

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13D-1(A) AND
AMENDMENTS THERETO FILED PURSUANT TO RULE 13D-2(A)

(AMENDMENT NO. _____)

Under the Securities Exchange Act of 1934

CMGI, Inc.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

125750109

(CUSIP Number)

General Counsel
Compaq Computer Corporation
20555 State Highway 249
Houston, TX 77070
(281) 370-0670

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

Copy to:

Louis A. Goodman, Esq.
Skadden, Arps, Slate, Meagher & Flom LLP
One Beacon Street
Boston, MA 02108
(617) 573-4800

August 18, 1999

(Date of Event which Requires
Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report
the acquisition that is the subject of this Schedule 13D, and is filing this
schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box
[].

CUSIP 125750109

- (1) NAMES OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)

Digital Equipment Corporation

- (2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:
(a) ()
(b) (x)

- (3) SEC USE ONLY

- (4) SOURCE OF FUNDS
00

- (5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) ()

(6) CITIZENSHIP OR PLACE OF ORGANIZATION
Massachusetts

NUMBER OF SHARES BENEFICIALLY OWNED BY REPORTING PERSON WITH

| |
|-------------------------------|
| (7) SOLE VOTING POWER |
| -0- |
| (8) SHARED VOTING POWER |
| 18,994,975 |
| (9) SOLE DISPOSITIVE POWER |
| -0- |
| (10) SHARED DISPOSITIVE POWER |
| 18,994,975 |

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
-18,994,975-

(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 11 EXCLUDES CERTAIN SHARES
()

(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
-Approximately 16.4%-

(14) TYPE OF REPORTING PERSON
CO

(1) NAMES OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)

Compaq Computer Corporation

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:
(a) ()
(b) (x)

(3) SEC USE ONLY

(4) SOURCE OF FUNDS
00

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) ()

(6) CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

| | |
|--|---|
| NUMBER OF SHARES BENEFICIALLY OWNED BY REPORTING PERSON WITH | (7) SOLE VOTING POWER -0- |
| | (8) SHARED VOTING POWER 18,994,975 |
| | (9) SOLE DISPOSITIVE POWER -0- |
| | (10) SHARED DISPOSITIVE POWER 18,994,975 |

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
-18,994,975-

(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 11 EXCLUDES CERTAIN
SHARES ()

(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
-Approximately 16.4%-

(14) TYPE OF REPORTING PERSON
CO

ITEM 1. SECURITY AND ISSUER.

The class of equity securities to which this statement relates is the common stock, \$0.01 par value per share (the "Common Stock"), of CMGI, Inc., a Delaware corporation ("CMGI"). The principal executive offices of CMGI are located at 100 Brickstone Square, Andover, Massachusetts 01810.

ITEM 2. IDENTITY AND BACKGROUND.

(a) - (c)

This statement is being jointly filed by the following persons (collectively, the "Reporting Persons") pursuant to Rule 13d-1(k) of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"):

(1) Digital Equipment Corporation, ("Digital") a Massachusetts corporation and a wholly-owned subsidiary of Compaq Computer Corporation, a Delaware corporation ("Compaq") as beneficial owner of 18,994,975 shares of common stock, par value \$0.01, of CMGI. Digital has a principal place of business at 20555 State Highway 249, MS 110701, Houston, Texas 77070 and its principal business is implementing and supporting networked business solutions in multivendor environments based on high performance platforms and global service and support.

To the best of Digital's knowledge as of the date hereof, the name, business address, present principal occupation or employment, name, and principal business and address of any corporation or other organization in which such employment is conducted of each executive officer and director of Digital is set forth in Schedule I hereto. The information contained in Schedule I is incorporated herein by reference.

2) Compaq as beneficial owner of 18,994,975 shares of common stock, par value \$0.01, of CMGI. Compaq has a principal place of business at 20555 State Highway 249, MS 110701, Houston, Texas 77070 and its principal business is the development and marketing of hardware, software, solutions and services, including industry-leading enterprise computing solutions, fault-tolerant business-critical solutions, enterprise and network storage solutions, commercial desktop and portable products and consumer PCs.

To the best of Compaq's knowledge as of the date hereof, the name, business address, present principal occupation or employment, name, and principal business and address of any corporation or other organization in which such employment is conducted of each executive officer and director of Compaq is set forth in Schedule I hereto. The information contained in Schedule I is incorporated herein by reference.

(d) To the knowledge of the Reporting Persons, except for the two-month suspended sentence and fine of approximately \$10,000 (US) given by the Tribunal Correctionnel de Draguignan, Draguignan, France, on November 18, 1996, to Thomas Perkins, a Compaq director, in connection with the Tribunal's charge of involuntary manslaughter, as a result of a boating accident during the course of a sailing regatta, neither the Reporting Persons, nor any other executive officers or directors have been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) during the last five years. This suspended sentence was also given to the other parties involved in the accident including the race organizer. No parties were found innocent.

(e) The Reporting Persons have not, nor, to the knowledge of the Reporting Persons, have any of their executive officers or directors been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction during the last five years as a result of which any such person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) The executive officers and directors of Digital and Compaq are all citizens of the United States.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

On August 18, 1999, Compaq, CMGI, Digital, AltaVista Company, a wholly owned subsidiary of Digital ("AltaVista") and Zoom Newco Inc., a wholly owned subsidiary of CMGI ("Newco") consummated the transactions contemplated by the Purchase and Contribution Agreement signed by the above named parties as of June 29, 1999 and Amendment No.1 to the Purchase and Contribution Agreement, signed by the above named parties as of August 18, 1999. Digital obtained the shares of Common Stock of CMGI, which are covered by this report, pursuant to a transaction in which CMGI acquired a majority stake in the AltaVista Business, as defined in the Purchase and Contribution Agreement. The Purchase and Contribution Agreement is Exhibit A hereto and is incorporated herein by reference. Amendment No. 1 to Purchase and Contribution Agreement is Exhibit B hereto and is incorporated herein by reference.

Pursuant to the Purchase and Contribution Agreement: (1) Compaq and Digital transferred to CMGI all of the outstanding capital stock of Shopping.com, a California corporation, and 51.6% of the outstanding capital stock of Zip2 Corp., a California corporation ("Zip2") (collectively, the "Digital Assets"), in exchange for promissory notes of CMGI in the aggregate principal amount of \$220 million; (2) CMGI contributed the Digital Assets, 18,994,975 shares of CMGI Common Stock and 18,090.45 shares of CMGI Series D Preferred Stock to Newco, and Newco issued 81,495,016 shares of Newco Common Stock to CMGI; (3) pursuant to an Assignment Agreement, by and among Compaq, Digital and Newco and an International Assignment Agreement, by and among Compaq, Digital and Kesempa Limited, both dated August 18, 1999, (collectively, the "Assignment Agreements") Compaq and Digital contributed certain assets and liabilities (including the remaining outstanding shares of Zip2) constituting

the AltaVista division of Digital to Newco and sold certain assets and liabilities to Newco's indirect subsidiary Kesempa Limited, an Irish single member private company, in exchange for 18,994,975 shares of CMGI Common Stock, 18,090.45 shares of CMGI Series D Preferred Stock and 18,504,884 shares of Newco Common Stock, (4) AltaVista merged with and into Newco and the separate corporate existence of AltaVista ceased to exist; and (5) Newco changed its corporate name to AltaVista Company ("AV").

ITEM 4. PURPOSE OF TRANSACTION.

Compaq's and Digital's purpose for the transaction was to sell the majority of their interest in the AltaVista division and to participate in Internet-related businesses in part through minority ownership positions in CMGI and AV, and to engage in joint marketing and other activities with CMGI.

(a) If CMGI shareholders approve the conversion of the CMGI Series D Preferred Stock in CMGI Common Stock, Digital, may exercise its right to convert shares of CMGI Series D Preferred Stock into 1,809,045 shares of CMGI Common Stock.

(b) Pursuant to Section 5.4 of the Purchase and Contribution Agreement, Compaq has the right to designate one member of the Board of Directors of CMGI.

Except as discussed herein, the Reporting Persons have no current plans or proposals which relate to or would result in any of the following:

(c) an extraordinary corporate transaction, such as a merger, reorganization or liquidation involving the issuer or any of its subsidiaries;

(d) a sale or transfer of a material amount of assets of the issuer or of any of its subsidiaries;

(e) any material change in the present capitalization or dividend policy of the issuer;

(f) any other material change in the issuer's business or corporate structure, including but not limited to, if the issuer is a registered closed-end investment company, any plans or proposals to make any changes in its investment policy for which a vote is required by Section 13 of the Investment Company Act of 1940;

(g) changes in the issuer's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the issuer by any person;

(h) causing a class of securities of the issuer to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association;

(i) a class of equity securities of the issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act; or

(j) any action similar to any of those enumerated above.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(a) & (b) As of the date hereof, Digital is the record holder of 18,994,975 shares of Common Stock of the CMGI. This number represents 16.4% of the outstanding common stock of CMGI. This percentage is based on the number of shares of CMGI Common Stock reported by CMGI in its proxy statement filed with the Commission on September 16, 1999. That number includes the 18,994,975 shares of CMGI Common Stock issued to Digital and referred to in this report. Compaq is the sole shareholder of Digital and, as such, beneficially owns those 18,994,975 shares of CMGI Common Stock. Due to the relationship between Compaq and Digital, Digital and Compaq share voting power and dispositive power with respect to these shares.

(c) Except as described herein, neither Digital nor Compaq has not effected any transactions in the Common Stock during the past 60 days.

(d) Not applicable.

(e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

The responses to Items 3 and Item 4 of this Schedule 13D and the Exhibits to this Schedule 13D are incorporated herein by reference.

In connection with the execution and delivery of the Purchase and Contribution Agreement, Compaq and certain holders of CMGI Common Stock entered into a Voting Agreement whereby such holders of CMGI Common Stock agree to appear for the purpose of obtaining a quorum at any annual or special meeting of stockholders of CMGI and to vote, or cause the record holder to vote, all the shares of CMGI Common Stock owned by such holders in favor of the conversion of the CMGI Series D Preferred Stock into CMGI Common Stock and to vote against any

action, proposal or agreement that could reasonably be expected to prejudice that conversion. The Voting Agreement is Exhibit D hereto and is incorporated herein by reference.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

Exhibit A: Joint Filing Agreement dated as of October 12, 1999 between the Reporting Persons.

Exhibit B: Purchase and Contribution Agreement, dated as of June 29, 1999, by and among CMGI, Inc. Compaq Computer Corporation, Digital Equipment Corporation, AltaVista Company and Zoom Newco.

Exhibit C: Amendment No. 1 to Purchase and Contribution Agreement, dated as of August 18, 1999, by and among CMGI, Inc., Compaq Computer Corporation, Digital Equipment Corporation, AltaVista Company and Zoom Newco Inc.

Exhibit D: Certificate of Designations, Preferences and Rights of Series D Preferred Stock of CMGI, Inc.

Exhibit E: Voting Agreement, dated as of June 29, 1999, by and between Compaq Computer Corporation and certain stockholders

-
- 1 Incorporated herein by reference to Exhibit 10.22 of the Form 8-K filed by Compaq Computer Corporation with the Commission on August 13, 1999.
 - 2 Incorporated herein by reference to Exhibit 2.2 of the Form 8-K filed by CMGI, Inc. with the Commission on September 2, 1999.
 - 3 Incorporated herein by reference to Exhibit 4.1 of the Form 8-K filed by CMGI, Inc. with the Commission on September 2, 1999.

SIGNATURES

After reasonable inquiry and to the best knowledge and belief of each of the undersigned, each such person certifies that the information set forth in this statement is true, complete and correct.

DIGITAL EQUIPMENT CORPORATION

Date: October 18, 1999

By: /s/Linda S. Auwers

Name: Linda S. Auwers
Title: Vice President, Assistant
Secretary/Assistant Clerk

SCHEDULE I

DIRECTORS AND EXECUTIVE OFFICERS
OF DIGITAL EQUIPMENT CORPORATION

The following table sets forth the name, business address and present principal occupation or employment of each director and executive officer of the Reporting Person. With the exception of Enrico Pesatori and Edward McCown Straw, the business address of each director and executive officer is Digital Equipment Corporation, Digital Equipment Corporation, 20555 State Highway 249, Houston, TX 77070. Each such person is a U.S. citizen.

| | |
|-----------------------|---|
| Edward McCown Straw | Director, President of Digital and Senior Vice President of Compaq, Supply Chain Management. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070. |
| Enrico Pesatori | Director of Digital, Senior Vice President of Compaq, Group General Manager, Enterprise Solutions & Services Group. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070. |
| Ben Kent Wells | Director, Vice President and Treasurer of Digital |
| William R. Johnson | Vice President of Digital |
| Russel Wong | Vice President of Digital |
| Irving Rothman | Vice President of Digital |
| Michael Winkler | Vice President of Digital |
| Linda S. Auwers | Vice President, Assistant Secretary/Assistant Clerk of Digital |
| Kimberly P. Bradbury | Assistant Secretary/Assistant Clerk of Digital |
| Louis B. Fontana, Jr. | Assistant Secretary/Assistant Clerk of Digital |
| Tom Grilk | Assistant Secretary/Assistant Clerk of Digital |
| Irene Kosturakis | Assistant Secretary/Assistant Clerk of Digital |
| Richard Lange | Assistant Secretary/Assistant Clerk of Digital |
| Ronald L. Smith | Assistant Secretary/Assistant Clerk of Digital |

DIRECTORS AND EXECUTIVE OFFICERS
OF COMPAQ COMPUTER CORPORATION

The following table sets forth the name, business address and present principal occupation or employment of each director and executive officer of the Reporting Person. Each such person is a U.S. citizen.

| | |
|-------------------------|--|
| Michael D. Capellas | Director of Compaq, President & Chief Executive Officer. His business address is 20555 State Highway 249, Houston, TX 77070 |
| Benjamin M. Rosen | Chairman of the Board, Compaq Computer Corporation. His business address is 20555 State Highway 249, Houston, TX 77070 |
| Lawrence T. Babbio, Jr. | Director of Compaq, Chief Operating Officer of Bell Atlantic Corporation. Bell Atlantic Corporation is a provider of advanced wireline voice and data services, wireless services and publisher of directory information. His business address and the address of Bell Atlantic Corporation is 1095 Avenue of America Room 912, New York, NY 10036 |
| Frank P. Doyle | Director of Compaq. His business address is 20555 State Highway 249, Houston, TX 77070 |
| Robert T. Enloe, III | Director of Compaq, managing partner of Balquita Partners, Ltd, a real estate and securities investment partnership. His business address, and the address of Balquita Partnership, Ltd is 312 Maple Avenue, Suite 2000, Dallas Texas 75201 |
| George H. Heilmeyer | Director of Compaq, Chairman Emeritus of Telcordia Technologies, a research and engineering consortium owned by Bell operating companies. His business address and the address of Telcordia is Morris Corporate Center, 445 South Street, Morristown, New Jersey 07960 6438 |
| Peter N. Larson | Director of Compaq, Chairman and Chief Executive Officer of Brunswick Corporation, a multinational Company serving outdoor and indoor active recreation markets. His business address and the address of Brunswick Corporation is 1 N. Field Court, Lake Forest, Ill 60045. |
| Kenneth L. Lay | Director of Compaq, Chairman of the Board and Chief Executive Officer of Enron Corp., a diversified energy company. His business address and the address of Enron Corp. is 1400 Smith Street, 50th Floor, Houston, Texas 77002 |

Thomas J. Perkins Director of Compaq, general partner of Kleiner Perkins Caufield & Byers since 1972, a private investment partnership. His business address and the address of Kleiner Perkins Caufield & Byers is 4 Embarcadero Center, Suite 1880, San Francisco, CA 94111

Kenneth Roman Director of Compaq. His business address is 20555 State Highway 249, Houston, TX 77070.

Lucille S. Salhany Director of Compaq, President and Chief Executive Officer of J.H. Media Limited. Her business address And the address of J.H. Media Limited is 34 Strawberry Hill Street, Dover, MA 02030.

Judith L. Craven Director of Compaq. Her business address is 20555 State Highway 249, Houston, TX 77070.

Linda S. Auwers Vice President, Associate General Counsel and Secretary of Compaq. Her business address and the Address of Compaq is 20555 State Highway 249, Houston, TX 77070.

Peter Blackmore Senior Vice President of Compaq, Group General Manager, Sales & Marketing. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070.

Michael D. Capellas President & Chief Executive Officer of Compaq. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070.

Michael J. Larson Senior Vice President of Compaq, Group General Manager, Consumer Group. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070.

Robert V. Napier Senior Vice President of Compaq, Information Management & Chief Information Officer. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070.

Enrico Pesatori Senior Vice President of Compaq, Group General Manager, Enterprise Solutions & Services Group. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070.

Thomas C. Siekman Senior Vice President & General Counsel of Compaq. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070.

Edward M. Straw Senior Vice President of Compaq, Supply Chain Management. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070.

William D. Strecker Senior Vice President of Compaq, Technology & Corporate Development. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070.

Ben K. Wells Vice President & Corporate Treasurer and Acting Chief Financial Officer of Compaq. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070.

Michael J. Winkler Senior Vice President of Compaq, Group General Manager, Commercial Personal Computing Group. His business address and the address of Compaq is 20555 State Highway 249, Houston, TX 77070.

Joint Filing Agreement

In accordance with Rule 13d-1(k) of the Securities Exchange Act of 1934, as amended, each of the parties hereto agrees with the other party that the statement of Schedule 13D pertaining to certain securities of CMGI, Inc. to which this agreement is an exhibit is filed by and on behalf of each such party and that any amendment thereto will be filed on behalf of each such party.

COMPAQ COMPUTER CORPORATION

Date: October 18, 1999

By: /s/ Linda S. Auwers

Name: Linda S. Auwers
Title: Vice President, Associate General
Counsel and Secretary

DIGITAL EQUIPMENT CORPORATION

Date: October 18, 1999

By: /s/ Linda S. Auwers

Name: Linda S. Auwers
Title: Vice President, Assistant
Secretary/Assistant Clerk

VOTING AGREEMENT

VOTING AGREEMENT (this "Agreement"), dated June 29, 1999, by and between Compaq Computer Corporation, a Delaware corporation ("Compaq") and each of the parties identified on Annex I hereto (individually a "Stockholder" and collectively the "Stockholders").

WHEREAS, the Stockholders are, as of the date hereof, the record and beneficial owners of the shares of common stock, \$.01 par value (the "Common Stock") of CMGI, Inc., a Delaware corporation (the "Company"), set forth on Annex I hereto;

WHEREAS, Zoom Newco Inc., a Delaware corporation and a wholly owned subsidiary of CMGI ("Newco"), and Digital Equipment Corporation, a Massachusetts corporation and a wholly owned subsidiary of Compaq ("Digital") have entered into a Purchase and Contribution Agreement (the "Purchase Agreement") whereby Digital will convey assets to Newco in exchange for shares of Common Stock and Series D Preferred Stock (the "Preferred Security") of the Company and other valuable consideration;

WHEREAS, the Preferred Security shall be convertible into shares of Common Stock of the Company (the "Conversion") upon the affirmative vote of a majority of votes cast of the stockholders of the Company; and

WHEREAS, as a condition to the willingness of Compaq and in order to induce Compaq to enter into the Purchase Agreement, the Stockholders have agreed to enter into this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties, covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Voting of Shares. Each Stockholder hereby agrees to (a) appear, or cause the holder of record on any applicable record date (the "Record Holder") to appear for the purpose of obtaining a quorum at any annual or special meeting of stockholders of the Company and at any adjournment thereof at which matters relating to the Conversion are considered, (b) vote, or cause the Record Holder to vote, in person or by proxy all of the shares of the Company Common Stock owned by Stockholder, or with respect to which such Stockholder has or shares voting power or control, and all of the shares of Company Common Stock which shall, or with respect to which voting power or control shall, hereafter be acquired by such Stockholder (collectively, the "Shares") in favor of the Conversion, and (c) vote, or cause the Record Holder to vote, in person or by

proxy, at any meeting of stockholders, such Stockholder's Shares against any action, proposal or agreement that could reasonably be expected to prejudice the Conversion.

SECTION 2. Representations and Warranties of the Stockholders. The Stockholders jointly and severally hereby represent and warrant to Compaq as follows:

(a) Each Stockholder is the record and beneficial owner of the shares of Common Stock (the number of which may be adjusted from time to time pursuant to Section 4 hereof) set forth opposite his name on Annex I to this Agreement.

(b) Each Stockholder has the legal capacity to execute and deliver this Agreement and to consummate the transactions contemplated hereby.

(c) This Agreement has been validly executed and delivered by each Stockholder and constitutes the legal, valid and binding obligation of such Stockholder, enforceable against each Stockholder in accordance with its terms.

(d) Neither the execution and delivery of this Agreement nor the consummation by each Stockholder of the transactions contemplated hereby will violate any other agreement to which the Stockholder is a party.

(e) Each Stockholder hereby covenants and agrees that, except as contemplated by this Agreement, the Stockholder (a) has not entered, and shall not enter at any time while this Agreement remains in effect, into any voting agreement inconsistent with this Agreement, and (b) has not granted, and shall not grant at any time while this Agreement remains in effect, a proxy or power of attorney, in either case which is inconsistent with this Agreement.

(f) The Shares and the certificates representing the Shares owned by each Stockholder are now and at all times during the term hereof will be held by the Stockholder, or by a nominee or custodian for the benefit of the Stockholder, free and clear of all liens, claims, security interests, proxies, voting trusts or agreements, understandings or arrangements or any other encumbrances whatsoever, except for any such encumbrances or proxies arising hereunder.

SECTION 3 Transfer of the Shares. Prior to the termination of this Agreement, except as otherwise provided herein, (a) the Stockholder shall not: (i) transfer (which term shall include, without limitation, for the purposes of this Agreement, any sale, gift, pledge or other disposition), or consent to any transfer of, any or all of the Shares or options to purchase Common Stock ("Options"); (ii) enter into any contract, option or other agreement or understanding with respect to any transfer of or encumbrance on any

of the Shares or Options or any interest therein; (iii) grant any proxy, power-of-attorney or other authorization or consent in or with respect to the Shares or Options; (iv) deposit the Shares into a voting trust or enter into a voting agreement or arrangement with respect to the Shares or Options; or (v) take any other action that would in any way restrict, limit or interfere with the performance of such Stockholder's obligations hereunder or the transactions contemplated hereby, and (b) the Stockholder, hereby agree and consent to the entry of stock transfer instructions by the Company against the transfer of any Shares consistent with the terms of Section 2(a).

SECTION 4 Certain Events. In the event of any stock split, stock dividend, merger, reorganization, recapitalization or other change in the capital structure of the Company affecting the Common Stock or the acquisition of additional shares of Common Stock or other securities or rights of the Company by the Stockholder, the number of Shares shall be adjusted appropriately, and this Agreement and the obligations hereunder shall attach to any additional shares of Common Stock, Options or other securities or rights of the Company issued to or acquired by the Stockholder.

SECTION 5 Termination. This Agreement, and all rights and obligations of the parties hereunder, shall terminate immediately upon the earlier of (a) the conversion of the Preferred Security into shares of Common Stock of the Company, or (b) two months after the initial meeting of stockholders referred to in Section 1; provided, however, that Section 7 shall survive any termination of this Agreement.

SECTION 6 Expenses. All fees and expenses incurred by any one party hereto shall be borne by the party incurring such fees and expenses; provided, however, that if any legal action is instituted to enforce or interpret the terms of this Agreement, the prevailing party in such action shall be entitled, in addition to any other relief to which the party is entitled, to reimbursement of its actual attorneys fees.

SECTION 7 Support for the Transaction. David S. Wetherell hereby agrees that he will publicly and actively support the Conversion and will publicly and actively oppose any action or proposed action that could materially prejudice, hinder or delay the completion of the Conversion.

SECTION 8 Miscellaneous.

(a) The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with its specified terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to specific performance of the terms and provisions hereof in addition to any other remedy to which they are entitled at law or in equity.

(b) All notices and other communications hereunder shall be in writing and shall be deemed given upon (i) transmitter's confirmation of a receipt of a facsimile transmission, (ii) confirmed delivery by a standard overnight carrier or when delivered by hand or (iii) the expiration of five business days after the day when mailed in the United States by certified or registered mail, postage prepaid, addressed at the following addresses (or at such other address for a party as shall be specified by like notice):

(A) if to the Stockholders, to:

David S. Wetherell
100 Brickstone Square
First Floor
Andover, Massachusetts 01810
Telephone: (978) 684-3600
Facsimile: (978) 684-3814

(B) if to Compaq, to:

Compaq Computer Corporation
20555 State Highway 249
Houston, Texas 77070
Attention: General Counsel
Telephone: (281) 370-0670
Facsimile: (281) 927-8835

(c) The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(d) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which shall be considered one and the same agreement.

(e) This Agreement (including any other documents and instruments referred to herein) constitutes the entire agreement, and supersedes all prior agreements and understandings, whether written and oral, among the parties hereto with respect to the subject matter hereof.

(f) This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware without giving effect to the principles of conflicts of laws thereof.

(g) Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by, the parties and their respective successors and assigns, and the provisions of this Agreement are not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

(h) If any term, provision, covenant or restriction herein is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

(i) Each of the parties hereto acknowledges and agrees that in the event of any breach of this Agreement, each non-breaching party would be irreparably and immediately harmed and could not be made whole by monetary damages. It is accordingly agreed that the parties hereto (i) will waive, in any action for specific performance, the defense of adequacy of a remedy at law, and (ii) shall be entitled, in addition to any other remedy to which they may be entitled at law or in equity, to compel specific performance of this Agreement.

(j) No amendment, modification or waiver in respect of this Agreement shall be effective against any party unless it shall be in writing and signed by such party.

END OF AGREEMENT EXCEPT FOR SIGNATURE PAGES

IN WITNESS WHEREOF, Compaq and the Stockholders have caused this Agreement to be duly executed under seal and delivered as of the date first written above.

COMPAQ COMPUTER CORPORATION

By: /s/ Harold F. Enright, Jr.

Name: Harold F. Enright, Jr.
Title: Vice President

DAVID S. WETHERELL

/s/ David S. Wetherell

Name: David S. Wetherell

DAVID S. WETHERELL CHARITABLE TRUST

By: /s/ David S. Wetherell

Name: David S. Wetherell
Title: Trustee

NORTH ANDOVER, LLC

By: KITTREDGE, LLC, its Managing Member

By: /s/ David S. Wetherell

Name: David S. Wetherell
Title: Managing Member

ANNEX I

Ownership of Common Stock

| Beneficial Owner | Shares of Common Stock |
|--|------------------------|
| David S. Wetherell | 6,741,232 |
| David S. Wetherell Charitable Trust | 23,372 |
| North Andover, LLC | 8,466,336 |

