

FORM 10-Q  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

(Mark One)

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

For the quarterly period ending September 30, 1995

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-6686

THE INTERPUBLIC GROUP OF COMPANIES, INC.  
(Exact name of registrant as specified in its charter)

Delaware 13-1024020  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

1271 Avenue of the Americas, New York, New York 10020  
(Address of principal executive offices) (Zip Code)

(212) 399-8000  
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock outstanding at October 31, 1995: 78,225,119 shares.

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

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September 30, 1995 and

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PART I - FINANCIAL INFORMATION

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES  
CONSOLIDATED BALANCE SHEET

(Dollars in Thousands)  
ASSETS

	SEPTEMBER 30, 1995	DECEMBER 31, 1994
Current Assets:		
Cash and cash equivalents (includes certificates of deposit: 1995-\$78,279; 1994-\$151,341)	\$ 300,862	\$ 413,709
Marketable securities, at cost which approximates market	32,640	27,893
Receivables (less allowance for doubtful accounts: 1995-\$22,324; 1994-\$22,656)	1,946,943	2,072,764
Expenditures billable to clients	136,388	104,787
Prepaid expenses and other current assets	100,060	56,154
Total current assets	2,516,893	2,675,307
Other Assets:		
Investment in unconsolidated affiliates	75,155	63,824
Deferred taxes on income	92,198	84,788
Other investments and miscellaneous assets	149,748	120,242
Total other assets	317,101	268,854

Fixed Assets, at cost:		
Land and buildings	78,348	73,370
Furniture and equipment	350,003	320,164
	428,351	393,534
Less accumulated depreciation	236,326	212,755
	192,025	180,779
Unamortized leasehold improvements	76,401	67,348
Total fixed assets	268,426	248,127
Intangible Assets (less accumulated amortization: 1995-\$150,751; 1994-\$130,045)	682,872	601,130
Total assets	\$3,785,292	\$3,793,418

See accompanying notes to consolidated financial statements.

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES  
CONSOLIDATED BALANCE SHEET  
(Dollars in Thousands Except Per Share Data)  
LIABILITIES AND STOCKHOLDERS' EQUITY

	SEPTEMBER 30, 1995	DECEMBER 31, 1994
Current Liabilities:		
Payable to banks	\$ 195,452	\$ 128,529
Accounts payable	1,887,699	2,090,406
Accrued expenses	261,562	292,436
Accrued income taxes	79,500	83,802
Total current liabilities	2,424,213	2,595,173
Noncurrent Liabilities:		
Long-term debt	147,156	131,276
Convertible subordinated debentures	112,546	110,527
Deferred compensation and reserve for termination liabilities	230,172	215,893
Accrued postretirement benefits	45,751	45,751
Other noncurrent liabilities	90,496	32,886
Minority interests in consolidated subsidiaries	12,591	12,485
Total noncurrent liabilities	638,712	548,818
Stockholders' Equity:		
Preferred Stock, no par value		
shares authorized: 20,000,000		
shares issued:none		
Common Stock, \$.10 par value		
shares authorized: 150,000,000		
shares issued:		
1995 - 89,256,648		
1994 - 87,705,760	8,926	8,771
Additional paid-in capital	428,990	383,678
Retained earnings	686,557	619,627
Adjustment for minimum pension liability	(6,422)	(6,422)
Cumulative translation adjustments	(90,975)	(97,587)
	1,027,076	908,067
Less:		
Treasury stock, at cost:		
1995 - 11,045,953 shares		
1994 - 10,001,680 shares	270,777	222,698
Unamortized expense of restricted stock grants	33,932	35,942

Total stockholders' equity	722,367	649,427
Total liabilities and stockholders' equity	\$3,785,292	\$3,793,418

See accompanying notes to consolidated financial statements.

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES  
CONSOLIDATED INCOME STATEMENT  
THREE MONTHS ENDED SEPTEMBER 30

(Dollars in Thousands Except Per Share Data)

	1995	1994
Revenue	\$ 476,308	\$ 427,378
Other income	16,178	13,130
Gross income	492,486	440,508
Costs and expenses:		
Operating expenses	444,909	400,591
Interest	10,502	7,706
Total costs and expenses	455,411	408,297
Income before provision for income taxes	37,075	32,211
Provision for income taxes:		
United States - federal	9,572	11,698
- state and local	1,984	(90)
Foreign	4,397	2,671
Total provision for income taxes	15,953	14,279
Income of consolidated companies	21,122	17,932
Loss applicable to minority interests	(757)	(1,144)
Equity in net income of unconsolidated affiliates	1,816	616
Net income	\$ 22,181	\$ 17,404
Weighted average number of common shares	78,172,381	75,565,452
Earnings per common and common equivalent share	\$ .28	\$ .23
Cash dividends per common share	\$ .155	\$ .140

See accompanying notes to consolidated financial statements.

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES  
CONSOLIDATED INCOME STATEMENT  
NINE MONTHS ENDED SEPTEMBER 30

(Dollars in Thousands Except Per Share Data)

1995	1994
------	------

Revenue	\$ 1,458,170	\$ 1,312,487
Other income	51,890	46,488
Gross income	1,510,060	1,358,975
Costs and expenses:		
Operating expenses	1,306,089	1,186,610
Interest	28,232	23,771
Total costs and expenses	1,334,321	1,210,381
Income before provision for income taxes	175,739	148,594
Provision for income taxes:		
United States - federal	32,473	29,081
- state and local	11,603	7,875
Foreign	30,834	26,958
Total provision for income taxes	74,910	63,914
Income of consolidated companies	100,829	84,680
Loss applicable to minority interests	(3,628)	(1,691)
Equity in net income of unconsolidated affiliates	3,924	1,504
Income before effect of accounting change	101,125	84,493
Effect of accounting change:		
Postemployment benefits	-	(21,780)
Net income	\$ 101,125	\$ 62,713
Weighted average number of common shares	77,981,543	75,184,671
Per share data:		
Income before effect of accounting change	\$ 1.30	1.12
Effect of accounting change	-	(.29)
Net income	\$ 1.30	\$ .83
Cash dividends per common share	\$ .450	\$ .405

See accompanying notes to consolidated financial statements.

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF CASH FLOWS  
NINE MONTHS ENDED SEPTEMBER 30  
(Dollars in Thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:	1995	1994
Net income after effect of accounting change	\$101,125	\$ 62,713
Adjustments to reconcile net income to cash (used in)/provided by operating activities:		
Effect of accounting change	-	21,780
Depreciation and amortization of fixed assets	38,766	32,259
Amortization of intangible assets	20,706	16,108
Amortization of restricted stock awards	10,527	7,864
Equity in net income of unconsolidated affiliates	(3,924)	(1,504)
Income applicable to minority interests	3,628	1,691
Translation losses	2,779	13,322
Other	7,324	(9,031)
Changes in assets and liabilities, net of acquisitions:		
Receivables	140,984	73,824
Expenditures billable to clients	(30,067)	(22,590)
Prepaid expenses and other assets	(41,968)	(2,949)

Accounts payable and accrued expenses	(268,551)	(158,458)	
Accrued income taxes	11,430	(5,230)	
Deferred income taxes	(13,939)	(31,200)	
Deferred compensation and reserve for termination liabilities	4,835	41,414	
Net cash (used in)/provided by operating activities		(16,345)	40,013
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisitions	(68,702)	(48,236)	
Capital expenditures	(47,163)	(34,931)	
Proceeds from sales of assets	(656)	38,578	
Net (purchases) of marketable securities	(2,474)	(8,507)	
Other investments and miscellaneous assets	(5,103)	(3,507)	
Unconsolidated affiliates	(7,520)	(3,753)	
Net cash used in investing activities	(131,618)	(60,356)	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase/(decrease) in short-term borrowings	50,990	(8,831)	
Proceeds from long-term debt	40,000	25,000	
Payments of debt	(14,441)	(21,981)	
Treasury stock acquired	(49,786)	(29,332)	
Issuance of common stock	27,772	10,215	
Cash dividends	(34,194)	(29,746)	
Net cash provided by/(used in) financing activities	20,341	(54,675)	
Effect of exchange rates on cash and cash equivalents	14,775	16,265	
Decrease in cash and cash equivalents	(112,847)	(58,753)	
Cash and cash equivalents at beginning of year	413,709	292,268	
Cash and cash equivalents at end of period	\$300,862	\$233,515	
See accompanying notes to consolidated financial statements.			

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Consolidated Financial Statements

- (a) In the opinion of management, the consolidated balance sheet as of September 30, 1995, the consolidated income statements for the three months and nine months ended September 30, 1995 and 1994 and the consolidated statement of cash flows for the nine months ended September 30, 1995 and 1994, contain all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at September 30, 1995 and for all periods presented.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted. It is suggested that these consolidated financial statements be read in conjunction with the consolidated financial statements and notes thereto included in The Interpublic Group of Companies, Inc.'s (the "Company's") December 31, 1994 annual report to stockholders.

- (b) Statement of Financial Accounting Standards (SFAS) No. 95 "Statement of Cash Flows" requires disclosures of specific cash payments and noncash investing and financing activities. The Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Income tax cash payments were approximately \$39.7 million and \$52.7 million in the first nine months of 1995 and 1994, respectively. Interest payments during the first nine months of 1995 were approximately \$18.1 million. Interest payments during the comparable period of 1994 were approximately \$14.9 million.

- (c) Effective January 1, 1994, the Company adopted SFAS No. 112

"Employers' Accounting for Postemployment Benefits" and recorded a one-time pre-tax charge of \$39.6 million or \$21.8 million after-tax. As of September 30, 1995 deferred compensation and reserve for termination allowances includes approximately \$41.2 million of postemployment benefits.

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Exhibit 11

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES  
COMPUTATION OF EARNINGS PER SHARE

(Dollars in Thousands Except Per Share Data)

Primary	Three Months Ended September 30	
	1995	1994
Net income	\$ 22,181	\$ 17,404
Add:		
Dividends paid net of related income tax applicable to restricted stock	120	92
Net income, as adjusted	\$ 22,301	\$ 17,496
Weighted average number of common shares outstanding	75,602,346	73,296,460
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	2,570,035	2,268,992
Total	78,172,381	75,565,452
Earnings per common and common equivalent share	\$ .28	\$ .23
	Three Months Ended September 30	
Fully Diluted	1995	1994
Net income	\$ 22,181	\$ 17,404
Add:		
After tax interest savings on assumed conversion of subordinated debentures	1,600	1,527
Dividends paid net of related income tax applicable to restricted stock	127	96
Net income, as adjusted	\$ 23,908	\$ 19,027
Weighted average number of common shares outstanding	75,602,346	73,296,460
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	2,730,172	2,320,752
Assumed conversion of subordinated debentures	3,002,130	3,002,130
Total	81,334,648	78,619,342
Earnings per common and common equivalent share	\$ .29	\$ .24

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Exhibit 11

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

COMPUTATION OF EARNINGS PER SHARE  
(Dollars in Thousands Except Per Share Data)

Primary	Nine Months Ended 1995	September 30 1994
Net income before effect of accounting change	\$ 101,125	\$ 84,493
Effect of accounting change	-	(21,780)
Add:		
Dividends paid net of related income tax applicable to restricted stock	325	264
Net income, as adjusted	\$ 101,450	\$ 62,977
Weighted average number of common shares outstanding	75,548,236	72,949,730
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	2,433,307	2,234,941
Total	77,981,543	75,184,671
Per share data:		
Income before effect of accounting change	1.30	1.12
Effect of accounting change	-	(.29)
Net income	\$ 1.30	\$ .83
	Nine Months Ended 1995	September 30 1994
Fully Diluted		
Net income before effect of accounting change	\$ 101,125	\$ 84,493
Effect of accounting change	-	(21,780)
Add:		
After tax interest savings on assumed conversion of subordinated debentures	4,654	4,547
Dividends paid net of related income tax applicable to restricted stock	347	274
Net income, as adjusted	\$ 106,126	\$ 67,534
Weighted average number of common shares outstanding	75,548,236	72,949,730
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	2,637,689	2,289,594
Assumed conversion of subordinated debentures	3,002,130	3,002,130
Total	81,188,055	78,241,454
Per share data:		
Income before effect of accounting change	1.31	1.14
Effect of accounting change	-	(.28)
Net income	\$ 1.31	\$ .86

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES

Working capital at September 30, 1995 was \$92.7 million, an increase of \$12.5 million from December 31, 1994. The ratio of current assets to current liabilities remained relatively unchanged from December 31, 1994 at approximately 1.0 to 1.



During 1994, Interpublic Group of Companies, Inc. (the "Company") acquired Western International Media Corporation and Ammirati & Puris Holding, Inc.

In April 1995, the Company acquired all the assets of Newspaper Services of America, Inc. The purchase price was approximately \$7 million.

In April 1995, the Company along with the management of Campbell Mithun Esty (CME) acquired substantially all of the assets of CME. The purchase price for Interpublic's share was \$20.0 million. The Company, together with the management of Campbell Mithun Esty, will operate CME going forward on a 50/50 basis.

In October 1995, the Company, in a 50/50 joint venture with All American Communications, Inc., acquired certain assets and liabilities of Mark Goodson Productions. The purchase price for Interpublic's fifty (50) percent share was approximately \$25.0 million in shares of the Company's common stock.

In November 1995, the Company acquired all of the stock of Anderson & Lembke Inc. for approximately \$22.0 million in shares of the Company's stock.

Historically, cash flow from operations has been the primary source of working capital and management believes that it will continue to be in the future. The principal use of the Company's working capital is to provide for the operating needs of its advertising agencies, which include payments for space or time purchased from various media on behalf of its clients. The Company's practice is to bill and collect from its clients in sufficient time to pay the amounts due media. Other uses of working capital include the payment of cash dividends, acquisitions, capital expenditures and the reduction of long-term debt. In addition, during the first nine months of 1995, the Company acquired 1,393,250 shares of its own stock for approximately \$49.8 million for the purpose of fulfilling the Company's obligations under its various compensation plans.

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#### RESULTS OF OPERATIONS

Three Months Ended September 30, 1995 Compared to Three Months Ended September 30, 1994

Total revenue for the three months ended September 30, 1995 increased \$48.9 million, or 11.4%, to \$476.3 million compared to the same period in 1994. Domestic revenue increased \$28.4 million or 19.5% from 1994 levels. Foreign revenue increased \$20.5 million or 7.3% during the third quarter of 1995 compared to 1994. Other income increased by \$3.0 million during the third quarter of 1995 compared to the same period in 1994.

Operating expenses increased \$44.3 million or 11.1% during the three months ended September 30, 1995 compared to the same period in 1994. Interest expense increased 36.3% as compared to the same period in 1994.

Pretax income increased \$4.9 million or 15.1% during the three months ended September 30, 1995 compared to the same period in 1994.

The increase in total revenue, operating expenses, and pretax income is primarily due to acquired companies' results of operations.

In the fourth quarter of 1994, the Company recorded restructuring charges

of \$48.7 million in connection with the elimination of duplicate facilities and excess personnel resulting primarily from the merger of Lintas New York and Ammirati & Puris agencies and certain international offices. Third quarter 1995 salary savings realized from the restructuring amounted to approximately \$5.2 million.

Net losses from exchange and translation of foreign currencies for the three months ended September 30, 1995 were approximately \$1.3 million versus \$.4 million for the same period in 1994.

The effective tax rate for the three months ended September 30, 1995 was 43.0%, as compared to 44.3% in 1994. The decrease in the effective tax rate is mainly due to the geographic mix of earnings.

The difference between the effective and statutory rates is primarily due to foreign losses with no tax benefit, losses from translation of foreign currencies which provided no tax benefit, state and local taxes, foreign withholding taxes on dividends and nondeductible goodwill expense.

Nine Months Ended September 30, 1995 Compared to Nine Months Ended September 30, 1994

Total revenue for the nine months ended September 30, 1995 increased \$145.7 million, or 11.1%, to \$1,458.2 million compared to the same period in 1994. Domestic revenue increased \$56.0 million or 12.0% from 1994 levels. Foreign revenue increased \$89.7 million or 10.6% during the first nine months of 1995 compared to 1994. Other income increased \$5.4 million in the first nine months of 1995 compared to the same period in 1994.

Operating expenses increased \$119.5 million or 10.1% during the nine months ended September 30, 1995 compared to the same period in 1994. Interest expense increased 18.8% during the nine months ended September 30, 1995 as compared to the same nine month period in 1994.

Pretax income increased \$27.1 million or 18.3% during the nine months ended September 30, 1995 compared to the same period in 1994.

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The increase in total revenue, operating expenses, and pretax income is primarily due to acquired companies' results of operations.

In the fourth quarter of 1994, the Company recorded restructuring charges of \$48.7 million in connection with the elimination of duplicate facilities and excess personnel resulting primarily from the merger of Lintas New York and Ammirati & Puris agencies and certain international offices. At December 31, 1994 the Company's liability related to these restructuring charges totalled \$27.6 million for severance. The remaining liability at September 30, 1995 is \$4.5 million for severance. Total salary savings for the nine months ended September 30, 1995 realized from the restructuring amounted to approximately \$14.1 million. The Company expects to realize additional salary savings from restructuring of approximately \$4.9 million during the remainder of 1995.

Net losses from exchange and translation of foreign currencies for the nine months ended September 30, 1995 were approximately \$3.4 million versus \$9.8 million for the same period in 1994.

The effective tax rate for the nine months ended September 30, 1995 was 42.6%, as compared to 43.0% in 1994. The decrease in the effective tax rate is mainly due to the geographic mix of earnings.

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## PART II - OTHER INFORMATION

## PART II - OTHER INFORMATION

- Item 6. Exhibits and Reports on Form 8-K
- (a) Exhibits
- Exhibit 10A(i) Supplemental Agreement made as of July 14, 1995, by and between Interpublic and Eugene P. Beard to an Employment Agreement made as of January 1, 1983.
- Exhibit 10A(ii) Employment Agreement, made as of July 1, 1995, by and between Interpublic and Eugene P. Beard.
- Exhibit 10B Supplemental Agreement made as of July 1, 1995, by and between Interpublic and John J. Dooner to an Employment Agreement made as of January 1, 1994.
- Exhibit 10C Supplemental Agreement made as of May 10, 1995, by and among Interpublic, Ammirati & Puris Inc., and Martin Puris to an Employment Agreement made as of August 11, 1994.
- Exhibit 10D(i) Amendment No. 1, dated as of August 3, 1995 to the Credit Agreement, dated as of December 1, 1994, between Interpublic and Bank of America National Trust & Savings Association.
- Exhibit 10D(ii) Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 30, 1992, between Interpublic and The Bank of New York.
- Exhibit 10D(iii) Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 23, 1992, between Interpublic and Chemical Bank.
- Exhibit 10D(iv) Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 22, 1992, between Interpublic and Citibank N.A.
- Exhibit 10D(v) Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 16, 1992, between Interpublic and The Fuji Bank, Limited.

Exhibit 10D(vi) Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 23, 1992, between Interpublic and NBD Bank, N.A. ("NBD").

Exhibit 10D(vii) Amendment No. 5, dated as of August 3, 1995 to the Term Loan Agreement, dated March 14, 1991, between Interpublic and NBD.

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Exhibit 10D(viii) Amendment No. 1, dated as of August 3, 1995 to a Note Purchase Agreement, dated as of May 26, 1994, between Interpublic and The Prudential Insurance Company of America ("Prudential").

Exhibit 10D(ix) Amendment No. 1, dated August 3, 1995 to a Note Purchase Agreement, dated as of April 28, 1995, between Interpublic and Prudential.

Exhibit 10D(x) Amendment No. 5, dated as of August 3, 1995 to a Note Purchase Agreement, dated as of August 20, 1991, by and among Interpublic, MacLaren McCann Canada Inc. and Prudential.

Exhibit 10D(xi) Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 18, 1992, between Interpublic and Swiss Bank Corporation.

Exhibit 10D(xii) Amendment No. 1, dated as of August 3, 1995 to the Credit Agreement, dated as of March 14, 1995, between Interpublic and Trust Company Bank ("Trust").

Exhibit 10D(xiii) Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 30, 1992, between Interpublic and Trust.

Exhibit 10D(xiv) Amendment No. 6, dated as of August 3, 1995 to the Credit Agreement, dated as of March 14, 1991, between Interpublic and Trust.

Exhibit 10D(xv) Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 29, 1992, between Interpublic and Union Bank of Switzerland.

Exhibit 10E Agreement, dated as of January 1, 1995 between Interpublic and Robert James.

Exhibit 11 Computation of Earnings Per Share

Exhibit 27 Financial Data Schedule

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter ended September 30, 1995.

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SIGNATURES

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 thereunto duly authorized.

THE INTERPUBLIC GROUP OF COMPANIES, INC.  
(Registrant)

Date: November 14, 1995      By: PHILIP H. GEIER, JR.  
  PHILIP H. GEIER, JR.  
  Chairman of the Board,  
  President and Chief Executive  
  Officer

Date: November 14, 1995      By: EUGENE P. BEARD  
  EUGENE P. BEARD  
  Vice Chairman-  
  Finance and Operations

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

INDEX TO EXHIBITS

Exhibit No.	Description
Exhibit 10A(i)	Supplemental Agreement made as of July 14, 1995, by and between Interpublic and Eugene P. Beard to an Employment Agreement made as of January 1, 1983.
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Exhibit 10B	Supplemental Agreement made as of July 1, 1995, by and between Interpublic and John J. Dooner to an Employment Agreement made as of January 1, 1994.

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Exhibit 10D(ii) Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 30, 1992, between Interpublic and The Bank of New York.

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Exhibit 10D(ix) Amendment No. 1, dated August 3, 1995 to a Note Purchase Agreement, dated as of April 28, 1995, between Interpublic and Prudential.

Exhibit 10D(x) Amendment No. 5, dated as of August 3, 1995 to a Note Purchase Agreement, dated as of August 20, 1991, by and among Interpublic, MacLaren McCann Canada Inc. and Prudential.

Exhibit 10D(xi) Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 18, 1992, between Interpublic and Swiss Bank Corporation.

Exhibit 10D(xii) Amendment No. 1, dated as of August 3, 1995 to the Credit Agreement, dated as of March 14, 1995, between Interpublic and Trust Company Bank ("Trust").

Exhibit 10D(xiii) Amendment No. 5, dated as of August 3, 1995 to

the Credit Agreement, dated as of September 30, 1992, and effective as of December 30, 1992, between Interpublic and Trust.

- Exhibit 10D(xiv)           Amendment No. 6, dated as of August 3, 1995 to the Credit Agreement, dated as of March 14, 1991, between Interpublic and Trust.
- Exhibit 10D(xv)           Amendment No. 5, dated as of August 3, 1995 to the Credit Agreement, dated as of September 30, 1992, and effective as of December 29, 1992, between Interpublic and Union Bank of Switzerland.
- Exhibit 10E                Agreement, dated as of January 1, 1995 between Interpublic and Robert James.
- Exhibit 11                 Computation of Earnings Per Share
- Exhibit 27                 Financial Data Schedule

SUPPLEMENTAL AGREEMENT

SUPPLEMENTAL AGREEMENT made as of July 14, 1995, by and between THE INTERPUBLIC GROUP OF COMPANIES, INC., a corporation of the State of Delaware (hereinafter referred to as the "Corporation"), and EUGENE P. BEARD (hereinafter referred to as "Executive"):

W I T N E S S E T H:

WHEREAS, the Corporation and Executive are parties to an Employment Agreement made as of January 1, 1983, as amended by Supplemental Agreements dated as of February 19, 1985, September 24, 1985, March 1, 1986, January 4, 1988, January 1, 1990, May 15, 1990, March 1, 1991, October 1, 1991, January 1, 1994, January 5, 1994, June 1, 1994 and January 1, 1995 (hereinafter referred to collectively as the "Employment Agreement"); and

WHEREAS, the Corporation and Executive desire to amend the Employment Agreement;  
PAGE

NOW, THEREFORE, in consideration of the mutual promises herein and in the Employment Agreement set forth, the parties hereto, intending to be legally bound, agree as follows:

1. Section 3.04 of the Employment Agreement is hereby deleted in its entirety, effective July 14, 1995, and the following substituted therefore:

"3.04 If Executive dies while employed by the Corporation, while receiving payments hereunder, or while receiving payments in accordance with the provisions of subdivision (ii) of Section 4.01, any amount payable in accordance with the provisions of Section 3.03 or Section 4.01 shall be paid in a lump sum to the Executor of his Will or the Administrator of his Estate."

2. Except as hereinabove amended, the Employment shall continue in full force and effect.  
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3. This Supplemental Agreement shall be governed by the laws of the State of New York.

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: C. KENT KROEBER  
C. KENT KROEBER

EUGENE P. BEARD  
EUGENE P. BEARD



EMPLOYMENT AGREEMENT

AGREEMENT made as of July 1, 1995 by and between THE INTERPUBLIC GROUP OF COMPANIES, INC., a corporation of the State of Delaware (hereinafter referred to as "Interpublic"), and EUGENE P. BEARD (hereinafter referred to as "Executive").

In consideration of the mutual promises set forth herein the parties hereto agree as follows:

ARTICLE I

TERM OF EMPLOYMENT

1.01 Upon the terms and subject to the conditions set forth herein, Interpublic or one of its subsidiaries will employ Executive for the period beginning July 1, 1995 and ending on December 31, 1997, or on such earlier date as the employment of Executive shall terminate pursuant to Article V or Article VI. (The period during which Executive is employed hereunder is referred to herein as the "term of employment" and Interpublic or whichever of its subsidiaries shall from time to time employ Executive pursuant to this Agreement is referred to herein as the PAGE

"Corporation"). Executive will serve the Corporation during the term of employment. Executive shall have the option, to request a change in employment status commencing July 1, 1997 and, if agreed to by the Corporation, the compensation, terms and duration of the new employment status will be mutually agreed to by Executive and the Corporation.

ARTICLE II

DUTIES

2.01 During the term of employment Executive will:

(i) use his best efforts to promote the interests of the Corporation and devote his full time and efforts to its business and affairs;

(ii) perform such duties as the Corporation may from time to time assign to him including the identification of his successor which is acceptable to Executive and the Chief Executive Officer and approved by the Corporation's Board of Directors.

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(iii) serve in such offices of the Corporation or its subsidiaries as he may be elected or appointed to which, so long as he remains a full time employee, shall not be less than Executive Vice President-Finance and Operations and Chief Financial Officer, or such greater title such as he may be elected to prior to or during the term of this Agreement.

(iv) be proposed as a member of the Corporation's Board of Directors.

ARTICLE III

COMPENSATION

3.01 The Corporation will compensate Executive for the duties performed by him hereunder, including all services rendered as an officer or director of the Corporation, by payment of a salary at the rate of \$150,000 per annum, payable in equal installments, which the Corporation may pay at either monthly or semi-monthly intervals, and by payment of the additional compensation specified in Section 3.02.

PAGE

3.02 Subject to the provisions of the second sentence of this Section 3.02, and for as long as Executive remains a full time employee, the Corporation will further compensate Executive for the duties specified in Section 2.01 by payment, at the times and in the manner specified in Section 3.03, of a sum ("Deferred

Compensation") computed at the rate of \$600,000 per annum for each full year and a proportionate amount for any part year during which Executive actually performs such duties (as well as for any period during which Executive is receiving payments pursuant to subdivision (ii) of Section 6.01). Payment of Deferred Compensation shall be contingent on full performance by Executive of all his obligations under Articles I, II and VII.

3.03 The aggregate compensation payable under Section 3.02 shall be paid in 60 equal monthly installments commencing with the month following the month in which Executive's employment terminates for any reason, except that sums equivalent to interest credited during such period of 60 months shall be paid with the installment or installments payable after the date of such crediting.

PAGE

3.04 If Executive dies while employed by the Corporation or while receiving payments in accordance with the provisions of subdivision (ii) of Section 6.01, any amount payable in accordance with the provisions of Section 3.03 shall be paid to the Executor of the Will or the Administrator of the Estate of Executive in one lump sum.

3.05 It is understood that none of the payments made in accordance with Sections 3.02 and 3.03 shall be considered for purposes of determining benefits under the Interpublic Retirement Account Plan (formerly, the Interpublic Pension Plan).

3.06 The Corporation may at any time increase the compensation paid to Executive hereunder if the Corporation in its discretion shall deem it advisable so to do in order to compensate him fairly for services rendered to the Corporation.

#### ARTICLE IV

##### BONUSES

4.01 Executive will be eligible during the term of employment to participate in the Management Incentive

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Compensation Plan ("MICP" or the "Plan") in accordance with the terms and conditions of the Plan established from time to time, and appropriate for an executive holding such a position..

#### ARTICLE V

##### TERMINATION

5.01 Interpublic may terminate the employment of Executive hereunder:

(i) by giving Executive notice in writing at any time specifying a termination date not less than twelve months after the date on which such notice is given, in which event his employment hereunder shall terminate on the date specified in such notice, or

(ii) by giving him notice in writing at any time specifying a termination date less than twelve months after the date on which such notice is given. In this event his employment hereunder shall terminate on the date specified in such notice and the Corporation shall thereafter pay him a sum equal to the amount by which twelve months' salary, at his then current rate

PAGE

exceeds the salary paid to him for the period from the date on which such notice is given to the termination date specified in such notice. Such payment shall be made during the period immediately following the termination date specified in such notice, in successive equal monthly installments each of which shall be equal to one month's salary at the rate in effect at the time of such termination, with any residue in respect of a period less than one month to be paid together with the last installment.

(iii) However, with respect to any payments of

salary due to Executive after notice of termination shall have been given pursuant to Sub-section 6.01 (i), should Executive commence other employment during the period when payments thereunder are being made, said payments shall cease forthwith. Moreover, with respect to any payments of salary or salary equivalents to Executive after notice of termination shall have been given pursuant to Sub-section 6.01 (ii), should Executive commence other employment prior to the last payment due under that Sub-section, no further payments shall be made to Executive.  
PAGE

5.02 Executive may at any time give notice in writing to the Corporation specifying a termination date not less than twelve months after the date on which such notice is given, in which event his employment hereunder shall terminate on the date specified in such notice.

5.03 If the employment of Executive hereunder is terminated pursuant to this Article V by either the Corporation or Executive, Executive shall continue to perform his duties hereunder until the termination date at his salary in effect on the date that notice of such termination is given.

5.04 If Executive dies before December 31, 1997, his employment hereunder shall terminate on the date of his death.

#### ARTICLE VI COVENANTS

6.01 While Executive is employed hereunder by the Corporation he shall not without the prior written consent of the Corporation engage, directly or indirectly, in any other trade, business or employment, or have any interest, direct or indirect, in any other business, firm or corporation; provided, however,  
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that he may continue to own or may hereafter acquire any securities of any class of any publicly-owned company, and further provided that he may continue his business activities with the Westport Asset Fund and with his current outside directorship, National Westminster Bancorp, Inc; 59 Wall Street Fund, Inc.; All American Communications, Inc.; and Micrografx, Inc.. Executive shall be entitled to accept other outside directorships as long as they are not with enterprises which are competitive with the Corporation's business.

6.02 Executive shall treat as confidential and keep secret the affairs of the Corporation and shall not at any time during the term of employment or thereafter, without the prior written consent of the Corporation, divulge, furnish or make known or accessible to, or use for the benefit of, anyone other than the Corporation and its subsidiaries and affiliates any information of a confidential nature relating in any way to the business of the Corporation or its subsidiaries or affiliates or their clients and obtained by him in the course of his employment hereunder.  
PAGE

6.03 If Executive violates any provision of Section 6.01 or Section 6.02, the Corporation may, notwithstanding the provisions of Section 5.01, terminate the employment of Executive at any time by giving him notice in writing specifying a termination date. In such event, his employment hereunder shall terminate on the date specified in such notice.

6.04 All records, papers and documents kept or made by Executive relating to the business of the Corporation or its subsidiaries or affiliates or their clients shall be and remain the property of the Corporation.

6.05 All articles invented by Executive, processes discovered by him, trademarks, designs, advertising copy and art work, display and promotion materials and, in general, everything of value conceived or created by him pertaining to the business

of the Corporation or any of its subsidiaries or affiliates during the term of employment, and any and all rights of every nature whatever thereto, shall immediately become the property of the Corporation, and Executive will assign, transfer and deliver all patents, copyrights, royalties, designs and copy, and any and all interests and rights whatever thereto and thereunder to the  
PAGE

Corporation, without further compensation, upon notice to him from the Corporation.

6.06 Following the termination of Executive's employment hereunder or otherwise for any reason, Executive shall not for a period of twenty-four months from such termination either (a) solicit any employee of the Corporation or Interpublic to leave such employ to enter the employ of Executive or of any corporation or enterprise with which Executive is then associated or (b) solicit or handle on Executive's own behalf or on behalf of any other person, firm or corporation, the advertising, public relations, sales promotion or market research business of any advertiser which is a client of the Corporation at the time of such termination. However, if any of the provisions of this Agreement are materially breached by the Corporation, or if Executive does not receive all of the compensation to which he is entitled hereunder, Executive will not be bound by the provisions of this Section 6.06.

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ARTICLE VII  
ASSIGNMENT

7.01 This Agreement shall be binding upon and enure to the benefit of the successors and assigns of the Corporation. Neither this Agreement nor any rights hereunder shall be assignable by Executive and any such purported assignment by him shall be void.

ARTICLE VIII  
ARBITRATION

8.01 Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, including claims involving alleged legally protected rights, such as claims for age discrimination in violation of the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act, as amended, and all other federal and state law claims for defamation, breach of contract, wrongful termination and any other claim arising because of Executive's employment, termination of employment or otherwise, shall be settled by arbitration in accordance with the Commercial Arbitration Rules  
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of the American Arbitration Association and Section 11.01 hereof, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitration shall take place in the city where Executive customarily renders services to the Corporation. The prevailing party in any such arbitration shall be entitled to receive attorney's fees and costs.

ARTICLE IX  
AGREEMENT ENTIRE

9.01 This Agreement constitutes the entire understanding between Interpublic and Executive concerning his employment by Interpublic or any of its affiliates or subsidiaries and supersedes any and all previous agreements between Executive and Interpublic or any of its affiliates or subsidiaries concerning such employment. This Agreement may not be changed orally.

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ARTICLE X

APPLICABLE LAW

10.01 The Agreement shall be governed by and construed in accordance with the laws of the State of New York.

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: PHILIP H. GEIER, JR.  
PHILIP H. GEIER, JR.

EUGENE P. BEARD  
EUGENE P. BEARD

SUPPLEMENTAL AGREEMENT

SUPPLEMENTAL AGREEMENT made as of July 1, 1995 by and between THE INTERPUBLIC GROUP OF COMPANIES, INC., a corporation of the State of Delaware (hereinafter referred to as the "Corporation"), and JOHN J. DOONER (hereinafter referred to as "Executive"):

W I T N E S S E T H:

WHEREAS, the Corporation and Executive are parties to an Employment Agreement made as of January 1, 1994 (hereinafter referred to as the "Employment Agreement"); and

WHEREAS, the Corporation and Executive desire to amend the Employment Agreement;

NOW, THEREFORE, in consideration of the mutual promises herein and in the Employment Agreement set forth, the parties hereto, intending to be legally bound, agree as follows:

1. Section 3.01 Of the Employment Agreement is hereby amended, effective as of July 1, 1995, so as to delete "\$580,000" PAGE

and to substitute "\$750,000" therefor. The parties agree, however, that \$20,000 of the aforementioned salary increase will be regarded as temporary and will be deleted as of June 30, 1998. On July 1, 1998, \$20,000 will be added to Executive's salary pursuant to, and subject to, the terms of section 7.02 of an Executive Special Benefit Agreement entered into between Executive and the Corporation dated July 1, 1992.

2. Except as hereinabove amended, the Employment Agreement shall continue in full force and effect.

3. This Supplemental Agreement shall be governed by the laws of the State of New York.

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: C. KENT KROEBER  
C. KENT KROEBER

JOHN J. DOONER  
JOHN J. DOONER

SUPPLEMENTAL AGREEMENT

SUPPLEMENTAL AGREEMENT made as of May 10, 1995 by and among THE INTERPUBLIC GROUP OF COMPANIES, INC., a corporation of the State of Delaware (hereinafter referred to as "Interpublic"), AMMIRATI & PURIS INC., a corporation of the state of New York ("A&P") and MARTIN PURIS (hereinafter referred to as "Executive").

W I T N E S S E T H

WHEREAS, Interpublic, A&P and Executive are parties to an Employment Agreement made as of August 11, 1994 (hereinafter referred to as the "Employment Agreement"); and

WHEREAS, the parties desire to amend the Employment Agreement;

NOW, THEREFORE, in consideration of the mutual promises herein and in the Employment Agreement set forth, the parties hereto, intending to be legally bound, agree as follows:  
PAGE

1. Section 2.01(iii) of the Employment Agreement is amended effective July 1, 1995, to provide that Executive will be Chairman, Chief Executive Officer and Chief Creative Officer of Lintas Worldwide.

2. Section 3.01 of the Employment Agreement is hereby amended, effective as of April 1, 1995, so as to delete "\$600,000" and substitute therefor "\$750,000."

3. Except as hereinabove amended, the Employment Agreement shall continue in full force and effect.

4. This Supplemental Agreement shall be governed by the laws of the State of New York.

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: C. KENT KROEBER  
C. KENT KROEBER

AMMIRATI & PURIS INC.

By: MARTIN PURIS  
MARTIN PURIS

AMENDMENT NO. 1 TO CREDIT AGREEMENT

AMENDMENT, dated as of August 3, 1995 to the Credit Agreement dated as of December 1, 1994 (the "Agreement") between THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Borrower") and BANK OF AMERICA NATIONAL TRUST & SAVINGS ASSOCIATION (the "Bank").

The parties hereto desire to amend the Agreement subject to the terms and conditions of this Amendment, as hereinafter provided. Accordingly, the parties hereto agree as follows:

1. DEFINITIONS. Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement shall have the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement and in each of the documents relating to the Agreement shall from and after the date hereof refer to the Agreement as amended hereby.

2. AMENDMENTS.

A. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" means the sum of net income of the Borrower and its Consolidated Subsidiaries (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a

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portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000

B. Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

"Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994."

C. Section 6.9 of the Agreement is hereby amended to add a new section (k) as follows:

"(k) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases; and".

Additionally, the word "and" shall be deleted from



section 6.9 (j) and section 6.9(k) shall be retitled "6.9(1)".

- D. Section 5.4(B) of the Agreement is hereby amended to read in its entirety as follows:

"Since December 31, 1991 there has been no material adverse change in the business, financial position or results of operations of the Borrower and its Consolidated Subsidiaries, considered as a whole, other than as a result of the recognition of post-retirement and post-employment costs prior to the period in which such benefits are paid and the recording of the restructuring charge in the fourth quarter of 1994."

3. AGREEMENT AS AMENDED. Except as expressly amended hereby, the Agreement shall continue in full force and effect in accordance with the terms thereof.

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4. GOVERNING LAW. This Amendment, and the Agreement as amended hereby, shall be construed in accordance with and governed by the laws of the State of New York.
5. SEVERABILITY. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
6. COUNTERPARTS. This Amendment may be executed in any number of counterparts, each of which shall constitute an original but all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the day and year first above written.

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

BANK OF AMERICA NATIONAL TRUST  
AND SAVINGS ASSOCIATION

By: CARL F. SALAS  
CARL F. SALAS  
Vice President

AMENDMENT NO. 5 TO CREDIT AGREEMENT

AMENDMENT, dated as of August 3, 1995 to the Credit Agreement dated as of September 30, 1992 and effective as of December 18, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994 and April 1, 1995 (the "Agreement") between THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Borrower") and THE BANK OF NEW YORK (the "Bank").

The parties hereto desire to amend the Agreement subject to the terms and conditions of this Amendment, as hereinafter provided. Accordingly, the parties hereto agree as follows:

1. DEFINITIONS. Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement shall have the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement and in each of the documents relating to the Agreement shall from and after the date hereof refer to the Agreement as amended hereby.

2. AMENDMENTS.

A. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" means the sum of net income of the Borrower and its Consolidated Subsidiaries (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a

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portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).

B. Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

"Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994."

C. Section 6.9 of the Agreement is hereby amended to add a new section (k) as follows:

"(k) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases; and".

Additionally, the word "and" shall be deleted from section 6.9 (j) and section 6.9(k) shall be retitled '6.9(l)".

3. AGREEMENT AS AMENDED. Except as expressly amended hereby, the Agreement shall continue in full force and effect in accordance with the terms thereof.
4. GOVERNING LAW. This Amendment, and the Agreement as amended hereby, shall be construed in accordance with and governed by the laws of the State of New York.
5. SEVERABILITY. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

PAGE

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

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the day and year first above written.

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

THE BANK OF NEW YORK

By: HOWARD F. BASCOM, JR.  
HOWARD F. BASCOM, JR.  
Vice President

AMENDMENT NO. 5 TO CREDIT AGREEMENT

AMENDMENT, dated as of August 3, 1995 to the Credit Agreement dated as of September 30, 1992 and effective as of December 23, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994 and December 1, 1994 (the "Agreement") between THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Borrower") and CHEMICAL BANK (the "Bank").

The parties hereto desire to amend the Agreement subject to the terms and conditions of this Amendment, as hereinafter provided. Accordingly, the parties hereto agree as follows:

1. DEFINITIONS. Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement shall have the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement and in each of the documents relating to the Agreement shall from and after the date hereof refer to the Agreement as amended hereby.

2. AMENDMENTS.

A. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" means the sum of net income of the Borrower and its Consolidated Subsidiaries (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a

PAGE

portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).

B. Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

"Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994."

C. Section 6.9 of the Agreement is hereby amended to add a new section (k) as follows:

"(k) any Liens(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases; and".

Additionally, the word "and" shall be deleted from section 6.9 (j) and section 6.9(k) shall be retitled "6.9(l)".

- D. Section 5.4(B) of the Agreement is hereby amended to read in its entirety as follows:

"Since December 31, 1991 there has been no material adverse change in the business, financial position or results of operations of the Borrower and its Consolidated Subsidiaries, considered as a whole, other than as a result of the recognition of post-retirement and post-employment costs prior to the period in which such benefits are paid and the recording of the restructuring charge in the fourth quarter of 1994."

3. AGREEMENT AS AMENDED. Except as expressly amended hereby, the Agreement shall continue in full force and effect in accordance with the terms thereof.

PAGE

4. GOVERNING LAW. This Amendment, and the Agreement as amended hereby, shall be construed in accordance with and governed by the laws of the State of New York.
5. SEVERABILITY. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
6. COUNTERPARTS. This Amendment may be executed in any number of counterparts, each of which shall constitute an original but all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the day and year first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

CHEMICAL BANK

By: JORDAN H. REDNOR  
JORDAN H. REDNOR  
Vice President

AMENDMENT NO. 5 TO CREDIT AGREEMENT

AMENDMENT, dated as of August 3, 1995 to the Credit Agreement dated as of September 30, 1992 and effective as of December 22, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994 and December 1, 1994 (the "Agreement") between THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Borrower") and CITIBANK, N.A. (the "Bank").

The parties hereto desire to amend the Agreement subject to the terms and conditions of this Amendment, as hereinafter provided. Accordingly, the parties hereto agree as follows:

1. DEFINITIONS. Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement shall have the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement and in each of the documents relating to the Agreement shall from and after the date hereof refer to the Agreement as amended hereby.

2. AMENDMENTS.

A. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" means the sum of net income of the Borrower and its Consolidated Subsidiaries (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in

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deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).

B. Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

"Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994."

C. Section 6.9 of the Agreement is hereby amended to add a new section (k) as follows:

"(k) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases; and".

Additionally, the word "and" shall be deleted from section 6.9 (j) and section 6.9(k) shall be retitled "6.9(l)".

- D. Section 5.4(B) of the Agreement is hereby amended to read in its entirety as follows:

"Since December 31, 1991 there has been no material adverse change in the business, financial position or results of operations of the Borrower and its Consolidated Subsidiaries, considered as a whole, other than as a result of the recognition of post-retirement and post-employment costs prior to the period in which such benefits are paid and the recording of the restructuring charge in the fourth quarter of 1994."

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3. AGREEMENT AS AMENDED. Except as expressly amended hereby, the Agreement shall continue in full force and effect in accordance with the terms thereof.
4. GOVERNING LAW. This Amendment, and the Agreement as amended hereby, shall be construed in accordance with and governed by the laws of the State of New York.
5. SEVERABILITY. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
6. COUNTERPARTS This Amendment may be executed in any number of counterparts, each of which shall constitute an original but all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the day and year first above written.

THE INTERPUBLIC GROUP OF COMPANIES,  
INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

CITIBANK, N.A.

By: ERIC HUTTNER  
ERIC HUTTNER  
Vice President

AMENDMENT NO. 5 TO CREDIT AGREEMENT

AMENDMENT, dated as of August 3, 1995 to the Credit Agreement dated as of September 30, 1992 and effective as of December 16, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994 and December 1, 1994 (the "Agreement") between THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Borrower") and THE FUJI BANK LIMITED (the "Bank").

The parties hereto desire to amend the Agreement subject to the terms and conditions of this Amendment, as hereinafter provided. Accordingly, the parties hereto agree as follows:

1. DEFINITIONS. Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement shall have the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement and in each of the documents relating to the Agreement shall from and after the date hereof refer to the Agreement as amended hereby.

2. AMENDMENTS.

A. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" means the sum of net income of the Borrower and its Consolidated Subsidiaries (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a

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portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).

B. Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

"Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994."

C. Section 6.9 of the Agreement is hereby amended to add a new section (k) as follows:

"(k) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases; and".



Additionally, the word "and" shall be deleted from section 6.9 (j) and section 6.9(k) shall be retitled "6.9(l)".

- D. Section 5.4(B) of the Agreement is hereby amended to read in its entirety as follows:

"Since December 31, 1991 there has been no material adverse change in the business, financial position or results of operations of the Borrower and its Consolidated Subsidiaries, considered as a whole, other than as a result of the recognition of post-retirement and post-employment costs prior to the period in which such benefits are paid and the recording of the restructuring charge in the fourth quarter of 1994."

3. AGREEMENT AS AMENDED. Except as expressly amended hereby, the Agreement shall continue in full force and effect in accordance with the terms thereof.

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4. GOVERNING LAW. This Amendment, and the Agreement as amended hereby, shall be construed in accordance with and governed by the laws of the State of New York.
5. SEVERABILITY. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
6. COUNTERPARTS. This Amendment may be executed in any number of counterparts, each of which shall constitute an original but all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the day and year first above written.

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

THE FUJI BANK, LIMITED, NEW  
YORK BRANCH

By: MICHAEL IMPERIALE  
MICHAEL IMPERIALE  
Senior Vice President &  
Manager

AMENDMENT NO. 5 TO CREDIT AGREEMENT

AMENDMENT, dated as of August 3, 1995 to the Credit Agreement dated as of September 30, 1992 and effective as of December 23, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994 and December 1, 1994 (the "Agreement") between THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Borrower") and NBD BANK (the "Bank").

The parties hereto desire to amend the Agreement subject to the terms and conditions of this Amendment, as hereinafter provided. Accordingly, the parties hereto agree as follows:

1. DEFINITIONS. Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement shall have the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement and in each of the documents relating to the Agreement shall from and after the date hereof refer to the Agreement as amended hereby.
2. AMENDMENTS.
  - A. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" means the sum of net income of the Borrower and its Consolidated Subsidiaries (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).
  - B. Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

"Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994."
  - C. Section 6.9 of the Agreement is hereby amended to add a new section (k) as follows:

"(k) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases; and".

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Additionally, the word "and" shall be deleted from section 6.9 (j) and section 6.9(k) shall be retitled "6.9(l)".

- D. Section 5.4(B) of the Agreement is hereby amended to read in its entirety as follows:

"Since December 31, 1991 there has been no material adverse change in the business, financial position or results of operations of the Borrower and its Consolidated Subsidiaries, considered as a whole, other than as a result of the recognition of post-retirement and post-employment costs prior to the period in which such benefits are paid and the recording of the restructuring charge in the fourth quarter of 1994."

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3. AGREEMENT AS AMENDED. Except as expressly amended hereby, the Agreement shall continue in full force and effect in accordance with the terms thereof.
4. GOVERNING LAW. This Amendment, and the Agreement as amended hereby, shall be construed in accordance with and governed by the laws of the State of New York.
5. SEVERABILITY. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
6. COUNTERPARTS. This Amendment may be executed in any number of counterparts, each of which shall constitute an original but all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the day and year first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

NBD BANK

By: CAROLYN J. PARKS  
CAROLYN J. PARKS  
Vice President

AMENDMENT NO. 5 TO THE LOAN AGREEMENT  
BETWEEN THE INTERPUBLIC GROUP OF COMPANIES, INC. AND NBD BANK

AMENDMENT No. 5, dated as of August 3, 1995 to the Term Loan Agreement dated March 14, 1991, as amended on December 21, 1992, April 30, 1993, October 5, 1993 and August 15, 1994 (the "Agreement") between The Interpublic Group of Companies, Inc. (the "Company") and NBD Bank (The "Bank").

Section 1. AMENDMENTS

- A. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" shall mean the sum of net income (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).

- B. The "Minimum Consolidated Net Worth" requirement in Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994.

- C. The "Negative Pledge" in Section 6.9 of the Agreement is hereby amended to add a new subsection (j) as follows:

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Any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases.

Additionally, the word "and" shall be deleted from the end of subsection (h) and the word "and" shall be added at the end of subsection (i).

- Section 2. MISCELLANEOUS. Except as specifically amended above, the Agreement shall remain in full force and effect.

- Section 3. GOVERNING LAW. This Agreement shall be governed by, and construed in accordance with, the law of the State of New York.

- Section 4. COUNTERPARTS. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were

upon the same instrument.

IN WITNESS WHEREOF this Amendment has been executed by the parties hereto and is intended to be and hereby delivered on the date first above written:

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

NBD BANK

By: CAROLYN J. PARKS  
CAROLYN J. PARKS

Vice President

AMENDMENT NO. 1 TO NOTE PURCHASE AGREEMENT

DATED AS OF MAY 26, 1994 BETWEEN THE INTERPUBLIC  
GROUP OF COMPANIES, INC. AND THE PRUDENTIAL  
INSURANCE COMPANY OF AMERICA ("PRUDENTIAL").

AMENDMENT NO. 1, dated August 3, 1995 to a Note Purchase Agreement dated as of May 26, 1994 (the "Note Purchase Agreement") between The Interpublic Group of Companies, Inc. (the "Company"), and The Prudential Insurance Company of America ("Prudential"). Capitalized terms used herein without definition have the meanings ascribed to such terms in the Note Purchase Agreement.

Whereas, Prudential is the current holder of the Note issued under the Note Purchase Agreement; now, therefore, the parties agree as follows:

Section 1. AMENDMENTS. Sections 6C and 10B are hereby amended by deleting the minimum net worth covenant and the definition for the term "Cash Flow"; and replacing them with the following:

- (a) "6C. Minimum Consolidated Net Worth. The Company will not permit Consolidated Net Worth at any time to be less than the sum of (i) \$550,000,000 and (ii) 25% of the consolidated net income of the Company for all fiscal quarters ending after December 31, 1994 in which consolidated net income is a positive number."
- (b) "'Cash Flow" shall mean the sum of net income (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs

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and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Company, investing in a portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to lease investment transactions shall not exceed \$25,000,000)."

- (c) Section 6D is also hereby amended by deleting the word "and" at the end of Section 6D(x), renumbering clause 6D(xi) so that it becomes 6D(xii), and adding a new provision immediately preceding the renumbered 6D(xii) to read in its entirety as follows:

"(xi) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of the Company, created in connection with the August 1995 investment by Quest & Associates, Inc., in a portfolio of computer equipment leases; and".

Section 2. MISCELLANEOUS. Except as specifically amended above, the Note Purchase Agreement

shall remain in full force and effect.

Section 3. GOVERNING LAW. This Amendment shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York.

Section 4. COUNTERPARTS. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.  
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Sincerely,

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President and  
Treasurer

THE PRUDENTIAL INSURANCE  
COMPANY OF AMERICA

By: GAIL A. McDERMOTT  
GAIL A. McDERMOTT  
Vice President

AMENDMENT NO. 1 TO NOTE PURCHASE AGREEMENT

DATED AS OF APRIL 28, 1995 BETWEEN THE INTERPUBLIC GROUP OF COMPANIES, INC. AND THE PRUDENTIAL INSURANCE COMPANY OF AMERICA ("PRUDENTIAL").

AMENDMENT NO. 1, dated August 3, 1995 to a Note Purchase Agreement dated as of April 28, 1995 (the "Note Purchase Agreement") between The Interpublic Group of Companies, Inc. (the "Company"), and The Prudential Insurance Company of America ("Prudential"). Capitalized terms used herein without definition have the meanings ascribed to such terms in the Note Purchase Agreement.

Whereas, Prudential is the current holder of the Note issued under the Note Purchase Agreement; now, therefore, the parties agree as follows:

- Section 1. AMENDMENTS. Sections 6C and 10B are hereby amended by deleting the minimum net worth covenant and the definition for the term "Cash Flow"; and replacing them with the following:
- (a) "C. Minimum Consolidated Net Worth. The Company will not permit Consolidated Net Worth at any time to be less than the sum of (i) \$550,000,000 and (ii) 25% of the consolidated net income of the Company for all fiscal quarters ending after December 31, 1994 in which consolidated net income is a positive number."
  - (b) "'Cash Flow" shall mean the sum of net income (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Company, investing in a portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to lease investment transactions shall not exceed \$25,000,000)."
  - (c) Section 6D is also hereby amended by deleting the word "and" at the end of Section 6D(x), renumbering clause 6D(xi) so that it becomes 6D(xii), and adding a new provision immediately preceding the renumbered 6D(xii) to read in its entirety as follows:  
  
"(xi) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of the Company, created in connection with the August 1995 investment by Quest & Associates, Inc., in a portfolio of computer equipment leases; and".
- Section 2. MISCELLANEOUS. Except as specifically amended above, the Note Purchase Agreement shall remain in full force and effect.



Section 3. GOVERNING LAW. This Amendment shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York.

Section 4. COUNTERPARTS. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

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

PAGE

Sincerely,

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President and  
Treasurer

THE PRUDENTIAL INSURANCE  
COMPANY OF AMERICA

By: GAIL A. McDERMOTT  
GAIL A. McDERMOTT  
Vice President

AMENDMENT NO. 5 TO NOTE PURCHASE AGREEMENT

DATED AS OF AUGUST 20, 1991 BY AND AMONG THE INTERPUBLIC GROUP OF COMPANIES, INC., MACLAREN MCCANN CANADA INC. (SUCCESSOR BY AMALGAMATION TO McCANN-ERICKSON ADVERTISING OF CANADA LTD. AND MacLAREN:LINTAS INC.), THE PRUDENTIAL INSURANCE COMPANY OF AMERICA AND PRUDENTIAL PROPERTY AND CASUALTY INSURANCE COMPANY ("PRUDENTIAL").

AMENDMENT NO. 5, dated August 3, 1995 to a Note Purchase Agreement dated as of August 20, 1991 (the "Note Purchase Agreement") by and among The Interpublic Group of Companies, Inc. (the "Company"), MacLaren McCann Canada Inc. (successor by amalgamation to McCann-Erickson Advertising of Canada Ltd. and MacLaren:Lintas Inc.), The Prudential Insurance Company of America ("Prudential"). Capitalized terms used herein without definition have the meanings ascribed to such terms in the Note Purchase Agreement.

Whereas, Prudential is the current holder of the Notes issued under the Note Purchase Agreement; now, therefore, the parties agree as follows:

- Section 1. AMENDMENTS. Sections 6C and 11B are hereby amended by deleting the minimum net worth covenant and the definition for the term "Cash Flow"; and replacing them with the following:
- (a) "6C. Minimum Consolidated Net Worth. The Company will not permit Consolidated Net Worth at any time to be less than the sum of (i) \$550,000,000 and (ii) 25% of the consolidated net income of the Company for all fiscal quarters ending after December 31, 1994 in which consolidated net income is positive."
  - (b) "11B. "Cash Flow" shall mean the sum of net income (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs

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prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Company, investing in a portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to lease investment transactions shall not exceed \$25,000,000)."

- (c) Section 6D is also hereby amended by deleting the word "and" at the end of Section 6D(x), renumbering clause 6D(xi) so that it becomes 6D(xii), and adding a new provision immediately preceding the renumbered 6D(xii) to read in its entirety as follows:

"(xi) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of the Company, created in connection with the August 1995 investment by Quest & Associates, Inc., in a

portfolio of computer equipment leases; and".

- Section 2. MISCELLANEOUS. Except as specifically amended above, the Note Purchase Agreement shall remain in full force and effect.
- Section 3. GOVERNING LAW. This Amendment shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York.
- Section 4. COUNTERPARTS. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.  
PAGE

Sincerely,

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President and  
Treasurer

MacLAREN McCANN CANADA INC.

By: ERWIN W. BUCK  
ERWIN W. BUCK  
Chief Financial Officer

THE PRUDENTIAL INSURANCE  
COMPANY OF AMERICA

By: GAIL A. McDERMOTT  
GAIL A. McDERMOTT  
Vice President

THE PRUDENTIAL PROPERTY AND  
CASUALTY INSURANCE COMPANY

By: GAIL A. McDERMOTT  
GAIL A. McDERMOTT  
Vice President

AMENDMENT NO. 5 TO CREDIT AGREEMENT

AMENDMENT, dated as of August 3, 1995 to the Credit Agreement dated as of September 30, 1992 and effective as of December 18, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994 and December 1, 1994 (the "Agreement") between THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Borrower") and SWISS BANK CORPORATION (the "Bank").

The parties hereto desire to amend the Agreement subject to the terms and conditions of this Amendment, as hereinafter provided. Accordingly, the parties hereto agree as follows:

1. DEFINITIONS. Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement shall have the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement and in each of the documents relating to the Agreement shall from and after the date hereof refer to the Agreement as amended hereby.
  
2. AMENDMENTS.
  - A. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" means the sum of net income of the Borrower and its Consolidated Subsidiaries (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a

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portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).
  
  - B. Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

"Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994."
  
  - C. Section 6.9 of the Agreement is hereby amended to add a new section (k) as follows:

"(k) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases; and".

Additionally, the word "and" shall be deleted from section 6.9 (j) and section 6.9(k) shall be retitled "6.9(l)".

- D. Section 5.4(B) of the Agreement is hereby amended to read in its entirety as follows:

"Since December 31, 1991 there has been no material adverse change in the business, financial position or results of operations of the Borrower and its Consolidated Subsidiaries, considered as a whole, other than as a result of the recognition of post-retirement and post-employment costs prior to the period in which such benefits are paid and the recording of the restructuring charge in the fourth quarter of 1994."

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3. AGREEMENT AS AMENDED. Except as expressly amended hereby, the Agreement shall continue in full force and effect in accordance with the terms thereof.
4. GOVERNING LAW. This Amendment, and the Agreement as amended hereby, shall be construed in accordance with and governed by the laws of the State of New York.
5. SEVERABILITY. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
6. COUNTERPARTS. This Amendment may be executed in any number of counterparts, each of which shall constitute an original but all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the day and year first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

SWISS BANK CORPORATION

By: PHYLLIS J. KARNO  
PHYLLIS J. KARNO  
Director, Credit Risk  
Management

By: JAMES R. WILLIAMS  
JAMES R. WILLIAMS  
Director, Credit Risk  
Management

AMENDMENT NO. 1 TO CREDIT AGREEMENT  
BETWEEN THE INTERPUBLIC GROUP OF COMPANIES, INC.  
AND TRUST COMPANY BANK

AMENDMENT No. 1 (this "Amendment"), dated as of August 3, 1995 between The Interpublic Group of Companies, Inc. (the "Borrower") and Trust Company Bank (the "Bank").

W I T N E S S E T H:

WHEREAS, pursuant to the terms of the certain Credit Agreement (the "Agreement") dated as of March 14, 1995 between the Borrower and the Bank, the Bank extended a \$15,000,000 loan (the "Loan") to the Borrower;

WHEREAS, the Borrower has requested that the Credit Agreement be amended so that the minimum net worth covenant, definition of Cash Flow and negative covenant regarding liens are modified as set forth herein,

WHEREAS, the Bank is willing to consent to such amendments, subject to the terms and conditions hereof.

NOW, THEREFORE, for value received, the parties hereto agree as follows:

1. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" means the sum of net income (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a portfolio of computer equipment leases

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it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).

2. The "Minimum Consolidated Net Worth" requirement in Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994.

3. The "Negative Pledge" in Section 6.9 of the Agreement is hereby amended to add a new subsection (j) as follows:

Any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases.

Additionally, the word "and" shall be deleted from the end of subsection (h) and the word "; and" shall be added at the end of subsection (i).

4. Except as specifically amended above, the Agreement shall remain in full force and effect.
5. This Amendment shall be governed by, and construed in accordance with the law of the State of New York.
6. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, this Amendment has been executed by the parties hereto and is intended to be and hereby delivered on the date first above written.

PAGE

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

TRUST COMPANY BANK

By: ALLISON L. VELLA  
ALLISON L. VELLA  
Vice President

AMENDMENT NO. 5 TO CREDIT AGREEMENT

AMENDMENT, dated as of August 3, 1995 to the Credit Agreement dated as of September 30, 1992 and effective as of December 30, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994 and December 1, 1994 (the "Agreement") between THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Borrower") and TRUST COMPANY BANK (the "Bank").

The parties hereto desire to amend the Agreement subject to the terms and conditions of this Amendment, as hereinafter provided. Accordingly, the parties hereto agree as follows:

1. DEFINITIONS. Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement shall have the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement and in each of the documents relating to the Agreement shall from and after the date hereof refer to the Agreement as amended hereby.

2. AMENDMENTS.

A. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"CASH FLOW" means the sum of net income of the Borrower and its Consolidated Subsidiaries (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a

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portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).

B. Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

"Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994."

C. Section 6.9 of the Agreement is hereby amended to add a new section (k) as follows:

"(k) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases; and".



Additionally, the word "and" shall be deleted from section 6.9 (j) and section 6.9(k) shall be retitled "6.9(l)".

- D. Section 5.4(B) of the Agreement is hereby amended to read in its entirety as follows:

"Since December 31, 1991 there has been no material adverse change in the business, financial position or results of operations of the Borrower and its Consolidated Subsidiaries, considered as a whole, other than as a result of the recognition of post-retirement and post-employment costs prior to the period in which such benefits are paid and the recording of the restructuring charge in the fourth quarter of 1994."

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3. AGREEMENT AS AMENDED. Except as expressly amended hereby, the Agreement shall continue in full force and effect in accordance with the terms thereof.
4. GOVERNING LAW. This Amendment, and the Agreement as amended hereby, shall be construed in accordance with and governed by the laws of the State of New York.
5. SEVERABILITY. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
6. COUNTERPARTS. This Amendment may be executed in any number of counterparts, each of which shall constitute an original but all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the day and year first above written.

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

TRUST COMPANY BANK

By: ALLISON L. VELLA  
ALLISON L. VELLA  
Vice President

AMENDMENT NO. 6 TO CREDIT AGREEMENT  
BETWEEN THE INTERPUBLIC GROUP OF COMPANIES, INC.  
AND TRUST COMPANY BANK

AMENDMENT, No. 6 (this "Amendment"), dated as of August 3, 1995 between The Interpublic Group of Companies, Inc. (The "Borrower") and Trust Company Bank (the "Bank").

W I T N E S S E T H

WHEREAS, pursuant to the terms of that certain Credit Agreement dated as of March 14, 1991 between the Borrower and the Bank, as amended by Amendment No. 1 dated as of December 21, 1992, Amendment No. 2 dated as of March 15, 1993, Amendment No. 3 dated as of April 30, 1993, Amendment No. 4 dated as of October 5, 1993 and Amendment No. 5 dated as of August 15, 1994 between the Borrower and the Bank (collectively, the "Agreement"), the Bank extended a \$25,000,000.00 loan (the "Loan") to the Borrower;

WHEREAS, the Borrower has requested that the Credit Agreement be amended so that the minimum net worth covenant, definition of Cash Flow and negative covenant regarding liens are modified as set forth herein.

WHEREAS, the Bank is willing to consent to such amendments, subject to the terms and conditions here.

NOW THEREFORE, for value received, the parties hereto agree as follows:

1. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" means the sum of net income (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any

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increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).

2. The "Minimum Consolidated Net Worth" requirement in Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

"Consolidated Net Worth" will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994.

3. The "Negative Pledge" in Section 6.9 of the Agreement is hereby amended to add a new subsection (j) as follows:

Any Lien(s) on any asset of Quest & Associates, Inc., a subsidiary of Borrower, created in connection with the

August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases.

Additionally, the word "and" shall be deleted from the end of subsection (h) and the word "; and" shall be added at the end of subsection (i).

4. Except as specifically amended above, the Agreement shall remain in full force and effect.
5. This Amendment shall be governed by, and construed in accordance with the law of the State of New York.
6. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

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IN WITNESS WHEREOF, this Amendment has been executed by the parties hereto and is intended to be and hereby delivered on the date first above written.

THE INTERPUBLIC GROUP OF  
COMPANIES, INC.

By: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

TRUST COMPANY BANK

By: ALLISON L. VELLA  
ALLISON L. VELLA  
Vice President

AMENDMENT NO. 5 TO CREDIT AGREEMENT

AMENDMENT, dated as of August 3, 1995 to the Credit Agreement dated as of September 30, 1992 and effective as of December 29, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994 and December 1, 1994 (the "Agreement") between THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Borrower") and UNION BANK OF SWITZERLAND (the "Bank").

The parties hereto desire to amend the Agreement subject to the terms and conditions of this Amendment, as hereinafter provided. Accordingly, the parties hereto agree as follows:

1. DEFINITIONS. Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement shall have the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement and in each of the documents relating to the Agreement shall from and after the date hereof refer to the Agreement as amended hereby.

2. AMENDMENTS.

A. The definition of "Cash Flow" set forth in Section 1.1 of the Agreement is hereby amended to read in its entirety as follows:

"Cash Flow" means the sum of net income of the Borrower and its Consolidated Subsidiaries (plus any amount by which net income has been reduced by reason of the recognition of post-retirement and post-employment benefit costs prior to the period in which such benefits are paid), depreciation expenses, amortization costs and changes in deferred taxes, PROVIDED that such sum shall not be adjusted for any increase or decrease in deferred taxes resulting from Quest & Associates, Inc., a Subsidiary of the Borrower, investing in a

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portfolio of computer equipment leases (it being further understood that such increase or decrease in deferred taxes relating to such investment shall not exceed \$25,000,000).

B. Section 6.8 of the Agreement is hereby amended to read in its entirety as follows:

"Consolidated Net Worth will at no time be less than \$550,000,000 plus 25% of the consolidated net income of the Borrower at the end of each fiscal quarter for each fiscal year commencing after the fiscal year ending December 31, 1994."

C. Section 6.9 of the Agreement is hereby amended to add a new section (k) as follows:

"(k) any Lien(s) on any asset of Quest & Associates, Inc., a Subsidiary of Borrower, created in connection with the August 1995 investment by Quest & Associates, Inc. in a portfolio of computer equipment leases; and".

Additionally, the word "and" shall be deleted from section 6.9 (j) and section 6.9(k) shall be retitled "6.9(l)".

- D. Section 5.4(B) of the Agreement is hereby amended to read in its entirety as follows:

"Since December 31, 1991 there has been no material adverse change in the business, financial position or results of operations of the Borrower and its Consolidated Subsidiaries, considered as a whole, other than as a result of the recognition of post-retirement and post-employment costs prior to the period in which such benefits are paid and the recording of the restructuring charge in the fourth quarter of 1994."

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3. AGREEMENT AS AMENDED. Except as expressly amended hereby, the Agreement shall continue in full force and effect in accordance with the terms thereof.
4. GOVERNING LAW. This Amendment, and the Agreement as amended hereby, shall be construed in accordance with and governed by the laws of the State of New York.
5. SEVERABILITY. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
6. COUNTERPARTS. This Amendment may be executed in any number of counterparts, each of which shall constitute an original but all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the day and year first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By:  
Name: ALAN M. FORSTER  
ALAN M. FORSTER  
Vice President & Treasurer

UNION BANK OF SWITZERLAND, NY BRANCH

By: ROBERT W. CASEY, JR.  
ROBERT W. CASEY, JR.  
Vice President

By: LAURENT J. CHAIX  
LAURENT J. CHAIX  
Vice President

ERISA EXCESS BENEFIT AGREEMENT

This AGREEMENT made and executed as of this 1st day of January, 1995, by and between The Interpublic Group of Companies, Inc., a corporation organized and existing under the laws of the State of Delaware (hereinafter referred to as the "Employer"), and Robert L. James (hereinafter referred to as the "Executive").

W I T N E S S E T H:

WHEREAS, the Executive is a participant in the Interpublic Retirement Account Plan (hereinafter referred to as the "Plan");

WHEREAS, the Plan is a tax-qualified defined benefit plan and is therefore subject to the limits imposed by sections 415 and 401(a)(17) of the Internal Revenue Code of 1986, as amended ("IRC"), with respect to the amount of benefits that the Plan may provide and the amount of annual compensation that the Plan may take into account when calculating benefits (hereinafter referred to as the "Limits");

WHEREAS, the Employer wishes to continue to provide, under the conditions specified below, the Executive with certain benefits that the Limits prevent the Plan from providing; and

WHEREAS, the Executive has indicated his willingness to serve as a key employee of the Employer,

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

1. If the Executive retires from the Employer on a date ("Retirement Date") on which the Executive is entitled to receive a Retirement Benefit under the Plan (other than a Vested Retirement Benefit as defined in Section 5.5 of the Plan), the Employer shall pay to the Executive an amount equal to the excess (if any) of:

(a) the amount that would be paid to the Executive as of the Retirement Date pursuant to the Plan, if

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(I) the Executive retired from the Employer on the Retirement Date,

(ii) the Maximum Benefit Limits (set forth in IRC Section 415) did not apply to the Plan,

(iii) the Annual Compensation Limits (set forth in IRC Section 401(a)(17)) did not apply to the Plan after January 1, 1992, and

(iv) the Executive's Retirement Benefit was calculated solely on the basis of the Executive's base salary and awards (if any) made to the Executive under the Employer's Management Incentive Compensation Plan ("MICP") after January 1, 1992 (determined without regard to any arrangement for the deferral of such base salary or MICP awards); over

(b) the amount of benefits actually payable pursuant to the Plan with the Limits taken into account.

2. Said benefit shall equal \$210,637 and be payable in

monthly installments of \$17,553.08 under the single life annuity form of payment as of January 1, 1995.

3. For purpose of Sections 1 through 3 hereof, the term "Employer" shall include any entity that is considered together with the Interpublic Group of Companies, Inc., as a single employer pursuant to Section 414(b) or (c) of the Internal Revenue Code of 1986, as amended from time to time (except that the phrase ("50 percent or more" shall be substituted for the phrase "at least 80 percent" wherever the latter phrase appears in Section 1563 (a) (1) of said Code).

4. (a) Amounts payable by the Employer to the Executive pursuant to this Agreement shall be paid in the form of a monthly annuity to the Executive or the Beneficiary and shall be paid simultaneously with amounts paid to the Executive or the Beneficiary pursuant to the Plan; provided that the Employer shall not make a lump-sum payment of amounts due hereunder.

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If the Executive or the Beneficiary does not receive a benefit under the Plan in the form of an annuity (because, for example, the benefit is paid in a lump sum), the amounts payable by the Employer hereunder shall be paid in the form of an immediate annuity irrevocably designated by the Executive (or by the Beneficiary if such amounts first become payable hereunder by reason of the Executive's death) from among the annuity payment options available under the Plan on the Retirement Date. The Employer will provide the Executive (or where applicable, the Beneficiary) with a description of payment options available and a payment selection form, which shall be completed and submitted to Employer no more than 90 days, and no less than 30 days, before the Retirement Date.

(b) Amounts payable by the Employer to the Executive pursuant to this Agreement may be reduced in accordance with the following:

(I) to take into account any increase in the Limits which may be enacted pursuant to the IRC or other regulation, from time to time, and

(ii) by the amount of any compensation received by the Executive from the Employer (or any of its affiliates or subsidiaries) at any time subsequent to the Retirement Date pursuant to a consulting arrangement which the Executive may enter into with the Employer.

5. This Agreement is an unfunded deferred compensation agreement between the Employer and the Executive. The obligation of the Employer to make payments to the Executive under this Agreement is a contractual obligation only. The Employer (or its assignee) may, but need not, establish a fund to be used to meet the Employer's obligations under this Agreement, or may obtain and own an insurance policy on the life of the Executive in connection with its obligations under this Agreement. In the latter case, and upon request of the Employer, Executive agrees to satisfactory completion of a physical examination in connection with such insurance policy. The assets of any such fund, if a fund is created, will at all times be subject to the

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claims of the general creditors of the Employer. Nothing in this Agreement shall limit the Employer's actions in dealing with any such fund or any other assets that are owned or become the property of the Employer. The Executive's rights under this

Agreement are solely the rights of a general and unsecured creditor of the Employer.

6. No payment to be made under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, breach, encumbrance, levy, or charge. Any attempt so to anticipate, alienate, sell, transfer, assign, breach, encumber, levy, or charge the same shall be void; nor shall any such payment be in any manner liable for or subject to the debts, contracts, liabilities, engagements, or torts of the Executive, his Beneficiary, or his personal representative(s).

7. There shall be deducted from all amounts paid under this Agreement any taxes that the Employer reasonably determines are required to be withheld by any government or government agency. The Executive, his Beneficiary, or his personal representative(s) shall bear any and all taxes imposed on amounts paid under this Agreement irrespective of whether withholding is required.

8. This agreement shall not be construed as a guarantee of continued employment by the Employer or one of its subsidiaries, nor shall any provision or condition of this Agreement waive the Employer's right to terminate the Executive's employment.

9. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing, and if hand-delivered or sent by registered or certified mail, in the case of the Employer, to Senior Vice President, Human Resources, The Interpublic Group of Companies, Inc., 1271 Avenue of the Americas, New York, New York 10020; and in the case of the Executive to \_\_\_\_\_ . A party may designate, by written notice to the other party, an address other than the foregoing for receipt of notices hereunder.

10. This Agreement shall be governed by and construed under federal law and under the laws of the State of New York to the extent they are not preempted by federal law.

11. The waiver by the Executive or by the Employer of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of this Agreement.

12. This Agreement shall inure to the benefit of, and be binding on, the parties hereto and their beneficiaries, distributees, heirs, personal representatives, and other successors in interest, including, without limitations, any corporation or corporations acquiring directly or indirectly all or substantially all of the assets of the Employer whether by merger, consolidation, sale or otherwise.

13. The rights and liabilities of the Employer and the Executive under this Agreement shall be governed exclusively by the terms of this Agreement, as amended from time to time.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first hereinabove set forth.

THE INTERPUBLIC GROUP OF COMPANIES, INC.  
By C. KENT KROEBER

ROBERT L. JAMES  
Robert L. James





<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET AND THE INCOME STATEMENT AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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