

02-26-2001

FORM PTO-1594

1-31-92



COVER SHEET

U.S. DEPARTMENT OF COMMERCE

Y

Patent and Trademark Office

To the Honorable Commission

the attached original documents or copy thereof.

name and address of receiving party(ies):

1. Name of conveying party(ies) 101619469
OutlookSoft Corporation
100 Prospect Street, Second Floor, North Tower
Stamford, CT 06901

Pequot Venture Partners II, L.P. AND
PVP II OutlookSoft Con Note Grantor Trust
c/o Pequot Capital Management, Inc.
500 Nyala Farm Road
Westport, CT 06880

- [] Individual(s) [] Association
[] General Partnership [] Limited Partnership
[X] Corporation: Delaware
[] Other:

- [] Individual(s) citizenship:
[] Association
[] General Partnership
[X] Limited Partnership: a Delaware limited partnership
[] Corporation:

Additional name(s) of conveying party(ies) attached? [] Yes [X] No

- 3. Nature of conveyance:
[] Assignment [] Merger
[X] Security Agreement [] Change of Name
[] Other:

[X] Other: a Delaware trust
If assignee is not domiciled in the United States, a domestic representative designation is attached: [] Yes [X] No

Execution Date: February 6, 2001

(Designations must be a separate document from Assignment)
Additional name(s) & address(es) attached? [] Yes [X] No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s): 78/007,385;
78/007,375; 78/023,916; 76/027,315; 78/007,390
75/868,365; 78/023,917; 76/134,921; 76/129,537
78/045,886

B. Trademark Registration No.(s):

FEB 15 2001

Additional numbers attached? [] Yes [X] No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Ryan C. Fisher, Esq.
Internal Address: Cummings & Lockwood
Street Address: Four Stamford Plaza
Post Office Box 120
City: Stamford State: Connecticut Zip: 06904-0120

6. Total number of applications and registrations involved: [10]

7. Total fee (37 CFR 3.41): \$265.00

- [X] Enclosed
[] Authorized to be charged to deposit account

8. Deposit account number: 50-1158
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Signature: [Handwritten Signature]
Ryan C. Fisher

February 15, 2001

Total number of pages comprising cover sheet: [20]

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents and Trademarks
Box Assignments
Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503.

OUTLOOKSOFT CORPORATION

SECURITY AGREEMENT

SECURITY AGREEMENT dated as of February 6, 2001 ("Security Agreement"), between OUTLOOKSOFT CORPORATION, a Delaware corporation ("Company") and PEQUOT VENTURE PARTNERS II, L.P., a Delaware limited partnership, and PVP II OUTLOOKSOFT CON NOTE GRANTOR TRUST, a Delaware trust (collectively, the "Secured Parties").

PRELIMINARY STATEMENTS.

1. The Company and the Secured Parties are parties to a Note Purchase Agreement, dated as of the date hereof (as modified and supplemented and in effect from time to time, the "Note Purchase Agreement"), which provides for, subject to the terms and conditions thereof, one or more loans to be evidenced by one or more promissory notes (the "Notes") and to be made by the Secured Parties to the Company in an aggregate principal amount of \$2,000,000. Capitalized terms used in this Security Agreement and not otherwise defined herein shall have the meanings set forth in the Note Purchase Agreement.

2. It is a condition precedent to the obligation of the Secured Parties to enter into the Note Purchase Agreement and to provide loans to the Company pursuant to the Notes that the Company shall have granted the security interest contemplated by this Security Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce the Secured Parties to provide loans to the Company as provided in the Note Purchase Agreement and the Notes, the Company hereby agrees as follows:

SECTION 1. Grant of Security. The Company hereby grants to the Secured Parties a security interest in and on all of the Company's right, title and interest in and to all of the following, whether now owned or hereafter acquired or existing (the "Collateral"):

(a) All equipment in all of its forms, wherever located, including, without limitation, all machinery and other goods, furniture, furnishings, fixtures, office supplies and all other similar types of tangible personal property and all parts thereof and all accessions thereto, together with all parts, fittings, special tools, alterations, substitutions, replacements and accessions thereto (any and all such equipment, parts and accessions being the "Equipment");

(b) All inventory in all of its forms, wherever located, including, but not limited to, (i) all raw materials and work in progress, finished goods, and materials used

or consumed in manufacture or production, (ii) goods in which the Company has an interest in mass or a joint or other interest or right of any kind (including, without limitation, goods in which the Company has an interest or right as consignee), and (iii) goods which are returned to or repossessed by the Company, and all accessions thereto and products thereof and all documents and documents of title relating to or covering any of the foregoing or any other assets ("Documents") (any and all such inventory, accessions, products and Documents being the "Inventory");

(c) All accounts, accounts receivable, contract rights, chattel paper, instruments, acceptances, drafts, and other obligations of any kind, whether or not arising out of or in connection with the sale or lease of goods or the rendering of services, together with all ledger sheets, files, records and documents relating to any of the foregoing, including all computer records, programs, storage media and computer software useful or required in connection therewith (the "Receivables"), and all rights now or hereafter existing in and to all security agreements, leases, and other contracts securing or otherwise relating to any such Receivables, and any and all such leases, security agreements and other contracts (the "Related Contracts");

(d) All rights under all contracts or agreements to which the Company is a party (other than contracts or agreements which by their terms expressly prohibit the granting of any lien, charge, claim or encumbrance of any nature whatsoever ("Lien") thereon);

(e) All trademarks, trade names, trade styles, service marks, prints and labels on which said trademarks, trade names, trade styles and service marks have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted, all right, title and interest therein and thereto, and all registrations and recordings thereof, including, without limitation, applications, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, or any other country or any political subdivision thereof, together with the goodwill associated therewith, and all reissues, amendments, extensions or renewals thereof and all licenses thereof (the "Trademarks");

(f) All copyrights, copyrighted works or any item which embodies such copyrighted work of the United States or any other country, all applications therefor, all right, title and interest therein and thereto, and all registrations and recordings thereof, including, without limitation, applications, registrations and recordings in the United States Copyright Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, and all derivative works, extensions or renewals thereof (the "Copyrights");

(g) All letters patent of the United States or any other country, and all applications therefor, all right, title and interest therein and thereto, and all registrations and recordings thereof, including, without limitation, applications, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, and all reissues, continuations, divisionals, continuations-in-part or

extensions thereof and all licenses thereof (the "Patents");

(h) All other tangible and intangible personal property and fixtures; and

(i) All proceeds of any and all of the foregoing Collateral (including, without limitation, proceeds which constitute property of the types described in clauses (a) through (h) of this Section 1) and, to the extent not otherwise included, all payments under insurance (whether or not the Secured Parties are the loss payees thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing items.

SECTION 2. Security for Obligations. The Collateral secures the prompt and complete payment when due of (i) the outstanding principal and interest on the Notes, (ii) all other obligations of the Company under the Note Purchase Agreement and the Notes, and (iii) all obligations of the Company to the Secured Parties hereunder (collectively, the "Secured Obligations").

SECTION 3. The Company Remains Liable. Anything herein to the contrary notwithstanding, (a) the Company shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Security Agreement had not been executed, (b) the exercise by the Secured Parties of any of the rights hereunder shall not release the Company from any of its duties or obligations under the contracts and agreements included in the Collateral, and (c) the Secured Parties shall not have any obligation or liability under the contracts and agreements included in the Collateral by reason of this Security Agreement, nor shall the Secured Parties be obligated to perform any of the obligations or duties of the Company thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 4. Representations and Warranties. The Company represents and warrants to the Secured Parties as follows:

(a) All of the Equipment and Inventory (i) were acquired in the ordinary course of business and (ii) are located at the places specified in Schedule I hereto. The chief place of business and chief executive office of the Company and the office where the Company keeps its records concerning Receivables are located at the address specified on Schedule I hereto. All originals of all chattel paper which evidence Receivables have been delivered to the Secured Parties. None of the Receivables is evidenced by a promissory note or other instrument.

(b) The Company owns the Collateral free and clear of any Lien, except for the security interest created by this Security Agreement and the security interests existing in favor of Imperial Bank under the Loan and Security Agreement dated as of June 19, 2000, by and between the Borrower and Imperial Bank and the Intellectual Property Security Agreement dated as of June 19, 2000, by and between the Borrower and Imperial Bank (the "Imperial Indebtedness"). No effective financing statement or other instrument similar in effect covering all or any part of the Collateral is on file in any

recording office, except for financing statements filed in favor of the Secured Parties relating to this Security Agreement and such financing statements as have been filed with respect to the Imperial Indebtedness.

(c) The Company conducts no business under any name or trade name other than its proper corporate name.

(d) The Company has exclusive possession and control of the Equipment and Inventory.

(e) All of the Company's material Related Contracts are in full force and effect, and the Company and, to the Company's knowledge, the other persons to each such Related Contract have performed in all material respects their respective obligations under each such Related Contract.

(f) Schedule II sets forth a complete and correct list of all Patents, Trademarks and Copyrights owned by the Company on the date hereof. The Company has the right to use all Patents, Trademarks, and Copyrights and all computer programs and other rights, free from materially burdensome restrictions, which are necessary for the operation of its business as presently conducted. There is not pending or threatened any claim or litigation against or affecting the Company contesting the validity of any of the Patents, Trademarks or Copyrights or computer program or other right.

(g) This Security Agreement creates a valid Lien in the Collateral, securing the payment of the Secured Obligations, and all other actions necessary or desirable to perfect and protect such security interest have been duly taken.

(h) No authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory agency or authority is required (1) for the grant by the Company of the security interest granted hereby or (2) for the execution, delivery or performance of this Security Agreement by the Company or (3) other than such filings as may be required to be made with the United States Patent and Trademark Office, United States Copyright Office or under the Uniform Commercial Code (the "Code"), for the perfection of or the exercise by the Secured Parties of their respective rights and remedies hereunder.

SECTION 5. Further Assurances.

(a) The Company agrees that from time to time, at the expense of the Company, the Company will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Secured Parties may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable the Secured Parties to exercise and enforce their rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, the Company will: (1) mark conspicuously each document and agreement included in the Collateral and, at the request of the Secured Parties, each of its records pertaining to the Collateral with a legend, in form and substance satisfactory to the Secured Parties indicating that such

Collateral is subject to the security interest granted hereby; (2) subject to the termination of the security interests existing under the Imperial Indebtedness, if any Receivable shall be evidenced by a promissory note or other instrument or chattel paper, deliver such promissory note or other instrument or chattel paper to the Secured Parties duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to the Secured Parties; and (3) execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as the Secured Parties may request, in order to perfect and preserve the security interest granted or purported to be granted hereby.

(b) The Company hereby authorizes the Secured Parties to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of the Company where permitted by law. A carbon, photographic or other reproduction of this Security Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

(c) The Company will furnish to the Secured Parties from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Secured Parties may reasonably request, all in reasonable detail.

(d) Subject to any claims under the Imperial Indebtedness, the Company will defend the Collateral against all claims and demands of all persons (other than the Secured Parties) claiming an interest therein. The Company will pay promptly when due all property and other taxes, assessments and governmental charges or levies imposed upon, and all claims (including claims for labor, materials and supplies) against, the Collateral, except to the extent where there is a good faith contest to the validity thereof. In connection with any such good faith contest the Company will, at the request of the Secured Parties, promptly provide a bond, cash deposit or other security reasonably satisfactory to protect the security interest of the Secured Parties should such good faith contest be unsuccessful.

SECTION 6. As to Equipment, Inventory and Trademarks. The Company shall:

(a) Keep the Equipment and Inventory (other than Inventory sold in the ordinary course of business) at the places therefor specified in Schedule I hereto or, upon 30 days' prior written notice to the Secured Parties, at such other places in jurisdictions where all action required by Section 5 shall have been taken with respect to the Equipment and Inventory;

(b) Cause the Equipment necessary for the conduct of its business to be maintained and preserved in the same condition, repair and working order as when new, ordinary wear and tear excepted, and shall forthwith, or in the case of any loss or damage to any of the Equipment as quickly as practicable after the occurrence thereof, make or cause to be made all repairs, replacements, and other improvements in connection

therewith which are necessary or desirable to such end;

(c) Permit the Secured Parties or any agent thereof to have access to the Inventory and Equipment for purposes of inspection during normal business hours and upon reasonable notice to the Company;

(d) Promptly notify the Secured Parties in writing of any material loss or damage to the Inventory or Equipment;

(e) Not sell, assign, lease, mortgage, transfer or otherwise dispose of any interest in the Inventory or Equipment, except in the ordinary course of business;

(f) Not use or permit the Inventory or Equipment to be used for any unlawful purpose or in violation of any law or for hire;

(g) Not permit the Equipment to become a part of or to be affixed to any real property of any person;

(h) Advise the Secured Parties of all Trademarks, Patents and Copyrights or applications for or registration of the same, created or obtained by the Company on or after the date of this Security Agreement; and

(i) Take all reasonable steps to maintain and enforce the Trademarks, Patents and Copyrights material to the conduct of its business, including but not limited to (1) payment of all fees, (2) prosecuting infringers if failure to do so would materially and adversely affect the business of the Company and (3) diligently pursuing any application or registration material to the business of the Company.

SECTION 7. Insurance.

(a) The Company shall, at its own expense, maintain insurance with respect to the Equipment and Inventory in such amounts, against such risks, in such form and with such insurers, as shall be reasonably satisfactory to the Secured Parties from time to time.

(b) Reimbursement under any liability insurance maintained by the Company pursuant to this Section 7 may be paid directly to the person who shall have incurred liability covered by such insurance. In case of any loss involving damage to Equipment or Inventory when subsection (c) of this Section 7 is not applicable, the Company shall make or cause to be made the necessary repairs to or replacements of such Equipment or Inventory, and any proceeds of insurance maintained by the Company pursuant to this Section 7 shall be paid to the Company as reimbursement for the costs of such repairs or replacements.

(c) Subject to the terms of the Imperial Indebtedness, upon the occurrence of any Default (as defined in the Notes), all insurance payments in respect of such Equipment or Inventory shall be paid to the Secured Parties and applied on a pro rata basis to payment of the amounts due under the Note Purchase Agreement, the Notes

and hereunder.

SECTION 8. As to Receivables.

(a) The Company shall keep the Receivables (except the originals of all chattel paper which evidences such Receivables, which shall have been delivered to the Secured Parties) at its chief place of business and chief executive office and the office where it keeps its records concerning the Receivables, at the location therefor specified in Schedule I hereto or, upon 30 days' prior written notice to the Secured Parties, at such other locations in a jurisdiction where all action required by Section 5 shall have been taken with respect to Receivables. The Company will hold and preserve such records and will permit representatives of the Secured Parties to inspect and make abstracts from such records.

(b) Except as otherwise provided in this subsection (b), the Company shall continue to collect, at its own expense, all amounts due or to become due to the Company under the Receivables. In connection with such collections, the Company may take (and, at the discretion of the Secured Parties, shall take) such action as the Company or the Secured Parties may deem necessary or advisable to enforce collection of the Receivables; provided, however, that the Secured Parties shall have the right at any time, upon the occurrence and during the continuance of a Default upon written notice to the Company of its intention to do so, to notify the account debtors or obligors under any Receivables of the assignment of such Receivables to the Secured Parties and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Company thereunder directly to the Secured Parties and, upon such notification and at the expense of the Company, to enforce collection of any such Receivables, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Company might have done. After receipt by the Company of the notice from the Secured Parties referred to in the proviso to the preceding sentence and as long as there is a Default, (1) all amounts and proceeds (including instruments) received by the Company in respect of the Receivables shall be received in trust for the benefit of the Secured Parties hereunder, shall be segregated from other funds of the Company and shall be forthwith paid over to the Secured Parties in the same form as so received (with any necessary endorsement) to be held as cash collateral, or be applied as provided by Section 13(b), as determined by the Secured Parties, and (2) the Company shall not adjust, settle or compromise the amount or payment of any Receivable, or release wholly or partly any account debtor or obligor thereof, or allow any credit or discount thereon, other than any discount allowed for prompt payment.

SECTION 9. Transfer and Other Liens. The Company shall not:

(a) Sell, assign (by operation of law or otherwise) or otherwise dispose of any of the Collateral, except in the ordinary course of business.

(b) Except for purchase money financing in the ordinary course of business, create or suffer to exist any Lien upon or with respect to any of the Collateral to secure debt of any person.

SECTION 10. Secured Parties Appointed Attorney-in-Fact. The Company hereby irrevocably appoints each Secured Party as the Company's attorney-in-fact, with full authority in the place and stead of the Company and in the name of the Company, the Secured Parties or otherwise, to, after the occurrence and during the continuance of a Default, take any action and to execute any instrument which the Secured Parties may deem necessary or advisable to accomplish the purposes of this Security Agreement, including, without limitation:

(a) to obtain and adjust insurance required to be paid to the Secured Parties pursuant to Section 7;

(b) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;

(c) to receive, endorse, assign, and collect any and all checks, notes, drafts and other negotiable and non-negotiable instruments, documents and chattel paper, in connection with clause (a) or (b) above, and the Company waives notice of presentment, protest and non-payment of any instrument, document or chattel paper so endorsed or assigned;

(d) to file any claims or take any action or institute any proceedings which the Secured Parties may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of the Secured Parties with respect to any of the Collateral; and

(e) to sell, transfer, assign or otherwise deal in or with the Collateral or the proceeds or avails thereof, as fully and effectually as if the Secured Parties were the absolute owner thereof.

The Company hereby ratifies and approves all acts, other than those which result from the Secured Parties' gross negligence or willful misconduct, of the Secured Parties, as its attorney in-fact, pursuant to this Section 10; and the Secured Parties, as its attorney in-fact, will not be liable for any acts of commission or omission, nor for any error of judgment or mistake of fact or law other than those which result from the Secured Parties' gross negligence or willful misconduct. This power, being coupled with an interest, is irrevocable so long as this Security Agreement remains in effect.

The Company also authorizes the Secured Parties, at any time and from time to time, after the occurrence and during the continuance of a Default, to communicate in its own name with any party to any contract, agreement or instrument included in the Collateral with regard to the assignment of such contract, agreement or instrument and other matters relating thereto.

SECTION 11. Secured Parties May Perform. If the Company fails to perform any agreement contained herein, the Secured Parties may themselves perform, or cause performance of, such agreement, and the expenses of the Secured Parties incurred in connection therewith shall be payable by the Company under Section 14(b).

SECTION 12. The Secured Parties' Duties. The powers conferred on the Secured Parties hereunder are solely to protect their interest in the Collateral and shall not impose any duty upon them to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Secured Parties shall not have any duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

SECTION 13. Remedies. If any Default shall have occurred, then during the continuance of such Default:

(a) The Secured Parties may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party on default under the Code (whether or not the Code applies to the affected Collateral) and also may (i) require the Company to, and the Company hereby agrees that it will at its expense and upon the request of the Secured Parties forthwith, assemble all or part of the Collateral as directed by the Secured Parties and make it available to the Secured Parties at a place to be designated by the Secured Parties which is reasonably convenient to both parties and (ii) to enter the premises where any of the Collateral is located and take and carry away the same, by any of its representatives, with or without legal process, to Secured Parties' place of storage, and (iii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of the Secured Parties' offices or elsewhere, for cash, on credit or for future delivery and upon such other terms as the Secured Parties may deem commercially reasonable. The Company agrees that, to the extent notice of sale shall be required by law, at least five (5) days' notice to the Company of the time and place of any public or private sale is to be made shall constitute reasonable notification. The Secured Parties shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Secured Parties may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place it was so adjourned.

(b) All cash proceeds received by the Secured Parties in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of the Secured Parties, be held by the Secured Parties as collateral for, and/or then or at any time thereafter applied (after payment of any amounts payable to the Secured Parties pursuant to Section 14) in whole or in part by the Secured Parties against, all or any part of Secured Obligations in such order as the Secured Parties shall elect. Any surplus of such cash or cash proceeds held by the Secured Parties and remaining after payment in full of all the Secured Obligations to the Secured Parties shall be paid over to the Company. If the proceeds of the sale of the Collateral are insufficient to pay all of the Secured Obligations the Company agrees to pay upon demand any deficiency to the Secured Parties.

SECTION 14. Indemnity and Expenses.

(a) The Company agrees to indemnify the Secured Parties from and against any and all claims, losses and liabilities arising out of or resulting from this Security Agreement (including, without limitation, enforcement of this Security Agreement), except claims, losses or liabilities resulting from the Secured Parties' gross negligence or willful misconduct.

(b) The Company will upon demand pay to each of the Secured Parties the amount of any and all expenses, including the reasonable fees and out of pocket disbursements of its counsel and of any experts and agents, which such Secured Party may incur in connection with (1) filing or recording fees incurred in connection with this Security Agreement, (2) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Collateral, (3) the exercise or enforcement of any of the rights of the Secured Parties, or (4) the failure by the Company to perform or observe any of the provisions hereof. The Secured Parties shall not be liable to the Company for damages as a result of delays, temporary withdrawals of the Equipment from service or other causes other than those caused by the Secured Parties' gross negligence or willful misconduct.

SECTION 15. Amendments; Etc. No amendment or waiver of any provision of this Security Agreement nor consent to any departure by the Company herefrom shall in any event be effective unless the same shall be in writing and signed by the Secured Parties, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 16. Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be (i) mailed by registered or certified mail, postage prepaid, (ii) delivered by reliable overnight courier service, or (iii) otherwise delivered by hand or by messenger, addressed (A) if to the Secured Parties, to Pequot Capital Management, Inc., 500 Nyala Farm Road, Westport, Connecticut 06880, Attention: Amber Tencic and Carol Holley, with a copy to Dewey Ballantine LLP, 1301 Avenue of the Americas, New York, New York 10019, Attention: E. Ann Gill, Esq., or at such other address as any Secured Party shall have furnished to the Company in writing, or (B) if to the Company, at 100 Prospect Street, Second Floor, North Tower, Stamford, Connecticut 06901, Attention: President, or at such other address as the Company shall have furnished to the Secured Parties in writing. All such notices and communications shall be effective upon receipt.

SECTION 17. Continuing Security Interest; Transfer of Notes. This Security Agreement shall create a continuing security interest in the Collateral and shall (1) remain in full force and effect until payment in full of the Secured Obligations, (2) be binding upon the Company, its successors and assigns, and (3) inure to the benefit of the Secured Parties and their respective successors, transferees and assigns. Without limiting the generality of the foregoing clause (3), a Secured Party may assign or otherwise transfer all or a portion of its rights and obligations under the Note Purchase Agreement and/or the Notes to any other person in accordance with the terms thereof, and such other

person shall thereupon become vested with all the benefits in respect thereof granted to the Secured Parties herein or otherwise. Upon the payment in full of the Secured Obligation, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to the Company. Upon any such termination, the Secured Parties will, at the Company's expense, execute and deliver to the Company such Uniform Commercial Code termination statements and such other documentation as the Company shall reasonably request to effect the termination and release of the Liens on the Collateral.

SECTION 18. Subordination. Notwithstanding anything to the contrary in this Security Agreement or in the Notes, the indebtedness evidenced by the Notes, and all rights of the Secured Parties hereunder, shall be subordinate to the prior rights of and junior to the prior payment of the Imperial Indebtedness and the obligations of the Company hereunder shall be subject to the Imperial Indebtedness.

SECTION 19. Governing Law; Terms. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut, except to the extent that the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the State of Connecticut. Unless otherwise defined herein or in the Notes, terms used in Article 9 of the Uniform Commercial Code in the State of Connecticut are used herein as therein defined.

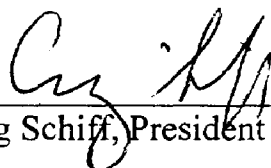
SECTION 20. Miscellaneous. This Security Agreement is in addition to and not in limitation of any other rights and remedies the Secured Parties may have by virtue of any other instrument or agreement heretofore, contemporaneously herewith or hereafter executed by the Company or by law or otherwise. If any provision of this Security Agreement is contrary to applicable law, such provision shall be deemed ineffective without invalidating the remaining provisions hereof. If and to the extent that applicable law confers any rights in addition to any of the provisions of this Security Agreement, the affected provision shall be considered amended to conform thereto. The Secured Parties shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder. A waiver by the Secured Parties of any right or remedy hereunder on any one occasion, shall not be construed as a bar to or waiver of any such right or remedy which the Secured Parties would have had on any future occasion nor shall the Secured Parties be liable for exercising or failing to exercise any such right or remedy. This Security Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and the parties hereto may execute this Security Agreement by signing any such counterpart. Facsimile execution and delivery of this Security Agreement shall be legal, valid and binding execution and delivery for all purposes.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed and delivered as of the date first above written.

COMPANY:

OUTLOOKSOFT CORPORATION

By:  _____
Craig Schiff, President

SECURED PARTIES:

PEQUOT VENTURE PARTNERS II, L.P.

By: Pequot Capital Management, Inc.,
its Investment Manager

By: _____
Kevin E. O'Brien, General Counsel

PVP II OUTLOOKSOFT CON NOTE
GRANTOR TRUST

By: Pequot Capital Management, Inc.,
its Trustee

By: _____
Kevin E. O'Brien, General Counsel

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed and delivered as of the date first above written.

COMPANY:

OUTLOOKSOFT CORPORATION

By: _____
Craig Schiff, President

SECURED PARTIES:

PEQUOT VENTURE PARTNERS II, L.P.

By: Pequot Capital Management, Inc.,
its Investment Manager

By: Kevin E. O'Brien
Kevin E. O'Brien, General Counsel

PVP II OUTLOOKSOFT CON NOTE
GRANTOR TRUST

By: Pequot Capital Management, Inc.,
its Trustee

By: Kevin E. O'Brien
Kevin E. O'Brien, General Counsel

**SCHEDULE I
to Security Agreement**

Place of Business and Locations of Collateral

**Chief Place of Business
and Chief Executive Office:**

**OutlookSoft Corporation
100 Prospect Street
2nd Floor North Tower
Stamford, Connecticut 06901**

Locations of Equipment:

**OutlookSoft Corporation
100 Prospect Street
2nd Floor North Tower
Stamford, Connecticut 06901**

**OutlookSoft Corporation
440 Wheelers Farm Road
Milford, Connecticut 06460**

Locations of Inventory:

**OutlookSoft Corporation
100 Prospect Street
2nd Floor North Tower
Stamford, Connecticut 06901**

**Location of Records
Evidencing Receivables:**

**OutlookSoft Corporation
100 Prospect Street
2nd Floor North Tower
Stamford, Connecticut 06901**

SCHEDULE II
to Security Agreement

Patents

Registered:

None.

Applications:

United States:

Method and System for Facilitating Information Exchange

Serial No. 09/580,676

Filed: May 30, 2000

Method and System for Facilitating Networked Information Exchange

Serial No. 09/580,842

File: May 30, 2000

Dynamic Spread Sheet (Provisional Patent Application)

Serial No. - Not yet assigned

Filed: January 16, 2001

Trademarks

Registered:

None.

Unregistered:

Reference is made to the Schedule of Pending U.S. Trademarks attached hereto.

Copyrights

Registered:

None.

Unregistered:

The Company has complied with the form of copyright notice, as required under 17 U.S.C. § 401, for its Everest software program; however, the Company has not applied for federal registration.

OUTLOOKSOFT CORPORATION

SCHEDULE OF PENDING U.S. TRADEMARKS

Trademark	Application No.	Registration No.	Filing Date	Registration Date	Class	Goods and/or Services
MANAGER'S ANALYTIC PORTAL (696690.0005)	78/007,385		May 9, 2000		9	Financial analysis software featuring customized web-based portal to enterprise budgeting and performance analysis information
MAP (696690.0011)	78/007,375		May 9, 2000		9	Financial analysis software featuring customized web-based portal to enterprise budgeting and performance analysis information
MYOUTLOOK (696690.0019)	78/023,916		August 31, 2000		9	Web-based enterprise budgeting and performance analysis software
					35	Consultation services in the field of enterprise budgeting and performance analysis for businesses

Trademark	Application No.	Registration No.	Filing Date	Registration Date	Class	Goods and/or Services
OUTLOOK SOFT & DESIGN (696690.0014)	76/027,315		April 17, 2000		9	Global computer network based software in the field of financial and management analytics, budgeting, forecasting, planning and reporting of corporate information
					36	Global computer network based professional consulting services in the field of financial and management analytics, budgeting, forecasting, planning and reporting of corporate information and training relating thereto
OUTLOOKSOFT (STYLIZED) (696690.0007)	78/007,390		May 9, 2000		9	Web-based enterprise budgeting and performance analysis software
					35	Consultation services in the field of enterprise budgeting and performance analysis for businesses

Trademark	Application No.	Registration No.	Filing Date	Registration Date	Class	Goods and/or Services
THE WEB ANALYTICS COMPANY (696690.0013)	75/868,365		December 9, 1999		9	Computer software used for financial analysis, budgeting and forecasting, and for reporting corporate financial condition in cost/benefit analysis of corporate financial strategies
					35	Business management consultation for corporations provided via the global computer network
					36	Business consultation provided via the global computer network in the fields of financial analysis, budgeting, forecasting, planning and reporting of corporate financial information
					41	Computer education training, namely, training in the use of financial analysis computer software and educational services, namely, conducting classes, seminars and tutored instruction in the field of financial analysis and planning
WEBEXCEL (696690.0008)	78/023,917		August 31, 2000		9	Web-based enterprise budgeting and performance analysis software
					35	Consultation services in the field of enterprise budgeting and performance analysis for businesses

Trademark	Application No.	Registration No.	Filing Date	Registration Date	Class	Goods and/or Services
OUTLOOKSOFT EVEREST (696690.0016)	76/134,921		September 25, 2000		9	Web-based enterprise budgeting and performance analysis software
EVEREST (696690.0006)	76/129,537		September 15, 2000		35	Consulting services in the field of enterprise budgeting and performance analysis for businesses
ENTERPRISE ANALYTIC PORTAL (696690.0021)	78/045,886		1/31/01		9	A web based financial analytical solutions software featuring customized web base portal budgeting and performance analysis information and for consultation services in enterprise budgeting
					9	Financial analysis software featuring customized web-based portal enterprise budgeting and performance analysis information