

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): August 23, 2004

CMGI, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-23262
(Commission File Number)

04-2921333
(IRS Employer
Identification No.)

1100 Winter Street
Waltham, Massachusetts 02451
(Address of Principal Executive Offices) (Zip Code)

(781) 663-5001
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

On August 23, 2004, Joseph C. Lawler was appointed President and Chief Executive Officer of CMGI, Inc. (the "Registrant"). In connection therewith, the Registrant and Mr. Lawler executed an employment offer letter, dated as of August 23, 2004, which provides for the employment of Mr. Lawler as President and Chief Executive Officer of the Registrant at an annual salary of \$550,000. Mr. Lawler shall also be eligible for an annual cash bonus under the Registrant's Executive Officer Bonus Plan (or any successor plan). Mr. Lawler's annual target bonus shall be 125% of his annual salary. Mr. Lawler's bonus for the current fiscal year shall be guaranteed at a minimum of \$250,000. Pursuant to the employment offer letter, on August 23, 2004, Mr. Lawler was granted an option to purchase 2,700,000 shares of the Registrant's common stock at an exercise price of \$1.25 per share. Such option has a seven-year term and shall vest 20% of the total number of shares subject to the option on each of the first five anniversaries of the grant date. In addition, on August 27, 2004, Mr. Lawler was granted 1,800,000 shares of the Registrant's common stock with the purchase price deemed to have been paid in kind through Mr. Lawler's agreement to employment by the Registrant. Such restricted shares shall be subject to forfeiture provisions which shall lapse as to 20% of the total number of shares subject to the grant on each of the first five anniversaries of the grant date. In connection with such initial grants of stock options and restricted stock, Mr. Lawler and the Registrant also entered into an agreement containing non-competition covenants in favor of the Registrant during Mr. Lawler's employment and for 12 months thereafter. In addition, on each of the first five anniversaries of Mr. Lawler's date of hire on which he is employed by the Registrant, the Registrant shall grant additional stock options and restricted stock awards to Mr. Lawler with respect to such number of shares of the Registrant's common stock that, when added to the initial grants described above, will be equal to 2% of the Registrant's outstanding shares of common stock (on a fully diluted basis) on August 2, 2004, immediately following the Registrant's acquisition of Modus Media, Inc. Each such additional grant of stock options and restricted stock shall be in the proportion of 1.5 options to each share of restricted stock. If at any time the closing share price of the Registrant's common stock equals or exceeds \$3.00 for 30 consecutive trading days (adjusted for changes in capitalization), then the Registrant shall immediately grant to Mr. Lawler all of such additional stock options and restricted stock awards that have not been previously granted. Each additional stock option and restricted stock award shall vest 20% of the total of such award on each anniversary of the date of grant and, in the case of stock options, shall have a seven-year term and an exercise price equal to the fair market value of a share of the Registrant's common stock on the date of grant.

Pursuant to the employment offer letter, Mr. Lawler and the Registrant entered into an Executive Severance Agreement, dated as of August 23, 2004, that provides in the event that his employment is terminated by the Registrant for a reason other than for Cause (as defined) or by Mr. Lawler for Good Reason (as defined), then the Registrant shall pay Mr. Lawler a one-time severance payment equal to 12 months of his then-current annual base salary plus his target bonus as in effect on his last day of employment. In addition, 50% of the portion of each of Mr. Lawler's stock options and

restricted stock awards which would otherwise become vested on or before the first anniversary of the date his employment is terminated shall be immediately vested, such vested awards that were granted as restricted stock shall be free of restrictions and such vested awards that were granted as options shall remain exercisable for a period of six months following his last day of employment. In addition, the agreement provides that in the event that his employment is terminated by the Registrant for a reason other than for Cause or by Mr. Lawler for Good Reason within 12 months following a Change of Control (as defined), then the Registrant shall pay Mr. Lawler a one-time severance payment equal to 24 months of his then-current annual base salary plus two times his target bonus as in effect on his last day of employment. In addition, (i) in the event the Change in Control occurs on or after August 23, 2005, 1/3 of Mr. Lawler's stock options and restricted stock awards which are not then vested (taken proportionately from each of the remaining vesting tranches) shall immediately vest as of the date of termination, (ii) in the event the Change in Control occurs on or after August 23, 2006, 2/3 of Mr. Lawler's stock options and restricted stock awards which are not then vested (taken proportionately from each of the remaining vesting tranches) shall immediately vest as of the date of termination, (iii) in the event the Change in Control occurs on or after the August 23, 2007, all of Mr. Lawler's stock options and restricted stock awards which are not then vested shall immediately vest as of the date of termination, and (vi) in each such case, such vested awards that were granted as restricted stock shall be free of restrictions and such vested awards that were granted as options shall remain exercisable for a period of six months following his last day of employment. In the event that any amounts payable to Mr. Lawler under the agreement are characterized as "excess parachute payments" under Section 280G of the Internal Revenue Code, then Mr. Lawler may elect to reduce the severance payments or have a portion of the stock options or restricted stock not vest.

Pursuant to the employment offer letter, Mr. Lawler and the Registrant also entered into an agreement, dated as of August 23, 2004, pursuant to which the Registrant shall reimburse Mr. Lawler for certain relocation expenses up to a maximum of \$150,000.

Pursuant to the employment offer letter, Mr. Lawler and the Registrant also entered into an agreement, dated as of August 23, 2004, pursuant to which the Registrant shall provide indemnification to Mr. Lawler in his capacities as a director and executive officer of the Registrant to the fullest extent provided by applicable law and by the Registrant's Certificate of Incorporation and By-laws.

The foregoing description is subject to, and qualified in its entirety by, the Employment Offer Letter, the Executive Severance Agreement, the Relocation Expense Reimbursement Agreement, the Indemnification Agreement and the Restricted Stock Agreement filed as exhibits hereto and incorporated herein by reference.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

On August 23, 2004, George A. McMillan resigned as President and Chief Executive Officer and as a member of the Board of Directors of the Registrant.

On August 23, 2004, Joseph C. Lawler was appointed President and Chief Executive Officer of the Registrant, replacing Mr. McMillan. In addition, on August 23, 2004, Mr. Lawler was elected to the Board of Directors of the Registrant, filling the vacancy created by the resignation of Mr. McMillan. Mr. Lawler shall serve as a Class I member of the Board of Directors until the 2006 Annual Meeting of Stockholders of the Registrant and until his successor is duly elected and qualified.

From 1995 to March 2004, Mr. Lawler served in various positions with R.R. Donnelley & Sons Company, a provider of full-service global print solutions, most recently as Executive Vice President. While at R.R. Donnelley, Mr. Lawler had management responsibilities for logistics, financial, direct mail and international operations. Mr. Lawler is 54 years old. There are no family relationships between Mr. Lawler and any other director or executive officer of the Registrant.

For a description of Mr. Lawler's employment-related agreements, see Item 1.01 above.

Item 9.01 Financial Statements and Exhibits

(c) The exhibits listed in the Exhibit Index immediately preceding such exhibits are filed with this report.

SIGNATURE

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

CMGI, Inc.

By: /s/ Thomas Oberdorf

Thomas Oberdorf
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

Date: August 27, 2004

EXHIBIT INDEX

Exhibit No.	Description
99.1	Employment Offer Letter from the Registrant to Joseph C. Lawler, dated August 23, 2004.
99.2	Executive Severance Agreement, dated as of August 23, 2004, by and between the Registrant and Joseph C. Lawler.
99.3	Relocation Expense Reimbursement Agreement, dated as of August 23, 2004, by and between the Registrant and Joseph C. Lawler.
99.4	Indemnification Agreement, dated as of August 23, 2004, by and between the Registrant and Joseph C. Lawler.
99.5	Restricted Stock Agreement, dated as of August 27, 2004, by and between the Registrant and Joseph C. Lawler.
99.6	Press Release of the Registrant, dated August 24, 2004.

August 23, 2004

Joseph Lawler
2117 Middlefork Road
Northfield, IL 60093

Dear Joe:

It is a distinct pleasure to offer you the position of Chief Executive Officer of CMGI, Inc. (the "Company"), effective as of the date you execute this letter agreement (the "Effective Date"). In connection with your employment as Chief Executive Officer, you will also be elected (and nominated for re-election from time to time) to the Company's Board of Directors ("Board").

Your starting annual salary will be \$550,000, which represents \$21,153.84 every two weeks. Your salary will be reviewed by the Board at least annually and may be increased (but not decreased) in the Board's discretion.

You will also be eligible for a cash annual bonus under the Company's Executive Officer Bonus Plan or any successor thereto (the "Bonus Plan") for each fiscal year, with a target bonus of 125% of your annual salary then in effect and such maximum as may be in effect from time to time under the Bonus Plan; provided, however, that, for the Company's 2005 fiscal year your bonus will be guaranteed at a minimum of \$250,000.

In addition, you will be granted (a) an option on the Effective Date to purchase 2.7 million shares of the Company's common stock and (b) 1.8 million shares of restricted stock (collectively, the "Initial Awards"). Each such award shall be granted either under the Company's 2000 Stock Incentive Plan (together with any successor thereto, the "Plan") or, in the case of the restricted stock, granted as an inducement award not under the Plan (provided that any such restricted stock award, or portion thereof, granted as an inducement award not under the Plan shall be granted as of the effective date of the registration statement (Form S-8) which shall be filed as soon as practicable, but in no event greater than 45 days, following the Effective Date). The option will have an exercise price equal to the closing price on the Nasdaq National Market (during normal trading hours) on the date of grant. Each of the Initial Awards will vest 20% of the total such award on each of the first five anniversaries of the date hereof. The option shall have a seven (7) year term. Except as set forth under your Executive Severance Agreement (described below), upon termination of employment, each nonvested option and each nonvested share of restricted stock shall be immediately forfeited and each vested option shall be exercisable for 30 days following your termination of employment, but not beyond the original term.

Subject to shareholder approval of an increase in shares available for grant under the Plan to the extent such approval is required under the rules of any applicable securities exchange, on each of the first five anniversaries of the date hereof during which you are employed by the Company, the Company shall grant you stock option and restricted stock awards (collectively, the "Special Awards") with respect to that number of shares which is equal to ((x) minus (y)) times (z) where (x) is equal to

2% of the number of the Company's outstanding shares of common stock on a fully diluted basis on the date immediately following the Company's acquisition of Modus Media, Inc. (i.e., taking into account all common stock options, warrants, securities convertible into common stock and other rights to acquire shares of common stock from the Company outstanding on such date); (y) is the number of shares of the Company's common stock which have previously been subject to options or restricted stock awarded to you (adjusted for changes in capitalization), and (z) is a fraction the numerator of which is one and the denominator of which is five minus the number of annual Special Award grants previously made to you. Unless otherwise agreed by the parties, each such grant of options and restricted stock shall be in the same proportion as the Initial Awards (1.5 options to each share of restricted stock). Each such award shall be granted under the Plan. The foregoing notwithstanding, if at any time after the date hereof the closing share price of the Company's common stock equals or exceeds \$3.00 for 30 consecutive trading days (adjusted for changes in capitalization), then the foregoing denominator shall be deemed to be "one" and the Company shall immediately grant all of the Special Awards that have not been previously granted to you; provided, however, in no event will the date of grant or award of a Special Award be prior to obtaining stockholder approval of an increase in shares available for grant under the Plan. Each Special Award shall vest 20% of the total such award on each anniversary of the date of grant, and, in the case of options, shall have an exercise price equal to the fair market value of a share of common stock on the date of grant. Each such option shall have a seven (7) year term. Except as set forth under your Executive Severance Agreement, upon termination of employment, each nonvested option and each nonvested share of restricted stock shall be immediately forfeited and each vested option shall be exercisable for 30 days following your termination of employment, but not beyond the original term.

To the extent that shareholder approval is required for an increase in shares available under the Plan in order to grant any portion or all of the Special Awards, the Board will seek and recommend such approval at the next regularly scheduled shareholders meeting. If shareholder approval for such an increase in shares is not obtained, then such failure to get shareholder approval, and the inability of the Company to otherwise make such Special Award, shall constitute one of the elements of the definition of "Good Reason" under the Executive Severance Agreement.

To the extent not inconsistent with the foregoing provisions of this letter agreement, the Initial Awards and the Special Awards, to the extent granted under the Plan, and all subsequent options and restricted stock awards shall be subject to all terms, limitations, restrictions and termination provisions set forth in the Plan and, in the separate option and restricted stock agreements (which otherwise shall be based upon the Company's standard form agreements (subject to the inconsistency exception, below)) that shall be executed to evidence the grant of any options. To the extent not granted under the Plan, the Initial Awards and the Special Awards shall, to the extent not inconsistent with the foregoing provisions of this letter agreement, be subject to terms, conditions, limitations, restrictions, and termination provisions to the same extent as if issued under the Plan and as if granted under the Company's standard form agreements. In addition, the grant of the options and restricted stock awards are conditioned upon your execution of the Company's standard form of Non-Competition Agreement. In the event of a change in capitalization of the Company which would result in adjustments to outstanding awards and to the number of shares subject to the Plan under the terms of the Plan, corresponding adjustments shall be made to awards granted or to be granted pursuant to the foregoing provisions of this letter.

You represent and warrant that (i) you have advised the Company of any agreement relating to non-competition, non-solicitation or confidentiality between you and your previous employer (ii) you are not a party to or bound by any other employment agreement, noncompete agreement or confidentiality agreement with any other person or entity which would be violated by your acceptance of this position or which would interfere in any material respect with the performance of your duties with the Company and (iii) you will not use any confidential information or trade secrets of any person or party other than the Company in connection with the performance of your duties with the Company.

As an employee of the Company, you shall be entitled to vacation in accordance with the Company's vacation policies and will participate in any and all benefit programs, other than any severance arrangement, that the Company establishes and makes generally available to its employees from time to time, provided you are eligible under (and subject to all provisions of) the plan documents governing those programs.

On the Effective Date, the Company and you will enter into an Executive Severance Agreement in the form attached hereto Exhibit A which contains additional terms that shall be applicable to your employment, and Exhibit A shall be incorporated herein by reference. For the avoidance of doubt, for purposes of the Executive Severance Agreement, your target bonus for the fiscal year ending July 31, 2005 shall be \$687,500.

In connection with your election to the Board of Directors, the Company shall provide you with the Company's standard form Indemnification Agreement. In addition, the Company hereby confirms that in connection with your employment by the Company, the Company shall provide you with indemnification to the fullest extent authorized by the Company's Certificate of Incorporation and By-Laws.

You agree that you shall relocate to the Boston area as soon as practicable, but in no event later than the nine-month anniversary of the date hereof. The Company shall reimburse you for the reasonable expenses of moving your belongings and such other expenses as set forth in the Relocation Expense Reimbursement Agreement.

During the course of your employment you will be provided a monthly car allowance in the amount of \$1,000 which will be treated for tax purposes as additional compensation to you.

The Company agrees that it shall pay the reasonable costs and expenses of one counsel to you in connection with the preparation of this offer letter and the other documents contemplated hereby, up to a maximum payment by the Company of \$10,000.

Please confirm your acceptance of this position by signing one copy of this letter and returning it to me.

Your employment with the Company will be "at-will". This means that your employment with Company may be terminated by either you or the Company at any time and for any reason, with or without notice. This offer expires as of the close of business on August, 23, 2004. This letter agreement and the Executive Severance Agreement constitute the entire agreement between the parties and supersede all prior offers, both oral and written. This letter agreement does not constitute a guarantee of employment. If there shall be any inconsistency (including, without limitation, identical

capitalized terms with less than identical meanings) between (i) this letter agreement and the Executive Severance Agreement and (ii) any other agreement, plan, award, program or practice of the Company whether now existing or hereafter adopted or amended, then this letter agreement and the Executive Severance Agreement shall control, unless you hereafter have agreed otherwise in writing and such other agreement, plan, program or practice specifically refers to the provision of this letter agreement or Executive Severance Agreement affected thereby.

We are very pleased by the prospect of your new role with us, and we are confident that you will make a significant contribution to our future success!

Sincerely,

/s/ Francis J. Jules

Chairman of the Compensation Committee of the Board, CMGI, Inc.

/s/ Joseph Lawler

Joseph Lawler

Date: August 23, 2004

EXECUTIVE SEVERANCE AGREEMENT

THIS EXECUTIVE SEVERANCE AGREEMENT ("Agreement") by and between CMGI, Inc., a Delaware corporation (the "Company"), and Joseph Lawler (the "Executive"), is made as of August 23, 2004.

WHEREAS, effective as the date hereof, the Executive has been elected as the Chief Executive Officer of the Company;

WHEREAS, the Executive and the Company have entered into a letter agreement, of even date herewith, setting forth certain terms and conditions of the Executive's employment with the Company ("Letter Agreement"); and

WHEREAS, the parties desire to enter into this Executive Severance Agreement;

NOW, THEREFORE, as an inducement for and in consideration of the Executive entering into and remaining in its employ, the Company agrees that the Executive shall receive the severance payments and benefits set forth in this Agreement in the event the Executive's employment with the Company is terminated under the circumstances described below and shall be entitled to certain other rights and benefits provided herein; and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Term of Agreement. The term of this Agreement shall be from the date hereof through the last day of Executive's employment with the Company. All capitalized terms not defined herein shall have the meaning set forth in the Letter Agreement.

2. Not an Employment Contract. The Executive acknowledges that this Agreement does not constitute a contract of employment or impose on the Company any obligation to retain the Executive as an employee and that this Agreement does not prevent the Executive from terminating his employment. Executive understands and acknowledges that he is an employee at will and that either he or the Company may terminate the employment relationship between them at any time and for any reason.

3. Severance Payment and Other Benefits.

(a) In the event the employment of the Executive is terminated by the Company for a reason other than for Cause (as defined below), or by the Executive for Good Reason (as defined below), the Company shall pay to the Executive a severance payment equal to 12 months of his then-current monthly base salary plus target annual bonus, as in effect on the Executive's last day of employment, and will reimburse the Executive for cost of COBRA for medical, dental and vision benefits for 12 months following the Executive's last day of employment. The severance payment shall be payable in full within 10 business days after the effective date of the release referenced in subsection (c) below, unless the parties agree otherwise. In addition, 50% of the portion of each of the Executive's Initial Awards and Special Awards which would otherwise become vested on or before the first anniversary of the date Executive's employment is terminated shall be immediately vested, such vested awards that were granted as restricted stock shall be free of restrictions and such vested awards that were granted as options shall remain exercisable for a period of 6 months following the Executive's last day of employment (but not to exceed the original term of such awards).

In the event that the Executive is entitled to severance under Section 3(b) below, this Section 3(a) shall not apply and shall have no further force or effect.

(b) In the event the employment of the Executive is terminated by the Company for a reason other than for Cause within twelve (12) months following a Change of Control (as defined below) of the Company or by the Executive for Good Reason within twelve (12) months following a Change of Control of the Company, the Company shall pay to the Executive a severance payment equal to the sum of 24 months of his then-current monthly base salary plus two times his target annual bonus, as in effect on the Executive's last day of employment, and will reimburse the Executive for cost of COBRA for medical, dental and vision benefits for 18 months following the Executive's last day of employment. The severance payment shall be payable in full within 10 business days after the effective date of the release referenced in subsection (c) below, unless the parties agree otherwise. In addition, (i) in the event the Change in Control occurs on or after the first anniversary of the Effective Date of the Letter Agreement, 1/3 of the Executive's Initial Awards and Special Awards which are not then vested (taken proportionately from each of the remaining vesting tranches) shall immediately vest as of the date of termination, (ii) in the event the Change in Control occurs on or after the second anniversary of the Effective Date of the Letter Agreement, 2/3 of the Executive's Initial Awards and Special Awards which are not then vested (taken proportionately from each of the remaining vesting tranches) shall immediately vest as of the date of termination, (iii) in the event the Change in Control occurs on or after the third anniversary of the Effective Date of the Letter Agreement, all of the Executive's Initial Awards and Special Awards which are not then vested shall immediately vest as of the date of termination, and (vi) in each such case, such vested awards that were granted as restricted stock shall be free of restrictions and such vested awards that were granted as options shall remain exercisable for a period of 6 months following the Executive's last day of employment (but not to exceed the original term of such awards).

(c) The Executive agrees that prior to payment of the severance payment pursuant to this Section 3 and prior to the provision of benefits and acceleration of restricted stock and stock options called for by Section 3, Executive shall execute a release, based on the Company's standard form (including mutual confidentiality and non-disparagement provisions), of any and all claims he may have against the Company and its officers, directors, employees and affiliates, except for his right to enforce any post-employment obligations to him, including obligations of the Company under this Agreement and stock option and restricted stock agreements, and indemnification in his capacity as an officer, director or otherwise of the Company and its affiliates. Executive understands and agrees that the payment of the severance payment, provision of benefits and the acceleration of restricted stock and stock options called for by Section 3 are contingent on his execution of the previously described release of claims. The payment to the Executive of the amounts payable under this Section 3 (and acceleration of restricted stock and stock options, if applicable) shall constitute the sole remedy of the Executive in the event of a termination of the Executive's employment.

(d) In the event that any amounts payable to the Executive pursuant to this Section 3 are characterized as "excess parachute payments" pursuant to Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code"), then the Executive, in his sole discretion, may elect to reduce the amounts payable to the Executive hereunder or to have a portion of the

restricted stock or stock options (or a combination thereof) not vest in order to avoid any “excess parachute payment” under Section 280G(b)(1) of the Code. Unless the parties hereto otherwise agree in writing, any determination required under this Section 3(d) shall be made in writing by independent public accountants reasonably agreed to by the parties hereto (the “Accountants”), whose determination shall be conclusive and binding upon the parties for all purposes. For purposes of making the calculations required by this Section 3(d), the Accountants may rely on reasonable, good faith interpretations concerning the application of Section 280G and Section 4999 of the Code. The parties agree to furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make the required determinations. In the event that the Executive makes an affirmative election to reduce amounts payable or to have awards not vest pursuant to this Section 3(d), the Company shall bear all fees and expenses the Accountants may reasonably charge in connection with the services contemplated by this Section 3(d); provided, however, in the event that the Executive does not so affirmatively elect, all such fees and expenses shall be borne by the Company and the Executive equally.

4. Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(a) “Cause” shall mean a good faith finding by a majority of the members of the Board of Directors of the Company (excluding the Executive), after giving the Executive an opportunity to be heard, of: (i) gross negligent or willful misconduct by the Executive in connection with his employment duties, (ii) willful repeated and continued failure by the Executive (other than due to disability) to perform his duties or responsibilities required pursuant to his employment, after written notice and an opportunity to cure, (iii) mis-appropriation by the Executive of the assets or business opportunities of the Company, or its affiliates, having a material economic effect on the Company, (iv) embezzlement or other financial or other fraud committed by the Executive, (v) the Executive knowingly allowing any third party to commit any of the acts described in any of the preceding clauses (iii) or (iv), or (vi) the Executive’s conviction of, or entry of a plea of no contest with respect to, any felony or any crime involving moral turpitude. For the purposes of this Agreement, the Executive’s acts or omissions shall not be “willful” if conducted in good faith and with a reasonable belief that such conduct was in the best interests of the Company.

(b) “Good Reason” shall mean: (i) the unilateral relocation by the Company of the Executive’s principal work place for the Company to a site more than 60 miles from Waltham, Massachusetts, (ii) a reduction in the Executive’s (A) then-current base salary without the Executive’s consent, or (B) target bonus or a material reduction in benefits without the Executive’s consent, or unless other executive officers are similarly treated, (iii) material diminution of Executive’s duties, authority or position as Chief Executive Officer of the Company, without the Executive’s consent, (iv) any amendment following the date hereof to the officer indemnification provisions contained in Article Ninth of the Company’s certificate of incorporation that materially reduces the indemnification benefits to the Executive, (v) the failure of the Company to assign and of any successor to assume the obligations of the Company under this Agreement and the Letter Agreement, (vi) the (Y) failure of the Company shareholders to approve an increase in shares under the applicable Company equity incentive plan in order for the Company to grant all of the Special Awards when due, pursuant to the Letter Agreement, and (Z) the inability of the Company to otherwise grant such any portion Special Awards when due, or (vi) the death or permanent and total disability (as defined in Section 22(e)(3) of the Code) of the Executive.

(c) "Change of Control" shall mean the first to occur of any of the following: (a) any "person" or "group" (as defined in the Securities Exchange Act of 1934) becomes the beneficial owner of a majority of the combined voting power of the then outstanding voting securities with respect to the election of the Board of Directors of the Company; (b) any merger, consolidation or similar transaction involving the Company, other than a transaction in which the stockholders of the Company immediately prior to the transaction hold immediately thereafter in the same proportion as immediately prior to the transaction not less than 50% of the combined voting power of the then voting securities with respect to the election of the Board of Directors of the resulting entity; or (c) any sale of all or substantially all of the assets of the Company.

5. Termination of Employment. Upon termination of Executive's employment with the Company for any reason, in addition to any severance payments or other benefits which may be payable under Section 3 of this Agreement, Executive shall be entitled to receive all salary and benefits through the last day of his employment. In addition, in the event the Executive is terminated for other than Cause or the Executive terminates his employment for Good Reason, Executive shall be entitled to a pro rata share of his earned target bonus, such earned target bonus to be determined in accordance with the terms and provisions of the Executive's target bonus plan.

6. Existing Restrictive Covenants. Anything to the contrary in this Agreement notwithstanding, in the event that a third party has asserted that the Executive's employment by the Company or the exercise of his duties for the Company has violated or will violate any agreement between such third party and the Executive relating to non-competition, non-solicitation of customers or disclosure of confidential information and there is a material risk that the third party will seek to enforce such agreement and a material risk that the third party may be successful in such enforcement action resulting in material detriment to the Company, then upon the request of the Company, in writing, Executive hereby agrees that Executive's employment shall terminate by mutual agreement, which shall for all purposes shall be considered a voluntary termination by the Executive without Good Reason.

7. Miscellaneous.

(a) Notices. Any notices delivered under this Agreement shall be deemed duly delivered four business days after it is sent by registered or certified mail, return receipt requested, postage prepaid, or one business day after it is sent for next-business day delivery via a reputable nationwide overnight courier service, in each case to the address of the recipient set forth in the introductory paragraph hereto. Either party may change the address to which notices are to be delivered by giving notice of such change to the other party. All notices to the Company shall also be addressed to the Company's General Counsel.

(b) Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns and pronouns shall include the plural, and vice versa.

(c) Entire Agreement. This Agreement and the Letter Agreement (the "Agreements") constitute the entire agreement between the parties and supersede all prior

agreements and understandings, whether written or oral, relating to the subject matter of the Agreements. If there shall be any inconsistency (including, without limitation, identical capitalized terms with less than identical meanings) between the Agreements and any other agreement, plan, award, program or practice of the Company whether now existing or hereafter adopted or amended, then the Agreements shall control, unless the Executive hereafter has agreed otherwise in writing and such other agreement, plan, program or practice specifically refers to the provision of the Agreements affected thereby.

(d) Amendment. This Agreement may be amended or modified only by a written instrument executed by both the Company and the Executive.

(e) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts. Any action, suit or other legal arising under or relating to any provision of this Agreement shall be commenced only in a court of the Commonwealth of Massachusetts (or, if appropriate, a federal court located within Massachusetts), and the Company and the Executive each consents to the jurisdiction of such a court. The Company and the Executive each hereby irrevocably waive any right to a trial by jury in any action, suit or other legal proceeding arising under or relating to any provision of this Agreement.

(f) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of both parties and their respective successors and assigns, including any corporation with which or into which the Company may be merged or which may succeed to its assets or business, provided, however, that the obligations of the Executive are personal and shall not be assigned by him or her.

(g) Waivers. No delay or omission by the Company in exercising any right under this Agreement shall operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion.

(h) Captions. The captions of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.

(i) Severability. In case any provision of this Agreement shall be invalid, illegal or otherwise unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

* * * * *

THE EXECUTIVE ACKNOWLEDGES THAT HE HAS CAREFULLY READ THIS AGREEMENT AND UNDERSTANDS AND AGREES TO ALL OF THE PROVISIONS IN THIS AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

CMGI, Inc.

By: /s/ Francis J. Jules

Chairman of the Compensation Committee of the Board of
Directors

/s/ Joseph Lawler

Joseph Lawler

RELOCATION EXPENSE REIMBURSEMENT AGREEMENT

This agreement, made and entered into between CMGI, Inc. (hereinafter called "Company") and Joseph C. Lawler (hereinafter called "Employee"), as of August 23, 2004.

The Company has agreed to reimburse certain relocation expenses incurred and paid by Employee, or to pay certain relocation expenses on behalf of Employee. As part of the relocation agreement, the parties hereto agree to as follows:

Company agrees to reimburse Employee for certain relocation expenses in accordance with the Company's Domestic Relocation Benefit Program attached hereto as Exhibit A (the "Relocation Policy") provided that the relocation cap shall be increased to a maximum of \$150,000. Employee will be required to provide receipts and documentation for relocation expenses in accordance with the Company's regular accounting and relocation policies. For the avoidance of doubt, the covered costs under the Relocation Policy shall include brokerage fees and closing costs. Additionally, you will be provided with replacement value insurance coverage up to \$150,000, the cost of which shall be subject to the foregoing cap.

Notwithstanding anything to the contrary in the Relocation Policy, Employee (i) shall not be reimbursed for personal meals during the period beginning with his first day of employment and ending when he has relocated his residence to Massachusetts (the "Relocation Period") and (ii) agrees that he shall be reimbursed for hotel accommodations, during the Relocation Period, in an amount not to exceed \$150 per day.

Employee agrees that in the event his/her employment with the Company terminates either voluntarily (other than for Good Reason) or for Cause, during the first year following his/her effective date of hire/transfer, 100% of all funds provided to the employee will be immediately repayable to the Company. Employee further agrees that in the event his/her employment with the Company terminates either voluntarily or for cause during the second year following his/her effective date of hire/transfer, 50% of the total funds provided to the employee will be immediately repayable to the Company.

The company reserves the right to hold final pay in lieu of final repayment of the amount due. Repayment must be made on or before the last day of employment with the Company.

In the event the Employee's employment is terminated by the Company for a reason other than for Cause, as defined below, Employee's obligations to reimburse the expenses described in this agreement shall lapse.

For purposes of this agreement, only, "Cause" and "Good Reason" shall be as defined in the Executive Severance Agreement.

Employee agrees that should he/she receive any relocation assistance, or should any relocation expenses be paid to or on behalf of Employee as stated above, and should he/she fail to join Company as expected or transfer as expected, Employee will reimburse Company for those relocation reimbursements in full within ten (10) days of the date Employee was expected to commence employment with Company or transfer locations.

The Employee agrees that the Company may deduct any relocation expenses which Employee may owe the Company from any sums the Company owes the Employee including, but not limited to, wages, bonuses, sick and vacation pay, prior to payment of such sums to the Employee. In the event the Company is required to seek legal or other process to enforce any of its rights hereunder, the Employee agrees to pay the Company's collection costs and expenses including, without limitation, reasonable attorney's fees and court costs.

Employees are responsible for taxes associated with payment of non-deductible relocation reimbursements including those made to a third party on the employee's behalf, subject to his right to the tax gross-up, all within the cap of \$150,000.

This agreement is not an employment contract or an agreement for a term of employment. Nothing in this agreement shall modify the Employee's status as an employee-at-will. Accordingly, either Employee or Company may terminate the employment relationship at any time with or without cause. The parties have executed this Agreement as of the day stated in paragraph one on the preceding page.

CMGI, INC.

EMPLOYEE

/s/ Thomas Oberdorf

/s/ Joseph Lawler

Name

Name

CFO

Social Security Number

Job Title

8/23/04

8-23-04

Date

Date

INDEMNIFICATION AGREEMENT

This Agreement is made as of this 23rd day of August, 2004, between CMGI, Inc., a Delaware corporation (the "Company"), and Joseph C. Lawler (the "Indemnitee").

WITNESSETH THAT:

WHEREAS, it is essential to the Company to attract and retain as Directors and executive Officers the most capable people available; and

WHEREAS, the Indemnitee is a Director and Officer of the Company and in such capacities provides valuable services to the Company; and

WHEREAS, both the Company and the Indemnitee recognize that the Indemnitee, while serving as a Director and Officer of the Company is exposed to a substantial risk of expensive litigation at a time when liability insurance may not continue to be available to insure adequately against such risk, and at a time when the Company and the Indemnitee recognize that the Indemnitee is not being paid sufficient compensation by the Company to compensate for such risk; and

WHEREAS, it is now and has always been the express policy of the Company to indemnify its Directors and Officers; and

WHEREAS, the Company has adopted an Article in its Restated Certificate of Incorporation and a By-Law providing for the indemnification of Officers and Directors of the Company as authorized by Section 145 of the Delaware General Corporation Law; and

WHEREAS, such Article and By-Law and the Delaware General Corporation Law specifically provide that they are not exclusive, and thereby contemplate that individual indemnification agreements may be entered into between the Company and its Directors and Officers; and

WHEREAS, in accordance with the authorization provided by law, the Company intends to purchase and maintain a policy or policies of Directors and Officers Liability Insurance ("D&O Insurance"), providing certain basic protection against risk of personal liability of Directors and Officers at a reasonable cost, and Indemnitee has relied on the availability of such coverage, but such coverage may become increasingly difficult to obtain on terms providing reasonable protection at a reasonable cost for all risks; and

WHEREAS, to induce Indemnitee to continue to serve as a Director and Officer of the Company and to provide Indemnitee with specific contractual assurance of substantial protection against personal liability (regardless of, among other things, any amendment to or revocation of any provision of the Company's Restated Certificate of Incorporation or By-Laws concerning indemnification or any change in the composition of the Company's Board of Directors or any acquisition of the Company), the Company desires to enter into this Agreement; and

WHEREAS, in order to induce Indemnitee to remain in Indemnitee's present position as a Director and Officer of the Company and in consideration of Indemnitee's so remaining, the Company desires to indemnify Indemnitee according to the terms and conditions set forth below; and

WHEREAS, the form of this Indemnification Agreement has been ratified and approved by the stockholders of the Company.

NOW, THEREFORE, in consideration of the foregoing premises and of the Indemnitee's continuing to serve the Company, and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. **Agreement to Serve.** Indemnitee agrees to serve or to continue to serve as a Director and Officer of the Company for so long as he is duly elected or until such time as he tenders his resignation in writing or his status as a Director and Officer is terminated.

2. **Definitions.** For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) "Change in Control" shall be deemed to have occurred when (i) there has been a change in control of the Company, not approved by a resolution of the Company's Board of Directors, of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including in any event the acquisition by any "person" (as such term is used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) of beneficial ownership, directly or indirectly, of securities of the Company representing 25% or more of the combined voting power of the Company's then outstanding securities, (ii) followed within a period of not more than two years by a change in the identity of a majority of the members of the Company's Board of Directors otherwise than through death, disability or retirement in accordance with the Company's retirement policies.

(b) The term "Claim" shall include any threatened, pending or completed action, suit or proceeding, or any inquiry or investigation, whether brought by or in the right of the Company or by any other party and whether of a civil, criminal, administrative or investigative nature, including any inquiry or investigation which the Indemnitee in good faith believes might lead to the institution of any action, suit or proceeding, in which Indemnitee may be or may have been involved as a party, witness or otherwise, by reason of the fact that Indemnitee is or was a Director or Officer of the Company, by reason of any action taken by him or of any inaction on his part while acting as such a Director or Officer, or by reason of the fact that he is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise; in each case whether or not he is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification or reimbursement can be provided under this Agreement.

(c) The term "Expenses" shall include, without limitation, expenses of investigations, judicial or administrative proceedings or appeals, amounts paid in settlement of

any Claim by or on behalf of Indemnitee, attorneys fees and disbursements, any expenses of establishing a right to indemnification or Expense Advances under Sections 9 and 10 of this Agreement, and all other costs, expenses and obligations paid or incurred in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participant in, any Claim, but shall not include the amount of judgments, fines or penalties against Indemnitee.

(d) References to “other enterprise” shall include employee benefit plans; references to “fines” shall include any excise tax assessed with respect to any employee benefit plan; references to “serving at the request of the Company” shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants or beneficiaries.

(e) “Potential Change in Control” shall be deemed to have occurred if (i) any person publicly announces an intention to take or to consider taking such actions which if consummated might result in a Change in Control, (ii) any “person” (as such term is used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) acquires beneficial ownership, directly or indirectly, of securities of the Company representing 25% or more of the combined voting power of the Company’s then outstanding securities, or (iii) the Company’s Board of Directors in its sole discretion adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control has occurred.

3. **Basic Indemnification.** The Company hereby agrees to hold harmless and indemnify Indemnitee and Indemnitee’s successors referred to in Section 17 hereof to the fullest extent authorized or permitted by the General Corporation Law of the State of Delaware, or any other applicable law, or by any amendment thereof or other statutory provision authorizing or permitting such indemnification which is adopted after the date hereof.

4. **Indemnity in Third-Party Claims.** The Company shall indemnify Indemnitee in accordance with the provisions of this Paragraph 4 if Indemnitee is a party or witness to, or threatened to be made a party or witness to, or otherwise involved in any Claim (other than a Claim by or in the right of the Company to procure a judgment in its favor) by reason of the fact that Indemnitee is or was a Director or Officer of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against all Expenses, judgments, fines and penalties, actually incurred by Indemnitee in connection with such Claim; provided that such indemnification shall not apply to any Claim (i) in which Indemnitee shall have been finally adjudged to have engaged in willful misconduct or to have acted in a manner which was knowingly fraudulent or deliberately dishonest, or (ii) in the case of a criminal proceeding, in which Indemnitee had reasonable cause to believe that his conduct was unlawful. The Indemnitee shall be presumed to be entitled to indemnification hereunder to the fullest extent possible, and the burden of proving otherwise shall be on the party claiming to diminish such indemnification. The termination of any Claim by judgment, order of court, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that Indemnitee engaged in willful misconduct or acted in a manner which was knowingly fraudulent or deliberately dishonest, and with respect to any criminal proceedings, shall not create a presumption that Indemnitee had reasonable cause to believe that his conduct was unlawful.

5. **Indemnity in Claims by or in the Right of the Company.** The Company shall indemnify Indemnitee in accordance with the provisions of this Paragraph 5 if Indemnitee is a party or witness to, or threatened to be made a party or witness to, or otherwise involved in any Claim by or in the right of the Company to procure a judgment in its favor by reason of the fact that Indemnitee is or was a Director or Officer of the Company, or is or was serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against all Expenses actually incurred by Indemnitee in connection with such Claim provided that such indemnification for Expenses shall not apply to any Claim in which Indemnitee shall have been finally adjudged to have engaged in willful misconduct or to have acted in a manner which was knowingly fraudulent or deliberately dishonest, unless (and only to the extent that) any court in which such Claim was brought shall determine upon application, that despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnity for such Expenses as such court shall deem proper. The Indemnitee shall be presumed to be entitled to indemnification hereunder to the fullest extent possible and the burden of proving otherwise shall be on the party claiming to diminish such indemnification.

6. **Insurance.** In the event the Company's D&O Insurance shall terminate or the scope or amount of coverage of the Company's D&O Insurance shall be reduced from the scope and coverage in effect during the first year of this Agreement, the Company agrees to hold harmless and indemnify the Indemnitee to the fullest extent permitted by applicable law to the full extent of the coverage which is in effect during the first year of this Agreement. Notwithstanding the foregoing, the Company is not obligated to maintain any D&O Insurance.

7. **Section 16(b) Liability.** The Company shall not be liable under this Agreement to make any payment in connection with any claim made against Indemnitee for an accounting of profits made from the purchase or sale by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any state statutory law or common law.

8. **Indemnification of Expenses of Successful Party.** Notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits or otherwise, including the dismissal of an action without prejudice or the settlement of an action without admission of liability, in defense of any Claim or in defense of any claim, issue or matter therein, Indemnitee shall be indemnified against all Expenses incurred in connection therewith without the necessity of authorization in the specific case.

9. **Advancement of Expenses.** Expenses incurred by the Indemnitee in connection with any Claim or in connection with any proceeding brought by Indemnitee under Section 10 or 13 hereof, must be paid by the Company in advance ("Expense Advances") immediately upon the written request of the Indemnitee provided Indemnitee shall undertake the repay such Expense Advances to the extent that it is ultimately determined that Indemnitee is not entitled to indemnification.

10. **Right of Indemnification Upon Application; Procedure Upon Application.** Any payment hereunder with respect to any judgment, fine or penalty shall be made no later than 45 days after receipt by the Company of the written request of Indemnitee, unless a determination has been made by a court of competent jurisdiction, or unless a determination is made within said 45-day period by independent legal counsel (appointed by the Company and approved by the Indemnitee) in a written opinion that the Indemnitee has not met the relevant standards for indemnification. All payments of Expense Advances must be made immediately in accordance with the terms and conditions of Section 9 except as provided in this Section 10.

The right to indemnification and the immediate right to Expense Advances pending final determination of the right to indemnification or lack thereof, as provided by this Agreement shall be enforceable by the Indemnitee in any court of competent jurisdiction. The burden of proving that indemnification is not appropriate as provided in this Agreement or otherwise shall be on the party claiming to diminish such indemnification. The failure of the Company (including its Board of Directors or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, shall not be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct. Indemnitee's expenses reasonably incurred in connection with successfully establishing has right to indemnification, in whole or in part, with respect to any such Claim shall also be paid by the Company under this Agreement immediately upon written request in advance in accordance with the terms and conditions of Section 9.

In the event of any demand by the Indemnitee for the indemnification with respect to any judgment, fine or penalty hereunder or under the Company's By-Laws, the Board of Directors of the Company shall either approve the indemnification or shall designate independent legal counsel referred to above. The obligations of the Company hereunder with respect to the payment of any judgment, fine or penalty shall be subject to the condition that the independent legal counsel shall not have determined (in a written opinion) that the Indemnitee is not permitted to be indemnified under Applicable law. The obligation of the Company to make Expense Advances pursuant to this Agreement shall be subject to the condition that, if, when and to the extent that the independent legal counsel determines that the Indemnitee is not permitted to be so indemnified under applicable law, the Company shall be entitled to be reimbursed by the Indemnitee (who hereby agrees to reimburse the Company) for all such amounts theretofore paid. If the Indemnitee has commenced legal proceedings (either before or after the determination by independent legal counsel) in a court of competent jurisdiction to secure a determination that the Indemnitee may be indemnified under this Agreement or otherwise, any determination made by the independent legal counsel that the Indemnitee is not permitted to be indemnified under applicable law shall not be binding, and the Indemnitee shall not be required to reimburse the Company for any Expense Advances and shall continue to be entitled to Expense Advances until a final judicial determination is made with respect thereto (as to which all rights of appeal therefrom have been exhausted or lapsed). If there has been no determination by the independent legal counsel or if the independent legal counsel determines that the Indemnitee is not permitted to be indemnified in whole or in part under applicable law, the Indemnitee shall have the right to commence litigation in any court in the states of Massachusetts or Delaware having subject matter jurisdiction thereof and in which venue is proper seeking an initial determination by the court or challenging any such determination by the independent legal counsel or any aspect thereof, and the Company hereby consents to service of process and to appear in any such proceeding.

11. **Change in Control.** The Company agrees that if there is a Change in Control of the Company, then with respect to all matters thereafter arising concerning the rights of the Indemnitee to indemnify payments and Expense Advances under this Agreement or any other agreement or Company By-Law now or hereafter in effect relating the Claims, the Company shall seek legal advice only from independent counsel selected by the Indemnitee and approved by the Company (which approval shall not be unreasonably withheld) who has not otherwise performed services for the Company within the last ten years (other than in connection with such matters) or for the Indemnitee. Such counsel, among other things, shall render its written opinion to the Company and the Indemnitee as to whether and to what extent the Indemnitee is permitted to be indemnified under applicable law. The Company agrees to pay the reasonable fees of such independent counsel and to indemnify such counsel against any and all expenses (including attorneys, fees), claims, liabilities and damages relating to this Agreement or its engagement pursuant hereto.

12. **Establishment of Trust.** In the event of a Potential Change in Control, the Company may create a Trust for the benefit of the Indemnitee (either alone or together with one or more other indemnities) and from time to time fund such Trust in such amounts as the Company's Board of Directors may determine to satisfy Expenses reasonably anticipated to be incurred in connection with investigating, preparing for and defending any Claim, and all judgments, fines, penalties and settlement amounts of all Claims from time to time paid or claimed, reasonably anticipated or proposed to be paid. The term of any Trust established pursuant hereto shall provide that upon a Change in Control (i) the Trust shall not be revoked or the principal thereof invaded, without the written consent of the Indemnitee, (ii) the Trustee shall advance, within two business days of a request by the Indemnitee, all Expenses to the Indemnitee (and the Indemnitee hereby agrees to reimburse the Trust under the circumstances under which the Indemnitee would be required to reimburse the Company under this Agreement), (iii) the Trustee shall promptly pay to the Indemnitee all amounts for which the Indemnitee shall be entitled to indemnification pursuant to this Agreement or otherwise, and (iv) all unexpended funds in such Trust shall revert to the Company upon a final determination by the independent legal counsel of a court of competent jurisdiction, as the case may be, that the Indemnitee has been fully indemnified under the terms of this Agreement. The Trustee shall be a person or entity satisfactory to the Indemnitee. Nothing in this Section 12 shall relieve the Company of any of its obligations under this Agreement.

13. **Indemnification for Additional Expenses.** The Company shall indemnify the Indemnitee against all expenses (including attorneys, fees) and, if requested by the Indemnitee, shall immediately advance such expenses to the Indemnitee, which are incurred by the Indemnitee in connection with any claim asserted or action brought by the Indemnitee for (i) indemnification or payment of Expense Advances by the Company under this Agreement or any other agreement or Company By-Law now or hereafter in effect relating to Claims, or (ii) recovery under any D&O Insurance policies maintained by the Company, provided the Indemnitee undertakes to repay such expenses to the extent that it is ultimately determined that Indemnitee is not entitled to such indemnification, Expense Advances, or insurance recovery, as the case may be.

14. **Partial Indemnification.** If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses, judgments, fines or penalties actually and reasonably incurred by him in the investigation, defense, appeal or settlement of any Claim but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion of such Expenses, judgments, fines or penalties to which Indemnitee is entitled.

15. **Agreement Not Exclusive: Subrogation Rights etc.** This Agreement shall not be deemed exclusive of and shall not diminish any other rights Indemnitee may have to be indemnified or insured by the Company, any subsidiary of the Company or any other person or entity under any certificate of incorporation, by-law, agreement, policy of insurance, surety, vote of stockholders or disinterested directors or otherwise, whether or not now in effect, and shall continue as to Indemnitee after Indemnitee has ceased to be a Director and an Officer and shall inure to the benefit of Indemnitee's successors referred to in Section 17 hereof.

In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all such papers and do all such things as may be necessary or desirable to secure such rights. The Company shall not be liable under this Agreement to make any payment in connection with any claim made against the Indemnitee to the extent the Indemnitee has otherwise received payment (under any insurance policy, By-law or otherwise) of the amounts otherwise indemnifiable hereunder.

16. **Continuation of Indemnity.** All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is a director, officer, employee or agent of the Company (or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise) and shall continue thereafter so long as Indemnitee shall be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, criminal or investigative, by reason of the fact that Indemnitee was a Director or Officer of the Company or serving in any other capacity referred to herein.

17. **Successor; Binding Agreement.** The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, by agreement in form and substance reasonably satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

This Agreement shall inure to the benefit of and be enforceable by Indemnitee's personal or legal representatives, executors, administrators, successors, heirs, devisee and legatees. If Indemnitee should die while any amounts would still be payable to Indemnitee hereunder if Indemnitee had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to Indemnitee's devisee, legatees, or other designees, or if there be no such devisee, legatees or designees, to Indemnitee's estate.

18. **Notification and Defense of Claim.** Promptly after receipt of Indemnatee of notice of the commencement of any Claim, Indemnatee will, if a claim in respect thereof is to be made against the Company under this Agreement, notify the Company of the commencement thereof, but the omission so to notify the Company will not relieve it from any liability which it may have to Indemnatee hereunder. With respect to any such Claim as to which Indemnatee notifies the Company of the commencement thereof.

- (a) The Company will be entitled to participate therein at its own expense; and
- (b) Except as otherwise provided below, to the extent that it may wish, the Company jointly with any other indemnifying party similarly notified will be entitled to assume the defense thereof, with counsel satisfactory to Indemnatee. After notice from the Company to Indemnatee of its election so to assume the defense thereof, the Company will not be liable to Indemnatee under this Agreement for any legal or other expenses subsequently incurred by Indemnatee in connection with the defense thereof other than reasonable costs of investigation or as otherwise provided below. Indemnatee shall have the right to employ its own counsel with respect to such Claim, but the fees and expenses of such counsel incurred after notice from the Company of its assumption of the defense thereof with counsel satisfactory to Indemnatee shall be at the expense of Indemnatee unless (i) the employment of counsel by Indemnatee has been authorized by the Company (ii) Indemnatee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnatee in the conduct of the defense of such Claim, or (iii) the Company shall not in fact have employed counsel to assume the defense of such Claim, in each of which cases the fees and expenses of counsel for the Indemnatee shall be paid immediately by the Company. The Company shall not be entitled to assume the defense of any Claim brought by or on behalf of the Company or as to which Indemnatee shall have made the conclusion provided for in (ii) above; and
- (c) The Company shall not be liable to indemnify the Indemnatee under his Agreement for any amounts paid in settlement of any Claim effected without its written consent. The Company shall not settle any Claim in any manner which would impose any penalty or limitation on Indemnatee without Indemnatee's written consent. Neither the Company nor Indemnatee will unreasonably withhold their consent to any proposed settlement.

19. **Enforcement.** The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on the Company hereby in order to induce Indemnatee to continue as a Director and Officer of the Company, and acknowledges that Indemnatee is relying upon this Agreement in continuing in such capacity.

20. **Separability.** Each of the provisions of this Agreement is a separate and distinct agreement and independent of the others, so that if any provision hereof shall be held to be invalid or unenforceable for any reason; such invalidity or unenforceability shall not affect the validity or enforceability of the provisions hereof, which other provisions shall remain in full force and effect.

21. **Miscellaneous.** No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by Indemnitee and either the Company's Chief Executive Officer or another officer of the Company specifically designated by the Board of Directors. No waiver by either party hereto at any time of any breach by the other party hereto of, or of compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Delaware, without giving effect to the principals of conflicts of laws thereof.

22. **Notices.** For the purposes of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered mail, return receipt requests, postage prepaid as follows:

If to Indemnitee:

at the last address on file with the Company

If to the Company:

CMGI, Inc.
1100 Winter Street
Suite 4600
Waltham, MA 02451
Attn: General Counsel

or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

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

24. **Effectiveness.** This Agreement shall be effective as of the date it is executed.

* * * * *

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the day and year first above written.

CMGI, INC.

/s/ Thomas Oberdorf

Name: Thomas Oberdorf

Title: CFO

/s/ Joseph C. Lawler

Joseph C. Lawler

CMGI, INC.

INDUCEMENT AWARD

RESTRICTED STOCK AGREEMENT

AGREEMENT made as of the 27th day of August, 2004 (the "Grant Date"), between CMGI, Inc., a Delaware corporation (the "Company"), and Joseph C. Lawler (the "Executive").

This inducement award is granted pursuant to the terms of the letter agreement between the Company and the Executive dated August 23, 2004 (the "Employment Agreement"). In consideration of the Executive entering into the Employment Agreement and entering into the CMGI, Inc. Non-Competition Agreement dated August 23, 2004, and other valuable consideration, receipt of which is acknowledged, the parties hereto agree as follows:

1. Grant of Shares.

The Company hereby grants to the Executive, subject to the terms and conditions set forth in this Agreement, 1,800,000 shares (the "Shares") of common stock, \$0.01 par value, of the Company ("Common Stock"). The Executive agrees that the Shares shall be subject to forfeiture as set forth in Section 2 of this Agreement and the restrictions on transfer set forth in Section 3 of this Agreement.

2. Forfeiture.

(a) Except as provided in paragraph (b) of this Section 2, in the event that the Executive ceases to be employed by the Company for any reason or no reason, with or without cause, prior August 23, 2009, all of the Unvested Shares (as defined below) shall be forfeited.

"Unvested Shares" means the total number of Shares multiplied by the Applicable Percentage at the time the Executive ceases to be employed by the Company. The "Applicable Percentage" shall be (i) 100% during the period beginning on the Grant Date and ending August 22, 2005, (ii) 80% during the 12-month period ending August 22, 2006, (iii) 60% during the 12-month period ending August 22, 2007, (iv) 40% during the 12-month period ending August 22, 2008, (v) 20% during the 12-month period ending on August 22, 2009, and (vi) zero after August 22, 2009.

(b) Notwithstanding the provisions of paragraph (a) above, in the event of a termination of employment which entitles the Executive to severance under paragraph 3(a) or 3(b) of the Executive Severance Agreement entered into between the Executive and the Company dated August 23, 2004 (the "Executive Severance Agreement"), the Executive shall vest and be entitled to receive free of all restrictions all or a portion of the Unvested Shares, as determined and provided for in paragraph 3 of such Executive Severance Agreement. To the extent that any of the Unvested Shares do not become vested pursuant to such paragraph 3, they shall be forfeited in accordance with paragraph (a) above.

(c) For purposes of this Agreement, employment with the Company shall include employment with a parent or subsidiary of the Company.

3. Restrictions on Transfer.

The Executive shall not sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise (collectively "transfer") any Shares, or any interest therein, that would be Unvested Shares if the Executive were to cease to be employed by the Company at the time of the transfer, except that the Executive may transfer such Shares (i) to or for the benefit of any spouse, children, parents, uncles, aunts, siblings, grandchildren and any other relatives approved by the Board of Directors (collectively, "Approved Relatives") or to a trust established solely for the benefit of the Executive and/or Approved Relatives, provided that such Shares shall remain subject to this Agreement (including without limitation the forfeiture provisions of Section 2 and the restrictions on transfer set forth in this Section 3) and such permitted transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Agreement or (ii) as part of the sale of all or substantially all of the shares of capital stock of the Company (including pursuant to a merger or consolidation), provided that, in accordance with the Plan (as defined below), the securities or other property received by the Executive in connection with such transaction shall remain subject to this Agreement.

4. Escrow.

The Executive shall, upon the execution of this Agreement, execute Joint Escrow Instructions in the form attached to this Agreement as Exhibit A. The Joint Escrow Instructions shall be delivered to the Assistant Secretary of the Company, as escrow agent thereunder. The Executive shall deliver to such escrow agent a stock assignment duly endorsed in blank, in the form attached to this Agreement as Exhibit B, and hereby instructs the Company to deliver to such escrow agent, on behalf of the Executive, the certificate(s) evidencing the Shares issued hereunder. Such materials shall be held by such escrow agent pursuant to the terms of such Joint Escrow Instructions.

5. Restrictive Legends.

All certificates representing Shares shall have affixed thereto a legend in substantially the following form, in addition to any other legends that may be required under federal or state securities laws:

"The shares of stock represented by this certificate are subject to restrictions on transfer and a risk of forfeiture as set forth in a certain Restricted Stock Agreement between the corporation and the registered owner of these shares (or his or her predecessor in interest), and such Agreement is available for inspection without charge at the office of the Secretary of the corporation."

6. Provisions of the 2000 Stock Incentive Plan.

(a) Although not granted pursuant to the terms thereof, to the extent not inconsistent with the terms of the Employment Agreement and the Executive Severance Agreement, this Agreement is deemed to be subject to the terms, conditions, limitations, restrictions and termination provisions of the CMGI, Inc. 2000 Stock Incentive Plan (the "Plan"), other than Section 4 of the Plan, which shall have no applicability hereto, to the same extent as if granted under the Plan, a copy of which has been furnished to the Executive.

(b) As provided in the Plan, upon the occurrence of a Reorganization Event (as defined in the Plan), all rights of the Company hereunder shall inure to the benefit of the Company's successor and shall apply to the cash, securities or other property which the Shares were converted into or exchanged for pursuant to such Reorganization Event in the same manner and to the same extent as they applied to the Shares under this Agreement. If, in connection with a Reorganization Event, a portion of the cash, securities and/or other property received upon the conversion or exchange of the Shares is to be placed into escrow to secure indemnification or similar obligations, the mix between the vested and unvested portion of such cash, securities and/or other property that is placed into escrow shall be the same as the mix between the vested and unvested portion of such cash, securities and/or other property that is not subject to escrow.

7. Withholding Taxes; Section 83(b) Election.

(a) The Executive acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to the Executive any federal, state or local taxes of any kind required by law to be withheld with respect to the lapse or partial lapse of the risk of forfeiture.

(b) The Executive has reviewed with the Executive's own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Agreement. The Executive is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. The Executive understands that the Executive (and not the Company) shall be responsible for the Executive's own tax liability that may arise as a result of the transactions contemplated by this Agreement. The Executive understands that it may be beneficial in many circumstances to elect to be taxed at the time the Shares are granted rather than when and as the risk of forfeiture lapses by filing an election under Section 83(b) of the Code with the I.R.S. within 30 days from the date of grant.

THE EXECUTIVE ACKNOWLEDGES THAT IT IS THE EXECUTIVE'S SOLE RESPONSIBILITY AND NOT THE COMPANY'S TO FILE TIMELY THE ELECTION UNDER SECTION 83(b), EVEN IF THE EXECUTIVE REQUESTS THE COMPANY OR ITS REPRESENTATIVES TO MAKE THIS FILING ON THE EXECUTIVE'S BEHALF.

8. Miscellaneous.

(a) No Rights to Employment. The Executive acknowledges and agrees that the vesting of the Shares pursuant to Section 2 hereof is earned only by continuing service as an employee at the will of the Company (not through the act of being hired or being granted shares hereunder). The Executive further acknowledges and agrees that the transactions contemplated hereunder and the vesting schedule set forth herein do not constitute an express or implied promise of continued engagement as an employee or consultant for the vesting period, for any period, or at all.

(b) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(c) Waiver. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board of Directors of the Company.

(d) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and the Executive and their respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 3 of this Agreement.

(e) Notice. All notices required or permitted hereunder shall be in writing and deemed effectively given upon personal delivery or five days after deposit in the United States Post Office, by registered or certified mail, postage prepaid, addressed, if to the Company to the attention of the General Counsel at its corporate headquarters, and, if to the Executive, at the last address on file with the Company, or at such other address or addresses as either party shall designate to the other in accordance with this Section 8(e).

(f) Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

(g) Entire Agreement. This Agreement and the Plan constitute the entire agreement between the parties, and supersedes all prior agreements and understandings, relating to the subject matter of this Agreement.

(h) Amendment. This Agreement may be amended or modified only by a written instrument executed by both the Company and the Executive.

(i) Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the State of Delaware without regard to any applicable conflicts of laws.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CMGI, Inc.

By: /s/ Thomas Oberdorf

Name: Thomas Oberdorf

Title: CFO

/s/ Joseph C. Lawler

Joseph C. Lawler

CMGI, Inc.
Joint Escrow Instructions

August 27, 2004

Assistant Secretary
CMGI, Inc.
1100 Winter Street
Waltham, MA 02451

Dear Sir:

As Escrow Agent for CMGI, Inc., a Delaware corporation, and its successors in interest under the Restricted Stock Agreement (the "Agreement") of even date herewith, to which a copy of these Joint Escrow Instructions is attached (the "Company"), and the undersigned person ("Holder"), you are hereby authorized and directed to hold the documents delivered to you pursuant to the terms of the Agreement in accordance with the following instructions:

1. Appointment. Holder irrevocably authorizes the Company to deposit with you any certificates evidencing Shares (as defined in the Agreement) to be held by you hereunder and any additions and substitutions to said Shares. For purposes of these Joint Escrow Instructions, "Shares" shall be deemed to include any additional or substitute property. Holder does hereby irrevocably constitute and appoint you as his attorney-in-fact and agent for the term of this escrow to execute with respect to such Shares all documents necessary or appropriate to make such Shares negotiable and to complete any transaction herein contemplated. Subject to the provisions of this paragraph 1 and the terms of the Agreement, Holder shall exercise all rights and privileges of a stockholder of the Company while the Shares are held by you.

2. Forfeiture. Upon any forfeiture of the Shares pursuant to the Agreement, the Company shall give to Holder and you a written notice of forfeiture. Holder and the Company hereby irrevocably authorize and direct you to deliver the forfeited Shares to the Company in accordance with the terms of said notice.

3. Withdrawal. The Holder shall have the right to withdraw from this escrow any Shares that are not Unvested Shares (as defined in the Agreement).

4. Duties of Escrow Agent.

(a) Your duties hereunder may be altered, amended, modified or revoked only by a writing signed by all of the parties hereto.

(b) You shall be obligated only for the performance of such duties as are specifically set forth herein and may rely and shall be protected in relying or refraining from acting on any instrument reasonably believed by you to be genuine and to have been signed or presented by the proper party or parties. You shall not be personally liable for any act you may do or omit to do hereunder as Escrow Agent or as attorney-in-fact of Holder while acting in good faith and in the exercise of your own good judgment, and any act done or omitted by you pursuant to the advice of your own attorneys shall be conclusive evidence of such good faith.

(c) You are hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person or Company, excepting only orders or process of courts of law, and are hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case you obey or comply with any such order, judgment or decree of any court, you shall not be liable to any of the parties hereto or to any other person, firm or Company by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

(d) You shall not be liable in any respect on account of the identity, authority or rights of the parties executing or delivering or purporting to execute or deliver the Agreement or any documents or papers deposited or called for hereunder.

(e) You shall be entitled to employ such legal counsel and other experts as you may deem necessary properly to advise you in connection with your obligations hereunder and may rely upon the advice of such counsel.

(f) Your rights and responsibilities as Escrow Agent hereunder shall terminate if (i) you cease to be Assistant Secretary of the Company or (ii) you resign by written notice to each party. In the event of a termination under clause (i), your successor as Assistant Secretary shall become Escrow Agent hereunder; in the event of a termination under clause (ii), the Company shall appoint a successor Escrow Agent hereunder.

(g) If you reasonably require other or further instruments in connection with these Joint Escrow Instructions or obligations in respect hereto, the necessary parties hereto shall join in furnishing such instruments.

(h) It is understood and agreed that should any dispute arise with respect to the delivery and/or ownership or right of possession of the securities held by you hereunder, you are authorized and directed to retain in your possession without liability to anyone all or any part of said securities until such dispute shall have been settled either by mutual written agreement of the parties concerned or by a final order, decree or judgment of a court of competent jurisdiction after the time for appeal has expired and no appeal has been perfected, but you shall be under no duty whatsoever to institute or defend any such proceedings.

(i) These Joint Escrow Instructions set forth your sole duties with respect to any and all matters pertinent hereto and no implied duties or obligations shall be read into these Joint Escrow Instructions against you.

(j) The Company shall indemnify you and hold you harmless against any and all damages, losses, liabilities, costs, and expenses, including attorneys' fees and disbursements, for anything done or omitted to be done by you as Escrow Agent in connection with this Agreement or the performance of your duties hereunder, except such as shall result from your gross negligence or willful misconduct.

5. **Notice.** Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States Post Office, by registered or certified mail with postage and fees prepaid, addressed to each of the other parties thereunto entitled at the following addresses, or at such other addresses as a party may designate by ten days' advance written notice to each of the other parties hereto.

COMPANY:

Notices to the Company shall be sent to the address set forth in the salutation hereto, Attn: General Counsel

HOLDER:

Notices to Holder shall be sent to the Holder's last address on file with the Company.

ESCROW AGENT:

Notices to the Escrow Agent shall be sent to the address set forth in the salutation hereto.

6. Miscellaneous.

(a) By signing these Joint Escrow Instructions, you become a party hereto only for the purpose of said Joint Escrow Instructions, and you do not become a party to the Agreement.

(b) This instrument shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Very truly yours,

CMGI, Inc.

By: /s/ Thomas Oberdorf

Name: Thomas Oberdorf

Title: CFO

HOLDER:

/s/ Joseph C. Lawler

Joseph C. Lawler

ESCROW AGENT:

/s/ Peter L. Gray

(STOCK ASSIGNMENT SEPARATE FROM CERTIFICATE)

FOR VALUE RECEIVED, I hereby sell, assign and transfer unto CMGI, Inc. _____ (_____) shares of Common Stock, \$0.01 par value per share, of CMGI, Inc. (the "Corporation") standing in my name on the books of the Corporation represented by Certificate(s) Number _____ herewith, and do hereby irrevocably constitute and appoint _____ as attorney to transfer the said stock on the books of the Corporation with full power of substitution in the premises.

Dated: _____

IN PRESENCE OF: _____

NOTICE: The signature(s) to this assignment must correspond with the name as written upon the face of the certificate, in every particular, without alteration, enlargement, or any change whatever and must be guaranteed by a commercial bank, trust company or member firm of the Boston, New York or Midwest Stock Exchange.

CMGI Names Joseph C. Lawler President and Chief Executive Officer

WALTHAM, Mass.— August 24, 2004—CMGI, Inc. (Nasdaq: CMGI) today announced it has appointed Joseph C. Lawler as President and Chief Executive Officer of the Company. Lawler takes over the post from George A. McMillan, who oversaw the repositioning of CMGI from an Internet operating and development company to an integrated solutions provider for global customers.

Over the last 8 years, Lawler has led RR Donnelley's (RRD) transition from an asset-based printer to an integrated solutions provider for global customers. As Executive Vice President he diversified the RRD portfolio by driving growth in emerging markets, international start-ups and acquisitions. He also serves as Vice Chair of the Direct Marketing Association and is the past Chairman of the United Negro College Fund Advisory Board in Chicago.

"Joe Lawler has led major growth initiatives on a global scale," said David S. Wetherell, Chairman of the Board of CMGI. "His experience in understanding customer needs and delivering integrated solutions for global organizations makes him the ideal leader for CMGI. This change is consistent with our vision for CMGI and our desire to build on CMGI's industry-leading global supply chain management, distribution and fulfillment capabilities, as well as leverage our venture holdings, tax attributes and cash position to enhance and create shareholder value."

Lawler, 54, a New England native, assumes his new position immediately. Mr. Lawler also has been elected as a member of the Board of Directors, replacing Mr. McMillan.

"I'm excited about the global focus of CMGI's brands, businesses and customer-focused services," said Lawler, "and this opportunity to return to my Massachusetts roots."

"George joined CMGI at a critical time," said Wetherell. "As CFO, and later as President and CEO, he oversaw the rationalizing and repositioning of CMGI. He leaves us with his work completed and with great appreciation and thanks from the Board of Directors."

George McMillan said, "I'm extremely proud of the work that my team and I accomplished over my three plus years at CMGI. I leave the company financially stronger than I found it when I joined in 2001, and with a stable business foundation on which to grow. I wish Joe great success as he leads the company forward."

About CMGI

CMGI, Inc. (Nasdaq: CMGI), through its subsidiaries, ModusLink and SalesLink, provides technology and products solutions that help businesses market, sell and distribute their products and services, and through its venture capital affiliate, @Ventures, invests venture capital in a variety of technology ventures. For additional information see www.cmgi.com.

This release contains forward-looking statements, which address a variety of subjects including, for example, the expected future growth, increase in shareholder value and further development of CMGI. All statements other than statements of historical fact, including without limitation, those with respect to CMGI's goals, plans and strategies set forth herein are forward-looking statements. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: CMGI's success, including building on its global supply chain management, distribution and fulfillment

capabilities, depends on its ability to execute on its business strategy and the continued and increased demand for and market acceptance of its products and services; the possibility that expected benefits of its recent acquisition of Modus Media, Inc. may not be achieved, due to problems or unexpected costs that may arise in successfully integrating the Modus business or an inability to realize expected synergies or make expected future investments in the combined businesses; CMGI's management may face strain on managerial and operational resources as they try to oversee the expanded operations; CMGI may not be able to expand its operations in accordance with its business strategy; CMGI's cash balances may not be sufficient to allow CMGI to meet all of its business and investment goals; CMGI may experience difficulties integrating technologies, operations and personnel in accordance with its business strategy; CMGI derives a significant portion of its revenue from a small number of customers and the loss of any of those customers would significantly damage CMGI's financial condition and results of operations; and increased competition and technological changes in the markets in which CMGI competes. For a detailed discussion of cautionary statements that may affect CMGI's future results of operations and financial results, please refer to CMGI's filings with the Securities and Exchange Commission, including CMGI's most recent Quarterly Report on Form 10-Q. Forward-looking statements represent management's current expectations and are inherently uncertain. We do not undertake any obligation to update forward-looking statements made by us.

Contacts:

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