of contribution, such provisions will not apply to the Defaulting Member.

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(b) NO WAIVER. The election of the Management Committee or the non-Defaulting Member to pursue any remedy provided in this Section 4.6 or Exhibit E-2 will not be a waiver or limitation of the right of the Management Committee, the Company or the non-Defaulting Members to pursue an additional or different remedy available hereunder or at law or in equity with respect to any subsequent default.

(c) ADDITIONAL CAPITAL CALL NOTICE. An Event of Default by any Member will not relieve any other Member of its obligation to make its Capital Contributions. After any Event of Default because of a failure to make a Capital Contribution, the Management Committee may issue a supplemental Capital Call Notice in the same manner, and subject to the same limitations, as are set forth in Section 4.5.

(d) CONSENT TO AND NON-EXCLUSIVITY OF REMEDIES. Each Member hereby consents to the application to it of the remedies provided in this Section 4.6 and Exhibit E-2 in recognition of the risk and speculative damages its default would cause the other Members, and further agrees that the availability of such remedies will not preclude any other remedies which may be available at law, in equity, by statute or otherwise in respect of any default by such Member in the performance of its other obligations under this Agreement.

ARTICLE 5

MANAGEMENT COMMITTEE AND OTHER GOVERNANCE MATTERS

SECTION 5.1 MANAGEMENT THROUGH THE MANAGEMENT COMMITTEE. The management of the Company is vested in a Management Committee (the "MANAGEMENT COMMITTEE"), which will have the power and authority to manage and direct the business and affairs of the Company under the terms and conditions of this Agreement. The Members will appoint a Management Committee as provided in Section 5.2. Except as otherwise expressly provided in this Agreement, the

Members will not participate in the control of the Company and will have no right, power or authority to act for or on behalf of, or otherwise bind, the Company. Except as expressly provided in this Agreement or required by any non-waivable provisions of applicable Law, Members will have no right to vote on or consent to any other matter, act, decision or document involving the Company or its business.

SECTION 5.2 MANAGEMENT COMMITTEE.

(a) SCOPE OF RESPONSIBILITY. Except as expressly provided herein (including, without limitation, as provided in subsections Section 5.3(f) and Section 5.4(a), below) the Management Committee has full, exclusive and complete control of and responsibility for the Company's activities. Without limiting the generality of the foregoing, the Management Committee will be specifically vested with the power to undertake the following actions:

- (1) to appoint the officers of the Company;

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- (2) except as set forth to the contrary herein, to make all decisions regarding the disposition of the Company's assets prior to a termination or expiration of the Company, regarding any reorganizations of the Company, and in connection with a Qualified Public Offering or termination of the Company; and

- (3) to select, remove and replace the Company's accountants and auditors.

(b) MANAGEMENT COMMITTEE COMPOSITION. The composition of the Management Committee will be as follows:

- (1) At all times when the Initial Members comprise all of the Members, the Management Committee will be composed of seven members (each, a "Manager") three of whom are appointed by the Class A Member (which appointment is subject to the approval of the Class B Member, and such approval will not be unreasonably withheld) (the "CLASS A MANAGERS"), three of whom are appointed by the Class B Member (which appointment is subject to the approval of the Class A Member, and such approval will not be unreasonably withheld) (the "CLASS B MANAGERS") and the seventh being the Chief Executive Officer. The initial Managers, all of whom have been approved as set forth above, are listed on Exhibit G and are appointed effective as of the First Closing Date.

- (2) Subject to subsection (5) below, each Manager (other than the Chief Executive Officer) will serve on the Management Committee until such time as he or she resigns, retires, dies or is removed. Notwithstanding anything to the contrary contained in subsection (1), above, Managers may be removed with or without cause at any time by the Member who appointed such Manager. Upon the resignation, retirement, death or removal of any Manager, the Member who appointed such Manager will nominate and appoint a replacement Manager pursuant to the procedure set forth in subsection (1), above.

- (3) The Chief Executive Officer will serve as a Manager during his or her tenure in such office. However, if the Management Committee (including all of the Class A Managers but excluding the Chief Executive Officer) commences deliberations to consider removing the Chief Executive Officer from such position, the Chief Executive Officer will immediately cease to be a Manager. Each successor Chief Executive Officer will automatically be appointed to serve as a Manager.

- (4) Upon the admission of a new Member (other than an additional or successor Class A Member, Class B Member or Class C Member) in accordance with the terms of this Agreement, such new Member will be entitled to appoint such Managers, and the Management Committee will be so reconstituted, as is required by the terms of such new Member's admission to the Company.

(5) Any officer of the Company (other than the Chief Executive Officer) who is nominated and appointed to serve as a Manager and serves as a Manager at the same time he or she serves as an officer will be removed from his or her position as a Manager, automatically and without the need for any action by any Member or any other Manager, if such Person ceases to serve as an officer of the Company for

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any reason except for an unsolicited decision by such Person to resign as an officer, which decision is freely and voluntarily made.

SECTION 5.3 MANAGEMENT COMMITTEE MEETINGS.

(a) REGULAR MEETING. The Management Committee will hold regular quarterly meetings without call or notice at such time as will from time to time be fixed by standing resolution of the Management Committee.

(b) SPECIAL MEETINGS. Special meetings of the Management Committee may be called by any two Managers. All meetings will be held upon ten days' notice by mail or 72 hours' notice delivered personally or by telephone or facsimile. A notice need not specify the purpose of any meeting; however, a special meeting may not be called to entertain any Unanimous Consent Item without specifying such action in the notice of the meeting. Notice of a special meeting need not be given to any Manager who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior to its commencement, the lack of notice to such Manager. All such waivers, consents and approvals will be filed with the Company records or made a part of the minutes of the meeting.

(c) LOCATION OF MEETINGS. Meetings of the Management Committee may be held at any place within or without the State of Delaware that has been designated in the notice of the meeting or at such place as may be approved by the Management Committee. Managers may participate in a meeting through use of conference telephone or similar communications equipment, so long as all Managers participating in such meeting can hear one another. Participation in a meeting in such manner constitutes a presence in person at such meeting.

(d) PARTICIPATION BY SENIOR EXECUTIVES. The Company's Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer may attend and participate in Management Committee meetings, but only the Chief Executive Officer (in his or her capacity as a Manager) will be entitled to vote therein; provided, however, that:

(1) no officer of the Company (including any officer who simultaneously serves as a Manager of the Company) may attend or participate in any Management Committee meeting which is convened, in whole or in part, to discuss (or during which Management Committee decides to discuss) the continued tenure or possible dismissal of such officer, and

(2) no Manager may attend or participate in any Management Committee meeting which is convened, in whole or in part, to discuss (or during which Management Committee decides to discuss) any breach or alleged breach of the Member that appointed such Manager to the Management Committee, or to discuss any other failure or alleged failure of the Member that appointed such Manager to the Management Committee to fulfill any of its obligations hereunder or under any Transaction Document.

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(e) APPROVAL THRESHOLDS. Except as set forth subsection (f), below, decisions of the Management Committee will be taken by the simple majority of all Managers.

(f) UNANIMOUS CONSENT ITEMS. The unanimous consent of all Managers appointed by the Class A Member and all Managers appointed by the Class B Member given during a meeting of the Management Committee or in a unanimous written consent will be required to take any of the following actions (the "UNANIMOUS CONSENT ITEMS"):

(1) any amendment to, restatement of, or substitution for this Agreement, the Certificate of Formation, or any other organizational or charter documents that may govern the Company from time to time;

(2) a decision to cause or allow a Bankruptcy Event to occur with respect to the Company;

(3) acquisitions and dispositions of assets in a transaction or a series of transactions the aggregate value of which constitutes more than * * * percent of the Fair Market Value of the Company's total assets, or the merger of, consolidation with, or any other business combination involving the Company;

(4) the decision to engage in a Qualified Public Offering, the determination of whether a proposed course of action constitutes a Qualified Public Offering, and the plan of action to effect the Qualified Public Offering, as described in ARTICLE 12;

(5) in conjunction with a Qualified Public Offering, the form and content of the Certificate of Incorporation and Bylaws of the Resulting Corporation or the organizational documents of any other successor entity;

(6) any issuance of any additional Membership Interests, any repurchase of Membership Interests, and the making of any recommendation to the Members in favor of making an Additional Capital Call;

(7) the development and sale of products or the provision of services by the Company * * *, except for (i) products and * * * which need only be approved by a majority of the Management Committee, and (ii) products and services which have previously been approved pursuant to this subsection (f);
or

(8) any * * * of the Company.

(g) MANAGEMENT COMMITTEE WRITTEN CONSENT. Any action required or permitted to be taken by the Management Committee may be taken by the Management Committee without a meeting, if all of the Managers individually or collectively consent in writing to such action. Such action by written consent will have the same force and effect as a unanimous vote of such Managers.

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(h) MANAGEMENT COMMITTEE AS AGENT. The Management Committee (and each Manager and/or officer authorized by the Management Committee to act on behalf of the Management Committee) will be an agent of the Company, and the actions of the Management Committee (or such Managers and/or officers) taken in such capacity and in accordance with this Agreement will bind the Company.

(i) DELEGATION. The Management Committee may appoint, employ or otherwise contract with any Persons for the transaction of the business of the Company or the performance of services for or on behalf of the Company, and the Management Committee may delegate to any such Persons such authority to act on behalf of the Company as the Management Committee may from time to time deem appropriate in

accordance with (h).

(j) COMPENSATION. If approved by the Management Committee, a Manager will be entitled to reimbursement on a monthly basis from the Company for all reasonable and properly documented out-of-pocket costs and expenses incurred by him or her, in his or her reasonable discretion, for or on behalf of the Company.

SECTION 5.4 OFFICERS.

(a) APPOINTMENT OF OFFICERS.

(1) On or before the First Closing Date, the Initial Members will jointly agree upon and appoint the Company's initial Chief Executive Officer, Chief Operating Officer and Chief Financial Officer.

(2) Except for the initial appointment described in subsection (1), the Management Committee has sole discretion to appoint the Company's Chief Financial Officer, Chief Operating Officer and other executive officers.

(3) Except for the initial appointment described in subsection (1), the Class A Managers (other than the Chief Executive Officer) have sole discretion to appoint and remove the Company's Chief Executive Officer.

(4) The Management Committee may, at any time, appoint any other officers if it deems such appointment would be beneficial to the Company, including but not limited to, one or more vice-presidents, a secretary and assistant secretaries. The officers will serve at the pleasure of the Management Committee, subject to all rights, if any, of an officer under any contract of employment. Any individual may hold any number of offices. The officers will exercise such powers and perform such duties as specified in this Agreement and as may be determined from time to time by the Management Committee.

(5) Subject to the rights, if any, of an officer under a contract of employment, any officer may be removed, either with or without cause, by the Management Committee. Any officer may resign at any time by giving written notice to the Management Committee. Any resignation will take effect on the date of the receipt of that notice or at any later time specified in the notice; and, unless

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otherwise specified in such notice, the acceptance of the resignation will not be necessary to make it effective. Each officer will serve until his or her resignation, removal, death or inability to serve. A vacancy in any office will be filled by the Management Committee.

(b) SALARIES OF OFFICERS. The salaries of officers and agents of the Company will be fixed by the Management Committee.

(c) DESCRIPTIONS OF POSITIONS. The officers set forth below will, unless modified by the Management Committee, have the duties and responsibilities described below:

(1) CHIEF EXECUTIVE OFFICER. The Chief Executive Officer will have ultimate oversight over the Company's operations and staff and the creation and communication of the Company's policies, will report directly to the Management Committee, and will have such other powers and duties as the Management Committee may prescribe.

(2) CHIEF OPERATING OFFICER. The Chief Operating Officer will manage the Company's operations on a day-to-day basis and be responsible for implementation of the Company's policies, will report directly to the Chief Executive Officer, and will have such other powers and duties as the Management Committee may prescribe.

(3) CHIEF FINANCIAL OFFICER. The Chief Financial Officer will manage the Company's finances on a day-to-day basis, manage the Company's capital, and oversee the Company's staff, will report directly to the Chief Executive Officer and will have such other powers and duties as the Management Committee may prescribe.

(d) SIGNING AUTHORITY OF OFFICERS. Any officer, acting alone, is authorized to endorse checks, drafts, and other evidences of indebtedness made payable to the order of the Company, but only for the purpose of deposit into the Company's accounts. All checks, drafts, instruments and contracts obligating the Company to pay money in an amount of less than \$250,000, with respect to operating expenses, or \$500,000, with respect to capital expenditures or obligations, and may be signed by any one officer designated by the Management Committee as generally having signatory authority, acting alone. All checks, drafts, instruments and contracts obligating the Company to pay money in amounts in excess of the foregoing amounts must be signed on behalf of the Company by any two such officers acting together. The foregoing restrictions may be modified by the Management Committee in its discretion.

ARTICLE 6 BUSINESS PLAN

SECTION 6.1 ANNUAL BUSINESS PLAN. For each Business Plan Period, the Management Committee will develop and approve an annual Business Plan. The Business Plan will provide for

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operations through the next Fiscal Year. The Business Plan for the Initial Business Plan Period of the Company is attached to this Agreement as Exhibit F.

SECTION 6.2 APPROVAL OF PROPOSED BUSINESS PLAN. At least 90 days prior to the end of the Initial Business Plan Period and each succeeding Business Plan Period thereafter, the Chief Executive Officer and Chief Financial Officer will cause to be prepared and presented to the Management Committee a proposed Business Plan for the next succeeding Business Plan Period (the "APPLICABLE BUSINESS PLAN PERIOD") for consideration and approval by the Management Committee. The proposed Business Plan will, among other things (including any items requested by the Management Committee), contain:

(a) planned commitments, leases and capital expenditures for such Business Plan Period, and all such commitments, leases and capital expenditures which will extend into subsequent Business Plan Periods;

(b) profit and loss, balance sheet and Cash Flow projections for such Business Plan Period;

(c) borrowings planned during such Business Plan Period;

(d) projected financial requirements and results of activities, if any, to be undertaken by the Company during such Business Plan Period;

(e) the proposed number of employees of the Company during such Business Plan Period and the proposed cash compensation and estimated benefit expense during such Business Plan Period;

(f) any other material information relating to the operating and capital budgets of the Company for such Business Plan Period;

(g) a marketing assessment and sales plan for such Business Plan Period; and

(h) a new product/business expansion strategic plan.

ARTICLE 7 RELATIONSHIP BETWEEN THE MEMBERS AND THE COMPANY

SECTION 7.1 THE CLASS B MEMBER'S RELATIONSHIP TO THE COMPANY.

(a) ***, unless the Class A Member otherwise agrees in

writing, the Class B Member will not, and will cause each of its Affiliates (including, but not limited to, the Class C Member) to not, engage in the provision of any products and/or services comprising all or any part of the Business related to the Initial Scope of Services.

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(b) The Class B Member is specifically permitted to continue to engage in the provision of services relating to * * *.

(c) The Class B Member is specifically permitted to provide services relating to * * *, but is prohibited from * * *. For purposes of this subsection:

(1) "Knowledge Management" means the harnessing, identification, organization and use of business data to strengthen a customer's competitive position by enabling customers to manage their raw business data to create valuable business "knowledge" that enhances the performance of their organization. Knowledge Management services include program design and development, building systems to capture data and turn it into knowledge, and designing and building the supporting systems architecture,

(2) "Management and Business Consulting" means consulting services comprised of two specialties: strategy consulting, which focuses on improving a customer's performance by helping the customer align its business strategy to its industry's particular business condition, and operations consulting, which assesses the efficiency of the customer's operational processes and alignment with its business strategy,

(3) "Systems Integration Services" means services which allow or cause proprietary and commercial applications to share and exchange information and to participate in each other's processes through a variety of processes, including the creation of a single user interface for a collection of applications, and the design of software bridges and translators which make data in one format accessible to programs which read or access data in a different format,

(4) "World Class Finance" means the implementation of industry best practices to manage the finance and accounting functions of operations and to improve the ability of the customer to measure and analyze operational performance. World Class Finance services are applicable to areas such as budgeting, planning, decision support, cost management and the integration of financial and other customer operations and analysis systems, and

(5) "World Class Human Resources" means the implementation of industry best practices to manage the human resource side of customers' operations, analyze and integrate their human resources, payroll, retirement benefits, insurance benefits

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and welfare benefits and to improve the effectiveness, quality and cost-efficiency of their human resources organization through technology. World Class Human Resources services include the valuation of the customer's organizational structure, improving the effectiveness of the individual human resources functions, systems integration and the implementation of combined human resources functions.

(d) The Class B Member will, and will cause each of its

Affiliates (including, but not limited to, the Class C Member):

(1) to assign or transfer all of its existing and future customers of products and/or services comprising all or part of the Business related to the Initial Scope of Services to the Company, and to make commercially reasonable efforts to cause such customers to assent or consent to the substitution of the Company as their provider of products and services that constitute the Business related to the Initial Scope of Services, and

(2) to not enter into future relationships or agreements with customers which relate to any aspect of the Business related to the Initial Scope of Services, but which prohibit or require the customer's consent to transfer such agreements to the Company.

(e) The Class B Member agrees and on behalf of its Affiliates agrees that the Company will be the exclusive provider to the Class B Member and its Affiliates of * * *.

SECTION 7.2 THE CLASS A MEMBER'S RELATIONSHIP TO THE COMPANY.

(a) * * * and unless the Class B Member otherwise agrees in writing, the Class A Member will not, and will cause each of its Affiliates to not:

(1) provide, within * * *, an * * * to end users; or

(2) take an equity position in any Person that directly competes with the Company * * * (other than an investment not in excess of 5% of any Person the securities of which are listed on a nationally recognized securities exchange).

(b) The Class A Member is specifically permitted to provide to any customer (including competitors of the Company), without limitation, broadband and other telecommunications services, hosting activities, communications and information infrastructure construction and management, and to participate in or provide distribution channels for products and services, * * *, during and beyond the Exclusivity Period and the Term.

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during and beyond the Exclusivity Period and the Term.

(c) * * *, the Class A Member will name the Company as the provider of products and services which constitute the Business related to the Initial Scope of Services for each of the Class A Member's customers who purchase such products and services from the Class A Member and * * *.

SECTION 7.3 SUPPORT OBLIGATIONS.

(a) If the Class B Member or any of its Affiliates develop or obtain rights to products or services that constitute the Business or enhancements to the Business related to the Initial Scope of Services, the Class B Member will promptly offer to sublicense such rights to the Company or cause the Company to be a permitted participant in such rights.

(b) If the Class A Member or any of its Affiliates develop or obtain rights to products or services that constitute the Business or enhancements to the Business related to the Initial Scope of Services, the Class A Member will promptly offer to sublicense such rights to the Company or cause the Company to be a permitted participant in such rights; provided that the Class A Member will not be required to take any action that would cause it to violate (i) any applicable Law, or (ii) any provision of any contract or agreement to which the Class A Member or any of its Affiliates is a party or by which any such Person or its assets is bound.

SECTION 7.4 MEMBERS AS PROVIDERS TO THE COMPANY.

(a) Each Member, on an ongoing basis, will offer upon request to provide to the Company any and all products or services which it provides to its customers in the/ ordinary course of business. In

offering products or services to the Company, each Member will offer such products and services * * * (for tariffed products or services), or * * * (for all other products or services); provided, however, that products and services to be provided by the Class A Member under the agreements referenced in Section 2.4(4) and Section 2.4(5) will not be subject to this paragraph until such agreements have expired; and provided, further, that in no event will the terms of this subsection (a) require a Member to offer or provide * * *.

(b) The Management Committee will make all decisions on the Company's purchase of products and services on the basis of the Terms of Sale of the transaction as a whole.

(1) If the Management Committee concludes that the Terms of Sale, taken as a whole, of a Member's offer to provide to the Company certain products or services that the Company currently intends to purchase are, taken as a whole, at

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least as favorable as those offered to the Company by each other Person (including another Member) that has offered to provide the same or similar products or services to the Company, then the Management Committee will designate such Member as the provider of such product or service, even if the discounted price, taken alone, offered by such Member to the Company for providing such product or service is not lower than the price offered by such other Person.

(2) If the Management Committee determines that the Terms of Sale offered to the Company by a third party are the most favorable to the Company, prior to awarding a contract for the purchase of products or services to a third party, a Member who had bid to provide such products or services will have a right of first refusal to provide them on Terms of Sale identical to those offered by such third party.

SECTION 7.5 SALES AND DISTRIBUTION CHANNELS.

(a) Each Member, on an ongoing basis, will cause sales and distribution services that such Member and its Affiliates provide in relation to the sale and distribution of such Member's and its Affiliates' own products and services to be provided to the Company according to the pricing described in Section 7.4(a), and otherwise on customary terms and conditions. All sales and marketing efforts on behalf of the Company's products and services will be subject to the approval of the Management Committee.

(b) Each Member, together with the Company, will develop a sales and marketing plan regarding the use of such Member's sales and distribution channels and other resources to market and sell the Company's products and services that is acceptable to such Member and to the Company, and such plan will be subject to periodic review and adjustment.

(c) Each Member will, upon the request of the Company, provide to the Company all information regarding such Member's agreements with third party providers of sales and distribution services (to the extent such services are reasonably related to the Business) that is not subject to a contractual or other obligation that would prohibit the disclosure of such information to the Company. Upon the request of the Company, each Member will exercise reasonable commercial efforts to cause any one or more third-party providers of sales and distribution services to such Member to offer the same or similar services to the Company upon the terms and conditions then enjoyed by such Member.

SECTION 7.6 NON-SOLICITATION. Without the written consent of the other Members, none of the Members may, prior to the first anniversary of a Qualified Public Offering, solicit for employment any employee of another Member who is providing services to the Company in accordance with an Employee Loan-Out Agreement prior to the Qualified Public Offering, or any employee of the Company following a Qualified Public Offering. The Members will take such actions during the term of existence of the Company as are necessary to preserve the continuity of services to the Company by the individuals listed on Exhibit B-1, Exhibit B-2 or Exhibit B-3 and any permitted substitutes for such individuals.

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SECTION 7.7 FUTURE LICENSES. Until a Qualified Public Offering, each Member will use its commercially reasonable best efforts to cause any future license for an individual software application within the Application Categories to include the Company as an additional license or to otherwise make such application available to the Company for use in its Business.

ARTICLE 8

OWNERSHIP AND CONTROL OF INTELLECTUAL PROPERTY

SECTION 8.1 INTELLECTUAL PROPERTY CONTRIBUTED BY THE CLASS B MEMBER.

(a) The Class B Member hereby grants a worldwide, irrevocable, perpetual, non-assignable or sub-licensable, royalty-free license under all of the Class B Member's and the Class C Member's intellectual property to the Company for the use of the methodologies, templates and software that are listed on Exhibit A-2 (collectively, the "TEMPLATES").

(b) The Class B Member will grant a worldwide, irrevocable, perpetual, non-assignable or sub-licensable, royalty-free license to all improvements, modifications, and extensions of any part of the Templates, and all products constituting successors to any part of the Templates (or to any part of the Templates, as improved, modified, or extended), promptly after each such improvement, modification, extension or successor is employed, sold, or otherwise distributed by the Class B Member or its Affiliates (including the Class C Member) on other than an experimental or test basis. For purposes of this Section 8.1, "beta testing" (or any similar term denoting an advanced stage of evaluation preceding a general release or use of a Template or other item of software) will constitute a distribution on "other than an experimental or test basis."

(c) Methodologies, templates or items of software other than those listed on Exhibit A-2 that are owned or controlled by Class B Member or its Affiliates (including the Class C Member) and are reasonably related to the Business will, upon the request of the Company, be licensed to the Company on terms substantially similar to those governing the license of the Templates described in subsection (a), above, for a fee computed according to the method described in Section 7.4(a) to the extent offered or intended to be offered to third party customers and otherwise based on an at least *** discount to the fair market value of such license rights.

SECTION 8.2 INTELLECTUAL PROPERTY CONTRIBUTED BY THE CLASS A MEMBER.

(a) Pursuant to the IP OSS/BSS Sublicense Agreement, the Class A Member will grant an irrevocable, non-assignable or sublicensable license to the Company for the use of the IP OSS/BSS. With respect to the Company's use of the IP OSS/BSS for its internal functions, such license will be on a royalty-free basis until the earlier of a Qualified Public Offering and the expiration of the Term. From and after the Qualified Public Offering, such license will be at market rates to be negotiated by the Class A Member and the Company. With respect to the Company's use and resale of the IP OSS/BSS as a component of the Company's products and services for use by the Company's Customers,

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such license will require the payment of a license fee to the Class A Member equal to * * * of the revenues received by the Company related

to that use (or a reasonable allocation thereof, as determined in good faith by the Management Committee, if the applicable revenues are not calculated separately by function).

(b) Pursuant to the Trademark License Agreement, the Class A Member will grant an irrevocable, non-assignable or sublicensable license to the Company, on a royalty-free basis, on terms and conditions set forth therein.

SECTION 8.3 INTELLECTUAL PROPERTY DEVELOPED BY THE COMPANY.

(a) All methodologies, templates, software, and other intellectual property developed by the Company or its agents (except for the Templates and any other intellectual property licensed to the Company under Section 8.1 or Section 8.2), will be and remain the property of the Company, and the Management Committee will take all actions necessary or useful, in its judgment, to protect such intellectual property.

(b) * * *, the Company will, upon request of a Member, * * * to each Member which * * * will require * * *.

(c) The Company will not assign or license any methodologies, templates, software, or other intellectual property developed by the Company or its agents in which the Company has ownership rights of which the primary component, in the reasonable judgment of the Management Committee, are instruction sets or other computer code that are copied from or are directly derived (i.e., without a significant investment of effort or originality) * * * one of the Initial Members without the approval of such Initial Member.

(d) Each Member, upon request of the Company, will grant to the Company a non-assignable or sub-licensable license of any or all of the methodologies, templates, software, and other intellectual property developed by such Member or its agents that are directly or indirectly derived from intellectual property licensed to such Member by the Company.

ARTICLE 9

DISTRIBUTIONS, TAX MATTERS, AND ALLOCATIONS OF PROFITS AND LOSSES

SECTION 9.1 DISTRIBUTION OF CASH FLOW. Distributions will be made to Members in accordance with their Percentage Interests in such amounts and at such times as determined by the Management Committee.

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SECTION 9.2 ALLOCATIONS OF NET INCOME AND NET LOSSES. All allocations of net income, net losses and any other items of income, gain, loss, deductions and credit of the Company will be made in accordance with the provisions of Exhibit D hereto.

SECTION 9.3 TAX MATTERS FOR THE COMPANY HANDLED BY TAX MATTERS MEMBER. The Tax Matters Member is authorized and required to represent the Company (at the Company's expense) in connection with all examinations of the Company's affairs by tax authorities, including administrative and judicial proceedings, and to expend Company funds for professional services and costs associated therewith. The Tax Matters Member will have the authority and responsibility to arrange for the preparation of, and timely file, the Company's tax returns. The Tax Matters Member will be entitled to receive reimbursement of its reasonable out-of-pocket costs and expenses for such services.

ARTICLE 10

EXCULPATION AND INDEMNIFICATION; OTHER MATTERS

SECTION 10.1 PERFORMANCE OF DUTIES; LIABILITY OF MEMBERS. Except as provided in this Agreement, the Members will not be liable to the Company or to any other Member for any loss or damage sustained by the Company or a Member, unless the loss or damage will have been the result of fraud, deceit, gross negligence, reckless or intentional misconduct, or a knowing violation of Law by such Member. The Managers will perform their managerial duties in good faith, in a manner they reasonably believe to be in the best interests of the Company and its Members, and with such care, including reasonable inquiry, as an ordinarily

prudent person in a like position would use under similar circumstances.

SECTION 10.2 EXCULPATION AND INDEMNIFICATION BY THE COMPANY.

(a) The Company will indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that such Person is or was a Member, Manager, officer, employee or other agent of the Company or that, being or having been such a Member, Manager, officer, employee or agent, such Person is or was serving at the request of the Company as a manager, director, officer, employee or other agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise (all such persons being referred to hereinafter as an "agent"), to the fullest extent permitted by applicable Law in effect on the date hereof and to such greater extent as applicable Law may hereafter from time to time permit. The Management Committee is authorized, on behalf of the Company, to enter into indemnity agreements from time to time with any Person entitled to be indemnified by the Company hereunder, upon such terms and conditions as the Management Committee deems appropriate in its business judgment.

(b) The Company will have the power to purchase and maintain insurance on behalf of any Person who is or was an agent of the Company against any liability asserted against such Person and incurred by such Person in any such capacity, or arising out of such Person's status as an agent, whether or not the Company would have the power to

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indemnify such Person against such liability under the provisions of Section 10.2 or under applicable Law.

SECTION 10.3 INDEMNIFICATION BY THE INITIAL MEMBERS. Each Initial Member (an "INDEMNIFYING PARTY") will remain fully liable to, and will indemnify and hold harmless, the Company and each other Initial Member and such Persons' directors, officers, shareholders, members, agents, representatives and Affiliates (collectively, the "INDEMNIFIED PARTIES") from and against all claims, losses, damages (including loss of profits and consequential damages awarded to a third party, if any, but excluding loss of profits and consequential damages otherwise suffered by the Indemnified Parties), expenses, judgments, costs and liabilities (including reasonable attorneys' fees and costs) incurred by the Indemnified Parties, or any of their respective Affiliates, arising from (1) any breach of the Indemnifying Party's, or any of its Affiliate's, representations or warranties under this Agreement or any of the Transaction Documents, or (2) all obligations or liabilities that result from or relate to the Initial Contributions that are not expressly assumed by the Company.

ARTICLE 11 TRANSFER OF INTERESTS

SECTION 11.1 TRANSFER OF INTERESTS.

(a) Without the consent of each Member Group and except as expressly provided in this Agreement, no Member may sell, assign, pledge or otherwise transfer all or any portion of its Membership Interest or Economic Interest (a "TRANSFER"). Any purported Transfer in violation of this ARTICLE 11 will be void.

(b) For purposes of this Section 11.1, but subject to Section 11.2, any sale, assignment, pledge or other transfer of any of the capital stock (or any other securities) of the Initial Class C Member by the Initial Class B Member will constitute a sale of a portion of the Initial Class B Member's Membership Interest.

SECTION 11.2 PERMITTED TRANSFERS.

(a) A Transfer by a Member to its ultimate parent entity or to a wholly-owned direct or indirect subsidiary of its ultimate parent entity is permitted, except that the Initial Class B Member may not make such a Transfer until such ultimate parent company is changed pursuant to paragraph (b) below.

(b) The Initial Class B Member is expressly allowed to contribute all of the assets of its consulting division, "KPMG Consulting" to a newly created corporation, including the Initial Class B Member's Membership Interest in the Company, provided, however, that the Initial Class B Member must have caused, simultaneously with or prior to such contribution:

(1) all assets relating to the Initial Class B Member's participation in the Company, including but not limited to all products and services provided to or acquired from

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the Company and all intellectual property rights licensed to or licensed from the Company, to be simultaneously and irrevocably sold, assigned, and transferred to such newly created corporation;

(2) the Initial Class B Member and such newly created corporation to have executed and delivered an assignment and assumption agreement, reasonably satisfactory in form and content to the Company, by which the initial Class B Member will assign all rights under this Agreement and the Transaction Documents to which the Initial Class B Member is a party to such newly created corporation, and such newly created corporation will have assumed all liabilities and obligations under this Agreement and the Transaction Documents to which the Initial Class B Member is a party; and

(3) all shares of securities of the Initial Class C Member, beneficially held or held of record by the Initial Class B Member to be simultaneously and irrevocably sold, assigned and transferred to such newly-created corporation.

Upon the satisfaction of the conditions set forth in the immediately preceding proviso, the Membership Interest of the Initial Class B Member will be transferred to such corporation and such corporation will be admitted to the Company as a substitute Member without further action by the Management Committee or the Members.

(c) Sales, transfers, assignments, or pledges of interests in a Member's ultimate parent company or of any intermediate parent company will not constitute sales, transfers, assignments, or pledges of any interest in the Company if, immediately following such event all assets relating to the Company and such Member's obligations to the Company, are owned or controlled by the resulting ultimate parent company of such Member.

SECTION 11.3 RIGHTS OF ASSIGNEES. Until such time, if any, as a transferee of any permitted Transfer under Section 11.1 or Section 11.2 is admitted to the Company as a substitute Member, such transferee will be only a holder of an Economic Interest.

SECTION 11.4 ACTIONS FOLLOWING TRANSFERS. Notwithstanding any other provision of this Agreement, the Company will not recognize any Transfer of an Economic Interest or Membership Interest unless all costs incurred by the Company to effect such Transfer have been paid by the transferor and there is filed with the Company a written and dated notification of such Transfer, in form and substance satisfactory to the Company, executed and acknowledged by the transferor and the transferee and such notification (i) contains the agreement by the transferee to be bound by all the terms and conditions of this Agreement and (ii) represents that such Transfer was made in accordance with all applicable securities Laws and regulations.

ARTICLE 12 INITIAL PUBLIC OFFERING

SECTION 12.1 APPROVAL OF QUALIFIED PUBLIC OFFERING. The Management Committee, subject to Section 5.3(f), must unanimously approve a Qualified Public Offering of the securities of the Company (or of a Resulting Corporation, as defined below). Such approval must include

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an approval of the Company's plan to effect the Qualified Public Offering, which plan must include a determination, based upon consultation with the Company's tax counsel as to the most tax-favored form of reorganization and with a proposed managing underwriter or underwriters for such Qualified Public Offering (including questions as to whether to contribute the assets of the Company, or their Membership Interests, to a Resulting Corporation).

SECTION 12.2 CONVERSION TO CORPORATION. If the Company's plan to initiate a Qualified Public Offering requires that the Company be restructured into a corporation (the "RESULTING CORPORATION"), then, subject to the approval of the Management Committee pursuant to Section 5.3(f) and Section 12.1:

(a) the Resulting Corporation will be organized and incorporated under the Laws of the State of Delaware;

(b) subject to Section 12.4, the Certificate of Incorporation and Bylaws of the Resulting Corporation will include standard and customary provisions as will then be applicable to public corporations incorporated under the Laws of the State of Delaware, and such other provisions as will have been included in such plan or which may later be agreed upon by the Management Committee pursuant to Section 5.3(f); and

(c) the Members and the Company will negotiate in good faith with the intent of entering into a shareholders' agreement which will contain customary registration rights, rights of first offer, "drag along," and "tag along" rights, which each Initial Member will enjoy as long as their ownership percentages of the Company are in excess of thresholds to be specified therein.

SECTION 12.3 CONSIDERATIONS REGARDING THE CLASS A MEMBER. Prior to a Qualified Public Offering, the Members will consult with each other and evaluate, in good faith, the viability under then-existing market conditions of any options available to the Members that would allow the Class A Member to retain the ability to consolidate the financial results of the Resulting Corporation with itself under GAAP which are proposed by the Class A Member and will cooperate with the Class A Member in implementing any reasonable mechanism which is proposed by the Class A Member.

SECTION 12.4 EQUITY AND VOTING.

(a) Upon formation of the Resulting Corporation, the Members' Membership Interests will be converted into the outstanding shares of separate classes of stock, with an additional class of stock designated as shares to be sold to the public in a Qualified Public Offering. Subject to Section 12.3, the separate classes of stock of the Resulting Corporation will have equivalent rights and designations except for voting. The number of shares of the relevant class to be issued to each Member will be calculated to maintain the relative ownership ratio of the Members immediately preceding the formation of the Resulting Corporation with pro rata dilution for the number of shares to be sold to the public.

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(b) The voting rights will be allocated among the classes (1) to ensure, prior to the Qualified Public Offering, that each Member's rights with respect to its control over certain transactions and certain aspects of the management of the business (including the selection and appointment of Directors) will conform to the control each Member enjoyed over such items (including the selection and appointment of Managers) prior to such merger or other combination, and (2) to preserve, after the Qualified Public Offering, those of the Members' rights which explicitly survive the Qualified Public Offering, including the right to elect a certain number of directors of the Company, which number will be agreed to in good faith by the Members at

the time of formation of the Resulting Corporation.

SECTION 12.5 EFFECT OF OPERATING AGREEMENT.

Upon a Qualified Public Offering, unless otherwise specified therein, the provisions of ARTICLE 6 and ARTICLE 7 will cease to have any effect.

ARTICLE 13 TERMINATION EVENTS, REMEDIES, DISSOLUTION AND WINDING UP

SECTION 13.1 TERM.

(a) The Company will have a *** year term (the "TERM").

(b) Each Member agrees that the Company will expire upon the expiration of the Term, and its assets will then be distributed pursuant ARTICLE 14.

SECTION 13.2 RELATIONSHIP OF CLASS B MEMBER AND CLASS C MEMBER.

For purposes of this ARTICLE 13, a default or breach by, or an insolvency of, the Class B Member or the Class C Member will constitute a default or breach by, or an insolvency of (as applicable) the Member Group comprising the Class B Member and the Class C Member.

SECTION 13.3 EARLY TERMINATION. The Company may be terminated prior to the end of the Term under the following circumstances:

(a) The election of the non-breaching Initial Member Group, upon the occurrence of a Tier I Event;

(b) The election of the non-breaching (or solvent) Member Group, upon the occurrence of a Tier II Event; or

(c) A Tier III Event; provided, however, that for a Tier III Event to occur, the Member Group which believes that one of the events listed in the definition of Tier III Event (except with respect to a Deadlock, which is not subject to this proviso) has occurred and determines that it may wish to exercise the remedies described in Section 13.7, below, will deliver written notice thereof to the other party and engage in good faith discussions for a 30 day period to determine if a reasonable alternative can be agreed to.

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If, at the end of the 30 day period, the Member Groups have not agreed upon a reasonable alternative to such remedies, the Member Group that delivered the notice may proceed to exercise any remedies available to it.

SECTION 13.4 BUY-OUT UPON A TIER I EVENT.

(a) Upon the occurrence of a Tier I Event, the non-breaching Member Group will have the right to cause each Member Group to choose one appraiser, and the two appraisers so chosen will jointly agree on a third appraiser.

(b) The three appraisers will each, within 30 days of their respective appointment, independently calculate the Fair-Market Value of the Company, and of each Member Group's Membership Interest(s). If the breaching Member Group does not appoint an appraiser within 30 days after the appointment of the non-breaching Member Group's appraiser, the non-breaching Member Group's appraiser will determine the Fair Market Value of the Company and of each Member Group's Membership Interest(s) and the purchase and sale procedure described in Section 13.7 below will be based upon such appraiser's determination. If any appraiser presents his or her appraisal as a range of values, the mean of the upper and lower values of such range will constitute such appraiser's "appraisal" for purposes of this ARTICLE 13.

(c) Following such calculation, the non-breaching Member Group will have the right:

(1) to purchase the breaching Member Group's Membership

Interest(s), for a cash price which is * * * of the average of the two closest appraisals of the Fair Market Value of the breaching Member Group's Membership Interest(s), or

(2) to cause the breaching Member Group to purchase the non-breaching Member Group's Membership Interest(s), for a cash price which is * * * of the average of the two closest appraisals of the Fair Market Value of the non-breaching Member Group's Membership Interest(s), or

(3) to terminate the purchase and sale process.

(d) The exercise of the above remedy for a Tier I Event is solely in the discretion of the non-breaching Member Group and the breaching Member Group will not have the right (1) to cause a buy-out or termination of the Company because of a failure of the non-breaching Member Group to cause the determination discussed above to be made, or (2) to initiate a transfer of Membership Interest(s) by either Member Group after such a determination has been made.

SECTION 13.5 BUY-OUT UPON A TIER II EVENT.

(a) Upon the occurrence of a Tier II Event, the non-breaching (and solvent) Member Group may make a written request of the breaching (or insolvent) Member Group directing the breaching (or insolvent) Member Group to calculate a cash price at which it would sell its Membership Interest(s) to the non-breaching (and solvent) Member

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Group. The breaching (or insolvent) Member Group will provide the results of such calculation in a written notice delivered to the non-breaching (and solvent) Member Group within 30 days of the date of the written request.

(b) The non-breaching (and solvent) Member Group will have 30 days from the date of receipt of such notice to notify the breaching (or insolvent) Member Group of (i) its agreement to purchase the breaching (or insolvent) Member Group's Membership Interest(s) for the price indicated in such notice, (ii) if the other Member Group has breached but is solvent, its decision to sell its own Membership Interest(s) to the breaching Member Group, on the terms and conditions for the purchase of the breaching Member Group's Membership Interest(s) specified in the notice received from the breaching Member Group, except that if the Member Groups' Membership Interest(s) are unequal, the price will be adjusted appropriately by the agreement of both Member Groups; provided, however, that if the Member Groups are unable to agree upon an appropriate adjustment, an appraisal of only the Fair Market Value of the premium or discount attributable to the difference in equity ownership levels will be carried out at the election of either Member Group pursuant to the procedure set forth in Section 13.4(b).

(c) The exercise of the above remedy for a Tier II Event is solely in the discretion of the non-breaching (and solvent) Member Group and the breaching (or insolvent) Member Group will not have the right to cause a purchase or sale of any Membership Interest(s) or a termination of the Company because of a failure of the non-breaching (and solvent) Member Group to cause the determination discussed above to be made, or to initiate a purchase and sale of a Membership Interest(s) by either Member Group after such a determination has been made.

SECTION 13.6 BUY-OUT UPON A TIER III EVENT.

(a) Upon the occurrence of a Tier III Event (except for a change in applicable Law requiring a Member Group to dispose of or transfer any equity interest in the Company without respecting the approval rights of the other Member Group provided herein):

(1) Either Member Group may give written notice to the other Member Group of its intent to purchase all, but not less than all, of such other Member Group's Membership Interest(s) for a cash price and on the other terms and conditions specified in its notice (the "OFFERING NOTICE").

(2) Such other Member Group will have 30 days from the date of such notice to notify the offering Member Group of (i) its agreement to sell its Membership Interest(s) to the offering Member Group for a cash price and on the other terms and conditions specified in its notice, or (ii) its desire to purchase the offering Member Group's Membership Interest(s), on the terms and conditions specified in the Offering Notice, except that if the Member Groups' interests are unequal, the price will be adjusted appropriately by the agreement of both Member Groups; provided, however, that if the Member Groups are unable to agree upon an

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appropriate adjustment, an appraisal of only the Fair Market Value of the premium or discount attributable to the difference in equity ownership levels will be carried out at the election of either Member Group pursuant to the procedure set forth in Section 13.4(b). Failure to respond to the offering Member Group's original notice within the 30-day period will be deemed an election to sell.

(b) Upon the occurrence of a Tier III Event caused by a change in applicable Law requiring a Member Group to dispose of or transfer any portion of its Membership Interest(s) without respecting the approval rights of the other Member Group provided herein, the Member Group which is not required to sell its Membership Interest(s) will have a right of first refusal to purchase the interest of the other Member Group in the Company as follows:

(1) If the selling Member Group has received a bona fide third-party offer for the purchase of its Membership Interest(s), the selling Member Group will send a written notice thereof to the other Member Group and the Company, setting forth in reasonable detail the terms and conditions of the offer to purchase the selling Member Group's Membership Interest(s), and the identity of the proposed purchaser. The other Member Group will have the right of first refusal to purchase all, but not less than all, of such selling Member Group's Membership Interest(s) on the same terms and conditions of the offer described in the notice sent by such selling Member Group.

(2) Such right of first refusal will terminate as to such proposed sale unless, within thirty days after the selling Member Group gave its notice, the selling Member Group has received a notice from the other Member Group of its intent to purchase such offered Membership Interest(s). If no such notice is delivered by the other Member Group within such period, the selling Member Group will be free for a period of ninety days thereafter, to consummate the proposed sale to the identified third party or to any other third party, subject to the approval of the identity of such third party by the other Member Group, which approval will not be unreasonably withheld, in each case, on terms and conditions no less favorable to the selling Member Group than those set forth in the aforesaid notice.

SECTION 13.7 BUY/SELL PROCEDURE.

(a) The closing (the "CLOSING") of a purchase and sale transaction under this ARTICLE 13 will be held on the 90th day after the price is determined as set forth for each event described above, the last appraisal is completed and the results thereof are furnished to the Member Groups (the "CLOSING DATE").

(b) At the Closing,

(1) the Member Group selling its Membership Interest(s) (the "SELLER") will deliver to the Member Group purchasing the Seller's Membership Interest(s) (the "BUYER") a duly executed assignment of its Membership Interest(s) and will also, upon the request of the Buyer, concurrently therewith (or at any

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time to time thereafter) execute and deliver such other documents and records as the Buyer determines are reasonably necessary or desirable to conclude the Closing;

(2) the Buyer will deliver to the Seller cash in the full amount of the purchase price (or, in the case of a purchase and sale pursuant to Section 13.4, cash in the amount of at least *** of the amount of the purchase price and an executed note for the remainder of the purchase price due payable in equal quarterly installments of principal with accrued interest, and bearing interest at the rate per annum of *** basis points above the referenced rate of the Bank of America as in effect on the date of such sale, secured by the non-breaching Member Group's Membership Interest(s), along with such other security documents (including without limitation a UCC-1 financing statement), each in a form reasonably acceptable to the other Member Group); and

(3) if the Seller's Membership Interest(s) is subject to any Encumbrance, the same will constitute a default and the Buyer may elect (i) to cause the purchase price (or a portion thereof) to be applied to discharge such Encumbrance, (ii) to take the Seller's Membership Interest(s) subject to such lien, claim or Encumbrance and to reduce the purchase price otherwise payable to the Seller by the amount of such Encumbrance, or (iii) to terminate the purchase and sale proceedings under this Section 13.7 because of the existence of such Encumbrance and in such event pursue any and all remedies available at Law and equity.

(c) Notwithstanding anything in this Agreement to the contrary, the Buyer will be entitled to designate any Affiliate or third party to be the transferee of all or any portion of the Seller's Membership Interest(s), or to obtain financing from any third party with respect to such purchase, provided that, except in the case of a purchase and sale pursuant to Section 13.4, the foregoing will not delay the Closing of any sale and purchase transaction contemplated by this Article. The reasonable costs of the Closing will be divided equally between the Buyer and the Seller (except in the case of a purchase and sale pursuant to Section 13.4, in which case the full reasonable costs of the Closing will be paid by Seller), provided that each of Buyer and Seller will bear its own attorneys' fees and costs.

ARTICLE 14
DISSOLUTION

SECTION 14.1 EVENTS OF DISSOLUTION. The Company will be dissolved, its assets will be disposed of, and its affairs wound up upon the first to occur of the following:

- (a) the expiration of the Term of this Agreement;
- (b) the entry of a decree of judicial dissolution pursuant to the Act;
- (c) the unanimous decision of the Management Committee;

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(d) the sale of all or substantially all of the assets of the Company; and

(e) an election by the Management Committee to dissolve pursuant to Exhibit E-2.

SECTION 14.2 CERTIFICATE OF DISSOLUTION. As soon as possible following the occurrence of any of the events specified in Section 14.1, the Management Committee will cause to be executed, or if the event causing dissolution is that specified in Section 14.1(b), the Member overseeing the winding up of the Company's affairs pursuant to Section 14.3 will execute a Certificate of Dissolution in such form as will be prescribed by the Delaware Secretary of State and file the Certificate as required by the Act.

SECTION 14.3 WINDING UP. Upon the occurrence of any event specified in ARTICLE 14, the Company will continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors. The Management Committee will be responsible for overseeing the winding up and liquidation of the Company, will take full account of the liabilities of the Company and its assets, will either cause its assets to be sold or distributed, and if sold as promptly as is consistent with obtaining the Fair Market Value thereof, will cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed as provided in Section 14.4. The Person(s) winding up the affairs of the Company will give written notice of the commencement of winding up by mail to all known creditors and claimants whose addresses appear on the records of the Company. The Person(s) winding up the affairs of the Company will be entitled to reasonable compensation for such services.

SECTION 14.4 PAYMENT OF LIABILITIES AND LIQUIDATING DISTRIBUTIONS UPON DISSOLUTION. After determining that all known debts and liabilities of the Company in the process of winding up, including, without limitation, debts and liabilities to Members who are creditors of the Company, have been paid or adequately provided for, the remaining assets will be distributed to the Members in accordance with Section 14.5.

SECTION 14.5 DISTRIBUTION OF ASSETS TO MEMBERS. The remaining assets of the Company will be divided among the Members in accordance with Exhibit D; provided, however, that each Member will have the right to direct that the aggregate dollar value of the Company's assets to which it is entitled be first directed to the distribution to such Member of the assets which constituted part of its Initial Contributions, up to the aggregate dollar value of the Company's assets to which it is entitled.

SECTION 14.6 COOPERATION AT END OF TERM. In conjunction with the expiration of the Term of the Company, the Members will continue to cooperate with each other in all matters related to the winding-up or the dissolution of the Company, and to provide all assistance reasonably requested by any other Member.

SECTION 14.7 DEFENSE. Following any expiration or termination of the Company, the Members will continue to cooperate with each other in all matters related to the defense of all rights and property (including intellectual property) in which the Company holds or held an interest.

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SECTION 14.8 CERTIFICATE OF CANCELLATION. The Person(s) who filed the Certificate of Dissolution will cause to be filed in the office of, and on a form prescribed by, the Delaware Secretary of State, a certificate of cancellation of the Certificate of Formation upon the completion of the winding up of the affairs of the Company.

ARTICLE 15 REPRESENTATIONS, WARRANTIES, AND COVENANTS

SECTION 15.1 INITIAL CLASS A MEMBER. The Initial Class A Member represents and warrants as follows:

(a) it is a corporation organized and in good standing under the Laws of the state of Delaware, and is duly qualified to do business in any jurisdiction in which such qualification is required other than any jurisdiction in which a failure to qualify by the Initial Class A Member would not be expected to have a material adverse effect on the

Initial Class A Member's ability to perform its obligations under this Agreement and the Transaction Documents to which it is a party and consummate the transactions contemplated hereby and thereby;

(b) it has full corporate power and authority to execute, deliver and perform this Agreement and the Transaction Documents to which it is a party;

(c) the execution, delivery and performance of this Agreement (including, without limitation, the making of its Initial Contributions) and the Transaction Documents to which it is a party by the Initial Class A Member has been duly authorized by all necessary corporate action;

(d) this Agreement and each of the Transaction Documents to which it is a party has been (or, when delivered, will be) duly executed and delivered and constitute (or, when delivered, constitute) the legally valid and binding obligations of the Initial Class A Member, enforceable against the Initial Class A Member in accordance with their respective terms; and

(e) the execution, delivery and performance of this Agreement (including, without limitation, when required hereunder, the making of its Initial Contributions) and the Transaction Documents to which it is a party by the Initial Class A Member, and the consummation of the transactions contemplated hereby and thereby do not conflict with (or, when delivered, will not conflict with) in any material way or result in a breach, acceleration, or default under:

(1) the certificate of incorporation or bylaws of the Initial Class A Member, or

(2) any contract or agreement (or any provision thereof) to which the Initial Class A Member is a party, except for contracts and agreements, the violation of which would not be expected to have a material adverse effect on the Initial Class A Member's ability to perform its obligations under this Agreement and the

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Transaction Documents to which it is a party and consummate the transactions contemplated hereby and thereby, or

(3) any material Law to which such Initial Member or any of its properties are subject.

SECTION 15.2 INITIAL CLASS B MEMBER AND INITIAL CLASS C MEMBER. The Initial Class B Member with respect to itself, and jointly and severally with the Initial Class C Member with respect to the Initial Class C Member, represent, warrant, and covenant as follows:

(a) the Initial Class B Member is a limited liability partnership organized and in good standing under the Laws of the State of Delaware, the Initial Class C Member is a corporation organized and in good standing under the Laws of the State of California, and each of them is duly qualified to do business in any jurisdiction in which such qualification is required other than any jurisdiction in which a failure to qualify by the Initial Class B Member or Initial Class C Member would not be expected to have a material adverse effect on either such Initial Member's ability to perform its obligations under this Agreement and the Transaction Documents to which it is a party or consummate the transactions contemplated hereby and thereby;

(b) each of the Initial Class B Member and the Initial Class C Member has full power and authority to execute, deliver and perform this Agreement and the Transaction Documents to which it is a party;

(c) the execution, delivery and performance of this Agreement (including, without limitation, the making of its respective Initial Contributions) and the Transaction Documents to which it is a party by each of the Initial Class B Member and the Initial Class C Member and has been duly authorized by all necessary action on the part of such Initial Member;

(d) this Agreement and each of the Transaction Documents to which it is a party has been (or, when delivered, will be) duly executed and delivered and constitutes (or, when delivered, will constitute) the legally valid and binding obligations of the Initial Class B Member and the Initial Class C Member, enforceable against each of the Initial Class B Member and the Initial Class C Member in accordance with their respective terms;

(e) the execution, delivery and performance of this Agreement (including, without limitation, when required hereunder, the making of its respective Initial Contributions) and the Transaction Documents to which it is a party by each of the Initial Class B Member and the Initial Class C Member, and the consummation of the transactions contemplated hereby and thereby do not conflict with (or, when delivered, will not conflict with) in any material way or result in a breach, acceleration, or default under:

(1) the limited liability partnership agreement, certificate of limited partnership, or other charter documents of the Initial Class B Member,

(2) the articles of incorporation or bylaws of the Initial Class C Member,

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(3) any contract or agreement (or any provision thereof) to which the Initial Class B Member or the Initial Class C Member is a party, except for contracts and agreements, the violation of which would not be expected to have a material adverse effect on the Initial Class B Member's or the Initial Class C Member's ability to perform its respective obligations under this Agreement and consummate the transactions contemplated hereby and thereby, or

(4) any material Law to which such Initial Members or any of their respective properties are subject;

(f) the execution, delivery and performance of this Agreement (including, without limitation, when required hereunder, the making of its respective Initial Contributions) and the Transaction documents to which it is a party by each of the Initial Class B Member and the Initial Class C Member and the consummation of the transactions contemplated hereby do not (or, when delivered, will not) conflict with any Laws, regulations, or Orders that are applicable to the Initial Class B Member or the Initial Class C Member or to the assets which constitute either such Initial Member's Initial Contributions, except for Laws, regulations, or Orders, the violation of which would not be expected to have a material adverse effect on the Initial Class B Member's or the Initial Class C Member's ability to perform its respective obligations under this Agreement or the Transaction Documents to which it is a party and consummate the transactions contemplated hereby and thereby;

(g) the Initial Class B Member is the sole legal and beneficial owner of all voting securities of the Initial Class C Member;

(h) to the best knowledge of each of the Initial Class B Member and the Initial Class C Member, its respective Initial Contributions and its respective loan of certain employees pursuant to each such Initial Member's Employee Loan-Out Agreement represent all of its respective assets that are necessary to engage in or that are directly related to the Business;

(i) all of the outstanding equity securities and other securities of the Initial Class C Member are owned of record and beneficially by the Initial Class B Member (except for shares of common stock which do not enable the holders thereof to cast votes on any matters placed before the shareholders), free and clear of all Encumbrances; all of the outstanding equity securities of the Initial Class C Member have been duly authorized and validly issued and are fully paid and nonassessable; and there are no agreements, contracts,

obligations, promises or undertakings that are legally binding relating to the issuance, sale or transfer of any equity securities or other securities of the Initial Class C Member (except for agreements or contracts with the Initial Class B Member);

(j) on or after the date hereof, the Class C Member will not issue any securities (whether classified as equity or debt securities);

(k) each of the contracts and agreements listed on Exhibit A-2, or Exhibit A-3, as applicable, is in full force and effect and no default, event of default, or similar event

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has occurred and is continuing, or could reasonably be expected to occur as a result of the assignment to the Company on the date set forth for such assignment herein or on any Exhibit hereto of any such contract or agreement; and

(l) all computer software listed on Exhibit A-2 or Exhibit A-3, as applicable, as part of the Initial Class B Member's or the Initial Class C Member's Initial Contributions which is proprietary to such Initial Member and is licensed to the Company by such Initial Member does and will (i) handle date information before, during and after January 1, 2000, including, but not limited to, accepting date input, providing date output, and performing calculations on dates or portions of dates; (ii) function accurately and without interruption before, during, and after January 1, 2000, without any change in operations associated with the advent of the new century, (iii) respond to two-digit year-date input in a way that resolves ambiguity as to century in a disclosed, defined and predetermined manner, and (iv) store and provide output of date information in ways that are unambiguous as to century.

SECTION 15.3 EACH INITIAL MEMBER. Each Initial Member represents and warrants with respect to itself as follows (provided, that representations and warranties with respect to the Initial Class C Member are made jointly and severally by the Initial Class B Member and the Initial Class C Member):

(a) no action, proceeding, or investigation is pending or, to the knowledge of such Initial Member threatened against such Initial Member, in any court, government department, commission, board, agency, or instrumentality relating to this Agreement or any Transaction Document to which it is a party, any of the assets constituting its Initial Contributions, or the transactions contemplated hereby and thereby. Further, such Initial Member is not aware of any basis for any action, proceeding, or investigation that would in any manner affect such Initial Member's ability to transfer or assign the assets and licenses constituting its Initial Contributions to the Company free and clear of any Encumbrances other than mechanics, materialmen's and similar liens, liens for taxes not yet due and payable and liens securing rental payments under capital lease arrangements to be assigned hereunder;

(b) such Initial Member has good and marketable title to each of the assets and licenses and other agreements and contracts constituting its Initial Contributions, free and clear of all Encumbrances other than mechanics, materialmen's and similar liens, liens for taxes not yet due and payable and liens securing rental payments under capital lease arrangements to be assigned hereunder except (i) for obligations accruing under contributed contracts and licenses after the date hereof, and (ii) as indicated on Exhibit A-1, Exhibit A-2 or Exhibit A-3, as applicable;

(c) such Initial Member is not a party to, and no other Person is a party to, any written or oral contract with any labor union or other collective bargaining entity relating to the employment of any of the of the individuals listed on Exhibit B-1, Exhibit B-2 or Exhibit B-3, as applicable, and none of such individuals is represented by a labor union or other collective bargaining entity for purposes of collective bargaining;

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(d) such Initial Member is not a party to, and no other Person is a party to, any written or oral contract relating to the employment of any of the individuals listed on Exhibit B-1, Exhibit B-2 or Exhibit B-3 (except for agreements substantially in the form of those attached as Schedule 15.3), and no Member will enter into any written or oral contract with any such individual respecting such individual's employment during the Term without the written consent of the Management Committee;

(e) no Member will take, or omit to take any action, the effect of which would impair the Company's access to the services of the individuals listed on Exhibit B-1, Exhibit B-2 or Exhibit B-3;

(f) there are no authorization, consents, Orders, permits, licenses, or approvals of, or declarations, registrations or filings with, any governmental or regulatory authority or any other person required by such Initial Member or the Company in connection with the valid execution, delivery or performance by such Initial Member of this Agreement or the Transaction Documents to which it is a party or the consummation of the transactions consummated hereby and thereby, except where the failure to obtain or make any of the foregoing would not have a Material Adverse Effect on the Company or on any Member's ability to perform its obligation hereunder and thereunder; and

(g) there are no pending or, to the knowledge of such Initial Member, threatened claims against such Initial Member or any other Person alleging that any of the assets, software, processes, Templates, or other intellectual property listed on Exhibit A-2 or Exhibit A-3, as applicable, as part of such Initial Member's Initial Contributions infringe or conflict with the rights of others, including rights under patents, trademarks, copyrights, tradenames, service marks, licenses and rights with respect to the foregoing necessary for the operation of the business as now conducted, and the use of such assets, software, processes, Templates, or other intellectual property will not infringe the rights of any third Person.

SECTION 15.4 EMPLOYEES.

(a) The Initial Class B Member represents and warrants as follows:

(1) Except as provided in the Employee Loan-Out Agreement entered into in accordance with Section 2.3(b), the Company will not be subject to any obligations or liabilities, whether imposed by contract, applicable Law or otherwise, with respect to any Employee Plan or Benefit Arrangement covering any employee listed on Exhibit B-2 or Exhibit B-3 or with respect to the compensation or pay of such employee for any period before the employee is transferred to the Company.

(2) No employee listed on Exhibit B-2 or Exhibit B-3 will be entitled to any severance or similar benefit solely as a result of the transactions contemplated by this Agreement or the Transaction Documents or by the termination of his or her employment with the Class B Member.

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(b) No provision of this Section 15.4 shall create any third-party beneficiary rights in any employee of any Member or of the Company (including any beneficiary or dependent thereof).

ARTICLE 16 DISPUTE RESOLUTION

SECTION 16.1 DISPUTE RESOLUTION PROCESS. Any dispute arising out of or relating to this Agreement will be resolved in accordance with the procedures specified in this Section 16.1, which will be the sole and exclusive procedures for the resolution of any such disputes, except for (x) the right to proceed against a defaulting Member at law or in equity pursuant to Section 13.7(b)(3). The Members intend that these provisions will be valid, binding, enforceable and irrevocable. This Section 16.1 will survive any termination of this Agreement.

(a) The Members will promptly notify each other in writing of any dispute arising out of or relating to this Agreement. The Members will attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between executives who have authority to settle the controversy. All reasonable requests for information made by one Member to the other will be honored. All negotiations pursuant to this clause are confidential and will be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

(b) If any such dispute remains unresolved within 30 days of original notice thereof, the Members will endeavor to resolve any dispute arising out of or relating to this agreement by mediation under the CPR Mediation Procedure for Business Disputes. Unless the Members agree otherwise, the mediator will be selected from the CPR Panel of Neutrals with notification to the CPR Institute for Dispute Resolution.

(c) Any controversy or claim arising out of or relating to this contract or the breach, termination or validity thereof, which remains unresolved 45 days after appointment of a mediator (except for the failure of the Managers appointed by a Member to consent to a Unanimous Consent Item approved by each of the Managers appointed by the other Member, which, if such dispute remains unresolved 45 days after the appointment of a mediator, will allow either the Class A Member or the Class B Member to declare a Deadlock if the other conditions contained in the definition thereof are met), will be settled by arbitration by the majority decision of at least two members of a three-member arbitration tribunal in accordance with the CPR Non-Administered Arbitration Rules; provided, however, that if any Member will not participate in a non-binding procedure described above, the other may initiate binding arbitration before expiration of the above period. The Class A Member and the Class B Member will each choose one arbitrator from the CPR Panels of Distinguished Neutrals, and the two arbitrators so chosen will choose the third arbitrator. The arbitration will be governed by the United States Arbitration Act, 9 U.S.C. Section 1-16, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The place of arbitration will be Denver, Colorado.

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(d) Except as expressly provided below, the arbitrator is not empowered to award damages in excess of compensatory damages and each Member hereby irrevocably waives any right to recover such damages with respect to any dispute resolved by arbitration. The arbitrator will have the authority to include, as an item of damages, the reasonable costs of arbitration, including legal fees and expenses, incurred by the prevailing Member and to apportion such costs among the Members on a claim by claim basis as such Member prevails thereon. For purposes of the foregoing, the "prevailing Member" will mean the Member whose final settlement offer (or other position or monetary claim) prior to the start of arbitration is closest to the judgment awarded by the arbitrator, regardless of whether such judgment is entered into in favor of or against such Member.

(e) The statute of limitations of the State of Colorado applicable to the commencement of a lawsuit will apply to the commencement of an arbitration hereunder, except that no defenses will be available based upon the passage of time during any negotiation or mediation called for by the preceding paragraphs of this Section.

(f) All negotiations pursuant to this Section 16.1 are confidential and will be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

(g) Each Member agrees that service by registered or certified mail, return receipt requested, delivered to such Member at the notice

address provided herein, will be deemed in every respect effective service of process upon such person for all purposes of these provisions relating to mediation and arbitration. Each Member irrevocably submits to the jurisdiction of the courts of the State of Colorado and to any federal court located within such state for the purpose of any action or judgment with respect to this Agreement, regardless of where any alleged breach or other action, omission, fact or occurrence giving rise thereto occurred. Each Member hereby irrevocably waives any claim that any action or proceeding brought in Colorado has been brought in any inconvenient forum.

(h) The Members will negotiate in good faith and agree on such further or modified arbitration provisions as are reasonably necessary for awards and other judgments resulting from the provisions set forth above to be recognized and enforceable in other jurisdictions.

SECTION 16.2 DISPUTE RESOLUTION SCOPE. Actions within the scope of the Management Committee's authority taken in accordance with the procedures required by this Agreement that are not Unanimous Consent Items will not be subject to the dispute resolution procedure set forth in Section 16.1, above, notwithstanding any Member's objection to such actions. However, the determination of whether an action was taken in accordance with the required procedures or was properly classified as a Unanimous Consent Item for which the required vote was not obtained is subject to the dispute resolution procedure set forth in Section 16.1, above.

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ARTICLE 17 MEMBER MEETINGS

SECTION 17.1 MEMBERS' MEETINGS.

(a) DATE, TIME AND PLACE OF MEETINGS OF MEMBERS; SECRETARY.

Meetings of Members may be held at such date, time and place within or without the State of Delaware as the Management Committee may fix from time to time. No annual or regular meetings of Members is required. At any Members' meeting, the Management Committee will appoint a person to preside at the meeting and a person to act as secretary of the meeting. The secretary of the meeting will prepare minutes of the meeting, which will be placed in the minute books of the Company.

(b) POWER TO CALL MEETINGS. Unless otherwise prescribed by the Act or by the Certificate of Formation, meetings of the Members may be called upon written demand of Members holding more than twenty percent (20%) of the Percentage Interest of the Membership Interests of the Company for the purpose of addressing any matters on which the Members may vote.

(c) NOTICE OF MEETINGS.

(1) Upon written request to the Management Committee by any Person entitled to call a meeting of Members, the Management Committee will cause written notice to be given to the Members entitled to vote that a meeting will be held at a time requested by the Person calling the meeting, not less than ten days nor more than sixty days after the receipt of such request. If the notice is not given within twenty days after the receipt of the request, the Person entitled to call the meeting may give the notice.

(2) Written notice of a meeting of Members will be sent or otherwise given to each Member in accordance with Section 17.1(d) not less than ten nor more than sixty days before the date of such meeting. Such notice will specify the place, date and time of the meeting and the general nature of the business to be transacted. No other business may be transacted at this meeting unless all Members agree to transact such other business.

(d) MANNER OF GIVING NOTICE; AFFIDAVIT OF NOTICE.

(1) Notice of any meeting of Members will be given either personally, by nationally-recognized overnight courier, by a confirmed facsimile, or by certified mail, addressed to each

Member at the address or facsimile number of such Member appearing on the books of the Company or given by such Member to the Company for the purpose of notice. If no such address appears on the Company's books or is given, notice will be deemed to have been given if addressed to such Member and sent to the Company's principal executive office, or if published at least once in a newspaper of general circulation in the county where that office is

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located. Notice will be deemed to have been given at the time when delivered personally, entrusted to a courier, transmitted, or deposited in the mail.

(2) If any notice addressed to a Member at the address of such Member appearing on the books of the Company is returned to the Company by a nationally-recognized overnight courier, or by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the Member at that address, all future notices or reports will be deemed to have been duly given without further mailing if these are available to the Member on written demand of the Member at the principal executive office of the Company for a period of one year from the date of the giving of the notice. An affidavit of the mailing or other means of giving any notice of any meeting will be executed by the Management Committee or any secretary, assistant secretary, or any transfer agent of the Company giving the notice, and will be filed and maintained in the minute book of the Company.

(e) VALIDITY OF ACTION. Any action approved at a meeting, other than by unanimous approval of those entitled to vote, will be valid only if the general nature of the proposal so approved was stated in the notice of meeting or in any written waiver of notice.

(f) QUORUM. The presence in person or by proxy of a Majority in Interest will constitute a quorum at a meeting of Members. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the loss of a quorum, if any action taken after loss of a quorum (other than adjournment) is approved by at least a Majority in Interest of the Members entitled to vote thereon.

(g) ADJOURNED MEETING. Any Members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the Membership Interests represented at that meeting, either in person or by proxy, but in the absence of a quorum, no other business may be transacted at that meeting, except as provided in Section 17.1(f). When any meeting of Members is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place are announced at a meeting at which the adjournment is taken, unless a new record date for the adjourned meeting is subsequently fixed, or unless the adjournment is for more than forty-five days from the date set for the original meeting, in which case the Management Committee will set a new record date. At any adjourned meeting the Company may transact any business that might have been transacted at the original meeting.

(h) WAIVER OF NOTICE OR CONSENT.

(1) The actions taken at any meeting of Members, however called and noticed and wherever held, have the same validity as if taken at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the Members entitled to vote who was not present in person or by proxy, signs a written waiver of notice or consents to

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the holding of the meeting or approves the minutes of the meeting. All such waivers, consents or approvals will be filed with the Company records or made a part of the minutes of the meeting.

(2) Attendance of a person at a meeting will constitute a waiver of notice of that meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting if that objection is expressly made at the meeting. Neither the business to be transacted nor the purpose of any meeting of Members need be specified in any written waiver of notice except as provided in Section 17.1(e).

(i) ACTION BY WRITTEN CONSENT WITHOUT A MEETING.

(1) Any action that may be taken at a meeting of Members may be taken without a meeting, if a consent in writing setting forth the action so taken, is signed and delivered to the Company within sixty days of the record date for that action by Members having not less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all Members entitled to vote on that action at a meeting were present and voted. All such consents will be filed with the Management Committee or the secretary, if any, of the Company and will be maintained in the Company records. Any Member giving a written consent, or the Member's proxy holders, may revoke the consent by a writing received by the Management Committee or secretary, if any, of the Company before written consents of the number of votes required to authorize the proposed action have been filed.

(2) Unless the consents of all Members entitled to vote have been solicited in writing, (i) notice of any Member approval of an amendment to the Certificate of Formation or this Agreement, a dissolution of the Company, or a merger of the Company, without a meeting by less than unanimous written consent, will be given at least ten days before the consummation of the action authorized by such approval, and (ii) prompt notice will be given of the taking of any other action approved by Members without a meeting by less than unanimous written consent, to those Members entitled to vote who have not consented in writing.

(j) TELEPHONIC PARTICIPATION BY MEMBER AT MEETINGS. Members may participate in any Members' meeting through the use of any means of conference telephones or similar communications equipment as long as all Members participating can hear one another. A Member so participating is deemed to be present in person at the meeting.

(k) RECORD DATE.

(1) To enable the Company to determine the Members of record entitled to notices of any meeting or to vote, or entitled to receive any distribution or to exercise any rights in respect of any distribution or to exercise any rights in respect of any other

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lawful action, the Management Committee may fix, in advance, a record date that is not more than sixty days nor less than ten days prior to the date of the meeting and not more than sixty days prior to any other action.

(2) If no record date is fixed, the record date for

determining Members entitled to notice of or to vote at a meeting of Members will be at the close of business on the Business Day next preceding the day on which notice is given or, if notice is waived, at the close of business on the Business Day next preceding the day on which the meeting is held. The record date for determining Members entitled to give consent to Company action in writing without a meeting will be the day on which the first written consent is given. The record date for determining Members for any other purpose will be at the close of business on the day on which the Managers adopt the resolution relating thereto, or the 60th day prior to the date of the other action, whichever is later.

(3) The determination of Members of record entitled to notice of or to vote at a meeting of Members will apply to any adjournment of the meeting unless the Members who called the meeting fix a new record date for the adjourned meeting, but the Members who called the meeting will fix a new record date if the meeting is adjourned for more than forty-five days from the date set for the original meeting.

(1) PROXIES. Every Member entitled to vote on any matter will have the right to do so either in person or by one or more agents authorized by a written proxy signed by the Member and filed with the Management Committee or the secretary, if any, of the Company. A proxy will be deemed signed if the Member's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, electronic transmission or otherwise) by the Member or the Member's attorney in fact. A proxy may be transmitted by an oral telephonic transmission if it is submitted with information from which it may be determined that the proxy was authorized by the Member or the Member's attorney in fact. A validly executed proxy that does not state that it is irrevocable will continue in full force and effect unless (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the Company stating that the proxy is revoked, or by a subsequent proxy executed by, or attendance at the meeting and voting in person by, the person executing the proxy; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the Company before the vote pursuant to that proxy is counted; provided, however, that no proxy will be valid after the expiration of eleven months from the date of the proxy, unless otherwise provided in the proxy.

ARTICLE 18 ACCOUNTING, RECORDS, REPORTING BY MEMBERS

SECTION 18.1 DEPOSITS. All funds of the Company will be deposited from time to time to the credit of the Company in such banks or other depositories as the Management Committee may select.

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SECTION 18.2 CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Company will be signed by an officer or officers authorized to do so under Section 5.4(d).

SECTION 18.3 ACCOUNTS. The Management Committee will maintain or cause to be maintained books and records of account relating to the assets and income of the Company and the payment of expenses of, and liabilities or claims against or assumed by, the Company in such detail and for such period of time as may be necessary to enable it to make full and proper accounting in respect thereof and to comply with applicable provisions of law.

SECTION 18.4 ACCOUNTING. The Company will use the accrual method of accounting in preparing its books and records of account and for tax purposes. All books and records of account of the Company will be maintained and reported based upon generally accepted accounting principles.

SECTION 18.5 BOOKS AND RECORDS. The books and records of the Company will reflect all the Company transactions and will be appropriate and adequate for the Company's business. The Company will maintain the Company's books and records at its principal office.

SECTION 18.6 RIGHT OF INSPECTION. A Member will have the right to examine, at any reasonable time for any purpose, the minutes and records of the Management Committee and/or the Management Committee and the books and records of account of the Company, and to make copies thereof. Upon the written request of any Member of the Company, the Company will cause to be mailed to such Member the most recent financial statements of the Company, showing in reasonable detail its assets and liabilities and the results of its operations. Such inspection may be made by any agent or duly appointed attorney of the Member making such request.

SECTION 18.7 REPORTS. Beginning with the third fiscal quarter of the 1999 Fiscal Year, within 45 days after the end of each Fiscal Year and within 20 days after the end of each of the first 3 fiscal quarters of each Fiscal Year, the Chief Financial Officer will cause each Member and each Manager to be furnished with a copy of the balance sheet of the Company as of the last day of the applicable period, a statement of income or loss for the Company for such period and a statement of the Company's Cash Flow for such period. Annual statements furnished pursuant to the preceding sentence will also include a statement of the Members' Capital Accounts and changes therein for such Fiscal Year.

ARTICLE 19
MISCELLANEOUS

SECTION 19.1 COMPLETE AGREEMENT. This Agreement and the Certificate of Formation constitute the complete and exclusive statement of agreement among the Members with respect to the subject matter herein and therein and replace and supersede all prior written and oral agreements or statements by and among the Members or any of them. No representation, statement, condition or warranty not contained in this Agreement or the Certificate of Formation will be binding on the Members or have any force or effect whatsoever. To the extent that any

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provision of the Certificate of Formation conflicts with any provision of this Agreement, the Certificate of Formation will control.

SECTION 19.2 PRONOUNS; STATUTORY REFERENCES. Unless the context otherwise requires: (a) a term has the meaning assigned to it; (b) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP; (c) "or" is not exclusive; (d) words in the singular include the plural, and words in the plural include the singular; (e) "amended," with reference to a law, statute, rule or regulation, is deemed to be followed by "from time to time"; (f) "herein," "hereof" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, subsection, paragraph, clause, or other subdivision; (g) all references to "Appendix," "clause," "Exhibits," "Section," "subsection," "paragraph" or "Article" refer to the particular Appendices, clauses, Exhibits, Sections, subsections, paragraphs or Articles in or attached to this Agreement; (h) "desirable" includes "necessary," "advisable" and "appropriate"; and (i) "including" or "includes," when following any general provision, sentence, clause, statement, term or matter, will be deemed to be followed by ", but not limited to," and ",but is not limited to," respectively.

SECTION 19.3 REFERENCES TO THIS AGREEMENT. Numbered articles and sections herein contained refer to articles and sections of this Agreement unless otherwise expressly stated. All Article, Section, subsection or paragraph titles or other captions in this Agreement are for convenience only, are not part of this Agreement and in no way define, limit, extend or describe the scope or intent of any of its provisions.

SECTION 19.4 GOVERNING LAW. This Agreement will be governed by, construed under and interpreted in accordance with the internal Laws of the State of Delaware without regard to its conflicts of laws principles.

SECTION 19.5 JURISDICTION. Each Member hereby consents to the exclusive jurisdiction of the state and federal courts sitting in Colorado in any action on a claim arising out of, under or in connection with this Agreement or the transactions contemplated by this Agreement. Each Member further agrees that personal jurisdiction over him may be effected by service of process by registered or certified mail addressed as provided in Section 15.11 of this Agreement, and that when so made will be as if served upon him personally within the State of Colorado.

SECTION 19.6 SUCCESSORS AND ASSIGNMENTS. This Agreement will bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No assignment of the Agreement by any Member will relieve the assigning Member of its liability hereunder absent the written consent of each other Members.

SECTION 19.7 AMENDMENTS. All amendments to this Agreement will be in writing and signed by all of the Members.

SECTION 19.8 EXHIBITS. All Exhibits attached to this Agreement are incorporated and will be treated as if set forth herein.

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SECTION 19.9 SEVERABILITY. If any provision of this Agreement or the application of such provision to any person or circumstance will be held invalid, the remainder of this Agreement will not be affected thereby so long as such remainder continues to have the economic effect intended by this Agreement.

SECTION 19.10 ADDITIONAL DOCUMENTS AND ACTS. Each Member agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions, and conditions of this Agreement and the transactions contemplated hereby.

SECTION 19.11 NOTICES. All notices or elections required or permitted hereunder will be in writing and will be delivered in person by telecopy, telex or equivalent form of written telecommunication, or sent by certified or registered mail, return receipt requested, postage prepaid, to the address set forth by each Member on Exhibit C hereto or such other party and/or address as any of such parties may designate in a written notice served upon the other parties in the manner provided for herein. All notices required or permitted hereunder will be deemed duly given and received on the date of delivery, if delivered in person or by telex, telecopy or other written telecommunications or on the seventh day next succeeding the date of mailing if sent by certified or registered mail.

SECTION 19.12 MULTIPLE COUNTERPARTS. This Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument.

SECTION 19.13 COMMUNICATIONS. Any press release or similar communication intended for dissemination to the public concerning the formation and/or operation of the Company will be approved in advance by both Initial Members. Thereafter, the Management Committee (or any officer of the Company to whom it delegates this responsibility) will make all decisions regarding the Company's public announcements. However, if a Member notifies the Management Committee that it is restricted in making public announcements, the Management Committee will (or will instruct the relevant officers to) obtain such Member's prior consent to a public announcement unless the Company is legally required to release the relevant information.

SECTION 19.14 EQUITABLE RELIEF. Each Member acknowledges that any material breach of this Agreement by any Member will result in irreparable harm to the other Members for which there is no adequate remedy at law. In such event, any non-breaching Member is entitled to preliminary or temporary equitable relief in an appropriate court of law, pending a final determination in accordance with ARTICLE 16, without the necessity of posting bond unless otherwise required by applicable law.

SECTION 19.15 CONFIDENTIALITY. Each Member and, from and after the Formation Date, the Company, will safeguard and protect all confidential information of each Member or the Company which is made available or accessible to it, and will cause such information to be treated in a manner no less favorable to the provider of the confidential information than the manner such Member would accord to its own confidential or proprietary material. In addition, no Member will allow confidential material of another Member or of the Company to be published or released

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to any third person without the written permission of the Member who provided such confidential information or (in the case of the Company) of the Management Committee.

SECTION 19.16 COSTS. Each Member and, from and after the Formation Date, the Company, will be solely responsible for and bear all of its respective expenses, including, without limitation, expenses of lenders, legal counsel, investment bankers, consultants, accountants and other advisors, incurred at any time in connection with the transactions contemplated by this Agreement.

SECTION 19.17 DISCRETION. If in this Agreement a Person is permitted or required to make a decision or determination: (a) in its "discretion" or "sole discretion" or under a grant of similar authority or latitude, the Person will be entitled to consider any interests and factors as its desires, including its own interests; (b) in its "good faith," in a "commercially reasonable" manner, using "reasonable best efforts," or under another express standard, the Person will act under that express standard and will not be subject to any other or different standards imposed by this Agreement or otherwise; or (c) and no standard is expressed, the Person will apply relevant provisions of this Agreement in making the decision or determination.

SECTION 19.18 INTERPRETATION. If any claim is made by a party relating to any conflict, omission or ambiguity in the provisions of this Agreement, no presumption or burden of proof or persuasion will be implied because this Agreement was prepared by or at the request of any Member or its counsel. The Members waive any statute or rule of law to the contrary.

SECTION 19.19 FURTHER ASSURANCES. Each Member agrees to execute and deliver (at its own expense) to the other such reasonable and appropriate additional documents, instruments or agreements as may be necessary or appropriate, and to take (at its own expense) all actions reasonably necessary, to effectuate the purposes of this Agreement.

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IN WITNESS WHEREOF, the Initial Members of Qwest Cyber.Solutions LLC, a Delaware limited liability company, have executed this Agreement, effective as of the date first written above.

QWEST COMMUNICATIONS INTERNATIONAL INC.

By: /s/ Lewis O. Wilks

Name: Lewis O. Wilks
Title: President, Internet and Multimedia Markets

KPMG LLP

By: /s/ Roderick C. McGeary

Name: Roderick C. McGeary
Title: Vice Chairman

SOFTLINE CONSULTANTS & INTEGRATORS, INC.

By: /s/ Paul Ciandrini

Name: Paul Ciandrini
Title: Partner

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EXHIBIT A-1

CAPITAL CONTRIBUTIONS OF INITIAL CLASS A MEMBER AND
OBLIGATIONS ASSUMED BY THE COMPANY

Capital Contributions

Cash: * * * million on First Closing Date; * * * million on or before the 90th day after the First Closing Date; * * * million on or before the 180th day after the First Closing Date

Other tangible and intangible personal property contributed to the Company, including a non-exclusive royalty-free license for certain know-how, trade secrets and non-patented technical information and intellectual property with respect to optical server integration, high-speed optical interconnecting capabilities, hosting center operational capabilities and web interface applications

Other Obligations Assumed by the Company

All fees (including without limitation service fees) or other payments which are payable pursuant to * * *.

Exhibit A-1-1

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EXHIBIT A-2

CAPITAL CONTRIBUTIONS OF INITIAL CLASS B MEMBER AND
OBLIGATIONS ASSUMED BY THE COMPANY

Capital Contributions

Operating Assets of KPMG LLP's Applications Outsourcing Business

- |X| Client engagements and contracts--Exhibit A-2(a)
- |X| Fixed assets--Exhibit A-2(b)
- |X| Applications Outsourcing prospective clients--Exhibit A-2(c)
- |X| All preconfigured templates and associated technology and intellectual property for use with * * *software applications--Exhibit A-2(d)

Other tangible and intangible personal property contributed to the Company, including royalty-free licenses to certain trademarks and tradenames, services pursuant to other arrangements between the Initial Class B Member and the Initial Class A Member, all methodology, processes, information, specifications, formulae, instruction sets, routines, know-how, trade secrets and all non-patented technical information and intellectual property developed or obtained by the Initial Class B member with respect to the Business, including any skill-based training curriculum developed or obtained by the Initial Class B Member with respect to the application management business.

Other Obligations Assumed by the Company

Any and all liabilities associated with the client engagements and contracts

EXHIBIT A-1-1

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EXHIBIT A-2(a)

CAPITAL CONTRIBUTIONS OF INITIAL CLASS B MEMBER AND
OBLIGATIONS ASSUMED BY THE COMPANY

CLIENT ENGAGEMENTS AND CONTRACTS

* * *

EXHIBIT A-1-1

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EXHIBIT A-2(b)

CAPITAL CONTRIBUTIONS OF INITIAL CLASS B MEMBER AND
OBLIGATIONS ASSUMED BY THE COMPANY

FIXED ASSETS

1 Ascend Multiband VSX BRI	MBV-BRI4U
1 Ascend Cable Assembly MB+ PictureTel	MBHD-449PT
1 Sharp Color CCD Camera	YH-7B50
1 PictureTel Live50 Videoconferencing set	SPH-1
1 Compaq ProLiant 2500R	
1 4.3 GB Wide-Ultra SCSI Hard Drives	
1 APS Smart-UPS 2200	
1 Compaq Keyboard/Mouse	MX11800
1 Hewlett Packard Automatic Document Feeder for 6100C Scanner	C6265A
1 Hewlett Packard 6100C Scanner	C6260A
1 SCSI Board (IDE)	
1 US Robotics Courier V.Everything Modem	
1 Procom Technology CD- Writer	PCDR-4/6X-EK
1 NEC 15" Monitor	JC-15W1VMA
1 Compaq 7142 Cabinet	
1 Toshiba Satellite Laptop	PA1217U V
3 Logitech Color QuickCam VC	
1 Labtec C-110 deluxe PC Stereo Headset	
1 Dell Optiplex GXM 5133	DPM
1 Hewlett-Packard LaserJet 3100	C3948A
1 Tektronix haser 560	Z560
1 Microsoft Windows NT Server 4.0	
4 IBM Thinkpad	380 ED
1 IBM Thinkpad	380 XD
47 IBM Thinkpad	600
1 Dell	Desktop Optimax
1 Compaq	Desktop Deskpro
2 Toshiba	Tecra 8000
2 Demo- Toshiba	Tecra 8000
1 Kodak Video Conferencing Camera	
1 Connectix Video Conferencing Camera	
1 Sharp Fax/Scanner	UX 2200CM

Exhibit A-1-1

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EXHIBIT A-2(c)

CAPITAL CONTRIBUTIONS OF INITIAL CLASS B MEMBER AND
OBLIGATIONS ASSUMED BY THE COMPANY

PROSPECTIVE CLIENTS

* * *

Exhibit A-2-1

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EXHIBIT A-2(d)

CAPITAL CONTRIBUTIONS OF INITIAL CLASS B MEMBER AND
OBLIGATIONS ASSUMED BY THE COMPANY

PRECONFIGURED TEMPLATES

* * *

Exhibit A-2-1

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EXHIBIT A-3

CAPITAL CONTRIBUTIONS OF INITIAL CLASS C MEMBER AND
OBLIGATIONS ASSUMED BY THE COMPANY

Capital Contributions

Operating Assets of Softline Consulting & Integrators, Inc.

- |X| Client engagements and contracts--Exhibit A-3(a)
- |X| Fixed assets--Exhibit A-3(b)
- |X| Applications Management prospective clients--Exhibit A-3(c)

Other tangible and intangible personal property contributed to the Company, including royalty-free licenses to certain trademarks and tradenames, services pursuant to other arrangements between the Initial Class C Member and the Initial Class A Member, all methodology, processes, information, specifications, formulae, instruction sets, routines, know-how, trade secrets and all

non-patented technical information and intellectual property developed or obtained by the Initial Class C member with respect to the Business, including HelpDesk and HelpDesk process, procedures and know-how and any skill-based training curriculum developed or obtained by the Initial Class C Member with respect to the application management business.

Other Obligations Assumed by the Company

Any and all liabilities associated with the client engagements and contracts listed in Exhibits A-3(a) as of and from the date of the First Closing.

Exhibit A-2-1

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EXHIBIT A-3

EXHIBIT A-3(a)
CAPITAL CONTRIBUTIONS OF INITIAL CLASS C MEMBER AND
OBLIGATIONS ASSUMED BY THE COMPANY

CLIENT ENGAGEMENTS AND CONTRACTS

* * *

EXHIBIT A-3(b)
CAPITAL CONTRIBUTIONS OF INITIAL CLASS C MEMBER AND
OBLIGATIONS ASSUMED BY THE COMPANY

FIXED ASSETS

IBM Thinkpad 770	9549-1AU	78-A0960 97/10
Toshiba Techra 550CDT/4.0	PA1268U XCD	385916226 -3
IBM Thinkpad 765D	9546-U9H	97-DZ5LH
IBM Thinkpad 765D	9546-U6H	97-DZ7EV
Toshiba 430CDT/1.3	PA1230U-T2C XCD	02-798948 -3
IBM Think Pad 760EL		97-F9ZC3
IBM Thinkpad 770	9549-1AU	78-H1259 03/98
Toshiba 70CT/1.6 (Libretto)	PA1260U X	28590485 -1
Toshiba Techra 740CDT/5.1	PA1233U-XCD	06738442 -3
Toshiba Techra 750CDT/5.1	PA1253U-T2C	97291018 -3
IBM Thinkpad 770	9549-1AU	78-G4995 02/98
Toshiba Techra 550CDT/4.0	PA1268U XCD	28551379 -3
Toshiba Techra 740CDT/2.1	PA1229U XCD	03719618 -3
Toshiba Techra 740CDT/5.1	PA1233U-XCD	
Toshiba Techra 550CDT/4.0	PA1268U XCD	38612588 -3
Toshiba 100CT Libretto		48658644A
IBM Thinkpad 560Z	2640-B0U	78-ZX382 08/98
Toshiba 100CT Libretto		48658645A
IBM Thinkpad 600	2645-45U	78-DHR95 10/98
Toshiba 100CT Libretto	PA1254U X	48658549A
Toshiba 320 CDT Laptop	PA1271U-T2C	48681350A
Toshiba 730XCDT/2.1	PA1238U XCD	11744979 -3
Toshiba 730XCDT/2.1	PA1238U XCD	11744916 -3
Toshiba 320 CDT Laptop	PA1271U-T2C	78902568A -1
IBM Thinkpad 600	2645-45U	78-LG822 09/98
IBM Thinkpad 600	2645-45U	
IBM Thinkpad 600	2645-45U	78-LF489 09/98
Toshiba 320 CDT Laptop	PA1271U-T2C	48680509A
Toshiba 430CDT/1.3	PA1230U-T2C XCD	02798770 -3

Exhibit A-2-1

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Toshiba 730XCDT/2.1	PA1238U XCD	05738118 -3
Toshiba 430CDT/1.3	PA1230U-T2C XCD	02799060 -3
Loaner IBM Laptop Thinkpad 760EL	9547-U4H	97-F92C3
Toshiba 730XCDT/2.1	PA1238U XCD	11744422 -3
Toshiba 730XCDT/2.1	PA1238U XCD	
Toshiba 430CDT/1.3	PA1230U-T2C XCD	05744272 -3
Toshiba 430CDT/1.3	PA1230U-T2C XCD	05744432 -3
AcerNuovo	9706x	1600148229
Toshiba Techra 550CDT/4.0	PA1268U XCD	28550154 -3
Toshib Techra 460 CDS		
Toshiba Satellite 220CDS/1.4	PA1240U-S2C	67041328 -3
Commax Smartbook I-1100	NBI1100	DOEL407470632
IBM 380 XCDT		18515321
Toshiba 320 CDT Laptop	PA1271U-T2C	78854080A -1
Toshiba 730XCDT/2.1	PA1238U XCD	11744984 -3
Toshiba 730XCDT/2.1	PA1238U XCD	11744970 -3
Toshiba 730XCDT/2.1	PA1238U XCD	11744959 -3
Toshiba 730XCDT/2.1	PA1238U XCD	05740409 -3
Toshiba Satellite Pro 480CDT		18515321 -3
Toshiba 480CDT	PA1256U XCD	Z7471041 -3
Toshiba 430CDT/1.3	PA1230U-T2C XCD	02798909 -3
Toshiba 730XCDT/2.1	PA1238U XCD	05740841 -3
Toshiba 320 CDT	PA1271U-T2C	58727789A -1
Toshiba 320 CDT	PA1271U-T2C	58727928A -1
Toshiba 320 CDT	PA1271U-T2C	68818357A -1
Toshiba Satellite 220CDS/1.4	PA1240U-S2C	57014756 -3
Toshiba 320 CDT	PA1271U-T2C	48685563A
Toshiba 320 CDT	PA1271U-T2C	78853902A -1
Toshiba 320 CDT	PA1271U-T2C	78853691A -1
Toshiba 320 CDT	PA1271U-T2C	78901560A -1
IBM Thinkpad 770	9549-1AU	78-H4581
IBM Thinkpad 770	9549-1AU	78-H1574
IBM Thinkpad 770	9549-1AU	78-H4868
Toshiba 320 CDT	PA1271U-T2C	58718541A-1
IBM Thinkpad 770ED		78-W2719 06/98
Toshiba Satellite 220CDS	PA1240U-S2C	87214726 -3
Toshiba Tecra 500 CDT	PA1221U XCD	12697514 -3
IBM Thinkpad 770	9548-40U	78- D6613 97/11
Toshiba 320 CDT	PA1271U-T2C	68800838A -1
Toshiba 320 CDT	PA1271U-T2C	78892313A -1
HP Omnibook 2100	F1581WT	TW817D3223
HP Omnibook 2100	F1581WT	TW818D3221
HP Omnibook 2100	F1581WT	TW818D3242
HP Omnibook 2100	F1581WT	TW818D3243
Toshiba Tecra 780		78839164A
Toshiba Satellite 320 CDS	PA1271U VCD	48664008A -1
Toshiba Satellite 4000CDT /4.0	PA1273U XCD	98044958A -1
Toshiba Techra 750CDT/5.1	PA1253U-T2C	97291332 -3

Exhibit A-2-1

Toshiba Satellite 4000CDT /4.0	PA1273U XCD	Y8190803A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	Y8189387A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	Y8189724A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	Y8189568A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	Y8208963A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	Y8209735A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	Y8210580A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	Y8189569A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	Y8209920A
Toshiba Satellite 4000CDT /4.6	PA1273U -XCD	Y8230082A -1
Toshiba Satellite 4000CDT /4.6	PA1273U XCD	Y8231421A -1
Toshiba Satellite 4000CDT /4.6	PA1273U XCD	Y8231394A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	Y8209435A -1
HP OmniBook 2100		TW818D3241
Toshiba Satellite 4000CDT /4.6	PA1273U XCD	
Toshiba Libretto 50CT/810	PA1249U X	97246509 -1

Toshiba Satellite 4000CDT /4.6	PA1273U XCD	Y8231504A -1
Toshiba Satellite 4000CDT /4.6	PA1273U XCD	Y8227329A -1
Toshiba Satellite 4000CDT /4.6	PA1273U XCD	Y8230083A -1
Toshiba Satellite 4000CDT (PA1273U-T2C)	PA1273U XCD	Y8230054A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	
Toshiba 320 CDT	PA1271U-T2C	78902872A -1
Toshiba Satellite 4020CDT /6.4	PA5402U B	Y8191552A -1
Fujitsu Lifebook 900 Series	FPC09002A (PA# 04271-A101)	84194018
Toshiba Satellite 4020CDT /6.4	PAS402U-T2CW8	Z8345252A -1
Toshiba Satellite 4020CDT /6.4	PAS402U-T2CW8	19379832A -1
Toshiba Satellite 4020CDT /6.4	PAS402U-T2CW8	29473559A -1
Toshiba Satellite 4020CDT /6.4	PAS402U-T2CW8	19398700A -1
Toshiba Satellite 4080XCDT /6.4	PAS408U-T2CW8	39562639A-1
Toshiba Satellite 4080XCDT /6.4	PAS408U-T2CW8	39562640A-1
Toshiba Satellite 4080XCDT /6.4	PAS408U-T2CW8	39566527A-1
Toshiba Satellite 4060CDT /4.02	PAS406U-T2CW8	39520211A-1
Toshiba Satellite 4030CDT /4.03	PAS403U-T2CW8	49625353A-1
Toshiba Satellite 4080XCDT /6.4	PAS408U-T2CW8	19417588A-1
Toshiba Satellite 4030CDT /4.03	PAS403U-T2CW8	49627003A-1
Toshiba Satellite 4030CDT /4.03	PAS403U-T2CW8	49627264A-1
Toshiba Satellite 730XCDT	PA1238U-T2C	11744967-3
Compaq	DP2000 5200MMX 3200CDS DOM	6736BK82S170
Compaq	DP2000 M5166/2500CD DOM	6715HVYD833
Sony	Sony PCV150	2619684
Sony	Sony PCV-210	53601252
Compaq	DP4000 5233MMX 3200CDS DOM	6752BXC3F769
Compaq	DP2000 5200MMX 3200CDS DOM	6737BKB2D097
Compaq	DP2000 5200MMX 3200CDS DOM	674BKB82Q126

Exhibit A-2-1

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Compaq	DP2000 M5166/2500 DOM	6730HVU6Q240
Compaq	DP2000 5200MMX 3200/CDS DOM	6809BK82P857
Compaq	DP2000 5200MMX 3200CDS DOM	6748BK82E171
Compaq	DPEP C333/6.4/W5C US	6841CCP4K608
Compaq	DP200 M5133 2500/CD DOM	6652HVX6J145
Compaq	DP20005166MMX 3200/CDS DOM	6732BK72P533
Compaq	DP2000 M5133 2500/CD DOM	6651HVX6J594
Sony	Sony PCV-90	2115128
Compaq	DP2000 M5166/2500CD DOM	6712HVY6D833
Compaq	DP2000 M5200MMX 3200CDS DOM	6748BK82E218
Compaq	DP2000 M5133 2500/CD DOM	6652HVX6J148
Compaq	DP2000 5200MMX 3200CDS DOM	6748BK82E219
Sony	Sony PCV-120	2448236
Compaq	DP2000 M5133 2500/CD DOM	6651HVX6G642
Compaq	DP2000 M5133 2500/CD DOM	6702HVX6D621
Compaq	DP2000 5200MMX 3200CDS DOM	6806BK82Q030
Compaq	DP2000 5200MMX 3200CDS DOM	6744BK82Q152
Compaq	DP2000 M5166/2500CD DOM	6713HVY6E989
Compaq	DPEP C333/6.4/W5C US	6847CCP4B169
Compaq	Presario 5050	1X8ABYF2656W
Compaq	Presario 5050	1X8ABYF2C0XB
Compaq	DPEP 6350/6.4DOM	6828BVD2L471
Compaq	DP2000 5200MMX 3200CDS DOM	6736BK82S672
Compaq	DP4000 5133 1620/LS DOM	6650BBK2E060
Compaq	DP2000 5200MMX 3200CDS DOM	6736BK82S672
Compaq	DP2000 M5133 2500/CD DOM	6703HVX6E375
Compaq	DP200 M5133 2500/CD DOM	6703HVX6E367
Compaq	Presario 5050	1X8ABYF2656Z
CCC	Golf Ball Computer	
	Sony PCV-90	2114883
Compaq	DP2000 5200MMX 3200CDS DOM	6736BK82Q729
Compaq	DP2000 5200MMX 3200CDS DOM	674BK82Q072

Exhibit A-2-1

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Compaq	DP2000	M5133	2500/CD	DOM	6703HVX6E391
Compaq	DP2000	5200MMX	3200CDS	DOM	6809BK82P776
Compaq	DP2000	5200MMX	3200CDS	DOM	6806BK82P965
Compaq	DP2000	5200MMX	3200CDS	DOM	6806BK82Q000
Compaq	DP2000	5200MMX	3200/CDS		6737BK82D088
				DOM	
Compaq	DPEP	C333/6.4/W5C	US		6850CCP4B561
Compaq	DP2000	5200MMX	3200CDS	DOM	6744BK82Q164
Compaq	DP2000	5200MMX	3200CDS	DOM	6747BK82F138
Compaq	DP2000	5200MMX	3200CDS	DOM	6806BK82Q014
Compaq	DP2000	M5166	2500/CDS		6712HVV6E030
Sony	PCV-??				2013976
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82H339
Compaq	DP4000	5233MMX	3200/CDS	DOM	6752BXC3F811
Compaq	DP2000	5200MMX	3200/CDS	DOM	6806BK82Q485
Compaq	DP4000	5233MMX	3200/CDS	DOM	6752BXC3F843
Compaq	DP4000	5233MMX	3200/CDS	DOM	6752BXC3F758
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82H343
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82H362
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82H388
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82H318
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82F155
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82H317
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82H304
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82H368
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82H332
Compaq	Presario	5050			1X89BYF2Y0FF
Compaq	DP P	333/6.41			6845BZK2B147
Compaq	Presario	5050			1X8ABYF2C0NF
Compaq	Deskpro				6845BZK2A733
Compaq	Presario	5050			1X8ABYF2C0TG
Compaq	DP2000	5200MMX	3200/CDS	DOM	9811BK82D514

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Compaq	DP4000	5133	1620/LS	DOM	6702BBK2F480
Compaq	Deskpro	SB			6822BZG2J788
Compaq	Presario	5170			A840BX25N403
Sony	PCV-90				2115146
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK82H310
Compaq	DP2000	5200MMX	3200CDS	DOM	6806BK82Q511
Compaq	DP2000	5200MMX	3200/CDS	DOM	6810BK82R523
Compaq	Deskpro	SB	300/4.3		6834BZG2J269
Compaq	DP2000	5200MMX	3200/CDS	DOM	6807BK82P047
Compaq	DP2000	5200MMX	3200/CDS	DOM	6748bk82d197
Compaq	Deskpro	EN Series	633 640		6834BZK2K419
				DOM	
Compaq	DP2000	5200MMX	3200CDS	DOM	6809BK82P791
Compaq	DP2000	5200MMX	3200CDS	DOM	6806BK82T196
Compaq	Presario	5050			1X89BYF2Y0FJ
Compaq	EP Series	6300			6821BZG2J942
Compaq	EP Series	6300			6822BZG2J931
Compaq	DP2000	5200MMX	3200/CDS	DOM	6748BK82D184
Compaq	DP2000	5200MMX	3200CDS	DOM	6809BK82P740
Compaq	DP2000	5200MMX	3200CDS	DOM	6809BK82P705
Compaq	DP2000	5200MMX	3200/CDS	DOM	6748BK82D194
Compaq	DP2000	5200MMX	3200CDS	DOM	6809bk82p767
Compaq	Presario	5050			1X8ABYF2c089
Compaq	DP2000	5200MMX	3200CDS	DOM	6809BK82P769
Compaq	DP4000	M5133/1630/LS			6704BBK2D217
Compaq	DP2000	5200MMX	3200CDS	DOM	6748BK82E176
Compaq	DP2000	5200MMX	3200CDS	DOM	6809BK82P817
Compaq	Presario	5050			1X8ABYF2Y3CL
Compaq	DP4000	5133	1620/LS	DOM	8650BBK2D847
Compaq	DP2000	5200MMX	3200/CDS	DOM	6747BK02H303

Compaq	DP2000 5200MMX 3200/CDS DOM	6806BK82Q726
Compaq	DP2000 5200MMX 3200/CDS DOM	6806BK82Q529
Compaq	EN Series 6333	6380BZK2J368

Exhibit A-2-1

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Compaq	Deskpro EP Series	6821BZG2K073
	6300/4.3DOM	
Compaq	DP2000 5200MMX 3200/CDS DOM	6748BK82D113
Compaq	EN Series 6333	6829BZK2J764
Compaq	EN Series 6333	6829BZK2J909
Compaq	EN Series 6333	6829BZK2J662
Compaq	EN Series 6333	6845BZK2A778
Compaq	EN Series 6333	6847ccp4bi86
Compaq	EN Series 6333	6850CCP4C079
Compaq	EN Series 6333	6850CCP4C243
Compaq	EN Series 6333	6850CCP4C967
Compaq	EN Series 6333	6850CCP4C050
Compaq	EN Series 6333	6850CCP4B915
Compaq	EN Series 6333	6901CCP4A023
Compaq	EN Series 6333	6847CCP4B194
Compaq	EN Series 6333	6845BZK2B009
Compaq	EN Series 6333	6850CCP4C073
Compaq	EN Series 6333	6847CCP4B196
Compaq	EN Series 6333	6845CCP4D832
Compaq	EN Series 6333	6845CCP4D740
	Compaq Deskpro 2000	6703hvx6e375
	Compaq Deskpro 4000	6650bbk2d847
	Compaq Deskpro C400	6911c194a075
	Compaq Deskpro C400	6909c194a620
	Compaq Deskpro C400	6909c194a639
	Compaq Deskpro C400	6910c194a266
	Compaq Deskpro C400	6910c194a314
Compaq	DeskproEP 6300/4.3DOM	6822BZG2K304
3com	Super Stack II Switch 3000	7YDB020767
	12 Port	
3com	Super Stack II Hub 100 TX	6KZA029108
	12 Port	
3com	Super Stack II Hub 100 TX	6KZA029109
	12 Port	
3com	Super Stack II Hub 100 TX	6KZA029110
	12 Port	
3com	Super Stack II Hub 100 TX	6KZA029060
	12 Port	
3com	Super Stack II PS Hub 40	7TRV28970C
	12 Port	
3com	Super Stack II PS Hub 40	7TRV280249
	12 Port	
3com	Super Stack II Hub 100 TX	6KZA0A302E
	24 Port	
Ascend	Max200 Plus	7447123
Ascend	Max200 Plus	8224862
Adtran	TSU 120	743B2452
SuperScope	VMS500	MZ009648050046
Sony	Timelapse VCR SVT-124	0012549D7
Cisco	Cisco4500M	45591044

Exhibit A-2-1

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Cisco	Cisco4500M	45591041
Cisco	Cisco2501	250721467
Cisco	Cisco2924	FAA0246X080
Cisco	Cisco2924	FAA0251Y14Z
Cisco	Cisco766	5208557
Cisco	Cisco7206	72640767
Cisco	Cisco1924	FAA0247Z16Q
Cisco	Cisco2501	250222794
Cisco	Cisco2501	250721445
Cisco	Cisco2501	250722736
Cisco	Cisco2501	250731310
Cisco	Cisco2501	250450525
Cisco	Cisco2501	250464662
Cisco	Cisco2501	250465856
Cisco	Cisco2501	250464661
Cisco	Cisco2501	250566173
3com	Super Stack II Hub 100 TX	6NTA000CD1
Compaq	Keyboard/Monitor/Mouse-4	
Compaq	UPS	E00077802
Compaq	UPS	E00094944
NEC	Multisync A700 Monitor	7709403ED
Shamrock	14" Monitor	61TSA0015308
Belkin	Omniview	EC0F198373QS
	Keyboard/Mouse/Monitor	
	Switch	
Compaq	DP2000 M5166/2500	6730HVU6Q326
	DOM/64MB/2.4GB	
Compaq	Proliant 7000R	D746BLC20086
Compaq	Proliant 2500R	D803BPV10281
Compaq	Proliant 7000R	D739BLC10525
Compaq	Proliant 6000	D726BLB30743
Compaq	Proliant 2500	D742HWP10026
Compaq	Proliant 2500	D804BPT10994
Compaq	Proliant 800	D712BJW11510
Compaq	Proliant 7000R	D744BLC20134
Compaq	Proliant 7000R	D745BLC20026
Compaq	Proliant 3000	
Compaq	Proliant 3000	D851BVX10095
Compaq	Proliant 2500	D739BJM10399
Compaq	Proliant 7000R	D840BWX10370
SUN	SUN Enterprise 450	811F046D
StorageTek	StorageTek 9710	230000005053
Compaq	Proliant 1600	D829BWT10095
	ProLiant 800	D712BJW10368
APC	Smart-UPS 700	WS9721848718
APC	Smart-UPS 1400	WS9746367029
APC	Smart-UPS 1400	WS9738184245
Compaq	Keyboard/Monitor/Mouse Switch-4	
Compaq	UPS	E00206672
Compaq	UPS	E00205476

Exhibit A-2-1

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Compaq	Keyboard/Monitor/Mouse Switch-4	
Compaq	UPS	E00206716
Compaq	UPS	E00151705
	Optiquiest Q53	3D74600944
	Optiquiest Q53	3D74702572
	Optiquiest Q53	3D74404093
Compaq	Proliant 400	D852CJS10035
Compaq	Proliant 3000	D847BX610035
Hewlett Packard	AdvanceStack J2600A 10BT	SG62460424
	Hub-12	
Hewlett Packard	AdvanceStack J2600A 10BT	SG62360886
	Hub-12	
Hewlett Packard	AdvanceStack Switching	SG72260125
	Hub-24R J3202A 10BT Hub	
Hewlett Packard	AdvanceStack Switching	SG64531084
	Hub-12R J3200A 10BT Hub	
Hewlett Packard	AdvanceStack Switching	SG64932703
	Hub-12R J3200A 10BT Hub	
Hewlett Packard	AdvanceStack Switch 208T	US72900503
	J3175A	

Hewlett Packard	AdvanceStack Hub-12TX J3234A	TW73001092
DigitalLink	Prelude DSU (Internet DSU)	1277010684
Adtran	56/64 DSU (OSS DSU)	725A6153
Adtran	TSU 120 (Point-to-Point DSU)	743B2437
Cisco	2501 Internet Router	25762337
Cisco	2501 Potin-to-Point Router	250219954
Ascend	Max200 Plus	7135948
Linksys	8 Port Hub	N/A
3Com	PS Hub 40 12 Port 3C16405 (Suite 580)	7TRV1D1091
3Com	PS Hub 40 24 Port 3C16406 (Suite 590)	7TSV298C3C
3Com	PS Hub 40 12 Port 3C16405 (Suite 590)	7TRV28964C
Compaq	Proliant 2500	8747HWA10192
Compaq	Proliant 3000	D851BVX11036
Compaq	Proliant 800	D736BJW30067
Compaq	DP2000 5133/2500/CD DOM	6710HVX6F098
Compaq	DP2000 5166/2500/CD DOM	6712HVV6E411
Compaq	DP2000 5166/2500/CD DOM	6710HVV6D507
Compaq	DP2000 5133/2500/CD DOM	6652HVV6J13
Compaq	Proliant 2500	D747HWA30192
Compaq	Proliant 800	D712BJW10368

Exhibit A-2-1

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Raritan	Keyboard/Mouse/Monitor Switch	A965328
APC	Smart-UPS 700	WS9721848735
APC	Smart-UPS 700	WS9721848729
APC	Smart-UPS 700	WS9722888172
APC	Smart-UPS 700	WS9721848713
APC	Smart-UPS 700	S96068800960
APC	Smart-UPS 700	WS9721848686
APC	Smart-UPS 700	WS9721848660
	External Conner 4mm DAT	DS02W24
	External Seagate 4mm DAT	GR02T2T
Hewlett Packard	HP Office Jet 630	US78KA21FT
Hewlett Packard	HP Laser Jet 3100	
Hewlett Packard	HP Office Jet 630	US78KA21F4
Hewlett Packard	HP Laser Jet 3100	
Hewlett Packard	HP Laser Jet 6L	JPHJ057486
Hewlett Packard	HP LaserJet 4+	JPGK175289
Hewlett Packard	HP LaserJet 4V	JPFH034125
Hewlett Packard	HP LaserJet 5N	
Hewlett Packard	HP LaserJet 4000	JPPG175947
Hewlett Packard	HP LaserJet 5	USHB101215
Hewlett Packard	HP LaserJet 4000N	JPPA173708
Hewlett Packard	HP LaserJet 4000TN	JPGN040218
Hewlett Packard	HP Color LaserJet 5	JPHF133452
Hewlett Packard	HP LaserJet 5N	USLC011885
Hewlett Packard	HP LaserJet 5N	USLB005610
Hewlett Packard	HP LaserJet 4V	
Hewlett Packard	HP LaserJet 8000 C4087A	USBB000307

CLIENT ENGAGEMENTS AND
CONTRACTS

* * *

Exhibit A-2-1

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EXHIBIT A-3(C)

CAPITAL CONTRIBUTIONS OF INITIAL CLASS C MEMBER AND
OBLIGATIONS ASSUMED BY THE COMPANY

PROSPECTIVE CLIENTS

* * *

Exhibit A-2-1

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EXHIBIT B-1

EMPLOYEES OF INITIAL CLASS A MEMBER SUBJECT TO LOAN-OUT AGREEMENT

JOHN CHARTERS
RICK FREISIA
DOUGLAS BELL

Exhibit B-2-1

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EXHIBIT B-2

EMPLOYEES AND PARTNERS OF INITIAL CLASS B MEMBER
SUBJECT TO LOAN-OUT AGREEMENT

* * *

Exhibit B-2-1

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EXHIBIT B-3
EMPLOYEES OF INITIAL CLASS C MEMBER SUBJECT TO LOAN-OUT AGREEMENT

* * *

Exhibit B-2-1

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<TABLE>
<CAPTION>

EXHIBIT C
INITIAL MEMBERS, ADDRESSES AND PERCENTAGE INTERESTS AS OF EFFECTIVE DATE

Member	Class of Membership Interest held	Percentage Interest held by such Member
Qwest Communications International Inc. 1000 Quest Tower 555 Seventeenth Street Denver, CO 80202	Class A	51%
KPMG LLP 500 East Middlefield Road Mountain View, CA 94043	Class B	9%
Softline Consultants & Integrators Inc. c/o KPMG LLP 500 East Middlefield Road Mountain View, CA 94043	Class C	40%

*

</TABLE>

Exhibit C-1

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EXHIBIT D
ALLOCATIONS

ARTICLE 1
ALLOCATION OF NET INCOME, NET LOSSES
AND OTHER ITEMS AMONG THE MEMBERS

1.1. CAPITAL ACCOUNTS.

(a) A separate capital account shall be maintained for each Member (a "CAPITAL ACCOUNT"). Such Member's Capital Account shall from time to time be (i) increased by (A) the amount of money and the Book Value of any property contributed (or deemed contributed) by the Member to the Company (net of liabilities secured by the property or to which the property is subject), and (B) the Net Income and any other items of income and gain specially allocated to the Member under Paragraph 1.4, and (ii) decreased by (A) the amount of money and the Book Value of any property distributed to the Member (net of liabilities secured by the property or to which the property is subject), and (B) the Net Losses and any other items of deduction and loss specially allocated to the Member under Paragraph 1.4.

(b) In the event that assets of the Company other than money are distributed to a Member in liquidation of the Company, or in the event that assets of the Company other than money are distributed to a Member in kind, in order to reflect unrealized gain or loss, Capital Accounts for the Members shall be adjusted for the hypothetical "book" gain or loss that would have been realized by the Company if the distributed assets had been sold for their gross fair market values in a cash sale. In the event of the liquidation of a Member's interest in the Company, or in the event of a Qualified Public Offering involving a transfer or deemed transfer of membership interests in the Company in order to reflect unrealized gain or loss, Capital Accounts for the Members shall be adjusted for the hypothetical "book" gain or loss that would have been realized by the Company if all of the Company's assets had been sold for their gross fair market values in a cash sale.

(c) Upon liquidation of the Company, or of an interest of a Member in the Company, and following the allocation of all items of income and loss as set forth in this Exhibit D, the assets of the Company shall be distributed to the Member or Members in accordance with their Capital Account balances.

1.2. ALLOCATION OF NET LOSSES. After giving effect to the special allocations set forth in Paragraph 1.4, Net Losses of the Company for each Fiscal Year shall be allocated to the Members as follows:

(a) First, to the Members in proportion to their respective positive Adjusted Capital Account balances, until such balances are reduced to zero; and

(b) Thereafter, to the Members in accordance with their Percentage Interests.

Exhibit D-1

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1.3. ALLOCATION OF NET INCOME. After giving effect to the special allocations set forth in Paragraph 1.4 below, Net Income of the Company for each Fiscal Year shall be allocated to the Members in the following order and priority: (a) First, to the extent Net Losses have been allocated to the Members pursuant to Paragraph 1.2 above in prior years, Net Income shall be allocated to the Members, to offset their respective shares of any Net Losses allocated pursuant to Paragraph 1.2(b); and

(b) Thereafter, to the Members in accordance with their respective Percentage Interests.

1.4. SPECIAL ALLOCATIONS. The following special allocations shall be made in the following order:

(a) Regulatory Allocations. Allocations shall be made as necessary so as to insure that the Company complies with the provisions for "minimum gain chargeback" as described in Treasury Regulations Section 1.7042(f), "partner nonrecourse debt minimum gain chargeback" as described in Treasury Regulations Section 1.7042(i)(4), and "qualified income offset" as described in Treasury Regulations Section 1.7041(b)(2)(ii)(d).

(b) Extraordinary Gain or Loss. Gain or loss attributable to any Extraordinary Transaction (including for this purpose, any hypothetical "book" gain or loss associated with any revaluation of the Capital Accounts or the assets of the Company pursuant to this Exhibit D) shall be specially allocated among the Members (i) first, to eliminate any deficit balances in the Adjusted Capital Accounts of the Members, and (ii) thereafter, in such manner as to cause the ratios of each Member's Adjusted Capital Account to the aggregate Adjusted Capital Accounts of all of the Members (following such special allocation) to equal as nearly as possible their respective Percentage Interests.

(c) Items Recharacterized. If any payment to any person that is treated by the Company as the payment of an expense is recharacterized by a taxing authority as a distribution by the Company to the payee as a member, such payee shall be specially allocated an amount of the Company's gross income and gain as quickly as possible equal to the amount of the distribution.

(d) Nonrecourse Deductions. Any Nonrecourse Deductions shall be allocated to the Members in accordance with their Percentage Interests.

(e) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions shall be allocated to the Member that bears the Economic Risk of Loss for the member nonrecourse debt to which such deductions relate as provided in Treasury Regulation Section 1.7042(i)(1).

(f) Certain Section 754 Adjustment. To the extent any adjustment to the adjusted tax basis of any the Company asset pursuant to Code Section 732(d), Code Section 734(b) or Code Section 743(b) is required, pursuant to Treasury Regulations Section 1.7041(b)(2)(iv)(m), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of its interest in the Company, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases such basis) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in accordance with their interests in the Company as determined under Treasury Regulations Section 1.7041(b)(3) in the event Treasury Regulations Section 1.704

Exhibit D-2

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- -1(b)(2)(iv)(m)(2) applies, or to the Member to whom such distribution was made in the event Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

(g) Limit on Loss Allocations. Notwithstanding the provisions of Paragraph 1.2 or any other provision of this Agreement to the contrary, Net Losses (or items thereof) will not be allocated to a Member if such allocation would cause or increase a deficit balance in a Member's Adjusted Capital Account and will be reallocated to the other Members in proportion to their Percentage Interests,

subject to the limitations of this subparagraph 1.4(g).

(h) Special Allocation of Income or Deductions or Losses Attributable to Contributions. Notwithstanding the provisions of Paragraph 1.2 of this Exhibit D, to the extent that a contribution or deemed contribution of a Member (including any deemed contribution attributable to the agreements provided in Subsections 2.4(2), (3), (4), (5), (6), (7), (8), and (9) gives rise in connection with such contribution or deemed contribution to (i) a deduction or loss (including a deduction for compensation or other ordinary and necessary expense), or (ii) additional income (including income attributable to royalties), and in either case is specifically attributable to such contribution or deemed contribution, such deduction or income shall be specially allocated to such Member as soon as practicable following such contribution or deemed contribution, unless otherwise determined by the Management Committee.

(i) Liquidation Allocations. It is intended that immediately before any distribution in liquidation to the Members pursuant to Section 14.5 of the Agreement, each Member's Capital Account balance shall, when divided by the sum of all Capital Account balances, yields a percentage equal to such Member's Percentage Interest.. This intended Capital Account balance for a Member is referred to as such Member's "TARGETED CAPITAL ACCOUNT Balance." Notwithstanding anything to the contrary in this Exhibit D, if upon a termination and liquidation of the Company, any Member's ending Capital Account balance, determined without regard to this Paragraph 1.4(i), immediately before the distributions to be made pursuant to Section 14.5 of the Agreement, would differ from its Targeted Capital Account Balance, then the Members shall be specially allocated items of income, gain, loss and deduction (including items of gross income and deduction) for Capital Account purposes for such year in such manner so as to minimize the differences between each Member's ending Capital Account balance and its Targeted Capital Account Balance.

(j) In the event that any adjustment is made to any item of income, deduction, credit or allowance (an "ADJUSTMENT") of the Company by a regulatory agency, and a Member is a counterparty to such Adjustment, the Members agree that (i) all allocations of income, gain, loss, deduction or credit shall be made, (ii) any necessary deemed distributions and/or contributions shall be treated as having occurred, and (iii) all capital account and other necessary adjustments shall be made, such that the tax consequences of any Adjustment to the Company and the Members subject to such Adjustment will be minimized to the extent possible. As a result of the foregoing, it is anticipated that the existence of any such Adjustment shall not alter the basic economic agreement of the parties as reflected herein, which is the primary purpose of this section, and shall not in any way have a net effect on the capital account balances of the Members in relation to each other Member.

1.5. ALLOCATION OF CERTAIN TAX ITEMS.

Exhibit D-3

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(a) Except as otherwise provided in this Paragraph 1.5, all items of income, gain, loss or deduction for federal, state and local income tax purposes shall be allocated in the same manner as the corresponding "book" items are allocated under Paragraphs 1.2 and 1.3 (as a component of Net Losses or Net Income), or Paragraph 1.4.

(b) In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and the initial Book Value thereof (computed in accordance with subparagraph (i) of the definition of the term Book Value herein). Any such item of income, gain, loss or deduction shall be allocated in a manner consistent with Treasury Regulations Section 1.704-3, applying the method allowed under paragraph (b) thereof unless the Management Committee agrees to an allocation method allowed under Section 1.704-3(c) or (d).

(c) In the event the Book Value of any asset of the Company is adjusted pursuant to subparagraph (ii) or (iv) of the definition of the term Book Value (as set forth below), subsequent allocations of income, gain, loss and deduction with respect to such asset shall be determined using the principles specified in Treasury Regulations Section 1.704-1(b)(2)(iv)(g) and shall take account of any

variation between the adjusted basis of the asset to the Company for income tax purposes and its Book Value (excluding any portion of such variation subject to subparagraph 1.5(b)) in the manner required under Treasury Regulations Section 1.704-1(b)(4)(i). Such allocations shall be made in a manner consistent with Treasury Regulations Section 1.704-3(b) unless the Management Committee agrees to an allocation method allowed under Section 1.704-3(c) or (d).

(d) The Tax Matters Member may, in its reasonable discretion, cause the Company to make the election under Section 754 of the Code, in which event allocations of income, gain, loss or deduction to affected Members for federal, state and local tax purposes shall take into account the effect of such election pursuant to applicable provisions of the Code.

(e) All other matters concerning allocations for United States federal, state and local and non-U.S. income tax purposes, including accounting procedures, not expressly provided for by the terms of this Agreement, shall be equitably determined in good faith by the Tax Matters Member in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Paragraph 1.5 are solely for federal, state and local tax purposes. Except to the extent allocations under this Paragraph 1.5 are reflected in the allocations of the corresponding "book" items pursuant to Paragraphs 1.2 or 1.3 (as a component of Net Losses or Net Income), or Paragraph 1.4, allocations under this Paragraph 1.5 shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Income, Net Losses, other items or distributions pursuant to any provision of the Agreement.

1.6. ALLOCATION BETWEEN ASSIGNOR AND ASSIGNEE. The portion of the income, gain, losses, credits, and deductions of the Company for any Fiscal Year during which a membership interest in the Company is assigned by a Member (or by an assignee or successor in interest to a Member), that is allocable with respect to such interest shall be apportioned between the assignor and the assignee of the interest on whatever reasonable, consistently applied basis is selected by

Exhibit D-4

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the Tax Matters Member and permitted by the applicable Treasury Regulations under Code Section 706.

1.7. TAX REPORTING. The Members are aware of the income tax consequences of the allocations made by this Exhibit D and hereby agree to be bound by the provisions of the Agreement and this Exhibit D to the Agreement in reporting their shares of the Company income and loss for income tax purposes.

1.8. PROFIT SHARES. Solely for purposes of determining a Member's proportionate share of the Company's "excess nonrecourse liabilities," as defined in Treasury Regulation Section 1.7523(a), the Members' interests in profits of the Company shall be deemed to be in accordance with their Percentage Interests.

ARTICLE 2 DEFINITIONS

As used in this Exhibit D, the following terms shall have the following meaning:

"ADJUSTED CAPITAL ACCOUNT" means the balance in a Member's Capital Account after giving effect to the following adjustments:

(i) debit or credit to such Capital Account, as applicable, all capital contributions and distributions to the Member for the relevant Fiscal Year;

(ii) credit to such Capital Account any amount that such Member is deemed obligated to restore pursuant to the penultimate sentences of Treasury Regulations Sections 1.7042(g)(1) or 1.7042(i)(5); and

(iii) debit to such Capital Account the items described in Treasury Regulations Sections 1.7041(b)(2)(ii)(d)(4), 1.7041(b)(2)(ii)(d)(5), and 1.7041(b)(2)(ii)(d)(6).

"BOOK VALUE" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(i) the initial Book Value of any asset contributed by a

Member to the Company shall be the gross fair market value of such asset, as determined by the contributing Member and the Management Committee; and

(ii) the Book Value of all assets of the Company shall be adjusted to equal their respective gross fair market values (taking Code Section 7701(g) into account), as of the following times: (a) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis capital contribution; (b) the distribution by the Company to a Member of more than a de minimis amount of property of the Company as consideration for an interest in the Company, in the case of either (a) or (b), if the Management Committee determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Members in the Company within the meaning of Treasury Regulations Section 1.7041(b)(2)(i)(g); and (c) the liquidation of a Member's interest in the Company or, liquidation of the Company within the meaning of Treasury Regulations Section 1.7041(b)(2)(ii)(g);

(iii) the Book Value of any asset of the Company distributed to any Member shall be the gross fair market value (taking Code Section 7701(g) into account) of such asset on the date of distribution;

Exhibit D-5

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(iv) the Book Values of the Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Section 732(d), Section 734(b) or Section 743(b) of the Code, but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m) and Paragraph 1.4(i) hereof, provided, however, that Book Values shall not be adjusted pursuant to this subparagraph (iv) to the extent that the Management Committee determines that an adjustment pursuant to subparagraph (ii) of this definition is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (iv); and

(v) if the Book Value of any asset has been determined or adjusted pursuant to subparagraphs (i), (ii) or (iv) hereof, such Book Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing gains or losses from the disposition of such asset.

"DEPRECIATION" means, for each Fiscal Year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such year or other period, except that if the Book Value of any asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis, provided, however, that if the federal income tax depreciation, amortization, or other cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Book Value using any reasonable method selected by the Tax Matters Member.

"EXTRAORDINARY TRANSACTION" means, any sale or refinancing of any substantial portion of the assets of the Company.

"MEMBER NONRECOURSE DEDUCTIONS" in any year means deductions that are characterized as "partner nonrecourse deductions" under Treasury Regulations Sections 1.704-2(i)(1) and 1.704-2(i)(2).

"NET INCOME" and "NET LOSSES" mean, for each Fiscal Year or other period, an amount equal to the Company's taxable income or loss, as the case may be for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss and deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments: (i) any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Income or Net Losses pursuant to this paragraph shall be added to

such taxable income or loss; (ii) any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv), and not otherwise taken into account in computing Net Income or Net Losses pursuant to this definitional paragraph shall be subtracted from such taxable income or loss; (iii) in the event the Book Value of any asset of the Company is adjusted pursuant to subparagraph (ii) or (iii) of the definition thereof, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Net Income or Net Losses; (iv) gain or loss resulting from the disposition of any asset of the Company with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Book Value of the asset disposed of, notwithstanding that the adjusted tax basis of such asset differs from its

Exhibit D-6

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Book Value; (v) in lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year or other period, computed in accordance with the definition thereof; and (vi) notwithstanding any other provision of this Paragraph, any items which are specially allocated pursuant to Paragraph 1.4 hereof shall not be taken into account in computing Net Income and Net Losses.

"NONRECOURSE DEDUCTIONS" in any year means deductions that are characterized as "nonrecourse deductions" under Treasury Regulations Sections 1.704-2(b)(1) and 1.704-2(c).

"QUALIFIED PUBLIC OFFERING" shall have the meaning set forth in Article 1 of the Agreement.

OTHER DEFINITIONS. All other capitalized terms used in this Exhibit D shall have the same meaning as in the Agreement.

Exhibit D-7

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EXHIBIT E-1
CAPITAL CALL PROCEDURES

(A) CAPITAL CALL NOTICE. Each Capital Call Notice will specify as of the date of such notice:

- (1) the total Additional Capital Contributions of all Members subject to such notice;
- (2) the then current Percentage Interest and capital account balance of each of the Members;
- (3) the total amount of the Additional Capital Contribution required to be funded by each Member pursuant to such Capital Call Notice; and
- (4) the identity of the depository financial institution accounts of the Company into which the Additional Capital Contributions of the agent to which such other are to be delivered.

(B) FUNDING OF CAPITAL CALL. Subject to the provisions of Section 4.5,

each Member who is required to make an Additional Capital Contribution will, not later than the date which is five Business Days after the date of actual delivery thereto of a Capital Call Notice, contribute to the capital of the Company cash made by wire transfer of immediately available funds to the bank account of the Company, or deliver such other assets to the agent, specified in the applicable Capital Call Notice an amount equal to the Additional Capital Contribution required to be funded by such Member pursuant to the applicable Capital Call Notice. Any Additional Capital Contribution not made by such date will accrue interest at the rate of 1.5% per month for the period commencing on the date such payment was due until the day such payment is paid.

Exhibit E-1

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EXHIBIT E-2
REMEDIES

(A) REMEDIES. If the Defaulting Member does not contribute the Additional Capital Contribution to the Company within the periods set forth below, the Management Committee, acting for all purposes of Section 4.6 and this Exhibit E-2 without the vote of the Managers appointed by the Defaulting Member (i.e., by the Managers appointed by the non-Defaulting Members) may elect any one or more of the remedies set forth below. Notwithstanding the foregoing, in no event will a non-Defaulting Member be entitled to elect more than one remedy if the effect of doing so would be duplicative.

(1) ADVANCE FUNDS. If the Defaulting Member does not contribute its Additional Capital Contribution within the 15 day period following the dispatch of written notice from the Company of an Event of Default, the Management Committee may elect to permit non-Defaulting Members to advance funds to the Company to cover those amounts that the Defaulting Member fails to contribute. Amounts that a non-Defaulting Member so advances on behalf of the Defaulting Member will become a loan due and owing from the Defaulting Member to such non-Defaulting Member and bear interest at the rate per annum of 150 basis points above the referenced rate of the Bank of America (or any successor bank) as in effect on the date such Additional Capital Contribution was originally due, with such interest being payable monthly. All cash distributions otherwise distributable to the Defaulting Member under this Agreement will instead be paid to the non-Defaulting Members making such advances until such advances and any accrued but unpaid interest thereon are paid in full. Any amount repaid will first be applied to interest and thereafter to principal. Effective upon a Member becoming a Defaulting Member, such Member shall grant to the non-Defaulting Members who advance funds under this subsection (1) a security interest in such Defaulting Member's Membership Interest to secure its obligation to repay such advances, and hereby agrees to execute and deliver a promissory note, a security agreement, and such UCC-1 financing statements and assignments of certificates of membership (or other documents of security or transfer) in such form as such non-Defaulting Members may reasonably request.

(2) ADJUST PERCENTAGE INTEREST. If the Defaulting Member does not, within a further period of 60 days, contribute such Additional Capital Contribution and/or repay in full any advances made by the non-Defaulting Members, the Management Committee may elect upon 30 days prior written notice to the Defaulting Member to adjust the Percentage Interests of the Company's Members at the end of such 30 day period (unless, prior to such date, the Defaulting Member has fully remedied such default) in which event each Member's Percentage Interest will be a fraction, the numerator of which represents the amount of such Member's Capital Account and the denominator of which represents the sum of all Members' Capital Accounts.

(3) DISSOLVE. If the Defaulting Member does not contribute Additional Capital Contributions on three occasions, whether or not consecutive, and the Defaulting

Member has failed to cure each such failure to contribute within the fifteen day period specified in subsection (1) above, the Management Committee may elect to dissolve the Company, upon the approval of a majority of the

Exhibit E-2-1

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Percentage Interests of the non-Defaulting Members, in which event the Company will be wound-up, liquidated and terminated pursuant to ARTICLE 14.

(4) PURCHASE INTEREST. If the Defaulting Member does not contribute Additional Capital Contributions on three occasions, whether or not consecutive, and the Defaulting Member has failed to cure each such failure to contribute within the fifteen day period specified in subsection (1) above, the Management Committee, upon the approval of a majority of the Percentage Interests of the non-Defaulting Members, may elect to permit the Company or the non-Defaulting Members to purchase (and the Defaulting Member shall be required to sell) the Defaulting Member's entire Membership Interest for the book value thereof (i.e., for the positive balance of such Member's Capital Account) less the total amount owed by such Member to the Company and non-Defaulting Members in respect of unpaid Additional Capital Contribution or advances by non-Defaulting Members in respect thereof.

(b) OTHER EFFECTS.

(1) NO DISTRIBUTIONS. A Defaulting Member will have no right to receive any Distributions from the Company until the non-Defaulting Members have first received Distributions in an amount equal to the additional capital contributed by each non-Defaulting Member to the Company, including advances as loans to the Defaulting Member, if any, plus a cumulative, compounded return thereon at the rate per annum of 150 basis points above the reference rate of the Bank of America as in effect on the date such additional capital was contributed.

(2) NO VOTING. If the Management Committee exercises any of the remedies set forth in subsections (a)(3) or (a)(4) above, the Defaulting Member will lose its voting and approval rights under this Agreement until completion of dissolution and the winding up of the affairs of the Company, or such time as the Defaulting Member cures (if the non-Defaulting Member thereafter permits the Defaulting Member to cure) the default or its Membership Interest is purchased. Notwithstanding the foregoing, in the event the non-Defaulting Member elects to exercise the remedy provided for in subsection (a)(4) above, then pending the consummation of the purchase of the Defaulting Member's entire Membership Interest pursuant to such subsection, the Defaulting Member will, even if it no longer has any Managers appointed by it to the Management Committee, retain the right to approve all actions specified anywhere in this Agreement as requiring the unanimous consent or approval of the Management Committee until consummation of such purchase. No reduction in a Member's Percentage Interest pursuant to subsection (a) shall affect any of the Defaulting Member's voting or approval rights under this Agreement (other than to the extent such reduction reduces the voting power of the Defaulting Member's representatives).

(3) NO PARTICIPATION IN MANAGEMENT. Except as provided in subsection (2), if the Management Committee exercises any of the remedies set forth in subsections (a)(3) or (a)(4), the Defaulting Member will lose its ability (whether as a Member or through the Managers appointed by it) to actively participate in the management and operations of the Company until the completion of dissolution and the winding up of the affairs of the Company, or such time as the Defaulting Member cures (if the non-Defaulting Member thereafter permits the Defaulting Member to cure) the default

or its Membership Interest is purchased.

Exhibit E-2-2

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EXHIBIT F
INITIAL BUSINESS PLAN

[KPMG LOGO]

Project Opal Business Plan

Updated 06-03-99

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Project Opal Business Plan Sections

- I. Introduction to ASP Market
- II. Market Assessment
- III. Services
- IV. Pro Forma Financials
- V. Staffing, Contracts, and Pipeline

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Service Model Definitions

<TABLE>

<CAPTION>

	Applications Service Provider	Applications Management
<S>	<C>	<C>
Target Market	low to middle	mid to high
Degree of customization	none to low	medium to high
Prominent providers	***	***
Unit of pricing/term	Subscription: Per user/month	contracts (5 year) based on scope and service level
Delivery profile	IP networks, remote servers, browser-based, VPN	post implementation services for ERP, client/server
Typical applications	Productivity, CRM, ERP	all ERP (HR, financials, manufacturing, distribution) as well as legacy systems of all kinds
Type of software license	One to Many (ASP) held by ASP or ISV. One to one (Apps Hosting) held by client	One to one, held by the client
Data Center	On ASP premises	On provider premises, or 3rd party ITO, or client site

</TABLE>

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Why the ASP Market is Emerging

- - Demand Drivers

Increasingly Complex Application Environment
Internet Imperative
Competitive Refocusing
Increased M&A Activity
Increased Acceptance of Outsourcing

- - Supply Drivers

Advancements in Networking Technologies
Software Vendor Need to Increase Middle Market Presence

- - Still Primarily Supply Driven at This Point

Source: IDC, 1999 [IDC LOGO]

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The ASP Business Model: Required Skill Sets

From KPMG
&
Qwest

Services

- Services Infrastructure
 - Service Sales Expertise
 - Project Management
 - Customer Support
-

From Qwest

Networking

- Data Center
 - WAN Infrastructure
 - Managed Services
 - Network Monitoring
 - Network Security
-

From KPMG
&
Qwest

-
- License Administration
 - Application Integration
 - Application Management
 - Application Support
 - Application Sales Expertise
-

From KPMG

-
- License Administration
 - Application Integration
 - Application Management
 - Application Support
 - Application Sales Expertise
-

Source: IDC, 1999

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Applications Management: Global Market Growth

Applications Management: by Region

[PERFORMANCE GRAPH]

Source: G2

Note: Forrester Research corroborates the G2 projections. Forrester projects the applications outsourcing market to be \$21 billion dollars by the year 2001

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Global Enterprise ASP Market Opportunity

- Reality is the Market is Small Today...
- [PERFORMANCE GRAPH] - However Great Growth Potential
- U.S. Lead Market, Europe is Next
- 1999 Will Be Critical Year as ASPs Hit the Streets

Source: IDC, 1999

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Service Provider Value Chain

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Competitive Snapshot

Company Mkt Segments Partners Services Advantage Weakness

*** *** *** *** *** ***

Source: IDC, Psft internal

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ASP Technical Challenges

Challenge	Response
- - App performance and security	***
- - Apps not Web ready	***
- - Managing a complex set of configurations	***
- - SI Challenge	***

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ASP Business Challenges

Challenge	Response
***	***

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Benefits to Users: Customer Value Proposition

- - Lower Total Cost of Ownership
- - Higher availability, redundancy, security
- - Greater sophistication of software solution
- - Greater rate of technology change
- - Focus on core competencies
- - Technical skills shortage is solved
- - Because the apps are not installed at client site, there is no compatibility issue

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ASP and Opal's Value Chain Components

<TABLE>
<CAPTION>

<S>	Components	<C>
[SAP, PeopleSoft, Oracle, Siebel, etc.]	Sales, Marketing & Distribution	[KPMG, Opal, Qwest, ***]
	Superior, Branded Applications	
	Implementation, Integration, and Business Mgmt	[KPMG]
[Opal, Qwest]	IP Network Management, Data Center	
[Opal, Qwest]	Daily Process Operations Capacity	
[Opal, Qwest]	Customer Care Capabilities (Web, Telephony)	

</TABLE>

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Project Opal Business Plan Sections

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Enterprise Applications Management Services

- - Services provided by KPMG(1)
- - Services provided by/through Project Opal(2)
- - Services provided by Qwest(3)
- - Upgrades
- - Integrate 3rd party products
- - Implement new tools & applications
- - Customizations
- - Build/modify Interfaces
- - Database Administration
- - Apps System Administration
- - Security Administration
- - Apps Design & Development
- - Problem Resolution (Help Desk)
- - Operating Systems Admin (Unix, NT)
- - Network Administration
- - Server Maintenance
- - Disaster Recovery
- - Backup, Retrieval, and Archival
 - Business Advisory(1,2,3)
 - Enhancements(2)
 - Application Functional Support(2)
 - Application Technical Support(2)
 - Implementation(1,2)
 - Software Licenses(2)
 - IT Infrastructure Management(3)
 - Telecommunications(3)
- - Business/Technology Translation
- Applications (Project Opal)
- Infrastructure (KPMG, Qwest)
- Specialized Industry Consulting (KPMG)
- Change Management (Project Opal)
- - Applications Configuration
- - Table Maintenance
- - Testing
- - User Training
- - Problem resolution (Help Desk)
- - Design
- - Build
- - Implement
- - ERP
- - Supply Chain
- - CRM
- - Other
- - Physical Network
- - IP Backbone
- - VPN

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Opal's Service Delivery Infrastructure

Project Opal
Headquarters
Denver

Client

- - Casual and concurrent use access to system
- - KPMG onsite client presence
- Program management
- Business analysis
- Maintenance and enhancements (as required)

IT Infrastructure Operations
at Qwest CyberCenters

- - Operating systems administration
- - Network administration
- - Server maintenance
- - Disaster recovery
- - Backup retrieval and archival

Applications Competency Centers

Wilmington, DE	Atlanta, GA
Tysons Corner, VA	Dallas, TX
San Jose, CA	Chicago, IL

- - Applications Support Desk
- - Technical teams
- DBA/system/security administration
- Applications development
- - Applications configuration teams
- - Applications Knowledge Repository

ISV Help Desk

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Products

Opal's services are focused on supporting the following products:

- - Enterprise Resource Planning Systems

- SAP
- Oracle
- PeopleSoft

- - Customer Relationships Management (CRM) Products

- Siebel
- ***

- - Electronic Commerce (TBD)

- - Other Point Solutions

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Project Opal Business Plan Sections

- I. Introduction to ASP Market
- II. Market Assessment
- III. Services
- IV. Pro Forma Financials
- V. Staffing, Contracts, and Pipeline

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Opal Income Statement

	Q3-99	Q4-99	Q1-00	Q2-00	Q3-00	Q4-00
<TABLE>						
<CAPTION>						
Income Statement						
(\$ in thousands)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Revenue						
Non-Recurring						
Recurring						
KPMG Contributed Revenue (No Growth)						

Sum						
Expenses						
Implementation COGS						
Support COGS						
CyberCenter COGS						
IP Transport COGS						
Operating Systems						
ISV License						
SoftLine COGS						

Sum COGS						
Gross Income						
Gross Margin						
Sales & Marketing						
General & Administrative						

Sum						
EBITDA						
Depreciation						
Taxes						
Net Income						
Cash Flow						
Net Income						
Add Depreciation						
Less Capex						

* * *

Add Changes in Working Capital

 Cash Flow

 Discount Rate/Period
 Present Value of Cash Flow

 NPV of Cash Flow

 Terminal Value

 EBITDA Less Capex Multiple
 Terminal Value PV/TV

 Total Value

<CAPTION>
 Income Statement
 (\$ in thousands)

<S>	2 Quarters					
	1999	2000	2001	2002	2003	2004
<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenue						
Non-Recurring						
Recurring						
KPMG Contributed Revenue (No Growth)						

Sum						

Expenses
 Implementation COGS
 Support COGS
 CyberCenter COGS
 IP Transport COGS
 Operating Systems
 ISV License
 SoftLine COGS

 Sum COGS

Gross Income
 Gross Margin

 Sales & Marketing
 General & Administrative

 Sum

EBITDA * * *

 Depreciation
 Taxes

Net Income

Cash Flow
 Net Income
 Add Depreciation
 Less Capex
 Add Changes in Working Capital

 Cash Flow

Discount Rate/Period
 Present Value of Cash Flow

 NPV of Cash Flow

Terminal Value

 EBITDA Less Capex Multiple
 Terminal Value PV/TV

 Total Value

</TABLE>

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Opal Relative Income Statement

 Relative Income Statement (Percent of Total Revenue Unless Otherwise Stated)

Revenue

Non-Recurring
 Recurring
 SoftLine

Sum

Expenses

Implementation COGS (% of NR Revenue)
 Support COGS (% of Recurring Revenue)
 CyberCenter COGS (% of Recurring Revenue)
 IP Transport COGS (% of Recurring Revenue)
 Operating Systems (% of Recurring Revenue)
 ISV License (% of Recurring Revenue)

Sum COGS

Gross Margin

* * *

Sales & Marketing
 General & Administrative

Sum

EBITDA

Depreciation
 Taxes

Net Income

Additional Metrics

Market Size (Application Outsourcing - Forrester)
 Growth
 JV Revenue

 % of total market

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Opal Monthly Cash Flow Statement

 <TABLE>

<CAPTION>

Monthly Cash Flow Statement
 (\$s in thousands)

<S>	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00
	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>

Revenue
 Growth

COGS
 Sales & Marketing
 General & Administrative

Sum
 % of Revenue

EBITDA

Depreciation * * *
 Taxes

 Net Income

Cash Flow

Net Income
 Add Depreciation
 Less Capex
 Add Changes in Working Capital

 Cash Flow

Cumulative Cash Flow

<CAPTION>

Monthly Cash Flow Statement
 (\$s in thousands)

	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>

Revenue
 Growth

COGS
 Sales & Marketing
 General & Administrative

 Sum

% of Revenue

EBITDA

Depreciation * * *
 Taxes

 Net Income

Cash Flow

Net Income
 Add Depreciation
 Less Capex
 Add Changes in Working Capital

 Cash Flow

Cumulative Cash Flow

</TABLE>

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Revenue: CRM

 <TABLE>

<CAPTION>

Revenue - Top Down Calculation
 (\$s in thousands)

	Q3-99	Q4-99	Q1-00	Q2-00	Q3-00	Q4-00	1999	2000	2001	2002	2003	2004
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>

Customer Relationship Management - Siebel Or ***

 Average number of users per client

NEW clients in period

NEW Users


```

Cum Clients before churn
Churn (% of client base)
-----
Loss of Clients

CUM Clients
CUM Users

Integ & Enhance Rev per CLIENT
Man MONTHS per Client
% that is Up-Front
Rate per man month
Installs
-----
Up-Front Labor Cost
Spread Remainder over (years)
1999 Installs
2000 Installs
2001 Installs
2002 Installs
2003 Installs
2004 Installs
-----
Direct labor impl and enhancements

Margin on Implementation labor
-----
Revenue on Implementation

Recurring Revenue per User Mont
Months in period
Users
-----
Recurring Revenue
Sum Revenue CRM
</TABLE>

```

* * *

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Revenue: ERP

<TABLE>
<CAPTION>

<S> Enterprise Resource Planning - SAP (Financials to begin with)

<C>

Average number of users per client

NEW clients in period
NEW Users

```

Cum Clients before churn
Churn (% of client base)
-----

```

Loss of Clients

CUM Clients
CUM Users

```

Impl and enhance Rev/Client
Man MONTHS per Client
% that is Up-Front
Rate per man month
Installs
-----

```

* * *

```

Up-Front Labor Cost
Spread Remainder over (years)
1999 Installs
2000 Installs
2001 Installs
2002 Installs
2003 Installs
2004 installs
-----

```

Direct Labor Cost of Install

Margin on Implementation

Revenue on Implementation

Recurring Revenue per User Mont

Months in period

Users

Recurring Revenue

Sum Revenue ERP - Venture Clients

KPMG Revenue

Total ERP Revenue

</TABLE>

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<TABLE>

<CAPTION>

<S> <C>

Total Revenue

Total Revenue

CRM NRC

CRM RC

Sum CRM

ERP NRC

ERP RC

KPMG Revenue

Sum ERP

NRC Sum

RC Sum

KPMG Revenue

Total Revenue

* * *

NRC % of total

RC % of total

KPMG Revenue

Total Revenue

Expenses Driven by this Revenue Sheet

CRM Implementation & Enhancement

ERP Implementation & Enhancement

Sum

Clients - Cumulative

CRM

ERP

KPMG

Sum

Users - Cumulative

CRM

ERP

KPMG

Sum

</TABLE>

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Expenses

Expense (\$s in thousands)	Q3-99	Q4-99	Q1-00	Q2-00	Q3-00	Q4-00	1999	2000	2001	2002	2003	2004
Implementation & Enhancements (from revenue sheet)	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
CRM Implementation & Enhancement												
ERP Implementation & Enhancement												
----- Sum												
Months in Period												
----- Implementation Annual FTEs												
Post-Implementation Support												
CRM												
Support head per one(1) user												
Tech Support Efficiency Factor												
Tech Support												
Functional Support Efficiency Factor												
Functional Support												
CRM Users - Cum												

Tech Support Heads												
Functional Support Heads												
CRM Support Expenses												
Tech Support Heads												
Functional Support Heads												

Sum												
ERP												
Support head per one(1) user												
Tech Support Efficiency Factor												
Tech Support												
Functional Support Efficiency Factor												
Functional Support												
ERP Users												

Tech Support Heads												
Functional Support Heads												
ERP Support Expenses												
Tech Support Heads												
Functional Support Heads												

Sum												

* * *

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Expenses: Infrastructure Costs

Expense	<C>
CUM Clients - ERP	
Cum Users - ERP	

Boxes per Client

Unix
Oracle

Unix Boxes
Oracle boxes

Unix
Capital Expense - See Capital Section
Oracle Database
NRC Charge to be capitalized - See Captial Section
Charge for Oracle per user per month

Oracle Expenses
User Based Expense

Total O/S Expense (No Capex)

Infrastructure Costs
Months per period

Hardware & Hardware Maintenance
CRM Users
Price per User per month for Hardware

Cost to JV

ERP Users
Price per User per month for Hardware

Cost to JV

* * *

Collocation
CRM Users
Price per User per month for Collocation

Cost to JV

ERP Clients
Price per User per month for Collocation

Cost to JV

IP Transport
CRM Clients
Price per T-1 (Assume 1 T-1 per Client) per month
Price per T-1 Local Loop per month

Price per Client per month

Cost to JV

ERP Clients
Price per T-1 (Assume 1 T-1 per Client) per month
Price per T-1 Local Loop per month

Price per Client per month

Cost to JV

Sum Infrastructure Costs

</TABLE>

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Expenses: ISV License, Qwest Base Charges

<TABLE>
<CAPTION>

<S>
ISV License Costs

<C>

Months in period
 CRM
 Users
 Cost per user Month

 CRM ISV License Cost

ERP
 Users
 Cost per user Month

 ERP ISV License Cost

Qwest Based Charges
 CRM O/S
 ERP O/S
 CRM Hardware & Maintenance
 ERP Hardware & Maintenance
 CRM Collocation
 ERP Collocation
 CRM IP Transport (incl Loop)
 ERP IP Transport (incl Loop)
 CRM ISV License
 ERP ISV License

 Total Qwest Based Charges

* * *

Overhead/ G&A
 Revenue
 G&A % of Revenue (no Capex/Depr)

 G&A

Sales and Marketing
 Revenue
 Marketing Blitz
 S&M % of Revenue

 S&M Revenue Driven

 Total S&M

Add: Capex above the G&A assumptions, capex software licenses, associated depreciation.

Implementation COGS
 Support COGS
 CyberCenter COGS
 IP Transport COGS
 Operating Systems
 ISV License
 Sales & Marketing
 General & Administrative

 Total
 </TABLE>

* * *

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Project Opal Business Plan Sections

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V. Staffing, Contracts, and Pipeline

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Pipeline: AM/ASP Contracts and Pipeline*

<TABLE>
<CAPTION>

APPLICATIONS MANAGEMENT / ASP PROSPECTS SUMMARY

Sales Cycle Status	SAP		ORACLE		PeopleSoft		* * *	* * *
	#	Est Ann Rev*	#	Est Ann Rev*	#	Est Ann Rev*		
<S>	<C>	<C>	<C>	<C>	<C>	<C>		
Under Contract	***	***	***	***	***	***	_____	_____
Verbal Award	***	***	***	***	***	***	_____	_____
Proposal Submitted	***	***	***	***	***	***	* *	_____
Qualified with Budget	***	***	***	***	***	***	* *	* *

*Note: Numbers do not include Qwest contracts and pipeline

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AM/ASP Staffing

- - KPMG and Softline

- Our AM Staff averages 13.5 years of IT experience and 4 years of ERP experience
- Staffing summary, as of June 1, 1999:

<TABLE>
<CAPTION>

AM Staff	On-Board plus Offers Accepted
<S>	<C>
Core Team	***
SAP	***
People Soft	***
Oracle	***
TOTALS	***

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Software Relationships

- KPMG/Softline and Qwest are in the process of establishing outsourcing agreements with ISVs. Following is status to date:

<TABLE>	<CAPTION>
VENDOR	STATUS
<S>	<C>
***	***

EXHIBIT G

INITIAL MANAGERS

Class A Managers: (1) Joseph P. Nacchio

- (2) Lewis Wilks
- (3) Marc B. Weisberg

Class B Managers: (1) Rod McGeary

- (2) Bradley J. Schwartz
- (3) Philip Garland

Chief Executive Officer: John Charters

Exhibit G-1

EXHIBIT H

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TRADEMARK LICENSE AGREEMENT

This TRADEMARK LICENSE AGREEMENT (this "Agreement") is entered into as of June 3, 1999, by and between Quest Communications International Inc., a Delaware corporation ("Licensor"), and Qwest Cyber.Solutions LLC, a Delaware limited liability company ("Licensee").

RECITALS

WHEREAS, Licensor owns the marks identified on Exhibit A (the "Name") and trade names, service marks, logos, trade dress, designs and other identifying marks embodying the Name, including all other marks and all uses consented to by West pursuant to Section 1(b) (collectively, the "Marks");

WHEREAS, Licensee desires a royalty-free, non-exclusive license to use the Marks in connection with its corporate name and for use in all aspects of the Licensee's business, including, without limitation, in connection with the following trade materials: trade presentations, business cards, invoices, stationery and other similar printed matter (collectively, the "Trade Materials"); and

WHEREAS, Licensor desires to grant Licensee a license to use the Marks

subject to the conditions and terms in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and the undertakings hereinafter set forth, Licensor and Licensee do hereby respectively grant, covenant, and agree as follows:

1. Grant of License.

(a) Licensor hereby grants to Licensee, on the terms and conditions hereinafter set forth (including, but not limited to the terms of Section 6 below), royalty-free non-exclusive license (the "License") to use the Marks during the Term (as defined below) in connection with Licensee's corporate name and Trade Materials within the Business (as defined in the Limited Liability Company Agreement of Qwest Cyber.Solutions LLC, effective as of June 3, 1999, by and among Licensor, KPMG LLP, and Softline Consultants & Integrators, Inc.) (the "Licensed Use"). From time to time the Licensed Use may be expanded to include additional uses requested by Licensee and approved in writing by Licensor in the exercise of its sole discretion on a case by case basis. Licensee acknowledges and agrees that Licensor is under no obligation to approve any such additional uses of the Marks and that it will not use the Marks in any way except as provided herein. All rights not expressly granted to Licensee hereunder are reserved by Licensor. Without limiting the generality of the foregoing, Licensee acknowledges and agree that Licensor may continue to use and grant licenses to others of the rights to use the word "WEST" and any trade names, service marks, logos, trade dress, designs and other

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identifying marks embodying the word "WEST" in connection with any and all activities, including the Licensed Use, without violating the terms of this Agreement.

(b) Licensee acknowledges that Licensor is the owner of all right, title and interest in and to the Marks in any form or embodiment thereof and is also the sole owner of the goodwill attached and that becomes attached to the Marks, including but not limited to the goodwill associated with the Marks created through the use of the marks by Licensee. Licensee acknowledges and agrees that it has not acquired any property rights in or to the Marks, will not acquire any property rights in or to the Marks other than the License specifically granted herein, and will not use the Marks or any copyright, trademark, service mark, trade name, logo, slogan, trade dress, design or proprietary item similar to any of the Marks at any time during or after the Term except pursuant to this Agreement and any amendment or supplement hereto executed by Licensor, including but not limited to (i) permutations of any of the Marks; (ii) secondary or combination marks including or derived from any of the Marks; or (iii) new copyrights, trademarks, service marks, trade names, logos, slogans, trade dress, or designs derived from any of the Marks. Licensee will never challenge, or assist any person or entity in challenging, Licensor's and its affiliates' ownership of or the validity of the Marks or any application for registration thereof, or any copyright or trademark registrations thereof, or any rights of Licensor, or any of its affiliates or their respective licensees, therein. Licensee will not, at any time, do, or cause or permit to be done, any act or thing which will in any way jeopardize, dilute or adversely affect any rights of Licensor in and to the Marks or any registrations thereof or which, directly or indirectly, will reduce the value of the Marks.

(c) Licensee acknowledges that the Marks have acquired valuable secondary meaning and goodwill with the public, and that products bearing the Marks and services provided under the Marks have acquired a reputation of highest quality. Accordingly, Licensee undertakes and agrees not to use the Marks in any manner whatsoever which, directly or indirectly, would derogate or detract from its repute or which would demean, ridicule or reflect adversely upon the Marks or Licensor. Licensee recognizes that the undertaking on its part set forth in this paragraph represents a major inducement and consideration for Licensor to enter into this Agreement.

(d) Licensee acknowledges that the License is being granted on a quitclaim basis and that Licensor makes no representations and warranties in this Agreement of any kind (including, without limitation, as to Licensor's rights in and to the Marks).

(e) Licensee will not in any way seek to avoid Licensee's duties or obligations under this Agreement because of the assertion by any person or entity that any or all of the Marks are invalid by reason of any contest concerning the rights of or claimed by Licensor.

2. QUALITY CONTROL.

(a) Licensee agrees that its use of the Marks in connection with the Licensed Use will meet or exceed quality standards reasonably acceptable to

Licensors. To ensure that the quality standards hereunder are satisfied, Licensee will submit all proposed uses of the Marks to Licensor for Licensor's approval, which approval must be made by an employee of Licensor

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who holds a position at or above the level of Senior Manager, and will be granted in Licensor's sole and absolute discretion.

(b) Licensor and its authorized representatives have the right, at Licensor's cost and expense and upon reasonable prior notice thereof, to inspect the Trade Materials and any products or services related thereto, as may be reasonably necessary in order to confirm that the quality standards are being observed and that Licensee is using the Marks only for the Licensed Use.

(c) Licensee will faithfully and accurately reproduce the Marks. No partial version of the Marks, or any fragments thereof, nor any modified or derivative version of the Marks, may be used at any time for any purpose without the express written consent of Licensor in each instance. Licensor acknowledges and agrees that any materials supplied by Licensor to Licensee for Licensed Use are deemed to meet the quality control requirements hereunder.

(d) Licensee will, at its own expense, apply trademark notices or other markings as may be necessary or appropriate or as Licensor may request in connection with each and every use of the Marks under the laws or regulations of each country where the Marks are used.

(e) Licensee will be solely responsible for and will comply with all laws, rules and regulations, if any, of governments and agencies and political subdivisions thereof in connection with the Licensed Use.

3. TERM OF LICENSE. The term (the "Term") of the License will commence on the date of this Agreement and will continue for perpetuity or until sooner terminated pursuant to the provisions hereof.

4. REGISTRATION AND PROTECTION OF THE MARKS.

(a) Licensee will take all actions reasonably necessary to protect all rights in and to the Marks for the Licensed Use. Licensor will have the right to seek trademark or other intellectual property protection for the Marks, and any and all expenses incurred in connection with the foregoing will be borne by Licensee. Licensee, at Licensee's expense, will provide all assistance and perform all services reasonably requested by Licensor, and will cooperate with the Licensor, in connection with the foregoing. Sales by Licensee will be deemed to have been made by Licensor for purposes of trademark registration and all uses of the Marks by Licensee hereunder will inure to the benefit of Licensor.

(b) If Licensee learns of any infringement or imitation of the Marks or of any use by any person of a copyright, trademark, service mark, trade name, trade dress or proprietary item similar to the Marks, it will promptly notify Licensor thereof. In such event, Licensor will have the sole right to determine whether or not any action will be taken on account of such infringements or imitations. Licensee agrees to assist Licensor to the extent necessary in the procurement of any protection or to protect any of Licensor's rights to the Marks, and Licensor if it so desires may commence or prosecute any claims or suits in its own name or in the name of Licensee or join Licensee as a party thereto at the sole expense of Licensor. Licensee will not institute any suit or take any action on account of any such infringements or imitations without

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first obtaining the written consent of Licensor to do so. Licensor hereby agrees that where such consent is given, Licensee will be entitled to take action for infringement. All costs and expenses, including legal fees, incurred in connection with any such suits which are so instituted by Licensee with the consent of Licensor will be borne solely by Licensee. As to suits instituted by

Licensee with the consent of Licensor, Licensee will undertake and control the prosecution of such suits using counsel approved by Licensor, and such counsel will consult fully with Licensor concerning the strategy and tactics thereof. Licensor will have the right to participate and represent its interests through other counsel of its own choosing. If Licensor elects to participate through other counsel of its own choosing, Licensor will pay the costs of such other counsel. Licensee will not have any rights against Licensor for damages or any other remedy by reason of any action filed by Licensor, any determination of Licensor not to act or any settlement to which Licensor may agree with respect to any alleged infringements or imitations by others of the Marks, nor will any such action or determination of Licensor or such settlement by Licensor affect the validity or enforceability of this Agreement. If Licensor and Licensee desire to agree to joint participation in any litigation or other proceeding with respect to the Marks, the respective responsibilities of the parties, and their contributions to the cost and participation in any recoveries, will be agreed upon in writing prior to undertaking such action.

(c) Licensor will at all times have the right, in its sole discretion, provided it reasonably considers the rights of Licensee under this Agreement in connection with the exercise of such discretion, to take whatever steps it deems necessary or desirable to protect the Marks from harmful or wrongful activities of third parties involving the Licensed Use or otherwise and, subject to the provisions of subsection 4(b) above, will have the right to control any litigation or other proceeding undertaken by it for any such purpose.

5. INDEMNIFICATION.

(a) Licensor does hereby indemnify and agrees to save and hold Licensee, its affiliates, successors, licensees and assigns, and the officers, directors, agents and employees of each of them (the "LICENSEE INDEMNITEES"), harmless of and from any and all liability, claims, causes of action, suits, losses, settlements, damages, fines, penalties and expenses (including, but not limited to, reasonable attorneys' fees and expenses) for which they or any of them may become liable or may incur or be compelled to pay in any action or claim against them or any of them, by reason of or in connection with any material breach or alleged material breach by Licensor of this Agreement or any of Licensor's representations, warranties or agreements hereunder. The Licensee Indemnitees will give Licensor prompt written notice of any such action or claim, and Licensor will take such action as is reasonably advisable to defend such action or claim on behalf of the Licensee Indemnitees. The Licensee Indemnitees and Licensor will keep each other fully advised of all developments and will cooperate fully with each other in all respects in connection with any such defense as is made.

(b) Licensee does hereby indemnify and agrees to save and hold Licensor, its affiliates, successors, licensees and assigns, and the officers, directors, agents and employees of each of them (the "LICENSOR INDEMNITEES"), harmless of and from any and all liability, claims, causes of action, suits, losses, settlements, damages, fines, penalties and expenses (including, but not limited to, reasonable attorneys' fees and expenses) for which they or any of them may become liable or may incur or be compelled to pay in any action or claim against them or any of

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them, by reason of or in connection with (a) any breach or alleged breach by Licensee of this Agreement or any of Licensee's representations, warranties or agreements hereunder or (b) the Licensed Use. The Licensor Indemnitees will give Licensee prompt written notice of any such action or claim, and Licensee will take such action as is reasonably advisable to defend such action or claim on behalf of the Licensor Indemnitees. The Licensor Indemnitees and Licensee will keep each other fully advised of all developments and will cooperate fully with each other in all respects in connection with any such defense as is made.

6. TERMINATION.

(a) Licensor has the right to terminate the License by written notice to Licensee at any time if:

(i) Licensee's term of existence (as specified in the Limited Liability Company Agreement of Licensee, dated as of June 3, 1999, as amended from time to time, the "LIMITED LIABILITY COMPANY AGREEMENT") expires;

(ii) Licensee's existence is terminated pursuant to any applicable law or to the provisions of the Limited Liability Company Agreement;

(iii) Licensor, or its successors collectively own less than 20% of the membership interests of Licensee (or of the shares of voting stock of any corporation in to which Licensee is merged or combined) on an as converted and fully diluted basis, or

(iv) KPMG LLP, or its successor, purchases any portion of the Membership Interest of Licensor, pursuant to an election made pursuant to, or any process conducted under, Article 13 of the LLC Agreement.

(b) Licensor will have the right to terminate the License without prejudice to any rights which it may have under the provisions of this Agreement, in law, or in equity, or otherwise, upon the occurrence of any one or more of the following events:

(i) Licensee materially defaults in the performance of any of its obligations under this Agreement;

(ii) Licensee abandons its use of the Marks by ceasing bona fide commercial use thereof in the ordinary course of trade for a period of one (1) consecutive year;

(iii) Licensee makes any assignment for the benefit of creditors; or Licensee states in writing its inability to pay its debts as such debts become due; or Licensee commences a voluntary case under the United States Bankruptcy Code or any applicable bankruptcy, insolvency or other similar law now or hereafter in effect in the United States or any foreign jurisdiction; or the Executive Committee of Licensee (or any committee thereof) adopts any resolution or otherwise authorizes action to approve any of the foregoing in this subpart (iii); or

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(iv) Any order, judgment or decree is entered against Licensee decreeing the dissolution or split up of Licensee and such order remains undischarged or unstayed for a period in excess of thirty (30) days.

(c) If there is any dispute as to whether the termination of the License was proper under this Section, the License will remain in effect until the dispute has been finally resolved. A dispute will be finally resolved upon mutual agreement of the parties or upon the issuance of a final written decision of an arbitrator appointed pursuant to Section 10.

7. RIGHTS ON TERMINATION.

(a) On the expiration or termination of the License for any reason whatsoever, all the rights of Licensee hereunder will forthwith terminate and automatically revert to Licensor and Licensee will forthwith discontinue all use of the Marks and will no longer have the right to use the Marks or any variation or simulation thereof.

(b) Without limiting the foregoing, upon termination of the License, the parties will perform all other acts which may be necessary or useful to render effective the termination of the interest of Licensee in the Marks, and Licensee will execute any assignment, conveyance, acknowledgment or other document that Licensor requires, relinquishing or conveying to Licensor any and all rights to or interest in the Marks that Licensee has, and any goodwill associated therewith.

(c) Notwithstanding any termination in accordance with any provision of this Agreement, Licensor has, and hereby reserves, all the rights and remedies which it has or which are granted to it by operation of law with respect to damages for breach of this Agreement by Licensee, to enjoin the unlawful and unauthorized use of the Marks and otherwise.

(d) Upon termination of the License, Licensee will promptly destroy all Trade Materials containing the Marks, or any portion or derivation thereof, and will certify to Licensor that such destruction has occurred.

8. NOTICES. All notices, reports or documents required or permitted hereunder must be in writing and delivered in person, by telecopy, telex or equivalent form of written telecommunication, or sent by certified or registered mail, return receipt requested, postage prepaid, as follows:

To Licensor: Qwest Communications International Inc.

1000 Qwest Tower
555 Seventeenth Street
Denver, Colorado 80202
Attention: General Counsel
Facsimile Number: 303-992-1724

and

Qwest Communications Corporation
4650 Lakehurst Ct.

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Dublin, Ohio 43016
Attention: Attorney-Trademarks
Facsimile Number: 614-798-6498

With Copy to: O'Melveny & Myers LLP
1999 Avenue of the Stars, 7th Floor
Los Angeles, CA 90067-6035
Attention: Steven L. Grossman, Esq.
Facsimile Number: 310-246-6779

To Licensee: Qwest Cyber. Solutions LLC
1000 Qwest Tower
555 Seventeenth Street
Denver, Colorado 80202
Attention: Chief Executive Officer

or such other party and/or address as any of such parties may designate in a written notice served upon the other party in the manner provided for herein. All notices required or permitted hereunder by personal delivery or facsimile will be deemed to be properly given only if delivered in person or by facsimile transmission on any day other than a Saturday, Sunday or legal holiday under the Laws of the States of California, Colorado or New York or any other day on which banking institutions located in any such state are authorized or required by law or other governmental action to close (a "BUSINESS DAY"). A notice will be deemed conclusively to have been effectively delivered (a) if delivered in person, then when delivered; or (b) if delivered by facsimile transmission, then on the day the facsimile transmission was sent successfully to the relevant facsimile number set forth above; provided, however, that if such facsimile transmission was sent successfully on a non-Business Day, then such delivery will be deemed to have been made on the next succeeding Business Day.

9. ASSIGNMENT AND SUBLICENSES. This Agreement and all of the provisions hereof are binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement and the rights granted hereunder may be assigned, sublicensed, or transferred by Licensee, but only with the prior written consent of Licensor, which consent may be granted by Licensor in its sole and absolute discretion. Licensor may assign or transfer its rights and obligations under this Agreement at any time.

10. ARBITRATION.

(a) Notwithstanding anything to the contrary contained in this Section 10, any disputes as to the validity, ownership, or control of the Marks will be litigated in an appropriate court of law.

(b) Each of Licensor and Licensee acknowledges that any material breach of this Agreement by any such party will result in irreparable harm to the other party for which there is no adequate remedy at law. In such event, Licensor or Licensee, as the case may be, is entitled to preliminary or temporary equitable relief in an appropriate court of law, pending a

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final determination in accordance with this Section 10, without the necessity of

posting bond unless otherwise required by applicable law.

(c) The parties hereto will promptly notify each other in writing of any dispute arising out of or relating to this Agreement, and will attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between executives who have authority to settle the controversy. All reasonable requests for information made by one party to the other will be honored. All negotiations pursuant to this clause are confidential and will be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

(d) If any such dispute remains unresolved within 30 days of original notice thereof, the Parties hereto will endeavor to resolve any dispute arising out of or relating to this agreement by mediation under the CPR Mediation Procedure for Business Disputes. Unless the Parties hereto agree otherwise, the mediator will be selected from the CPR Panel of Neutrals with notification to the CPR Institute for Dispute Resolution.

(e) Any controversy or claim arising out of or relating to this contract or the breach, termination or validity thereof, which remains unresolved 45 days after appointment of a mediator, will be settled by arbitration by the majority decision of at least two members of a three-member arbitration tribunal in accordance with the CPR Non-Administered Arbitration Rules; provided, however, that if either party will not participate in a non-binding procedure described above, the other may initiate binding arbitration before expiration of the above period. Each party will choose one arbitrator from the CPR Panels of Distinguished Neutrals, and the two arbitrators so chosen will choose the third arbitrator. The arbitration will be governed by the United States Arbitration Act, 9 U.S.C. Sections 1-16, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof.

(f) Except as expressly provided below, the arbitrator is not empowered to award damages in excess of compensatory damages and each party hereby irrevocably waives any right to recover such damages with respect to any dispute resolved by arbitration.

(g) The statute of limitations of the State of Colorado applicable to the commencement of a lawsuit will apply to the commencement of an arbitration hereunder, except that no defenses will be available based upon the passage of time during any negotiation or mediation called for by the preceding paragraphs of this Section.

(h) All negotiations pursuant to this Section are confidential and will be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

(i) Each party agrees that service by registered or certified mail, return receipt requested, delivered to such party at the notice address provided herein, will be deemed in every respect effective service of process upon such person for all purposes of these provisions relating to mediation and arbitration. Each party irrevocably submits to the jurisdiction of the courts of the State of Colorado and to any federal court located within such state for the purpose of any action or judgment with respect to this Agreement, regardless of where any alleged breach or other action, omission, fact or occurrence giving rise thereto occurred. Each party hereby

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irrevocably waives any claim that any action or proceeding brought in Colorado has been brought in any inconvenient forum.

(j) The parties hereto will negotiate in good faith and agree on such further or modified arbitration provisions as are reasonably necessary for awards and other judgments resulting from the provisions set forth above to be recognized and enforceable in other jurisdictions.

(k) The fees and costs of the mediation process and the arbitration process will be shared equally by all disputing parties. The arbitration tribunal will award legal fees, disbursements and other expenses to the prevailing party or parties for such amounts as determined by the arbitration tribunal to be appropriate. Judgment upon the arbitration tribunal's award may be entered as if after trial in accordance with the applicable law of this Agreement set forth in Section 13. Should a party fail to pay fees as required, the other party or parties may advance the same and will be entitled to a

judgment from the Arbitrator in the amount of such fees plus interest at the prime rate as determined by the Bank of America, or any successor institution. Any award issued by the Arbitrator will bear interest at the judgment rate in effect in the State of California from the date determined by the Arbitrator.

11. RELATIONSHIP OF THE PARTIES.

(a) Except as may be expressly provided herein, this Agreement does not constitute either party, and neither party will represent itself as, the agent of the other, or create a partnership or joint venture between the parties, and neither party will have the power to obligate or bind the other in any manner whatsoever.

(b) Nothing contained herein is intended or will be construed as prohibiting Licensor from entering into or competing with the business of Licensee.

12. COMPLETE AGREEMENT. This Agreement constitutes the complete and exclusive statement of agreement among the parties with respect to the subject matter herein and replaces and supersedes all prior written and oral agreements or statements by and among the parties or any of them. No representation, statement, condition or warranty not contained in this Agreement will be binding on the parties or have any force or effect whatsoever.

13. GOVERNING LAW. This Agreement and all amendments to it will be governed by the internal laws (and not the laws relating to choice or conflict of laws) of the State of New York. However, any and all disputes, controversies, and claims pertaining to Licensor's ownership of or the validity of the Marks or any registration thereof or any application for registration thereof will be governed by and construed in accordance with the federal trademark and related laws, statutes, rules, and regulations of the United States unless there are no federal laws, statutes, rules, or regulations dispositive of such disputes, controversies, and claims, in which case any and all such disputes, controversies, and claims will be governed by and construed in accordance with the laws of the State of California, without giving effect to conflict of laws.

14. JURISDICTION; SERVICE OF PROCESS; VENUE. Licensee agrees that any legal action or proceeding with respect to this Agreement or any other document executed in connection

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herewith, or any action or proceeding to execute or otherwise enforce any judgment obtained against it or any of its properties, may be brought in the courts of the State of Colorado or in the courts of the United States for the District of Colorado or elsewhere, as Licensor may elect, provided always that suit may be brought in the courts of any country or place where Licensee or any of its assets may be found, and, by execution and delivery of this Agreement, Licensee irrevocably submits to each such jurisdiction. Licensee irrevocably waives any objection which it may now or hereafter have to the venue of any suit, action or proceeding arising out of or relating to this Agreement or any document executed in connection herewith brought in the courts of the State of Colorado or in the United States District Court for the District of Colorado, and hereby further irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

15. WAIVER. Any waiver by Licensor of a breach of any provision of this Agreement will not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Agreement. The failure of Licensor to insist upon strict adherence to any term of this Agreement on one or more occasions will not be considered a waiver or deprive Licensor of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. Any waiver must be in writing.

16. AMENDMENTS. All amendments to this Agreement must be in writing and signed by Licensor and Licensee.

17. SEVERABILITY. If any provision of this Agreement or the application of such provision to any person or circumstance is held invalid, the remainder of this Agreement will not be affected thereby so long as such remainder continues to have the economic effect intended by this Agreement.

18. INTERPRETATION. If any claim is made by a party relating to any conflict, omission or ambiguity in the provisions of this Agreement, no

presumption or burden of proof or persuasion will be implied because this Agreement was prepared by or at the request of any party or its counsel. The parties waive any statute or rule of law to the contrary.

19. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which constitute one and the same instrument.

20. ADDITIONAL DOCUMENTS AND ACTS. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions, and conditions of this Agreement and the transactions contemplated hereby.

[Remainder of page intentionally left blank.]

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IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

"LICENSOR"

QWEST COMMUNICATIONS INTERNATIONAL INC.

By: _____

Name:

Title:

"LICENSEE"

QWEST CYBER. SOLUTIONS LLC

By: _____

Name: John Charters

Title: Chief Executive Officer

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Exhibit A

Licensed Marks

1. "Qwest"

Exhibit A-1