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

FORM 10-Q

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

For the quarterly period ended MARCH 31, 2003

OR

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

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 incorporation or organization)	(I.R.S. Employer Identification No.)
1271 Avenue of the Americas, New York, New York	10020
(Address of principal executive offices)	(Zip Code)

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

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 /X/ No / /

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Executive Act Rule 12b-2) Yes /X/ 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 April 30, 2003: 389,639,512 shares.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
I N D E X

PART I - FINANCIAL INFORMATION

ITEM 1.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
THREE MONTHS ENDED MARCH 31,
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	2003	2002
REVENUE	$ 1,433.0	$ 1,420.0
OPERATING EXPENSES:		
Salaries and related expenses	908.2	868.8
Office and general expenses	484.4	419.8
Amortization of intangible assets	4.2	2.8
Long-lived asset impairment	11.1	--
Total operating expenses		

	1,407.9	1,291.4
OPERATING INCOME	25.1	128.6
OTHER INCOME (EXPENSE):		
Interest expense	(38.8)	(35.3)
Interest income	7.9	6.9
Other income (expense)	(0.2)	0.3
Investment impairment	(2.7)	--
Total other income (expense)	(33.8)	(28.1)
INCOME (LOSS) BEFORE PROVISION FOR (BENEFIT OF) INCOME TAXES	(8.7)	100.5
Provision for (benefit of) income taxes	(3.8)	38.0
INCOME (LOSS) OF CONSOLIDATED COMPANIES	(4.9)	62.5
Income applicable to minority interests	(0.8)	(3.6)
Equity in net income (loss) of unconsolidated affiliates	(2.9)	0.9
NET INCOME (LOSS)	$ (8.6)	$ 59.8
Earnings (loss) per share: Basic	$ (0.02)	$ 0.16
Diluted	$ (0.02)	$ 0.16
Weighted average shares: Basic	381.8	373.0
Diluted	381.8	379.8
Cash dividends per share	--	$ 0.095

The accompanying notes are an integral part of these consolidated financial statements.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

ASSETS
(UNAUDITED)

	MARCH 31, 2003	DECEMBER 31, 2002
CURRENT ASSETS: Cash and cash equivalents	$ 1,188.2	$ 933.0
Account receivables (net of allowance for doubtful accounts: 2003- $141.5; 2002-$139.8)	4,254.1	4,517.6
Expenditures billable to clients	390.4	407.6
Deferred taxes on income	58.4	37.0
Prepaid expenses and other current assets	413.6	427.1
Assets held for sale (Note 12)	414.6	--
Total current assets	6,719.3	6,322.3
FIXED ASSETS, AT COST: Land and buildings	139.3	168.2
Furniture and equipment	1,048.9	1,125.1
Leasehold improvements	476.7	487.8
	1,664.9	1,781.1
Less: accumulated depreciation	(937.4)	(955.4)
Total fixed assets	727.5	825.7
OTHER ASSETS: Investment in less than majority-owned affiliates	388.8	357.3
Deferred taxes on income	508.5	509.9
Other assets	311.9	

319.8		
Intangible assets (net of accumulated amortization: 2003- $992.6; 2002-$1,038.5)	3,307.1	3,458.7
Total other assets	4,516.3	4,645.7
TOTAL ASSETS	$ 11,963.1	$ 11,793.7

The accompanying notes are an integral part of these consolidated financial statements.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

LIABILITIES AND STOCKHOLDERS' EQUITY
(UNAUDITED)

	MARCH 31, 2003	DECEMBER 31, 2002
CURRENT LIABILITIES:		
Accounts payable	$ 4,677.4	$ 5,125.5
Accrued expenses	1,017.4	1,110.8
Accrued income taxes	3.4	33.2
Loans payable	80.1	239.3
Zero-coupon convertible senior notes	582.5	581.0
Liabilities held for sale (Note 12)	121.1	--
Total current liabilities	6,481.9	7,089.8
NON-CURRENT LIABILITIES:		
Long-term debt	1,249.2	1,253.1
Convertible subordinated notes	568.8	564.6
Convertible senior notes	800.0	--
Deferred compensation	472.8	470.5

Accrued postretirement benefits 52.8 55.6 Other non-current liabilities 121.6 189.7 Minority interests in consolidated subsidiaries 64.5 70.4 --- --- Total non-current liabilities 3,329.7 2,603.9 ----- ----- Commitments and contingencies (Note 11) STOCKHOLDERS' EQUITY: Preferred stock, no par value, shares authorized: 20.0, shares issued: none Common stock, $0.10 par value, shares authorized: 550.0, shares issued: 2003-389.6; 2002 - 389.3 39.0 38.9 Additional paid-in capital 1,765.7 1,797.0 Retained earnings 849.4 858.0 Accumulated other comprehensive loss, net of tax (347.2) (373.6) ----- ----- 2,306.9 2,320.3 Less: Treasury stock, at cost: 2003 - 1.6 shares; 2002 - 3.1 shares (65.0) (119.2) Unamortized deferred compensation (90.4) (101.1) ----- ----- Total stockholders' equity 2,151.5 2,100.0 ----- ----- TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY $ 11,963.1 $ 11,793.7 ========== ==========

The accompanying notes are an integral part of these consolidated financial statements.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31,
(AMOUNTS IN MILLIONS)
(UNAUDITED)

	2003	2002
NET INCOME (LOSS)	$ (8.6)	$ 59.8
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS	29.6	(18.5)
ADJUSTMENT FOR MINIMUM PENSION LIABILITY		
Adjustment for minimum pension liability	(4.7)	--
Tax benefit	2.0	--
Adjustment for Minimum Pension Liability	(2.7)	--
UNREALIZED HOLDING GAINS (LOSSES) ON SECURITIES		
Unrealized holding gains	--	0.9
Tax expense	--	(0.4)
Unrealized holding losses	(0.8)	--
Tax benefit	0.3	--
Unrealized Holding Gains (Losses) on Securities	(0.5)	0.5
COMPREHENSIVE INCOME	$ 17.8	$ 41.8

The accompanying notes are an integral part of these consolidated financial statements

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS

THREE MONTHS ENDED MARCH 31,
(AMOUNTS IN MILLIONS)
(UNAUDITED)

	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ (8.6)	$ 59.8
ADJUSTMENTS TO RECONCILE NET INCOME (LOSS) TO CASH USED IN OPERATING ACTIVITIES:		
Depreciation and amortization of fixed assets	47.2	48.7
Amortization of intangible assets	4.2	2.8
Amortization of restricted stock awards and bond discounts	18.4	18.4
Provision for (benefit of) deferred income taxes	(21.7)	42.3
Undistributed equity earnings	2.9	(0.9)
Income applicable to minority interests	0.8	3.6
Long-lived asset impairment	11.1	--
Investment impairment	2.7	--
Other	(0.7)	(0.1)
CHANGE IN ASSETS AND LIABILITIES, NET OF ACQUISITIONS:		
Accounts receivable	233.6	160.4
Expenditures billable to clients	(16.1)	(68.5)
Prepaid expenses and other current assets	(39.6)	0.3
Accounts payable, accrued expenses and other current liabilities	(513.9)	(417.8)

Accrued income taxes	12.7	(45.9)
Other non-current assets and liabilities	(19.1)	2.4
Net cash used in operating activities	(286.1)	(194.5)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions, net of cash acquired	(52.9)	(65.3)
Capital expenditures	(31.0)	(34.8)
Proceeds from sales of businesses	1.0	0.2
Proceeds from sales of long-term investments	14.2	33.2
Purchases of long-term investments	(3.9)	(32.7)
Maturities of short-term marketable securities	11.2	11.2
Purchases of short-term marketable securities	(18.7)	(4.3)
Other investments and miscellaneous assets	(31.7)	(3.4)
Net cash used in investing activities	(111.8)	(95.9)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase (decrease) in short-term bank borrowings	(165.9)	72.6
Proceeds from long-term debt	800.7	7.3
Payments of long-term		

debt	(0.7)	
	(124.0)	
Treasury stock acquired	--	
	(2.2)	
Issuance of common stock	2.9	26.0
Distributions to minority interests	(0.2)	(3.3)
Contributions from minority interests	1.0	--
Cash dividends	--	(36.0)
Net cash provided by (used in) financing activities	637.8	(59.6)
Effect of exchange rates on cash and cash equivalents	15.3	(10.1)
Increase (decrease) in cash and cash equivalents	255.2	(360.1)
Cash and cash equivalents at beginning of year	933.0	935.2
Cash and cash equivalents at end of period	$ 1,188.2	$ 575.1

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

1. BASIS OF PRESENTATION

In the opinion of management, the financial statements included herein contain all adjustments (consisting of normal recurring accruals) necessary to present fairly the financial position, results of operations and cash flows at March 31, 2003 and for all periods presented. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in The Interpublic Group of Companies, Inc.'s (the "Company" or "Interpublic") December 31, 2002 Annual Report to Stockholders filed on Form 10-K. The operating results for the first three months of the year are not necessarily indicative of the results for the year or other interim periods.

2. EARNINGS (LOSS) PER SHARE

The following sets forth the computation of earnings (loss) per share for

the three month periods ended March 31, 2003 and 2002:

	THREE MONTHS ENDED MARCH 31,	
	2003	2002
BASIC		
Net income (loss)	$ (8.6)	$ 59.8
Weighted average number of common shares outstanding	381.8	373.0
Income (loss) per share	$ (0.02)	$ 0.16
DILUTED(a)		
Net income (loss) - diluted	$ (8.6)	$ 59.8
Weighted average number of common shares outstanding	381.8	373.0
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	--	6.8
Weighted average number of common shares outstanding - diluted	381.8	379.8
Income (loss) per share - diluted	$ (0.02)	$ 0.16

(a) The computation of diluted earnings per share for 2003 and 2002 excludes the assumed conversion of the 1.80% and 1.87% Convertible Subordinated Notes because they were anti-dilutive. The computation

(DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

of diluted earnings per share for 2003 excludes the conversion of restricted stock and assumed exercise of stock options because they were anti-dilutive.

3. STOCK OPTION PLANS

The Company has various stock-based compensation plans. The stock-based compensation plans are accounted for under the intrinsic value recognition and measurement principles of APB Opinion 25, ACCOUNTING FOR STOCK ISSUED TO EMPLOYEES and related interpretations. Generally, all employee stock options are issued with the exercise price equal to the market price of the underlying shares at the grant date and therefore, no compensation expense is recorded. The intrinsic value of restricted stock grants and certain other stock-based compensation issued to employees as of the date of grant is amortized to compensation expense over the vesting period.

If compensation cost for the Company's stock option plans and its Employee Stock Purchase Plan ("ESPP") had been determined based on the fair value at the grant dates as defined by SFAS 123, the Company's pro forma net income (loss) and earnings (loss) per share would have been as follows:

THREE MONTHS ENDED MARCH 31,	2003	2002
NET INCOME (LOSS) As reported, net income (loss)	$ (8.6)	$ 59.8
Add back: Stock-based employee compensation expense included in reported net income, net of tax	10.0	10.1
Deduct: Total fair value of stock based employee compensation expense, net of tax	(18.3)	(19.4)
Pro forma	$ (16.9)	$ 50.5
EARNINGS (LOSS) PER SHARE Basic earnings (loss) per share As reported	$ (0.02)	$ 0.16
Pro forma	$ (0.04)	$ 0.14
Diluted earnings (loss) per share As reported	$ (0.02)	$ 0.16
Pro forma	$ (0.04)	$ 0.13

For purposes of this pro forma information, the fair value of shares under the ESPP was based on the 15% discount received by employees. The weighted-average fair value (discount) on the date of purchase for stock purchased under this plan was $1.57 and $4.44 in 2003, and 2002, respectively.

The weighted-average fair value of options granted during the three months ended March 31, 2003 and 2002 was $4.51 and $11.02, respectively. The fair value of each option grant has been estimated on the date of grant using

(DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

the Black-Scholes option-pricing model with the following assumptions:

	THREE MONTHS ENDED MARCH 31,	
	2003	2002
Expected option lives	6 years	6 years
Risk free interest rate	3.38%	4.98%
Expected volatility	43.50%	34.28%
Dividend yield	--	1.29%

4. RESTRUCTURING AND OTHER MERGER RELATED COSTS

Following the completion of the True North acquisition in June 2001, the Company executed a wide-ranging restructuring plan that included severance, lease terminations and other actions. The total amount of the charges incurred in 2001 in connection with the plan was $645.6. An additional $12.1 was recorded in 2002 related primarily to additional projected lease losses from premises vacated as part of the 2001 restructuring plan.

A summary of the remaining liability for restructuring and other merger related costs is as follows:

	LIABILITY AT MARCH 31, 2002	CASH PAID THROUGH DECEMBER 31, 2003	LIABILITY AT MARCH 31, 2003
TOTAL BY TYPE			
Severance and termination costs	$ 15.9	$ 5.3	$ 10.6
Lease termination and other exit costs	94.6	10.1	84.5
Total	$ 110.5	$ 15.4	$ 95.1

5. LONG-LIVED ASSET IMPAIRMENT CHARGE

During the first quarter of 2003, the Company recorded an $11.1 charge related to the impairment of long-lived assets at its Motorsports business. This amount reflects $4.0 of capital expenditure outlays in the three months ended March 31, 2003, contractually required to upgrade and maintain certain of its existing racing facilities, as well as an impairment of assets at other Motorsports entities.

6. NEW ACCOUNTING STANDARDS

In June 2001, Statement of Financial Accounting Standards 143, ACCOUNTING FOR ASSET RETIREMENT OBLIGATIONS ("SFAS 143") was issued. SFAS 143 addresses financial accounting and reporting for legal obligations associated with the retirement of tangible long-lived assets and the associated retirement costs that result from the acquisition, construction, or development and normal operation of a long-lived asset. Upon initial recognition of a liability for an asset retirement obligation, SFAS 143 requires an increase in the carrying amount of the related long-lived assets. The asset retirement cost is subsequently allocated to expense using a systematic and rational method over the asset's useful life. SFAS 143 is effective for fiscal years beginning after June 15, 2002. The adoption of this statement did not have an impact on the Company's financial position or results of operations.

In June 2002, SFAS 146, ACCOUNTING FOR COSTS ASSOCIATED WITH EXIT OR DISPOSAL ACTIVITIES ("SFAS 146") was issued. SFAS 146 changes the measurement and timing of recognition for exit costs, including restructuring charges, and is effective for any such activities initiated after December 31, 2002. It has no effect on charges recorded for exit activities begun prior to this date.

7. DERIVATIVE AND HEDGING INSTRUMENTS

HEDGES OF NET INVESTMENTS

On December 12, 2002, the Company designated the Yen borrowings under its $375.0 Revolving Credit Facility in the amount of $36.5 as a hedge of its net investment in Japan.

FORWARD CONTRACTS

As of March 31, 2003, the Company had short-term contracts covering approximately $38.9 of notional amount of currency. As of March 31, 2003, the fair value of the forward contracts was a gain of $1.4.

OTHER

The Company has two embedded derivative instruments under the terms of each of the Zero-Coupon Convertible Notes, and the 4.5% Convertible Senior Notes issued in March 2003. At March 31, 2003, the fair value of these derivatives was negligible.

8. SEGMENT INFORMATION

The Company is organized into five global operating groups: a) McCann-Erickson WorldGroup ("McCann"), b) the FCB Group ("FCB"), c) The Partnership, d) Advanced Marketing Services ("AMS") and e) Interpublic Sports and Entertainment Group ("SEG"). Each of the five groups has its own management structure and reports to senior management of the Company on the basis of the five groups. McCann, FCB and The Partnership provide a full complement of global marketing services including advertising and media management, marketing communications including direct marketing, public relations, sales promotion, event marketing, on-line marketing and healthcare marketing in addition to specialized marketing services. AMS provides specialized and advanced marketing services and also includes NFO WorldGroup (for marketing intelligence services). SEG includes Octagon (for sports marketing), Motorsports (for its motorsports business), and Jack Morton Worldwide (for specialized marketing services including corporate events, meetings and training/learning).

Each of McCann, FCB, The Partnership, AMS and SEG operate with the same business objective which is to provide clients with a wide variety of services that contribute to the delivery of a message and to the maintenance or creation of a brand. However, the Partnership and AMS historically have had lower gross margins than the Company average. The five global operating groups share numerous clients, have similar cost structures, provide services in a similar fashion and draw their employee base from the same sources. The annual margins of each of the five groups may vary due to global economic conditions, client spending and specific circumstances such as the Company's restructuring activities. However, based on the respective future prospects of McCann, FCB, The Partnership and AMS, the Company believes that the long-term average gross margin of each of these four groups will converge over time and, given the similarity of the operations, the four groups have been aggregated. SEG has different margins than the remaining four groups and, given current projections, the Company believes that the margins for this operating segment will not converge with the remaining four groups.

(DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

SEG revenue is not material to the Company as a whole. However, due to the recording of long-lived asset impairment charges, the operating difficulties and resulting higher costs from its motorsports business, SEG has incurred significant operating losses. Based on the fact that the book value of long-lived assets relating to Motorsports and other substantial contractual obligations may not be fully recoverable, the Company no longer expects that margins of SEG will converge with those of the rest of IPG and accordingly, reports SEG as a separate reportable segment. Other than the impairment charges which are discussed below, the operating results of SEG are not material to those of the Company, and therefore are not discussed in detail below.

Accordingly, in accordance with SFAS 131, "DISCLOSURES ABOUT SEGMENTS OF AN ENTERPRISE AND RELATED INFORMATION", the Company has two reportable segments. The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies. Management evaluates performance based upon operating earnings before interest and income taxes.

At March 31, 2003 the assets of the reportable segments have not changed materially from those levels reported at December 31, 2002. Summary financial information concerning the Company's reportable segments is shown in the following table:

	IPG (EXCL. CONSOLIDATED SEG)	SEG	TOTAL
THREE MONTHS ENDED MARCH 31, 2003			
Revenue	$ 1,347.4	$ 85.6	$ 1,433.0
Operating income (loss)	46.1	(21.0)	25.1
Depreciation and amortization of fixed assets	43.8	3.4	47.2
Capital expenditures	$ 23.1	$ 7.9	$ 31.0
THREE MONTHS ENDED MARCH 31, 2002			
Revenue	$ 1,336.3	$ 83.7	$ 1,420.0
Operating income	122.5	6.1	128.6
Depreciation and amortization of fixed assets	44.5	4.2	48.7
Capital expenditures	$ 30.5	$ 4.3	$ 34.8

A reconciliation of information between reportable segments and the Company's consolidated pre-tax earnings is shown in the following table:

THREE

	MONTHS ENDED MARCH 31, 2003	2002
Total operating income for reportable segments	$ 25.1	$ 128.6
Interest expense	(38.8)	(35.3)
Interest income	7.9	6.9
Other income (loss)	(0.2)	0.3
Investment impairment	(2.7)	-
Income (loss) before income taxes	$ (8.7)	$ 100.5

9. ACQUISITIONS AND DEFERRED PAYMENTS

During the first three months of 2003, the Company completed one acquisition for $2.1 in cash. Additionally, the Company paid $7.2 in cash and $0.1 in stock for additional ownership interests in companies in which a previous investment had been made.

During the first three months of 2003, the Company paid $44.2 in cash and $14.9 in stock as deferred payments on acquisitions that had closed in prior years. During the first three months of 2002, the Company paid $59.1 in cash and $10.0 in stock as deferred payments on acquisitions that had closed in prior years.

Deferred payments (or "earn-outs") generally tie the aggregate price ultimately paid for an acquisition to its performance and are recorded as an increase to goodwill and other intangibles.

As of March 31, 2003, the Company's estimated liability for earn-outs is as follows:

	2003	2004	2005	2006 AND THEREAFTER	TOTAL
Cash	$ 105.1	$ 81.0	$ 49.1	$ 24.6	$ 259.8
Stock	28.4	12.1	16.6	11.6	68.7
TOTAL	$ 133.5	$ 93.1	$ 65.7	$	

(DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

	36.2 $
	328.5

The amounts above are estimates based on the current projections as to the amount that will be paid and are subject to revisions as the earn-out periods progress.

PUT AND CALL OPTIONS

In addition to the estimated liability for earn-outs, the Company has entered into agreements that require the Company to purchase additional equity interests in certain companies (put options). In many cases, the Company also has the option to purchase the additional equity interests (call options) in certain circumstances.

The total amount of potential payments under put options is $193.4, of which $6.9 is payable in stock. Exercise of the put options would require payments to be made as follows:

2003	$ 74.4
2004	$ 33.8
2005	$ 35.0
2006 and thereafter	$ 50.2

The actual amount to be paid is contingent upon the achievement of projected operating performance targets and satisfying other conditions as specified in the relevant agreement.

The Company also has call options to acquire additional equity interests in companies in which it already has an ownership interest. The estimated amount that would be paid under such call options is $111.6 and, in the event of exercise, would be paid as follows:

2003	$ 23.1
2004	$ 7.6
2005	$ 15.3
2006 and thereafter	$ 65.6

The actual amount to be paid is contingent upon the achievement of projected operating performance targets and satisfying other conditions as specified in the relevant agreement

10. DEBT AND CERTAIN LIQUIDITY MATTERS

Total debt at March 31, 2003 was $3,280.6, an increase of $642.6 from December 31, 2002. The Company's debt position at March 31, 2003 reflects both the 4.5% Convertible Notes and the Zero-Coupon Notes outstanding at that date. In addition, the Company's debt position was positively impacted by international cash and debt pooling arrangements that were put in place to optimize the net debt balances in certain markets.

REVOLVING CREDIT AGREEMENTS

On June 27, 2000, the Company entered into a revolving credit facility with a syndicate of banks providing for a term of five years and for borrowings of up to $375.0 (the "Five-Year Revolving Credit Facility"). On May 16, 2002, the Company entered into a revolving credit facility with a syndicate of banks providing for a term of 364 days and for borrowings of up to $500.0 (the "Old 364-Day Revolving Credit Facility"). The Company replaced the Old 364-Day Revolving Credit Facility with a new 364-day revolving credit facility, which it entered into with a syndicate of banks on May 15, 2003 (the "New 364-Day Revolving Credit Facility" and, together with the Five-Year Revolving Credit Facility, the "Revolving Credit Facilities"). The New 364-Day Revolving Credit Facility provides for borrowings of up to $500.0, $200.0 of which are available to the Company for the issuance of letters of credit. The New 364-Day Revolving Credit Facility expires on May 13, 2004. However, the Company has the option to extend the maturity of amounts outstanding on the termination date under the New 364-Day Revolving Credit Facility for a period of one year. The Revolving Credit Facilities are used for general corporate purposes. As of March 31, 2003, no amounts were borrowed under the Old 364-Day Revolving Credit Facility and $50.6 was borrowed under the Five-Year Revolving Credit Facility.

The Revolving Credit Facilities bear interest at variable rates based on either LIBOR or a bank's base rate, at the Company's option. The interest rates on base rate loans and LIBOR loans under the Revolving Credit Facilities are affected by the facilities' utilization levels and the Company's credit ratings. In connection with the New 364-Day Revolving Credit Facility, based on its current credit ratings, the Company agreed to new pricing under the Revolving Credit Facilities that increased the interest spread payable on LIBOR loans by 25 basis points.

The Company's Revolving Credit Facilities include financial covenants that set i) maximum levels of debt as a function of EBITDA, ii) minimum levels of EBITDA as a function of interest expense and iii) minimum levels of EBITDA (in each case, as defined in these agreements). In connection with the New 364-Day Revolving Credit Facility, the definition of EBITDA in the Revolving Credit Facilities was amended to include (i) up to $161.4 non-cash, non-recurring charges taken in the fiscal year ended December 31, 2002; (ii) up to $200.0 of non-recurring restructuring charges (up to $175.0 of which may be cash charges) taken in the fiscal quarter ended March 31, 2003, June 30, 2003 and September 30, 2003; (iii) up to $70.0 of non-cash, non-recurring charges taken with respect to the impairment of the remaining book value of the Company's motor sports business; and (iv) all impairment charges taken with respect to capital expenditures made on or after January 1, 2003 with respect to the Company's motor sports business and to exclude the gain realized by the Company upon the proposed sale of NFO Worldwide, Inc. The corresponding financial covenant ratio levels in the Revolving Credit Facilities were also amended. As of March 31, 2003, the Company was in compliance with all of the covenants (including the financial covenants, as amended) contained in the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility.

On February 10, 2003, certain defined terms relating to financial covenants contained in the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility were amended effective as of December 31, 2002. The definition of debt for borrowed money in the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility was modified to include the Company's 1.8% Convertible Subordinated Notes due 2004 and 1.87% Convertible Subordinated Notes due 2006. As a result, the definition of Interest Expense was also amended to include all interest with respect to these Subordinated Notes.

The Company also amended certain other provisions of the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility effective as of December 31, 2002, which have been reflected in the New

364-Day Revolving Credit Facility. The terms of the Revolving Credit Facilities restrict the Company's ability to declare or pay dividends, repurchase shares of common stock, make cash acquisitions or investments and make capital expenditures, as well as the ability of the Company's domestic subsidiaries to incur additional debt. Certain of these limitations were modified upon the Company's issuance on March 13, 2003 of 4.5% Convertible Senior Notes due 2023 (the "4.5% Notes") in an aggregate principal amount of $800.0, from which the Company received net cash proceeds equal to approximately $778.0. In addition, pursuant to a tender offer commenced on March 10, 2003, the Company purchased $700.5 in aggregate principal amount at maturity of its Zero-Coupon Convertible Senior Notes due 2021 (the "Zero-Coupon Notes"). As a result of these transactions, the Company's permitted level of annual cash acquisition spending has increased to $100.0 and annual share buybacks and dividend payments has increased to $25.0. All limitations on dividend payments and share buybacks expire when earnings before interest, taxes, depreciation and amortization are at least $1,300.0 for four consecutive quarters.

As a result of the issuance of the 4.5% Notes in the first quarter of 2003 and the settlement of the tender offer for the Zero-Coupon Notes in the second quarter of 2003, both the 4.5% Notes and the Zero-Coupon Notes were outstanding at March 31, 2003. Therefore, the Company amended the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility, as of March 13, 2003, to exclude the Zero-Coupon Notes in calculating the ratio of debt for borrowed money to consolidated EBITDA for the period ended March 31, 2003 (this exclusion is also contained in the New 364-Day Revolving Credit Facility).

On February 26, 2003, the Company obtained waivers of certain defaults under the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility relating to the restatement of the Company's historical consolidated financial statements in the aggregate amount of $118.7. The waivers covered certain financial reporting requirements related to the Company's consolidated financial statements for the quarter ended September 30, 2002. No financial covenants were breached as a result of this

restatement.

OTHER COMMITTED AND UNCOMMITTED FACILITIES
In addition to the Revolving Credit Facilities, at March 31, 2003, the Company had $155.3 of committed lines of credit, all of which were provided by overseas banks that participate in the Revolving Credit Facilities. At March 31, 2003, $6.3 was outstanding under these lines of credit.

At March 31, 2003 the Company also had $702.9 of uncommitted lines of credit, 69.2% of which were provided by banks that participate in the Revolving Credit Agreements. At March 31, 2003, approximately $59.9 was outstanding under these uncommitted lines of credit. The Company's uncommitted borrowings are repayable upon demand.

PRUDENTIAL AGREEMENTS

On May 26, 1994, April 28, 1995, October 31, 1996, August 19, 1997 and January 21, 1999, the Company entered into five note purchase agreements, respectively, with The Prudential Insurance Company of America (the "Prudential Agreements"). The notes issued pursuant to the Prudential Agreements are repayable on May 2004, April 2005, October 2006, August 2007 and January 2009, respectively. The interest rates on these notes range from 8.05% to 10.01%. As of March 31, 2003 and 2002, respectively, $148.8 and $155.0 were outstanding under the notes.

The Prudential Agreements contain financial covenants that set i) minimum levels for net worth and for cash flow as a function of borrowed funds, and ii) maximum levels of borrowed funds as a function of net worth. The most restrictive of these covenants is that of cash flow to borrowed funds. This ratio is required to exceed an amount that varies from .16 to .25 for each quarter in the applicable consecutive four-quarter period.

On February 10, 2003, the Company amended certain provisions of the Prudential Agreements effective as of December 31, 2002. The new terms of the Prudential Agreements contain the same restrictions on the Company's ability to declare or pay dividends, repurchase shares of common stock, make cash acquisitions or investments and make capital expenditures, as well as the ability of the Company's domestic subsidiaries to

incur additional debt, as the new terms of the Revolving Credit Agreements described above. Certain defined terms relating to financial covenants contained in the Prudential Agreements were also amended effective as of December 31, 2002. The definitions of cash-flow and consolidated net worth in the Prudential Agreements were amended to include up to $500.0 of non-cash, non-recurring charges taken in the fiscal year ended December 31, 2002 and the quarter ended March 31, 2003.

The Company also amended the Prudential Agreements, as of March 28, 2003, to exclude the Zero-Coupon Notes in calculating the ratio of total borrowed funds to cash flow for the period ended March 31, 2003. Separately, in May 2003, the ratio level for the financial covenant relating to cash flow as a function of borrowed funds was amended from .20 to .18 effective for the period ended March 31, 2003.

On February 26, 2003, the Company obtained waivers of certain defaults under the Prudential Agreements relating to the restatement of the Company's historical consolidated financial statements in the aggregate amount of $118.7. The waivers covered certain financial reporting requirements related to the Company's consolidated financial statements for the quarter ended September 30, 2002. No financial covenants were breached as a result of this restatement.

UBS FACILITY
On February 10, 2003, the Company received from UBS AG a commitment for an interim credit facility providing for $500.0, maturing no later than July 31, 2004 and available to the Company beginning May 15, 2003, subject to certain conditions. This commitment terminated in accordance with its terms when the Company received net cash proceeds in excess of $400.0 from its sale of the 4.5% Notes. The fees associated with this commitment were not material to the Company's financial position, cash flows or results of operations.

OTHER DEBT INSTRUMENTS-- CONVERTIBLE SENIOR NOTES - 4.5%
In March 2003, the Company completed the issuance and sale of $800 aggregate principal amount of the 4.5% Notes. In April 2003, the Company used $581.3 of the net proceeds of this offering to repurchase the Zero-Coupon Notes tendered in its concurrent tender offer and will use the remaining proceeds for the repayment of other indebtedness, general corporate purposes and working capital. The 4.5% Notes are unsecured, senior securities that may be converted into common shares if the price of the Company's common stock reaches a specified threshold, at an initial

conversion rate of 80.5153 shares per one thousand dollars principal amount, equal to a conversion price of $12.42 per share, subject to adjustment. This threshold will initially be 120% of the conversion price and will decline 1/2% each year until it reaches 110% at maturity in 2023.

The 4.5% Notes may also be converted, regardless of the price of the Company's common stock, if: (i) the credit rating assigned to the 4.5% Notes by any two of Moody's Investors Service, Inc., Standard & Poor's Ratings Services and Fitch Ratings are Ba2, BB and BB, respectively, or lower, or the 4.5% Notes are no longer rated by at least two of these ratings services, (ii) the Company calls the 4.5% Notes for redemption, (iii) the Company makes specified distributions to shareholders or (iv) the Company becomes a party to a consolidation, merger or binding share exchange pursuant to which its common stock would be converted into cash or property (other than securities).

The Company, at the investor's option, may be required to redeem the 4.5% Notes for cash on March 15, 2008. The Company may also be required to redeem the 4.5% Notes at the investor's option on March 15, 2013 and March 15, 2018, for cash or common stock or a combination of both, at the Company's election. Additionally, investors may require the Company to redeem the 4.5% Notes in the event of certain change of control events that occur prior to May 15, 2008, for cash or common stock or a combination of both, at the Company's election. The Company at its option may redeem the 4.5% Notes on or after May 15, 2008 for cash. The redemption price in each of these instances will be 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest, if any.

If at any time on or after March 13, 2003 the Company pays cash dividends on its common stock, the Company will pay contingent interest per 4.5% Note in an amount equal to 100% of the per share cash dividend paid on the common stock multiplied by the number of shares of common stock issuable upon conversion of a note.

OTHER

On March 7, 2003, Standard & Poor's Ratings Services downgraded the Company's senior secured credit rating to BB+ with negative outlook from BBB-. On May 14, 2003, Fitch Ratings downgraded the Company's senior unsecured credit rating to BB+ with negative outlook from BBB-. The remaining senior unsecured credit rating is Baa3 with stable outlook; however, as reported by Moody's Investors Services, Inc., on May 8, 2003, this rating was placed on review for possible downgrade.

Since July 2001, the Company has not repurchased its common stock in the open market.

The Company has previously paid cash dividends quarterly, with the most recent quarterly rate of $0.095 per share. The determination of dividend payments is made by the Company's Board of Directors on a quarterly basis. However, as previously discussed, the Company's ability to declare or pay dividends is currently restricted by new terms of its Revolving Credit Facilities and Prudential Agreements, and the Company has not declared or paid a dividend in the first quarter of 2003.

11. COMMITMENTS AND CONTINGENCIES

LEGAL MATTERS

FEDERAL SECURITIES CLASS ACTIONS

Thirteen federal securities purported class actions were filed against The Interpublic Group of Companies, Inc. (referred to hereinafter as "Interpublic" or the "Company") and certain of its present and former directors and officers by a purported class of purchasers of Interpublic stock shortly after the Company's August 13, 2002 announcement regarding the restatement of its previously reported earnings for the periods January 1, 1997 through March 31, 2002. These actions, which were all filed in the United States District Court for the Southern District of New York, were consolidated by the Court and lead counsel appointed for all plaintiffs, on November 8, 2002. A consolidated amended complaint was filed thereafter on January 10, 2003. The purported classes consist of Interpublic shareholders who purchased Interpublic stock in the period from October 1997 to October 2002. Specifically, the consolidated amended complaint alleges that Interpublic and certain of its present and former directors and officers allegedly made misleading statements to its shareholders between October 1997 and October 2002, including the alleged failure to disclose the existence of additional charges that would need to be expensed and the lack of adequate internal financial controls, which allegedly resulted in an overstatement of Interpublic's financial results during those periods. The consolidated amended complaint alleges that such false and misleading statements constitute violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder. The consolidated amended complaint also alleges violations of Sections 11 and 15 of the Securities Act of 1933 in connection with Interpublic's acquisition of True

North Communications, Inc. ("True North"). No amount of damages is specified in the consolidated amended complaint. On February 6, 2003, defendants filed a motion to dismiss the consolidated amended complaint in its entirety. On February 28, 2003, plaintiffs filed their opposition to defendants' motion and, on March 14, 2003, defendants filed their reply to plaintiff's opposition to defendants' motion. The motion is currently pending.

STATE SECURITIES CLASS ACTIONS

Two state securities purported class actions were filed against the Company and certain of its present and former directors and officers by a purported class of purchasers of Interpublic stock shortly after the Company's November 13, 2002 announcement regarding the restatement of its previously reported earnings for the periods January 1, 1997 through March 31, 2002. The purported classes consist of Interpublic shareholders who acquired Interpublic stock on or about June 25, 2001 in connection with Interpublic's acquisition of True North. These lawsuits allege that Interpublic and certain of its present and former directors and officers allegedly made misleading statements in connection with the filing of a registration statement on May 9, 2001 in which Interpublic issued 67,644,272 shares of its common stock for the purpose of acquiring True North, including the alleged failure to disclose the existence of additional charges that would need to be expensed and the lack of adequate internal financial controls, which allegedly resulted in an overstatement of Interpublic's financial results at that time. The suits allege that such misleading statements constitute violations of Sections 11 and 15 of the Securities Act of 1933. No amount of damages is specified in the complaints. These actions were filed in the Circuit Court of Cook County, Illinois. On December 18, 2002, defendants removed these actions from Illinois state court to the United States District Court for the Northern District of Illinois. Thereafter, on January 10, 2003, defendants moved to transfer these two actions to the Southern District of New York. Plaintiffs moved to remand these actions. On April 15, 2003, the United States District Court for the Northern District of Illinois granted plaintiffs' motions to remand these actions to Illinois state court and denied defendants' motion to transfer. The Company intends to move to dismiss or stay these actions at the appropriate time.

DERIVATIVE ACTIONS

In addition to the lawsuits above, several shareholder derivative suits have been filed. On October 24, 2002, a shareholder derivative suit was filed in Delaware Court of Chancery, New Castle County, by a single shareholder acting on behalf of the Company against the Board of Directors. The suit alleges a breach of fiduciary duties to Interpublic's shareholders. On November 15, 2002, another suit was filed in Delaware Court of Chancery, New Castle County, by a single shareholder acting on behalf of the Company against the Board of Directors. On December 18, 2002, defendants moved to dismiss these actions. In lieu of a response, plaintiffs consolidated the actions and filed an Amended Consolidated Complaint on January 10, 2003, again alleging breach of fiduciary duties to Interpublic's shareholders. The Amended Consolidated Complaint does not state a specific amount of damages. On January 27, 2003, defendants filed motions to dismiss the Consolidated Amended Complaint, and those motions are currently pending.

On September 4, 2002, a shareholder derivative suit was filed in New York Supreme Court, New York County, by a single shareholder acting on behalf of the Company against the Board of Directors and against the Company's auditors. This suit alleged a breach of fiduciary duties to Interpublic's shareholders. On November 26, 2002, another shareholder derivative suit, alleging the same breaches of fiduciary duties, was filed in New York Supreme Court, New York County. The plaintiffs from these two shareholder derivative suits filed an Amended Derivative Complaint on January 31, 2003. On March 18, 2003, plaintiffs filed a motion to dismiss the Amended Derivative Complaint without prejudice. On April 16, 2003, the Amended Derivative Complaint was dismissed without prejudice. On February 24, 2003, plaintiffs also filed a Shareholders' Derivative Complaint in the United States District Court for the Southern District of New York. On May 2, 2003, plaintiffs filed an Amended Derivative Complaint. This action alleges the same breach of fiduciary duties claim as the state court actions, and adds a claim for contribution and forfeiture against two of the individual defendants pursuant to Section 21D of the Exchange Act and Section 304 of the Sarbanes-Oxley Act. The complaint does not state a specific amount of damages. Defendants' response is due on June 6, 2003.

The Company intends to vigorously defend the actions discussed above. While the proceedings are in the early stages and contain an element of uncertainty, the Company has no reason to believe that the final resolution of the actions will have a material adverse effect on its financial position, cash flows or results of operations.

TAX MATTERS

On April 21, 2003, the Company received a notice from the Internal Revenue Service ("IRS") proposing adjustments to the Company's taxable income that would result in additional taxes, including conforming adjustments to state and local returns, of $41.5 million (plus interest) for the taxable years 1994 to 1996. The Company believes that the tax positions that the IRS has challenged comply with applicable law, and it intends to defend those positions vigorously. Although the ultimate resolution of these matters will likely require the Company to pay additional taxes, any such payments will not have a material effect on the Company's financial position, cash flows or results of operations.

SEC INVESTIGATION

The Company was informed in January 2003 by the Securities and Exchange Commission staff that the SEC has issued a formal order of investigation related to the Company's restatements of earnings for periods dating back to 1997. The matters had previously been the subject of an informal inquiry. The Company is cooperating fully with the investigation.

OTHER

The Company is involved in other legal and administrative proceedings of various types. While any litigation contains an element of uncertainty, the Company has no reason to believe that the outcome of such proceedings or claims will have a material effect on the financial condition of the Company.

12. SUBSEQUENT EVENTS

On May 14, 2003, the Company entered into a definitive agreement for the sale of NFO WorldGroup, Inc. ("NFO") to Taylor Nelson Sofres ("TNS") for $400 in cash and approximately $25 in ordinary shares of TNS and, subject to appreciation of market value of ordinary shares of TNS, an additional $10 in cash payable approximately one year following the closure of this divestiture. The portion of the consideration consisting of ordinary shares of TNS will be admitted for trading on the London Stock Exchange and subject to a lock-up undertaking that generally permits disposition of half of the Company's position commencing in December 2003 and the remainder commencing in March 2004. The conditions to the consummation of this divestiture include approval by a special meeting of the shareholders of TNS and receipt of regulatory clearances in the United States and abroad. The Company expects to consummate the transaction in the summer of 2003. As a result of this divestiture, the Company expects to realize a pre-tax gain of approximately $100.

Based on circumstances surrounding the decision to divest NFO, it has been determined that the assets and liabilities should be classified as assets and liabilities held for sale in accordance with SFAS 144, ACCOUNTING FOR THE IMPAIRMENT OR DISPOSAL OF LONG-LIVED ASSETS. The relevant amounts for NFO have been separately identified on the accompanying consolidated balance sheet as assets and liabilities held for sale at March 31, 2003. As a result of the agreement referred to above, the results of NFO will be treated as discontinued operations in the second quarter. For 2002, the revenues and net income of NFO were $466.0 and $18.8, respectively. For the first quarter of 2003, the revenues and net loss of NFO were $117.3 and $0.6, respectively.

Included in assets held for sale are accounts receivable of $81.4, prepaid expenses and other current assets of $52.7, net fixed assets of $46.9, intangible assets of $214.1 and other assets of $19.5. Included in liabilities held for sale are accounts payable of $21.7, accrued expenses of $73.8, and other liabilities of $25.6.

ITEM 2.

RESULTS OF OPERATIONS

All amounts discussed below are reported in accordance with generally accepted accounting principles ("GAAP"). When comparing performance between years, the Company discusses non-GAAP financial measures such as the impact that foreign currency rate changes, acquisitions/dispositions and organic growth have on reported results. As the Company derives significant revenue from international operations, changes in foreign currency rates between the years may have significant impact on reported results. Reported results are also impacted by the Company's acquisition and disposition activity. Management

believes that discussing the impact of currency fluctuations and acquisitions/dispositions provides a better understanding of the reported results.

The Company's results of operations are dependent upon: a) maintaining and growing its revenue, b) the ability to retain and gain new clients, c) the continuous alignment of its costs to its revenue and d) retaining and attracting key personnel. Revenue is also highly dependent on overall economic and political conditions. For a further discussion of these and other factors that could affect the Company's results of operations and financial conditions, see "Cautionary Statement".

As discussed in Note 8 to the consolidated financial statements, the Company is comprised of two reportable segments: the Interpublic Sports and Entertainment Group ("SEG"), and IPG excluding SEG. SEG was formed during the second quarter of 2002 through a carve-out from the Company's other operating groups and is primarily comprised of the operations of Octagon, the Company's sports marketing business, Motorsports, the Company's motorsports business, and Jack Morton Worldwide, the Company's event planning business.

SEG revenue is not material to the Company as a whole. However, due to the recording of long-lived asset impairment charges, the operating difficulties and resulting higher costs from its motorsports business, SEG incurred significant operating losses. Based on the fact that the book value of long-lived assets relating to Motorsports and other substantial contractual obligations may not be fully recoverable, the Company no longer expects that margins of SEG will converge with those of the rest of IPG and accordingly reports SEG as a separate reportable segment. Other than the impairment charges which are discussed below, the operating results of SEG are not material to those of the Company, and therefore are not discussed in detail below.

THREE MONTHS ENDED MARCH 31, 2003 COMPARED TO THREE MONTHS ENDED MARCH 31, 2002
The Company reported a net loss of $8.6 or $0.02 diluted loss per share and net earnings of $59.8 or $0.16 diluted earnings per share for the three months ended March 31, 2003 and 2002, respectively. Net loss in the first quarter of 2003 includes a pre-tax impairment charge of $11.1 related to the fixed assets of the Company's motorsports business, and a pre-tax impairment charge of $2.7 related to an unconsolidated affiliate in Brazil.

The following summarizes certain financial information for purposes of management's discussion and analysis:

THREE MONTHS ENDED MARCH 31,	2003			2002		
	IPG (EXCL. SEG)	SEG	TOTAL IPG	IPG (EXCL. SEG)	SEG	TOTAL IPG
Revenue	$ 1,347.4	$ 85.6	$ 1,433.0	$ 1,336.3	$ 83.7	$ 1,420.0
Salaries and related expenses	857.5	50.7	908.2	822.7		

46.1 868.8
Office and
general
expenses
440.1 44.3
484.4 388.7
31.1 419.8
Amortization
of
intangible
assets 3.7
0.5 4.2 2.4
0.4 2.8
Long-lived
asset
impairment
-- 11.1
11.1 -- --
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Operating
income
(loss) $
46.1 $
(21.0) $
25.1 $
122.5 $ 6.1
$ 128.6
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Some of the key factors driving the financial results in the first quarter of 2003 were:

- Higher exchange rates for the first quarter of 2003, primarily the Euro and Sterling, reflected higher U.S. dollar revenue and expenses in comparison to the first quarter of 2002;

- Continued softness in demand for the Company's advertising and marketing services by current clients particularly in public relations and other project-based businesses, and uncertainty during the onset of the war with Iraq;

- Higher severance expense as a result of continued headcount reductions and the Company's attempt to align its costs with the current revenue environment. The Company's headcount was reduced to 49,400 at March 31, 2003, from 50,800 at December 31,2002;

- Higher bad debt expense, additional professional fees resulting from litigation matters and the SEC investigation, and the higher costs related to the Company's Motorsports business within SEG;

- Higher bank/debt financing costs resulting from the issuance of the Company's 4.5% Convertible Notes and subsequent retiring of the Company's Zero Coupon Notes.

As a result of the necessity to aggressively reduce the Company's cost structure in light of the current revenue environment, the Company is planning to execute a restructuring program to reduce costs permanently through further headcount reductions and real estate consolidation. The Company currently expects that costs to be incurred in connection with the restructuring program will approximate $200.

Additionally, as discussed in Note 12, on May 14, 2003, the Company entered into a definitive agreement for the sale of NFO WorldGroup, Inc. ("NFO") to TNS for $400 in cash and approximately $25 in ordinary shares of TNS and, subject to appreciation of market value of ordinary shares of TNS, an additional $10 million in cash payable approximately one year following the closure of this divestiture. The Company expects to consummate the

transaction in the summer of 2003. As a result of this divestiture, the Company expects to realize a pre-tax gain of approximately $100.

REVENUE

The Company is a worldwide global marketing services company, providing clients with communications expertise in four broad areas: a) advertising and media management, b) marketing communications, which includes client relationship management (direct marketing), public relations, sales promotion, event marketing, on-line marketing, corporate and brand identity and healthcare marketing, c) marketing intelligence, which includes marketing research, brand consultancy and database management and d) specialized marketing services, which includes sports and entertainment marketing, corporate meetings and events, retail marketing and other marketing and business services.

Worldwide revenue for the three months ended March 31, 2003 was $1,433.0, an increase of $13.0 or 0.9% from the three months ended March 31, 2002. Domestic revenue, which represented 57% of revenue in the three months ended March 31, 2003, decreased $15.9 or 1.9% from the same period in 2002. International revenue, which represented 43% of revenue in the three months ended March 31, 2003, increased $28.9 or 4.9% from the same period in 2002. International revenue would have decreased 5.6% excluding the effects of changes in foreign currency. The increase in worldwide revenue was primarily a result of the effects of higher exchange rates offset by continued softness in the demand for advertising and marketing services by current clients due to the weak economy and uncertainty during the onset of the war with Iraq. The components of the total revenue change of 0.9% were: impact of foreign currency changes 4.5%, net acquisitions/divestitures 1.8%, and organic revenue decline (5.4)%. Organic changes in revenue are based on increases or decreases in net new business activity and increases or decreases in activity from existing client accounts.

OPERATING EXPENSES

SALARIES AND RELATED EXPENSES

The Company's expenses related to employee compensation and various employee incentive and benefit programs amount to approximately 63% of revenue for the first three months ended March 31, 2003. Salaries and related expenses for the three months ended March 31, 2003 increased $39.4 or 4.5% to $908.2 compared to the three months ended March 31, 2002. The increase was primarily due to the effect of higher exchange rates and higher severance costs resulting from a reduction in headcount, which was reduced to 49,400 at March 31, 2003 compared with 50,800 at December 31, 2002 and 53,000 at March 31, 2002. The components of the total change of 4.5% were: impact of foreign currency changes 4.8% and reductions in salaries and related expenses from existing operations (0.3) %.

OFFICE AND GENERAL EXPENSES

Office and general expenses were $484.4 in the three months ended in March 31, 2003 and $419.8 in the three months ended March 31,2002, an increase of $64.6 or 15.4 %.The increase in office and general expenses was primarily due to the effects of higher exchange rates, higher professional fees resulting from the litigation and SEC investigation, higher bad debt expense, debt financing costs and higher costs related to the Company's motorsports business within SEG. The components of the total change of 15.4% were: impact of foreign currency changes 6.1%, net acquisitions/divestitures 5.4% and increases in office and general expenses from existing operations 3.9%.

AMORTIZATION OF INTANGIBLE ASSETS

Amortization of intangible assets was $4.2 in the three months ended March 31, 2003 compared with $2.8 in the first three months of 2002. The increase was primarily due to higher identifiable intangible assets as a result of acquisitions in the past year.

LONG-LIVED ASSET IMPAIRMENT CHARGE

During the first quarter of 2003, the Company recorded an $11.1 charge related to the impairment of long-lived assets at its motorsports business. This amount reflects $4.0 of capital expenditure outlays in the three months ended March 31, 2003 contractually required to upgrade and maintain certain of its existing racing facilities, as well as an impairment of assets at other Motorsports entities.

OTHER INCOME (EXPENSE)

INTEREST EXPENSE

Interest expense was $38.8 in the first quarter of 2003 compared with $35.3 in the first quarter of 2002. The increase was a result of the issuance of $800 4.5% Convertible Notes on March 11, 2003. These proceeds were invested until early April, at which time the proceeds were used for the settlement of the tender offer for the Zero-Coupon Notes. Both the 4.5% Convertible Notes and the Zero-Coupon Notes were outstanding at March 31, 2003.

INTEREST INCOME
Interest income was $7.9 for the three months of 2003 compared with $6.9 in the same period of 2002. The increase in 2003 is primarily due to the higher cash balances in the quarter resulting from the issuance of the 4.5% Convertible Notes.

OTHER INCOME (EXPENSE)
Other income (expense) primarily consists of investment income, gains from the sale of businesses and gains (losses) from the sale of investments, primarily marketable securities classified as available-for-sale. Other income (expense) was a loss of $(0.2) for the first three months of 2003 compared with income of $0.3 for the first three months of 2002. Included in the first quarter of 2003 was a small loss on the sale of an advertising business in Europe.

INVESTMENT IMPAIRMENT
During the first three months of 2003, the Company recorded a charge of $2.7 charge related to the impairment of an unconsolidated affiliate in Brazil.

OTHER ITEMS
EFFECTIVE INCOME TAX RATE
The Company's effective income tax rate was a benefit of 43.7% for the first three months of 2003 and an expense of 37.8% for the first three months of 2002. The primary difference between the effective tax rate and the statutory federal rate of 35% in 2002 is due to state and local taxes and the effect on non-US operations. The increased tax rate in 2003 reflects a higher proportion of earnings derived from the US, where it is taxed at higher rates, as well as losses incurred in non-US jurisdictions with tax benefits lower than the US statutory rates.

MINORITY INTEREST
Income applicable to minority interests was $0.8 in the first three months of 2003 compared to $3.6 in the first three months of 2002. The decrease in the first three months of 2003 was primarily due to lower operating results of certain operations in Europe and Asia Pacific.

UNCONSOLIDATED AFFILIATES
Equity in net income (loss) of unconsolidated affiliates was a loss of $(2.9) in the first three months of 2003 compared to $0.9 in the first three months of 2002. The reduction is primarily due to reduced earnings of Modem Media and our unconsolidated affiliate in Brazil.

DERIVATIVE AND HEDGING INSTRUMENTS
HEDGES OF NET INVESTMENTS
On December 12, 2002, the Company designated the Yen borrowings under its $375.0 Revolving Credit Facility in the amount of $36.5 as a hedge of its net investment in Japan.

FORWARD CONTRACTS
As of March 31, 2003, the Company had short-term contracts covering approximately $38.9 of notional amount of currency. As of March 31, 2003, the fair value of the forward contracts was a gain of $1.4.

OTHER
The Company has two embedded derivative instruments under the terms of each of the Zero-Coupon Convertible Notes, and the 4.5% Convertible Senior notes issued in March 2003. At March 31, 2003, the fair value of these derivatives was negligible.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2003, cash and cash equivalents were $1,188.2, an increase of $255.2 from the December 31, 2002 balance of $933.0. The March 31, 2003 cash position was impacted by the issuance of the 4.5% Convertible Notes in March 2003, as the proceeds were used to settle the tender offer of the Zero-Coupon Notes in early April. The Company collects funds from clients on behalf of media outlets resulting in cash receipts and disbursements at levels substantially exceeding its revenue. Therefore, the working capital amounts reported on its balance sheet and cash flows from operating activities reflect the "pass-through" of these items.

Cash flow from operations and borrowings under existing credit facilities, and refinancings thereof, have been the primary sources of the Company's working capital, and management believes that they will continue to be so in the future.

OPERATING ACTIVITIES
Net cash used by operating activities was $286.1 and $194.5 for the three months ended March 31, 2003 and 2002, respectively. The increase in cash used for the first three months of 2003 was primarily attributable to the lower earnings level in 2003 resulting from continued softness in client demand for

advertising and marketing services.

INVESTING ACTIVITIES

Historically the Company has pursued acquisitions to complement and enhance its service offerings. In addition, the Company has also sought to acquire businesses similar to those already owned to expand its geographic scope to better serve new and existing clients. Acquisitions have historically been funded using stock, cash or a combination of both. Currently, the Company is restricted from making acquisitions or investments by new terms of its Revolving Credit Facilities. See Financing Activities for further discussion.

During the first three months of 2003 and 2002, the Company paid $52.9 and $65.3 respectively, in cash for new acquisitions and earn out payments for previous acquisitions including payments for a number of specialized marketing and communications services companies to complement its existing agency systems and to optimally position itself in the ever-broadening communications market place. The reduction in 2003 reflects the Company's reduced level of acquisition activity.

The Company's capital expenditures in the first three months of 2003 were $31.0 compared to $34.8 in the first three months of 2002. The primary purposes of these expenditures were to upgrade computer and telecommunications systems and to modernize offices. Currently, the Company is restricted in making capital expenditures by new terms of its Revolving Credit Facilities. See "Financing Activities" for further discussion.

FINANCING ACTIVITIES

Total debt at March 31, 2003 was $3,280.6, an increase of $642.6 from December 31, 2002. The Company's debt position at March 31, 2003 reflects both the 4.5% Convertible Notes and the Zero-Coupon Notes outstanding at that date. In addition, the Company's debt position was positively impacted by international cash and debt pooling arrangements that were put in place to optimize the net debt balances in certain markets.

REVOLVING CREDIT AGREEMENTS

On June 27, 2000, the Company entered into a revolving credit facility with a syndicate of banks providing for a term of five years and for borrowings of up to $375.0 (the "Five-Year Revolving Credit Facility"). On May 16, 2002, the Company entered into a revolving credit facility with a syndicate of banks providing for a term of 364 days and for borrowings of up to $500.0 (the "Old 364-Day Revolving Credit Facility"). The Company replaced the Old 364-Day Revolving Credit Facility with a new 364-day revolving credit facility, which it entered into with a syndicate of banks on May 15, 2003 (the "New 364-Day Revolving Credit Facility" and, together with the Five-Year Revolving Credit Facility, the "Revolving Credit Facilities"). The New 364-Day Revolving Credit Facility provides for borrowings of up to $500.0, $200.0 of which are available to the Company for the issuance of letters of credit. The New 364-Day Revolving Credit Facility expires on May 13, 2004. However, the Company has the option to extend the maturity of amounts outstanding on the termination date under the New 364-Day Revolving Credit Facility for a period of one year. The Revolving Credit Facilities are used for general corporate purposes. As of March 31, 2003, no amounts were borrowed under the Old 364-Day Revolving Credit Facility and $50.6 was borrowed under the Five-Year Revolving Credit Facility.

The Revolving Credit Facilities bear interest at variable rates based on either LIBOR or a bank's base rate, at the Company's option. The interest rates on base rate loans and LIBOR loans under the Revolving Credit Facilities are affected by the facilities' utilization levels and the Company's credit ratings. In connection with the New 364-Day Revolving Credit Facility, based on its current credit ratings, the Company agreed to new pricing under the Revolving Credit Facilities that increased the interest spread payable on LIBOR loans by 25 basis points.

The Company's Revolving Credit Facilities include financial covenants that set i) maximum levels of debt as a function of EBITDA, ii) minimum levels of EBITDA as a function of interest expense and iii) minimum levels of EBITDA (in each case, as defined in these agreements). In connection with the New 364-Day Revolving Credit Facility, the definition of EBITDA in the Revolving Credit Facilities was amended to include (i) up to $161.4 non-cash, non-recurring charges taken in the fiscal year ended December 31, 2002; (ii) up to $200.0 of non-recurring

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restructuring charges (up to $175.0 of which may be cash charges) taken in the fiscal quarter ended March 31, 2003, June 30, 2003 and September 30, 2003; (iii) up to $70.0 of non-cash, non-recurring charges taken with respect to the impairment of the remaining book value of the Company's motor sports business; and (iv) all impairment charges taken with respect to capital expenditures made on or after January 1, 2003 with respect to the Company's motor sports business and to exclude the gain realized by the Company upon the proposed sale of NFO Worldwide, Inc. The corresponding financial covenant ratio levels in the Revolving Credit Facilities were also amended. As of March 31, 2003, the Company was in compliance with all of the covenants (including the financial covenants, as amended) contained in the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility.

On February 10, 2003, certain defined terms relating to financial covenants contained in the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility were amended effective as of December 31, 2002. The definition of debt for borrowed money in the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility was modified to include the Company's 1.8% Convertible Subordinated Notes due 2004 and 1.87% Convertible Subordinated Notes due 2006. As a result, the definition of Interest Expense was also amended to include all interest with respect to these Subordinated Notes.

The Company also amended certain other provisions of the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility effective as of December 31, 2002, which have been reflected in the New 364-Day Revolving Credit Facility. The terms of the Revolving Credit Facilities restrict the Company's ability to declare or pay dividends, repurchase shares of common stock, make cash acquisitions or investments and make capital expenditures, as well as the ability of the Company's domestic subsidiaries to incur additional debt. Certain of these limitations were modified upon the Company's issuance on March 13, 2003 of 4.5% Convertible Senior Notes due 2023 (the "4.5% Notes") in an aggregate principal amount of $800.0, from which the Company received net cash proceeds equal to approximately $778.0. In addition, pursuant to a tender offer commenced on March 10, 2003, the Company purchased $700.5 in aggregate principal amount at maturity of its Zero-Coupon Convertible Senior Notes due 2021 (the "Zero-Coupon Notes"). As a result of these transactions, the Company's permitted level of annual cash acquisition spending has increased to $100.0 and annual share buybacks and dividend payments has increased to $25.0. All limitations on dividend payments and share buybacks expire when earnings before interest, taxes, depreciation and amortization are at least $1,300.0 for four consecutive quarters.

As a result of the issuance of the 4.5% Notes in the first quarter of 2003 and the settlement of the tender offer for the Zero-Coupon Notes in the second quarter of 2003, both the 4.5% Notes and the Zero-Coupon Notes were outstanding at March 31, 2003. Therefore, the Company amended the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility, as of March 13, 2003, to exclude the Zero-Coupon Notes in calculating the ratio of debt for borrowed money to consolidated EBITDA for the period ended March 31, 2003 (this exclusion is also contained in the New 364-Day Revolving Credit Facility).

On February 26, 2003, the Company obtained waivers of certain defaults under the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility relating to the restatement of the Company's historical consolidated financial statements in the aggregate amount of $118.7. The waivers covered certain financial reporting requirements related to the Company's consolidated financial statements for the quarter ended September 30, 2002. No financial covenants were breached as a result of this restatement.

OTHER COMMITTED AND UNCOMMITTED FACILITIES

In addition to the Revolving Credit Facilities, at March 31, 2003, the Company had $155.3 of committed lines of credit, all of which were provided by overseas banks that participate in the Revolving Credit Facilities. At March 31, 2003, $6.3 was outstanding under these lines of credit.

At March 31, 2003 the Company also had $702.9 of uncommitted lines of credit, 69.2% of which were provided by banks that participate in the Revolving Credit Agreements. At March 31, 2003, approximately $59.9 was outstanding under these uncommitted lines of credit. The Company's uncommitted borrowings are repayable upon demand.

PRUDENTIAL AGREEMENTS

On May 26, 1994, April 28, 1995, October 31, 1996, August 19, 1997 and January 21, 1999, the Company entered into five note purchase agreements, respectively, with The Prudential Insurance Company of America (the "Prudential Agreements"). The notes issued pursuant to the Prudential Agreements are repayable on May 2004, April 2005, October 2006, August 2007 and January 2009, respectively. The interest rates on these notes range from 8.05% to 10.01%. As of March 31, 2003 and 2002, respectively, $148.8 and $155.0 were outstanding under the notes.

The Prudential Agreements contain financial covenants that set i) minimum levels for net worth and for cash flow as a function of borrowed funds, and ii) maximum levels of borrowed funds as a function of net worth. The most restrictive of these covenants is that of cash flow to borrowed funds. This ratio is required to exceed an amount that varies from .16 to .25 for each quarter in the applicable consecutive four-quarter period.

On February 10, 2003, the Company amended certain provisions of the Prudential Agreements effective as of December 31, 2002. The new terms of the Prudential Agreements contain the same restrictions on the Company's ability to declare or pay dividends, repurchase shares of common stock, make cash acquisitions or investments and make capital expenditures, as well as the ability of the Company's domestic subsidiaries to incur additional debt, as the new terms of the Revolving Credit Agreements described above. Certain defined terms relating to financial covenants contained in the Prudential Agreements were also amended effective as of December 31, 2002. The definitions of cash-flow and consolidated net worth in the Prudential Agreements were amended to include up to $500.0 of non-cash, non-recurring charges taken in the fiscal year ended December 31, 2002 and the quarter ended March 31, 2003.

The Company also amended the Prudential Agreements, as of March 28, 2003, to exclude the Zero-Coupon Notes in calculating the ratio of total borrowed funds to cash flow for the period ended March 31, 2003. Separately, in May 2003, the ratio level for the financial covenant relating to cash flow as a function of borrowed funds was amended from .20 to .18 effective for the period ended March 31, 2003.

On February 26, 2003, the Company obtained waivers of certain defaults under the Prudential Agreements relating to the restatement of the Company's historical consolidated financial statements in the aggregate amount of $118.7. The waivers covered certain financial reporting requirements related to the Company's consolidated financial statements for the quarter ended September 30, 2002. No financial covenants were breached as a result of this restatement.

UBS FACILITY

On February 10, 2003, the Company received from UBS AG a commitment for an interim credit facility providing for $500.0, maturing no later than July 31, 2004 and available to the Company beginning May 15, 2003, subject to certain conditions. This commitment terminated in accordance with its terms when the Company received net cash proceeds in excess of $400.0 from its sale of the 4.5% Notes. The fees associated with this commitment were not material to the Company's financial position, cash flows or results of operations.

OTHER DEBT INSTRUMENTS-- CONVERTIBLE SENIOR NOTES - 4.5%

In March 2003, the Company completed the issuance and sale of $800 aggregate principal amount of the 4.5% Notes. In April 2003, the Company used $581.3 of the net proceeds of this offering to repurchase the Zero-Coupon Notes tendered in its concurrent tender offer and will use the remaining proceeds for the repayment of other indebtedness, general corporate purposes and working capital. The 4.5% Notes are unsecured, senior securities that may be converted into common shares if the price of the Company's common stock reaches a specified threshold, at

an initial conversion rate of 80.5153 shares per one thousand dollars principal amount, equal to a conversion price of $12.42 per share, subject to adjustment. This threshold will initially be 120% of the conversion price and will decline 1/2% each year until it reaches 110% at maturity in 2023.

The 4.5% Notes may also be converted, regardless of the price of the Company's common stock, if: (i) the credit rating assigned to the 4.5% Notes by any two of Moody's Investors Service, Inc., Standard & Poor's Ratings Services and Fitch Ratings are Ba2, BB and BB, respectively, or lower, or the 4.5% Notes are no longer rated by at least two of these ratings services, (ii) the Company calls the 4.5% Notes for redemption, (iii) the Company makes specified distributions to shareholders or (iv) the Company becomes a party to a consolidation, merger or binding share exchange pursuant to which its common stock would be converted into cash or property (other than securities).

The Company, at the investor's option, may be required to redeem the 4.5% Notes for cash on March 15, 2008. The Company may also be required to redeem the 4.5% Notes at the investor's option on March 15, 2013 and March 15, 2018, for cash or common stock or a combination of both, at the Company's election. Additionally, investors may require the Company to redeem the 4.5% Notes in the event of certain change of control events that occur prior to May 15, 2008, for cash or common stock or a combination of both, at the Company's election. The Company at its option may redeem the 4.5% Notes on or after May 15, 2008 for cash. The redemption price in each of these instances will be 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest, if any.

If at any time on or after March 13, 2003 the Company pays cash dividends on its

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common stock, the Company will pay contingent interest per 4.5% Note in an amount equal to 100% of the per share cash dividend paid on the common stock multiplied by the number of shares of common stock issuable upon conversion of a note.

OTHER

On March 7, 2003, Standard & Poor's Ratings Services downgraded the Company's senior secured credit rating to BB+ with negative outlook from BBB-. On May 14, 2003, Fitch Ratings downgraded the Company's senior unsecured credit rating to BB+ with negative outlook from BBB-. The remaining senior unsecured credit rating is Baa3 with stable outlook; however, as reported by Moody's Investors Services, Inc., on May 8, 2003, this rating was placed on review for possible downgrade.

Since July 2001, the Company has not repurchased its common stock in the open market.

The Company has previously paid cash dividends quarterly with the most recent quarterly rate of $0.095 per share. The determination of dividend payments is made by the Company's Board of Directors on a quarterly basis. However, as previously discussed, the Company's ability to declare or pay dividends is currently restricted by new terms of its Revolving Credit Facilities and Prudential Agreements, and the Company has not declared or paid a dividend in the first quarter of 2003.

The Company believes that cash flow from operations, proceeds from the expected sale of NFO, together with its availability under existing lines of credit and expected refinancings thereof and cash on hand, will be sufficient to fund the Company's working capital needs (including disbursements related to its upcoming restructuring program) and other obligations for the next twelve months. In the event additional funds are required, the Company believes it will have sufficient resources, including borrowing capacity and access to capital markets, to meet such requirements. Unanticipated decreases in cash flow from operations as a result of decreased demand for our services and other developments may require the Company to seek other sources of liquidity (including the disposition of certain assets) and modify its operating strategies.

SUBSEQUENT EVENTS

On May 14, 2003, the Company entered into a definitive agreement for the sale of NFO to Taylor Nelson Sofres ("TNS") for $400 in cash and approximately $25 in ordinary shares of TNS and, subject to appreciation of market value of ordinary shares of TNS, an additional $10 in cash payable approximately one year following the closure of this divestiture. The portion of the consideration consisting of ordinary shares of TNS will be admitted for trading on the London Stock Exchange and subject to a lock-up undertaking that generally permits disposition of half of the Company's position commencing in December 2003 and the remainder commencing in March 2004. The conditions to the consummation of this

divestiture include approval by a special meeting of the shareholders of TNS and receipt of regulatory clearances in the United States and abroad. The Company expects to consummate the transaction in the summer of 2003. As a result of this divestiture, the Company expects to realize a pre-tax gain of approximately $100. Based on circumstances surrounding the decision, it was determined that the assets and liabilities should be classified as assets and liabilities held for sale in accordance with SFAS 144, ACCOUNTING FOR THE IMPAIRMENT OR DISPOSAL OF LONG-LIVED-ASSETS. The relevant amounts for NFO have been separately identified on the accompanying consolidated balance sheet as assets and liabilities held for sale at March 31, 2003.

DEFERRED PAYMENTS

Deferred payments (or "earn-outs") generally tie the aggregate price ultimately paid for an acquisition to its performance and are recorded as an increase to Goodwill and other intangibles.

As of March 31, 2003, the Company's estimated liability for earn-outs is as follows:

2003	2004	2005	2006 AND THEREAFTER	TOTAL
Cash	$ 105.1	$ 81.0	$	

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	49.1	$					
	24.6	$					
	259.8						
Stock	28.4						
	12.1		16.6				
	11.6		68.7				
	TOTAL	$					
	133.5	$					
	93.1	$					
	65.7	$					
	36.2	$					
	328.5						

The amounts above are estimates based on the current projections as to the amount that will be paid and are subject to revisions as the earn-out periods progress.

PUT AND CALL OPTIONS

In addition to the estimated liability for earn-outs, the Company has entered into agreements that require the Company to purchase additional equity interests in certain companies (put options). In many cases, the Company also has the option to purchase the additional equity interests (call options) in certain circumstances.

The total amount of potential payments under put options is $193.4, of which $6.9 is payable in stock. Exercise of the put options would require payments to be made as follows:

2003	$ 74.4
2004	$ 33.8
2005	$ 35.0
2006 and thereafter	$ 50.2

The actual amount to be paid is contingent upon the achievement of projected operating performance targets and satisfying other conditions as specified in the relevant agreement.

The Company also has call options to acquire additional equity interests in companies in which it already has an ownership interest. The estimated amount that would be paid under such call options is $111.6 and, in the event of exercise, would be paid as follows:

2003	$ 23.1
2004	$ 7.6
2005	$ 15.3
2006 and thereafter	$ 65.6

The actual amount to be paid is contingent upon the achievement of projected operating performance targets and satisfying other conditions as specified in the relevant agreement

OTHER MATTERS

NEW ACCOUNTING STANDARDS

In June 2001, Statement of Financial Accounting Standards No. 143, ACCOUNTING FOR ASSET RETIREMENT OBLIGATIONS ("SFAS 143") was issued. SFAS 143 addresses financial accounting and reporting for legal obligations associated with the retirement of tangible long-lived assets and the associated retirement costs that result from the acquisition, construction, or development and normal operation of a long-lived asset. Upon initial recognition of a liability for an asset retirement obligation, SFAS 143 requires an increase in the carrying amount of the related long-lived asset. The asset retirement cost is subsequently allocated to expense using a systematic and rational method over the asset's useful life. SFAS 143 is effective for fiscal years beginning after June 15, 2002. The adoption of this statement did not have an impact on the

Company's financial position or results of operations.

In June 2002, SFAS 146, ACCOUNTING FOR COSTS ASSOCIATED WITH EXIT OR DISPOSAL ACTIVITIES ("SFAS 146") was issued. SFAS 146 changes the measurement and timing of recognition for exit costs, including restructuring charges, and is effective for any such activities initiated after December 31, 2002. It has no effect on charges recorded for exit activities begun prior to this date.

SEC INVESTIGATION
The Company was informed in January 2003 by the Securities and Exchange Commission staff that the SEC has issued a formal order of investigation related to the Company's restatements of earnings for periods dating back to 1997. The matters had previously been the subject of an informal inquiry. The Company is cooperating fully with the investigation.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to market risk related to interest rates and foreign currencies.

INTEREST RATES
At March 31, 2003, a significant portion of the Company's debt obligations was at fixed interest rates. Accordingly, for the fixed rate debt, assuming the fixed rate debt is not refinanced, there would be no impact on interest expense or cash flow from either a 10% increase or decrease in market rates of interest. The fair market value of the debt obligations would decrease by approximately $30.4 on an annual basis if market rates were to increase by 10% and would increase by approximately $31.5 on an annual basis if market rates were to decrease by 10%. For that portion of the debt that is maintained at variable rates, based on amounts and rates outstanding at March 31, 2003, the change in interest expense and cash flow from a 10% change in rates would be approximately $2.1 on an annual basis.

FOREIGN CURRENCIES
The Company faces two risks related to foreign currency exchange: translation risk and transaction risk. Amounts invested in the Company's foreign operations are translated into U.S. dollars at the exchange rates in effect at the balance sheet date. The resulting translation adjustments are recorded as a component of accumulated other comprehensive income (loss) in the stockholders' equity section of the balance sheet. The Company's foreign subsidiaries generally collect revenues and pay expenses in currencies other than the U.S. dollar. Since the functional currency of the Company's foreign operations is generally the local currency, foreign currency translation of the balance sheet is reflected as a component of stockholders' equity and does not impact operating results. Revenues and expenses in foreign currencies translate into varying amounts of U.S. dollars depending upon whether the U.S. dollar weakens or strengthens against other currencies. Therefore, changes in exchange rates may negatively affect the Company's consolidated revenues and expenses (as expressed in U.S. dollars) from foreign operations. Currency transaction gains or losses arising from transactions in currencies other than the functional currency are included in results of operations. The Company has generally not entered into a material amount of foreign currency forward exchange contracts or other derivative financial instruments to hedge the effects of adverse fluctuations in foreign currency exchange rates.

ITEM 4. CONTROLS AND PROCEDURES

Within the 90 days prior to the date of this report, the Company carried out an evaluation under the supervision and with the participation of the Company's senior management, including David A. Bell, the Company's chairman and chief executive officer, and Sean F. Orr, the Company's chief financial officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. As disclosed in the Company's Form 10-K for the year ended December 31, 2002, senior management and the Company's Audit Committee were informed by the Company's independent auditors that they considered that there was a "material weakness" (as defined under standards established by the American Institute of Certified Public Accountants) relating to the processing and monitoring of intra-company transactions at its McCann division. The Company has implemented manual controls to monitor this intra-company activity to ensure the integrity of the amounts included in the consolidated financial statements for the quarter ended March 31, 2003. The Company also expects to execute, in the near term, a systematic process that will effectively control the processing and settlement of intra-company transactions at its McCann division.

The Company, together with its independent auditors and other advisers, continues to evaluate further improvements in its internal controls and its disclosure controls and procedures, including formalizing a plan to implement the reporting requirements of Section 404 of the Sarbanes-Oxley Act of 2002.

As a result of the steps taken to improve controls and following the conclusion of the Company's recently completed review of its financial accounts, as of and for the period ended March 31, 2003, Mr. Bell and Mr. Orr concluded that the

information required to be disclosed in this report on Form 10-Q has been recorded, processed, summarized and reported as required. Based upon and as of the date of their evaluation, the chief executive officer and chief financial officer further concluded that the Company's disclosure controls and procedures, taking into account the steps listed above to improve the controls and procedures, are effective in all material respects.

Other than as described above, there have been no significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the date of the Company's evaluation.

CAUTIONARY STATEMENT

This document contains forward-looking statements. Statements in this document that are not historical facts, including statements about the Company's beliefs and expectations, particularly regarding recent business and economic trends, the impact of litigation, dispositions, impairment charges, the integration of acquisitions and restructuring costs, constitute forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to, those associated with the effects of global, national and regional economic and political conditions, the Company's ability to attract new clients and retain existing clients, the financial success of the Company's clients, developments from changes in the regulatory and legal environment for advertising and marketing and communications services companies around the world, and the successful completion and integration of acquisitions which complement and expand the Company's business capabilities.

The Company's liquidity could be adversely affected if it is unable to access capital or to raise proceeds from asset sales. In addition, the Company could be adversely affected by developments in connection with the purported class actions and derivative suits that it is defending or the SEC investigation relating to the restatement of the Company's financial statements. The Company's financial condition and future results of operations could also be adversely affected if the Company recognizes additional impairment charges due to future events or in the event of other adverse accounting-related developments.

At any given time the Company may be engaged in a number of preliminary discussions that may result in one or more acquisitions or dispositions. These opportunities require confidentiality and from time to time give rise to bidding scenarios that require quick responses by the Company. Although there is uncertainty that any of these discussions will result in definitive agreements or the completion of any transactions, the announcement of any such transaction may lead to increased volatility in the trading price of the Company's securities.

The success of recent or contemplated future acquisitions will depend on the effective integration of newly-acquired and existing businesses into the Company's current operations. Important factors for integration include realization of anticipated synergies and cost savings and the ability to retain and attract new personnel and clients.

This document also contains certain financial information calculated on a "pro forma" basis. Because "pro forma" financial information by its very nature departs from traditional accounting conventions, this information should not be viewed as a substitute for the information prepared in accordance with GAAP contained in the Company's financial statements that are included in this document and should be read in conjunction therewith.

Investors should evaluate any statements made by the Company in light of these important factors.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

FEDERAL SECURITIES CLASS ACTIONS

Thirteen federal securities purported class actions were filed against The Interpublic Group of Companies, Inc. (referred to hereinafter as "Interpublic" or the "Company") and certain of its present and former directors and officers by a purported class of purchasers of Interpublic stock shortly after the Company's August 13, 2002 announcement regarding the restatement of its previously reported earnings for the periods January 1, 1997 through March 31, 2002. These actions, which were all filed in the United States District Court for the Southern District of New York, were consolidated by the Court and lead counsel appointed for all plaintiffs, on November 8, 2002. A consolidated

amended complaint was filed thereafter on January 10, 2003. The purported classes consist of Interpublic shareholders who purchased Interpublic stock in the period from October 1997 to October 2002. Specifically, the consolidated amended complaint alleges that Interpublic and certain of its present and former directors and officers allegedly made misleading statements to its shareholders between October 1997 and October 2002, including the alleged failure to disclose the existence of additional charges that would need to be expensed and the lack of adequate internal financial controls, which allegedly resulted in an overstatement of Interpublic's financial results during those periods. The consolidated amended complaint alleges that such false and misleading statements constitute violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder. The consolidated amended complaint also alleges violations of Sections 11 and 15 of the Securities Act of 1933 in connection with Interpublic's acquisition of True North Communications, Inc. ("True North"). No amount of damages is specified in the consolidated amended complaint. On February 6, 2003, defendants filed a motion to dismiss the consolidated amended complaint in its entirety. On February 28, 2003, plaintiffs filed their opposition to defendants' motion and, on March 14, 2003, defendants filed their reply to plaintiff's opposition to defendants' motion. The motion is currently pending.

STATE SECURITIES CLASS ACTIONS

Two state securities purported class actions were filed against the Company and certain of its present and former directors and officers by a purported class of purchasers of Interpublic stock shortly after the Company's November 13, 2002 announcement regarding the restatement of its previously reported earnings for the periods January 1, 1997 through March 31, 2002. The purported classes consist of Interpublic shareholders who acquired Interpublic stock on or about June 25, 2001 in connection with Interpublic's acquisition of True North. These lawsuits allege that Interpublic and certain of its present and former directors and officers allegedly made misleading statements in connection with the filing of a registration statement on May 9, 2001 in which Interpublic issued 67,644,272 shares of its common stock for the purpose of acquiring True North, including the alleged failure to disclose the existence of additional charges that would need to be expensed and the lack of adequate internal financial controls, which allegedly resulted in an overstatement of Interpublic's financial results at that time. The suits allege that such misleading statements constitute violations of Sections 11 and 15 of the Securities Act of 1933. No amount of damages is specified in the complaints. These actions were filed in the Circuit Court of Cook County, Illinois. On December 18, 2002, defendants removed these actions from Illinois state court to the United States District Court for the Northern District of Illinois. Thereafter, on January 10, 2003, defendants moved to transfer these two actions to the Southern District of New York. Plaintiffs moved to remand these actions. On April 15, 2003, the United States District Court for the Northern District of Illinois granted plaintiffs' motions to remand these actions to Illinois state court and denied defendants' motion to transfer. The Company intends to move to dismiss or stay these actions at the appropriate time.

DERIVATIVE ACTIONS

In addition to the lawsuits above, several shareholder derivative suits have been filed. On October 24, 2002, a shareholder derivative suit was filed in Delaware Court of Chancery, New Castle County, by a single shareholder acting on behalf of the Company against the Board of Directors. The suit alleges a breach of fiduciary duties to Interpublic's shareholders. On November 15, 2002, another suit was filed in Delaware Court of Chancery, New Castle County, by a single shareholder acting on behalf of the Company against the Board of Directors. On December 18, 2002, defendants moved to dismiss these actions. In lieu of a response, plaintiffs consolidated the actions and filed an Amended Consolidated Complaint on January 10, 2003, again alleging breach of fiduciary duties to Interpublic's shareholders. The Amended Consolidated Complaint does not state a specific amount of damages. On January 27, 2003, defendants filed motions to dismiss the Consolidated Amended Complaint, and those motions are currently pending.

On September 4, 2002, a shareholder derivative suit was filed in New York Supreme Court, New York County, by a single shareholder acting on behalf of the Company against the Board of Directors and against the Company's auditors. This suit alleged a breach of fiduciary duties to Interpublic's shareholders. On November 26, 2002, another

shareholder derivative suit, alleging the same breaches of fiduciary duties, was filed in New York Supreme Court, New York County. The plaintiffs from these two shareholder derivative suits filed an Amended Derivative Complaint on January 31, 2003. On March 18, 2003, plaintiffs filed a motion to dismiss the Amended Derivative Complaint without prejudice. On April 16, 2003, the Amended Derivative Complaint was dismissed without prejudice. On February 24, 2003, plaintiffs also filed a Shareholders' Derivative Complaint in the United States District Court for the Southern District of New York. On May 2, 2003, plaintiffs filed an Amended Derivative Complaint. This action alleges the same breach of fiduciary duties claim as the state court actions, and adds a claim for contribution and forfeiture against two of the individual defendants pursuant to Section 21D of the Exchange Act and Section 304 of the Sarbanes-Oxley Act. The complaint does not state a specific amount of damages. Defendants' response is due on June 6, 2003.

The Company intends to vigorously defend the actions discussed above. While the proceedings are in the early stages and contain an element of uncertainty, the Company has no reason to believe that the final resolution of the actions will have a material adverse effect on its financial position, cash flows or results of operations.

SEC INVESTIGATION

The Company was informed in January 2003 by the Securities and Exchange Commission staff that the SEC has issued a formal order of investigation related to the Company's restatements of earnings for periods dating back to 1997. The matters had previously been the subject of an informal inquiry. The Company is cooperating fully with the investigation.

The Company is involved in other legal and administrative proceedings of various types. While any litigation contains an element of uncertainty, the Company has no reason to believe that the outcome of such proceedings or claims will have a material adverse effect on the financial condition of the Company.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

(a) On February 10, 2003, the Company amended certain provisions of the Five-Year Revolving Credit Facility and the Old 364-Day Revolving Credit Facility effective as of December 31, 2002, which have been reflected in the New 364-Day Revolving Credit Facility. The terms of the Revolving Credit Facilities restrict (among other things) the Company's ability to declare or pay dividends, repurchase shares of common stock and make capital expenditures. The Company's permitted level of annual capital expenditures is $175.0 million and permitted level of annual share buybacks and dividend payments is currently $25.0 million. All limitations on dividend payments and share buybacks expire when earnings before interest, taxes, depreciation and amortization, as defined in the amended Revolving Credit Facilities, are at least $1,300.0 million for four consecutive quarters.

On February 10, 2003, the Company also amended certain provisions of the Prudential Agreements effective as of December 31, 2002. The new terms of the Prudential Agreements contain the same restrictions on the Company's ability to declare or pay dividends, repurchase shares of common stock and make capital expenditures, as the new terms of the Revolving Credit Agreements described above.

(c)

(1) On January 24, 2003, the Registrant issued 3,259 shares of its Common Stock, par value $.10 per share (the "Interpublic Stock"), and on February 7, 2003 paid $451,310.50 in cash to the three former shareholders of a company which was acquired in the third quarter of 2000. This represented a deferred payment of the purchase price. The shares of Interpublic Stock had a market value of $48,584.29 as of the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act of 1933, as amended (the "Securities Act").

(2) On February 14, 2003 and March 20, 2003, the Registrant issued an aggregate of 136,026 shares of Interpublic Stock to two shareholders of a company, the assets of which a subsidiary of the Registrant acquired in the second quarter of 1998. This represented a deferred payment of the purchase price. The shares of Interpublic Stock had an aggregate market value of $1,206,396 as of the dates of issuance. The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the sophistication of the shareholders. The shareholders had access to all the documents filed by the Registrant with the SEC, including the Company's (i) Annual Report on Form 10-K for the year ended December 31, 2001 and amendments thereto, (ii) Quarterly Report on Form 10-Q for the period ended September 30, 2002, (iii) Current Reports on Form 8-K for 2002 and 2003, and (iv) Proxy Statement for the 2002 Annual Meeting of Stockholders.

3) On February 14, 2003, the Registrant issued 188,113 shares of Interpublic Stock to a former shareholder of a company as payment for 4% of the shares of the company, 20% of which was acquired in the third quarter 1997 and 20% of which was acquired in the third quarter 2000. The shares of Interpublic Stock were valued at US$ 2,760,000 at the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "off shore transaction" and solely to "non US persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act.

4) On February 18, 2003, the Registrant issued 104,599 shares of Interpublic Stock, and on February 17, 2003 paid $3,585,165.79 in cash to the three former shareholders of a company which was acquired in the fourth quarter of 1999. This represented a deferred payment of the purchase price. The shares

of Interpublic Stock had a market value of $1,540,738.19 as of the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act.

5) On February 18, 2003 and February 26, 2003, the Registrant paid an aggregate of $8,422,767 in cash and issued an aggregate of 989,269 shares of Interpublic Stock to two former shareholders of a company that was merged into a subsidiary of the Registrant in the fourth quarter of 1998. This represented a deferred payment of the purchase price. The shares of Interpublic Stock had an aggregate market value of $10,543,563 as of the date of issuance. The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the status of the former shareholders as accredited investors. The former

shareholders had access to all the documents filed by the Registrant with the SEC, including the Company's (i) Annual Report on Form 10-K for the year ended December 31, 2001 and amendment thereto, (ii) Quarterly Report on Form 10-Q for the period ended September 30, 2002, (iii) Current Reports on Form 8-K for 2002 and 2003, and (iv) Proxy Statement for the 2002 Annual Meeting of Stockholders,

6) On February 25, 2003, the Registrant issued 3,168 shares of Interpublic Stock and in October 2002 paid $57,000 in cash to the former shareholder of a company as the final payment for 51% of the business of the company which was acquired in the third quarter 1999. The shares of Interpublic Stock were valued at $52,850 at the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "off shore transaction" and solely to "non US persons" in reliance on Rule 903(b)(3) of the Regulation S under the Securities Act.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) EXHIBITS

EXHIBIT NO.	DESCRIPTION
10(i)(A)(i)	364-Day Credit Agreement dated May 15, 2003 among The Interpublic Group of Companies, Inc. ("Interpublic"), the initial lenders named therein, JPMorgan Chase Bank, as syndication agent, UBS Warburg LLC and HSBC Bank USA, as co-documentation agents, Citigroup Global Markets Inc., as lead arranger and book manager and Citibank, N.A., as Administrative Agent.
10(i)(A)(ii)	Amendment No.2, dated May 15, 2003 to the Amended and Restated Five-Year Credit Agreement among Interpublic, the initial lenders named therein and Citibank, N.A., as

Administrative Agent. 10(i)(B) Amendment, dated as of March 31, 2003, to the Note Purchase Agreement, dated May 26, 1994, between Interpublic and The Prudential Insurance Company of America ("Prudential"). 10(i)(C) Amendment, dated as of March 31, 2003, to the Prudential Note Purchase Agreement dated April 28, 1995. 10(i)(D) Amendment, dated as of March 31, 2003, to the Prudential Note Purchase Agreement dated October 31, 1996. 10(i)(E) Amendment, dated as of March 31, 2003, to the Prudential Note Purchase Agreement dated August 19, 1997. 10(i)(F) Amendment, dated as of March 31, 2003, to the Prudential Note Purchase Agreement dated January 21, 1999. 10(iii)(A)(i) Supplemental Agreement, made as of February 28, 2003 to an Employment Agreement made as of January 1, 2000, as amended by and between Interpublic and David A. Bell. 10(iii)(A)(ii) Employment Agreement, made as of May 6, 2003 by and between Interpublic and Chris Coughlin. 10(iii)(A)(iii) Executive Special Benefit Agreement, made as of June 16, 2003, by and between Interpublic and Chris Coughlin. 10(iii)(A)(iv) Executive Severance Agreement, dated June 16,

2003, by and between Interpublic and Chris Coughlin.

10(iii)(A)(v)	Supplemental Agreement, made as of March 31, 2003 to an Employment Agreement made as of January 1, 1994, as amended by and between Interpublic and John J. Dooner, Jr.
10(iii)(A)(vi)	Supplemental Agreement made as of March 31, 2003 to an Employment Agreement made as of April 29, 1999, as amended between Interpublic and Sean F. Orr.
10(iii)(A)(vii)	Executive Severance Agreement, dated November 14, 2002 between Interpublic and Thomas Dowling.
10(iii)(A)(viii)	Executive Severance Agreement, dated November 14, 2002 between Interpublic and Susan Watson.
10(iii)(A)(ix)	Executive Severance Agreement, dated November 8, 2002, between Interpublic and Brian Brooks.
99	Certification under Section 906 of the Sarbanes-Oxley Act of 2002.

(b) REPORTS ON FORM 8-K.

The following Reports on Form 8-K and Form 8-K/A were filed during the quarter ended March 31, 2003.

1) Report, filed January 6, 2003. Item 5 Other Events and Regulation FD Disclosure and Item 7 Exhibits, Exhibit 99.1 Press Release.

2) Report, filed January 17, 2003. Item 5 Other Events and Regulation FD Disclosure and Item 7 Exhibits, Exhibit 99.1 Press Release.

3) Report filed February 11, 2003. Item 5 Other Events and Regulation FD Disclosure and Item 7 Exhibits 10.1 - 10.7 and Exhibit 99.1 Press Release.

4) Amendment No. 1 filed February 12, 2003, on Form 8K/A to the Report on Form 8-K, filed February 11, 2003. Item 5 Other Events and Regulation FD Disclosure and Item 7 Exhibits, Exhibits 10.1 - 10.7 and Exhibit 99.1 Press Release.

5) Report, filed February 28, 2003. Item 5 Other Events and Regulation FD Disclosure and Item 7 Exhibits, Exhibit 99.1 Press Release.

6) Report, filed March 7, 2003. Item 7 Exhibits (Exhibit 99.1 Slide Show) and Item 9 Regulation FD Disclosure.

7) Report, filed March 7. 2003. Item 5 Other Events and Regulation FD Disclosure.

8) Report, filed March 11, 2003. Item 5 Other Events and Regulation FD Disclosure and Item 7 Exhibits, Exhibit 99.1 Press Release.

9) Report, filed March 18, 2003. Item 5 Other Events and Regulation FD Disclosure and Item 7 Exhibits, Exhibits 4.1 Third Supplemental Indenture, 4.2 Registration Right Agreement and 99.1 Press Release.

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: May 15, 2003

BY /s/ DAVID A. BELL

DAVID A. BELL
Chairman of the Board, President
and Chief Executive Officer

Date: May 15, 2003

BY /s/ SEAN F. ORR

SEAN F. ORR
Executive Vice President and
Chief Financial Officer

CERTIFICATION

I, David A. Bell, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Interpublic Group of Companies, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date May 15, 2003

/s/ David A. Bell
- -------------------------
David A. Bell
Chairman of the Board, President
and Chief Executive Officer

CERTIFICATION

I, Sean F. Orr, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Interpublic Group of Companies, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial

information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 15, 2003

/s/ Sean F. Orr
- ---------------------------------
Sean F. Orr
Chief Financial Officer

INDEX TO EXHIBITS

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Agent. 10(i)(A) (ii) Amendment No.2, dated May 15, 2003 to the Amended and Restated Five-Year Credit Agreement among Interpublic, the initial lenders named therein and Citibank, N.A., as Administrative Agent. 10(i)(B) Amendment, dated as of March 31, 2003, to the Note Purchase Agreement, dated May 26, 1994, between Interpublic and The Prudential Insurance Company of America ("Prudential"). 10(i)(C) Amendment, dated as of March 31, 2003, to the Prudential Note Purchase Agreement dated April 28, 1995. 10(i)(D) Amendment, dated as of March 31, 2003, to the Prudential Note Purchase Agreement dated October 31, 1996. 10(i)(E) Amendment, dated as of March 31, 2003, to the Prudential Note Purchase Agreement dated August 19, 1997. 10(i)(F) Amendment, dated as of March 31, 2003, to the Prudential Note Purchase Agreement dated January 21, 1999. 10(iii)(A)(i) Supplemental Agreement, made as of February 28, 2003 to an Employment Agreement made as of January 1, 2000, as amended by and between Interpublic and David A. Bell. 10(iii)(A)(ii) Employment Agreement, made as of May 6, 2003 by and between Interpublic and Chris Coughlin.

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99	Certification under Section 906 of the Sarbanes-Oxley Act of 2002

EXECUTION COPY

U.S. $500,000,000

364-DAY CREDIT AGREEMENT

Dated as of May 15, 2003

Among

THE INTERPUBLIC GROUP OF COMPANIES, INC.
AS COMPANY

THE INITIAL LENDERS NAMED HEREIN
AS INITIAL LENDERS

CITIBANK, N.A.
AS ADMINISTRATIVE AGENT

JPMORGAN CHASE BANK
AS SYNDICATION AGENT

UBS WARBURG LLC
and
HSBC BANK USA
AS CO-DOCUMENTATION AGENTS

and

CITIGROUP GLOBAL MARKETS INC.
AS LEAD ARRANGER AND BOOK MANAGER

TABLE OF CONTENTS

364-DAY CREDIT AGREEMENT

Dated as of May 15, 2003

THE INTERPUBLIC GROUP OF COMPANIES, INC., a Delaware corporation (the "COMPANY"), the banks, financial institutions and other institutional lenders (the "INITIAL LENDERS") and initial issuing banks (the "INITIAL ISSUING BANKS") listed on the signature pages hereof, JPMORGAN CHASE BANK, as Syndication Agent, UBS WARBURG LLC and HSBC BANK USA, as co-documentation agents, CITIGROUP GLOBAL MARKETS INC., as lead arranger and book manager, and CITIBANK, N.A. ("CITIBANK"), as administrative agent (the "AGENT") for the Lenders (as hereinafter defined), agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

SECTION 1.01. CERTAIN DEFINED TERMS. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"ADVANCE" means an advance by a Lender to any Borrower as part of a Borrowing and refers to a Base Rate Advance or a Eurocurrency Rate Advance (each of which shall be a "TYPE" of Advance).

"AFFILIATE" means, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. For purposes of this definition, the term "control" (including the terms "controlling", "controlled by" and "under common control with") of a Person means the possession, direct or indirect, of the power to vote 10% or more of the Voting Stock of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of Voting Stock, by contract or otherwise.

"AGENT'S ACCOUNT" means (a) in the case of Advances denominated in Dollars, the account of the Agent maintained by the Agent at Citibank at its office at 399 Park Avenue, New York, New York 10043, Account No. 36852248, Attention: Bank Loan Syndications, (b) in the case of Advances denominated in any Committed Currency, the account of the Sub-Agent designated in writing from time to time by the Agent to the Company and the Lenders for such purpose and (c) in any such case, such other account of the Agent as is designated in writing from time to time by the Agent to the Company and the Lenders for such purpose.

"APPLICABLE LENDING OFFICE" means, with respect to each Lender, such Lender's Domestic Lending Office in the case of a Base Rate Advance and such Lender's Eurocurrency Lending Office in the case of a Eurocurrency Rate Advance.

"APPLICABLE MARGIN" means, as of any date prior to the Term Loan Conversion Date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

- Public Debt Rating	Applicable Margin for S&P/Moody's Base Rate Advances	Applicable Margin for Eurocurrency Rate Advances --
1 LEVEL 1 BBB+ or Baa1 or above	0.000%	0.625% ----
LEVEL 2 BBB or Baa2	0.000%	0.850% ----
LEVEL 3 BBB- and Baa3	0.000%	1.075% ----
LEVEL 4 BBB- or		

Baa3 0.000%
1.500% ----

- ---

LEVEL 5 BB+
and Ba1
0.125%
1.625% ----

- ---

LEVEL 6
Lower than
Level 5
0.250%
1.750% ----

- ---

---

and, as of any date on and after the Term Loan Conversion Date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

-- Public
Debt Rating
Applicable
Margin for
Applicable
Margin for
S&P/Moody's
Base Rate
Advances
Eurocurrency
Rate
Advances --

LEVEL 1
BBB+ or
Baa1 or
above
0.475%
1.975% ----

LEVEL 2 BBB
or Baa2
0.750%
2.250% ----

LEVEL 3 BBB- and Baa3	1.000% 2.500%
LEVEL 4 BBB- or Baa3	1.500% 3.000%
LEVEL 5 BB+ and Ba1	3.000% 4.500%
LEVEL 6 Lower than Level 5	3.250% 4.750%

"APPLICABLE PERCENTAGE" means, as of any date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

-- Public Debt Rating	Applicable S&P/Moody's Percentage
-- LEVEL 1 BBB+ or Baa1 or above	0.125%

Public Debt Rating	Applicable S&P/Moody's Utilization Fee
LEVEL 1 BBB+ or Baa1 or	

"APPLICABLE UTILIZATION FEE" means, as of any date that the aggregate Advances exceed 33% of the aggregate Revolving Credit Commitments, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

Public Debt Rating	Applicable S&P/Moody's Utilization Fee
LEVEL 1 BBB+ or Baa1 or	
LEVEL 2 BBB or Baa2	0.150%
LEVEL 3 BBB- and Baa3	0.200%
LEVEL 4 BBB- or Baa3	0.250%
LEVEL 5 BB+ and Ba1	0.375%
LEVEL 6 Lower than Level 5	0.500%

	above	0.125%
LEVEL 2	BBB or Baa2	0.250%
LEVEL 3	BBB- and Baa3	0.250%
LEVEL 4	BBB- or Baa3	0.250%
LEVEL 5	BB+ and Ba1	0.500%
LEVEL 6	Lower than Level 5	0.500%

"ASSIGNMENT AND ACCEPTANCE" means an assignment and acceptance entered into by a Lender and an Eligible Assignee, and accepted by the Agent, in substantially the form of Exhibit C hereto.

"ASSUMING LENDER" has the meaning specified in Section 2.18(c).

"ASSUMPTION AGREEMENT" has the meaning specified in Section 2.18(c).

"AVAILABLE AMOUNT" of any Letter of Credit means, at any time, the maximum amount available to be drawn under such Letter of Credit at such time (assuming compliance at such time with all conditions to drawing), converting all non-Dollar amounts into the Dollar Equivalent thereof at such time.

"BASE RATE" means a fluctuating interest rate per annum in effect from time to time, which rate per annum shall at all times be equal to the highest of:

(a) the rate of interest announced publicly by Citibank in New York, New York, from time to time, as Citibank's base rate;

(b) the sum (adjusted to the nearest 1/4 of 1% or, if there is no nearest 1/4 of 1%, to the next higher 1/4 of 1%) of (i) 1/2 of 1% per annum, PLUS (ii) the rate obtained by dividing (A) the latest three-week moving average of secondary market morning offering rates in the United States for three-month certificates of deposit of major United States money market banks, such three-week moving average (adjusted to the basis of a year of 360 days) being determined weekly on each Monday (or, if

such day is not a Business Day, on the next succeeding Business Day) for the three-week period ending on the previous Friday by Citibank on the basis of such rates reported by certificate of deposit dealers to and published by the Federal Reserve Bank of

New York or, if such publication shall be suspended or terminated, on the basis of quotations for such rates received by Citibank from three New York certificate of deposit dealers of recognized standing selected by Citibank, by (B) a percentage equal to 100% minus the average of the daily percentages specified during such three-week period by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, but not limited to, any emergency, supplemental or other marginal reserve requirement) for Citibank with respect to liabilities consisting of or including (among other liabilities) three-month U.S. dollar non-personal time deposits in the United States, plus (iii) the average during such three-week period of the annual assessment rates estimated by Citibank for determining the then current annual assessment payable by Citibank to the Federal Deposit Insurance Corporation (or any successor) for insuring U.S. dollar deposits of Citibank in the United States; and

(c) 1/2 of one percent per annum above the Federal Funds Rate.

"BASE RATE ADVANCE" means an Advance denominated in Dollars that bears interest as provided in Section 2.07(a)(i).

"BORROWER INFORMATION" has the meaning specified in Section 9.08.

"BORROWERS" means, collectively, the Company and the Designated Subsidiaries from time to time.

"BORROWING" means a borrowing consisting of simultaneous Advances of the same Type made by each of the Lenders pursuant to Section 2.01.

"BUSINESS DAY" means a day of the year on which banks are not required or authorized by law to close in New York City and, if the applicable Business Day relates to any Eurocurrency Rate Advances, on which dealings are carried on in the London interbank market and banks are open for business in London and in the country of issue of the currency of such Eurocurrency Rate Advance (or, in the case of an Advance denominated in Euros, on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open).

"COMMITMENT" means a Revolving Credit Commitment or a Letter of Credit Commitment.

"COMMITTED CURRENCIES" means lawful currency of the United Kingdom of Great Britain and Northern Ireland, lawful currency of The Swiss Federation, lawful currency of Japan, Euro and any other currency requested by the applicable Borrower that can be provided by all Lenders.

"CONSENTING LENDER" has the meaning specified in Section 2.18(b).

"CONSOLIDATED" refers to the consolidation of accounts in accordance with GAAP.

"CONSOLIDATED SUBSIDIARY" means at any date any Subsidiary or other entity the accounts of which would be consolidated with those of the Company in its Consolidated financial statements as of such date.

"CONVERT", "CONVERSION" and "CONVERTED" each refers to a conversion of Advances of one Type into Advances of the other Type pursuant to Section 2.08 or 2.09.

"DEBT" of any Person means, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of such Person's business), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all obligations of such Person as lessee under leases that have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases, (f) all obligations, contingent or otherwise, of such Person in respect of acceptances, letters of credit or similar extensions of credit, (g) all obligations of such Person in respect of Hedge Agreements, (h) all Debt of others referred to in clauses (a) through (g) above or clause (i) below guaranteed directly or indirectly in any manner by such Person, or

in effect guaranteed directly or indirectly by such Person through an agreement (1) to pay or purchase such Debt or to advance or supply funds for the payment or purchase of such Debt, (2) to purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such Debt or to assure the holder of such Debt against loss, (3) to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether such property is received or such services are rendered) or (4) otherwise to assure a creditor against loss, and (i) all Debt referred to in clauses (a) through (h) above secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) any Lien on property (including, without limitation, accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Debt; PROVIDED, HOWEVER, that the term "Debt" shall not include obligations under agreements providing for indemnification, deferred purchase price payments or similar obligations incurred or assumed in connection with the acquisition or disposition of assets or stock, whether by merger or otherwise.

"DEBT FOR BORROWED MONEY" of the Company means, without duplication, Debt for money borrowed (including unreimbursed drawings under letters of credit) or any capitalized lease obligation, any obligation under a purchase money mortgage, conditional sale or other title retention agreement or any obligation under notes payable or drafts accepted representing extensions of credit, but shall not include any Debt in respect of Hedge Agreements or the Subsidiary Guaranty.

"DEFAULT" means any Event of Default or any event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

"DESIGNATED SUBSIDIARY" means any direct or indirect wholly-owned Subsidiary of the Company designated for borrowing privileges under this Agreement pursuant to Section 9.09.

"DESIGNATION AGREEMENT" means, with respect to any Designated Subsidiary, an agreement in the form of Exhibit E hereto signed by such Designated Subsidiary and the Company.

"DOLLARS" and the "$" sign each means lawful currency of the United States of America.

"DOMESTIC LENDING OFFICE" means, with respect to any Lender, the office of such Lender specified as its "Domestic Lending Office" opposite its name on Schedule I hereto or in the Assumption Agreement or the Assignment and Acceptance pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to the Company and the Agent.

"EBITDA" means, for any period, net income (or net loss) PLUS the sum of (a) Interest Expense, (b) income tax expense, (c) depreciation expense, (d) amortization expense, (e) non-cash, non-recurring charges in an amount not to exceed $161,400,000 taken (i) with respect to the impairment of the assets of Brands Hatch Leisure Limited, Octagon Worldwide Limited and Octagon Worldwide Inc. and their respective Subsidiaries, in the fiscal year ended December 31, 2002 (which shall be allocated to each of the fiscal quarters of 2002 as set forth in a schedule previously delivered by the Company to the Lenders) and (ii) with respect to all such other charges, in the fiscal year ended December 31, 2002 (which shall be allocated to each of the fiscal quarters of 2002 as set forth in a schedule previously delivered by the Company to the Lenders), (f) non-recurring restructuring charges in an amount not to exceed $200,000,000 (up to $175,000,000 of which may be cash charges) recorded in the financial statements of the Company and its Consolidated Subsidiaries for the fiscal quarter ended March 31, 2003, the fiscal quarter ending June 30, 2003 and the fiscal quarter ending September 30, 2003, (g) non-cash, non-recurring charges in an amount not to exceed $70,000,000 taken with respect to the impairment of the remaining book value of Brands Hatch Leisure Limited, Octagon Worldwide Limited and Octagon Worldwide Inc. and their respective Subsidiaries and (h) all impairment charges taken with respect to capital expenditures made on or after January 1, 2003 on behalf of Brands Hatch Leisure Limited, Octagon Worldwide Limited and Octagon Worldwide Inc. and their respective Subsidiaries, in each case determined in accordance with GAAP for such period minus gain realized by the Company upon the sale of NFO Worldwide, Inc.

"EFFECTIVE DATE" has the meaning specified in Section 3.01.

"ELIGIBLE ASSIGNEE" means (i) a Lender; (ii) an Affiliate of a Lender; and (iii) any other Person approved by the Agent, each Issuing Bank and, unless an Event of Default has occurred and is continuing at the time any assignment is effected in accordance with Section 9.07, the Company, each such approval not to be unreasonably withheld or delayed;

PROVIDED, HOWEVER, that neither the Company nor an Affiliate of the Company shall qualify as an Eligible Assignee.

"EQUIVALENT" in Dollars of any Committed Currency on any date means the equivalent in Dollars of such Committed Currency determined by using the quoted spot rate at which the Sub-Agent's principal office in London offers to exchange Dollars for such Committed Currency in London at approximately 4:00 P.M. (London time) (unless otherwise indicated by the terms of this Agreement) on such date as is required pursuant to the terms of this Agreement, and the "Equivalent" in any Committed Currency of Dollars means the equivalent in such Committed Currency of Dollars determined by using the quoted spot rate at which the Sub-Agent's principal office in London offers to exchange such Committed Currency for Dollars in London at approximately 4:00 P.M. (London time) (unless otherwise indicated by the terms of this Agreement) on such date as is required pursuant to the terms of this Agreement.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA AFFILIATE" means any Person that for purposes of Title IV of ERISA is a member of the Company's controlled group, or under common control with the Company, within the meaning of Section 414 of the Internal Revenue Code.

"ERISA EVENT" means (a) the occurrence of a reportable event, within the meaning of Section 4043 of ERISA, with respect to any Plan unless the 30-day notice requirement with respect to such event has been waived by the PBGC; (b) the application for a minimum funding waiver with respect to a Plan; (c) the provision by the administrator of any Plan of a notice of intent to terminate such Plan pursuant

to Section 4041(a)(2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA); (d) the cessation of operations at a facility of the Company or any ERISA Affiliate in the circumstances described in Section 4062(e) of ERISA; (e) the withdrawal by the Company or any ERISA Affiliate from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (f) the conditions for the imposition of a lien under Section 302(f) of ERISA shall have been met with respect to any Plan; (g) the adoption of an amendment to a Plan requiring the provision of security to such Plan pursuant to Section 307 of ERISA; or (h) the institution by the PBGC of proceedings to terminate a Plan pursuant to Section 4042 of ERISA, or the occurrence of any event or condition described in Section 4042 of ERISA that constitutes grounds for the termination of, or the appointment of a trustee to administer, a Plan.

"EURIBO RATE" means, for any Interest Period, the rate per annum appearing on Moneyline Telerate Markets Page 248 (or on any successor or substitute page, or any successor to or substitute for Moneyline Telerate Markets, providing rate quotations comparable to those currently provided on such page of Moneyline Telerate Markets, as determined by the Agent from time to time for purposes of providing quotations of interest rates applicable to deposits in Euro by reference to the Banking Federation of the European Union Settlement Rates for deposits in Euro) at approximately 10:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for deposits in Euro with a maturity comparable to such Interest Period or, if for any reason such rate is not available, the average (rounded upward to the nearest whole multiple of 1/16 of 1% per annum, if such average is not such a multiple) of the respective rates per annum at which deposits in Euros are offered by the principal office of each of the Reference Banks in London, England to prime banks in the London interbank market at 11:00 A.M. (London time) two Business Days before the first day of such Interest Period in an amount substantially equal to such Reference Bank's Eurocurrency Rate Advance comprising part of such Borrowing to be outstanding during such Interest Period and for a period equal to such Interest Period (subject, however, to the provisions of Section 2.08).

"EURO" means the lawful currency of the European Union as constituted by the Treaty of Rome which established the European Community, as such treaty may be amended from time to time and as referred to in the EMU legislation.

"EUROCURRENCY LENDING OFFICE" means, with respect to any Lender, the office of such Lender specified as its "Eurocurrency Lending Office" opposite its name on Schedule I hereto or in the Assumption Agreement or the Assignment and Acceptance pursuant to which it became a Lender (or, if no such office is specified, its Domestic Lending Office), or such other office of such Lender as such Lender may from time to time specify to the Company and the Agent.

"EUROCURRENCY LIABILITIES" has the meaning assigned to that term

in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"EUROCURRENCY RATE" means, for any Interest Period for each Eurocurrency Rate Advance comprising part of the same Borrowing, an interest rate per annum equal to the rate per annum obtained by dividing (a)(i) in the case of any Borrowing denominated in Dollars or any Committed Currency other than Euro, the rate per annum (rounded upward to the nearest whole multiple of 1/16 of 1% per annum) appearing on Moneyline Telerate Markets Page 3750 (or any successor page) as the London interbank offered rate for deposits in Dollars or the applicable Committed Currency at approximately 11:00 A.M. (London time) two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period or, if for any reason such rate is not available, the average (rounded upward to the

nearest whole multiple of 1/16 of 1% per annum, if such average is not such a multiple) of the respective rates per annum at which deposits in Dollars or the applicable Committed Currency are offered by the principal office of each of the Reference Banks in London, England to prime banks in the London interbank market at 11:00 A.M. (London time) two Business Days before the first day of such Interest Period in an amount substantially equal to such Reference Bank's Eurocurrency Rate Advance comprising part of such Borrowing to be outstanding during such Interest Period and for a period equal to such Interest Period (subject, however, to the provisions of Section 2.08) or (ii) in the case of any Borrowing denominated in Euro, the EURIBO Rate by (b) a percentage equal to 100% minus the Eurocurrency Rate Reserve Percentage for such Interest Period.

"EUROCURRENCY RATE ADVANCE" means an Advance denominated in Dollars or a Committed Currency that bears interest as provided in Section 2.07(a)(ii).

"EUROCURRENCY RATE RESERVE PERCENTAGE" for any Interest Period for all Eurocurrency Rate Advances comprising part of the same Borrowing means the reserve percentage applicable two Business Days before the first day of such Interest Period under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York City with respect to liabilities or assets consisting of or including Eurocurrency Liabilities (or with respect to any other category of liabilities that includes deposits by reference to which the interest rate on Eurocurrency Rate Advances is determined) having a term equal to such Interest Period.

"EVENTS OF DEFAULT" has the meaning specified in Section 6.01.

"EXTENSION DATE" has the meaning specified in Section 2.18(b).

"FEDERAL FUNDS RATE" means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day on such transactions received by the Agent from three Federal funds brokers of recognized standing selected by it.

"GAAP" has the meaning specified in Section 1.03.

"GUARANTEED OBLIGATIONS" has the meaning specified in Section 7.01.

"HEDGE AGREEMENTS" means interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other similar agreements.

"INTEREST EXPENSE" means, for any period, without duplication, interest expense (including the interest component on obligations under capitalized leases), whether paid or accrued, on all Debt of the Company and its Consolidated Subsidiaries for such period.

"INTEREST PERIOD" means, for each Eurocurrency Rate Advance comprising part of the same Borrowing, the period commencing on the date of such Eurocurrency Rate Advance or the date of the Conversion of any Base Rate Advance into such Eurocurrency Rate Advance and ending on the last day of the period selected by the Borrower requesting such Borrowing

pursuant to the provisions below and, thereafter, with respect to Eurocurrency Rate Advances, each subsequent period commencing on the last day of the immediately preceding Interest Period and ending on the last day of the period selected by such Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one, two, three or six months, or nine or twelve months if available to all Lenders, as such Borrower may, upon notice received by the Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the first day of such Interest Period, select; PROVIDED, HOWEVER, that:

(i) such Borrower may not select any Interest Period that ends after the Termination Date or, if the Advances have been converted to a term loan pursuant to Section 2.06(a) prior to such selection, that ends after the Maturity Date;

(ii) Interest Periods commencing on the same date for Eurocurrency Rate Advances comprising part of the same Borrowing shall be of the same duration;

(iii) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, PROVIDED, HOWEVER, that, if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day; and

(iv) whenever the first day of any Interest Period occurs on a day of an initial calendar month for which there is no numerically corresponding day in the calendar month that succeeds such initial calendar month by the number of months equal to the number of months in such Interest Period, such Interest Period shall end on the last Business Day of such succeeding calendar month.

"INTERNAL REVENUE CODE" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ISSUING BANK" means an Initial Issuing Bank or any Eligible Assignee to which a portion of the Letter of Credit Commitment hereunder has been assigned pursuant to Section 9.07 so long as such Eligible Assignee expressly agrees to perform in accordance with their terms all of the obligations that by the terms of this Agreement are required to be performed by it as an Issuing Bank and notifies the Agent of its Applicable Lending Office (which information shall be recorded by the Agent in the Register), for so long as the Initial Issuing Bank or Eligible Assignee, as the case may be, shall have a Letter of Credit Commitment.

"L/C CASH DEPOSIT ACCOUNT" means an interest bearing cash deposit account to be established and maintained by the Agent, over which the Agent shall have sole dominion and control, upon terms as may be satisfactory to the Agent.

"L/C RELATED DOCUMENTS" has the meaning specified in Section 2.06(b)(i).

"LENDERS" means the Initial Lenders, each Issuing Bank, each Assuming Lender that shall become a party hereto pursuant to Section 2.18 and each Person that shall become a party hereto pursuant to Section 9.07.

"LETTER OF CREDIT" has the meaning specified in Section 2.01(b).

"LETTER OF CREDIT AGREEMENT" has the meaning specified in Section 2.03(a).

"LETTER OF CREDIT COMMITMENT" means, with respect to each Issuing Bank, the obligation of such Issuing Bank to issue Letters of Credit to any Borrower in (a) the amount set forth opposite the Issuing Bank's name on the signature pages hereto under the caption "Letter of Credit Commitment", (b) if such Issuing Bank has become an Issuing Bank hereunder pursuant to an Assumption Agreement, the amount set forth in such Assumption Agreement, or (c) if such Issuing Bank has entered into one or more Assignment and Acceptances, the amount set forth for such Issuing Bank in the Register maintained by the Agent pursuant to Section 9.07(d) as such Issuing Bank's "Letter of Credit Commitment", in each case as such amount may be reduced prior to such time pursuant to Section 2.05.

"LETTER OF CREDIT FACILITY" means, at any time, an amount equal to the least of (a) the aggregate amount of the Issuing Banks' Letter of Credit Commitments at such time, (b) $200,000,000 and (c) the aggregate

amount of the Revolving Credit Commitments, as such amount may be reduced at or prior to such time pursuant to Section 2.05.

"LIEN" means any lien, security interest or other charge or encumbrance of any kind, or any other type of preferential arrangement, including, without limitation, the lien or retained security title of a conditional vendor and the assignment of the right to receive income.

"LOAN DOCUMENT" means this Agreement, the Notes, the other L/C Related Documents and the Subsidiary Guaranty.

"MATERIAL ADVERSE CHANGE" means any material adverse change in the business, financial condition or results of operations of the Company and its Consolidated Subsidiaries taken as a whole.

"MATERIAL ADVERSE EFFECT" means a material adverse effect on (a) the business, financial condition or results of operations of the Company and its Consolidated Subsidiaries taken as a whole, (b) the rights and remedies of the Agent or any Lender under this Agreement or any other Loan Document or (c) the ability of the Company or any Subsidiary Guarantor to perform its obligations under this Agreement or any other Loan Document.

"MATERIAL SUBSIDIARY" means each Consolidated Subsidiary of the Company organized in the United States or any political subdivision thereof that had, as of the end of the most recently ended fiscal year, aggregate revenues for such fiscal year equal to at least $25,000,000.

"MATURITY DATE" means the earlier of (a) the first anniversary of the Termination Date and (b) the date of termination in whole of the aggregate Commitments pursuant to Section 2.05 or 6.01.

"MOODY'S" means Moody's Investors Service, Inc.

"MULTIEMPLOYER PLAN" means a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which the Company or any ERISA Affiliate is making or accruing an obligation to make contributions, or has within any of the preceding five plan years made or accrued an obligation to make contributions.

"MULTIPLE EMPLOYER PLAN" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, subject to Title IV of ERISA that (a) is maintained for employees of the Company or any ERISA Affiliate and at least one Person other than the Company and the ERISA Affiliates or (b) was so maintained and in respect of which the Company or any ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

"NET CASH PROCEEDS" means, with respect to any sale, lease, transfer or other disposition of any asset by the Company or any of its Subsidiaries or the incurrence or issuance of any Debt in the capital markets having neither a put exercisable, nor a maturity, earlier than July 31, 2005 or the sale or issuance of any equity interests by the Company, the aggregate amount of cash received by the Company and its Subsidiaries in connection with such transaction after deducting therefrom only (without duplication) (a) reasonable and customary brokerage commissions, underwriting fees and discounts, legal fees, finder's fees and other similar fees and commissions, (b) the amount of estimated incremental taxes payable in connection with or as a result of such transaction and (c) the amount of any Debt secured by a Lien on such asset that, by the terms of the agreement or instrument governing such Debt, is required to be repaid upon such disposition, in each case to the extent, but only to the extent, that the amounts so deducted are, at the time of receipt of such cash, actually paid or payable to a Person that is not an Affiliate of the Company and are properly attributable to such transaction or to the asset that is the subject thereof, as determined by an appropriate officer of the Company.

"NON-CONSENTING LENDER" has the meaning specified in Section 2.18(b).

"NOTE" means a promissory note of any Borrower payable to the order of any Lender, delivered pursuant to a request made under Section 2.16 in substantially the form of Exhibit A hereto, evidencing the aggregate indebtedness of such Borrower to such Lender resulting from the Advances made by such Lender to such Borrower.

"NOTICE OF ISSUANCE" has the meaning specified in Section 2.03(a).

"NOTICE OF REVOLVING CREDIT BORROWING" has the meaning specified in Section 2.02(a).

"PAYMENT OFFICE" means, for any Committed Currency, such office of Citibank as shall be from time to time selected by the Agent and notified by the Agent to the Company and the Lenders.

"PBGC" means the Pension Benefit Guaranty Corporation (or any successor).

"PERSON" means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

"PLAN" means a Single Employer Plan or a Multiple Employer Plan.

"PUBLIC DEBT RATING" means, as of any date, the lowest rating that has been most recently announced by either S&P or Moody's, as the case may be, for any class of non-credit enhanced long-term senior unsecured debt issued by the Company. For purposes of the foregoing, (a) if only one of S&P and

Moody's shall have in effect a Public Debt Rating, the Applicable Margin, the Applicable Percentage and the Applicable Utilization Fee shall be determined by reference to the available Public Debt Rating announced by either S&P or Moody's; (b) if neither S&P nor Moody's shall have in effect a Public Debt Rating, the Applicable Margin, the Applicable Percentage and the Applicable Utilization Fee will be set in accordance with Level 6 under the definition of "APPLICABLE MARGIN", "APPLICABLE PERCENTAGE" or "APPLICABLE UTILIZATION FEE", as the case may be; (c) if such ratings established by S&P and Moody's shall fall within different levels, the Applicable Margin, the Applicable Percentage and the Applicable Utilization Fee shall be based upon the higher of such ratings, except that, in the event that (x) the lower of such ratings is more than one level below the higher of such ratings or (y) the lower of such ratings is below investment grade and the higher of such ratings is investment grade, the Applicable Margin, the Applicable Percentage and the Applicable Utilization Fee shall be based upon the level immediately above the lower of such ratings; (d) if any such rating established by S&P or Moody's shall be changed, such change shall be effective as of the date on which such change is first announced publicly by the rating agency making such change; and (e) if S&P or Moody's shall change the basis on which ratings are established, each reference to the Public Debt Rating announced by S&P or Moody's, as the case may be, shall refer to the then equivalent rating by S&P or Moody's, as the case may be.

"RATABLE SHARE" of any amount means, with respect to any Lender at any time, the product of (a) a fraction the numerator of which is the amount of such Lender's Revolving Credit Commitment at such time and the denominator of which is the aggregate Revolving Credit Commitments at such time and (b) such amount.

"REFERENCE BANKS" means Citibank, HSBC Bank USA and JPMorgan Chase Bank.

"REGISTER" has the meaning specified in Section 9.07(d).

"REQUIRED LENDERS" means at any time Lenders owed at least a majority in interest of the then aggregate outstanding principal amount (based on the Equivalent in Dollars at such time) of the Advances, or, if no such principal amount is then outstanding, Lenders having at least a majority in amount of the Revolving Credit Commitments.

"REVOLVING CREDIT BORROWING" means a borrowing consisting of simultaneous Advances of the same Type made by each of the Lenders pursuant to Section 2.01(a) and excluding any Advance made pursuant to Section 2.03(c).

"REVOLVING CREDIT COMMITMENT" means as to any Lender the obligation of such Lender to make Advances to any Borrower in (a) the Dollar amount set forth opposite such Lender's name on the signature pages hereof under the caption "Revolving Credit Commitment", (b) if such Lender has become a Lender hereunder pursuant to an Assumption Agreement, the Dollar amount set forth in such Assumption Agreement or (c) if such Lender has entered into any Assignment and Acceptance, the Dollar amount set forth for such Lender in the Register maintained by the Agent pursuant to Section 9.07(d), as such amount may be reduced pursuant to Section 2.05.

"S&P" means Standard & Poor's, a division of The McGraw-Hill Companies, Inc.

"SINGLE EMPLOYER PLAN" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, subject to Title IV of ERISA that (a) is maintained for employees of the Company or any ERISA Affiliate and no Person other than the Company and the ERISA Affiliates or (b) was so maintained and in

respect of which the Company or any ERISA Affiliate could have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

"SPC" has the meaning specified in Section 9.07(f) hereto.

"SUB-AGENT" means Citibank International plc.

"SUBSIDIARY" of any Person means any corporation, partnership, joint venture, limited liability company, trust or estate of which (or in which) more than 50% of (a) the issued and outstanding capital stock having ordinary voting power to elect a majority of the Board of Directors of such corporation (irrespective of whether at the time capital stock of any other class or classes of such corporation shall or might have voting power upon the occurrence of any contingency), (b) the interest in the capital or profits of such limited liability company, partnership or joint venture or (c) the beneficial interest in such trust or estate is at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries or by one or more of such Person's other Subsidiaries.

"SUBSIDIARY GUARANTOR" means each Subsidiary that is a party to the Subsidiary Guaranty.

"SUBSIDIARY GUARANTY" has the meaning specified in Section 5.01(i).

"TERM LOAN CONVERSION DATE" means the Termination Date on which all Advances outstanding on such date are converted into a term loan pursuant to Section 2.06(a).

"TERM LOAN ELECTION" has the meaning specified in Section 2.06(a).

"TERMINATION DATE" means the earlier of (a) May 13, 2004, subject to the extension thereof pursuant to Section 2.18 and (b) the date of termination in whole of the Commitments pursuant to Section 2.05 or 6.01; PROVIDED, HOWEVER, that the Termination Date of any Lender that is a Non-Consenting Lender to any requested extension pursuant to Section 2.18 shall be the Termination Date in effect immediately prior to the applicable Extension Date for all purposes of this Agreement.

"UNISSUED LETTER OF CREDIT COMMITMENT" means, with respect to any Issuing Bank, the obligation of such Issuing Bank to issue Letters of Credit to any Borrower in an amount (converting all non-Dollar amounts into the Dollar Equivalent thereof) equal to the excess of (a) the amount of its Letter of Credit Commitment over (b) the aggregate Available Amount of all Letters of Credit issued by such Issuing Bank.

"UNUSED COMMITMENT" means, with respect to each Lender at any time, (a) the amount of such Lender's Revolving Credit Commitment at such time MINUS (b) the sum of (i) the aggregate principal amount of all Advances (based in respect of any Advances denominated in a Committed Currency on the Equivalent in Dollars at such time) made by such Lender (in its capacity as a Lender) and outstanding at such time, PLUS (ii) such Lender's Ratable Share of the aggregate Available Amount of all the Letters of Credit outstanding at such time.

"VOTING STOCK" means capital stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right so to vote has been suspended by the happening of such a contingency.

SECTION 1.02. COMPUTATION OF TIME PERIODS. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

SECTION 1.03. ACCOUNTING TERMS. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles consistent with those applied in the preparation of the financial statements referred to in Section 4.01(e) ("GAAP").

ARTICLE II

AMOUNTS AND TERMS OF THE ADVANCES AND LETTERS OF CREDIT

SECTION 2.01. THE ADVANCES AND LETTERS OF CREDIT. (a) ADVANCES. Each Lender severally agrees, on the terms and conditions hereinafter set forth, to make Advances to any Borrower from time to time on any Business Day during the period from the Effective Date until the Termination Date in an aggregate amount (based in respect of any Advances to be denominated in a Committed Currency on the Equivalent in Dollars determined on the date of delivery of the

applicable Notice of Borrowing) for all Borrowers not to exceed at any time outstanding such Lender's Unused Commitment. Each Borrowing shall be in an aggregate amount of $10,000,000 or an integral multiple of $1,000,000 in excess thereof in the case of Advances denominated in Dollars and the Equivalent of $5,000,000 or an integral multiple of $1,000,000 in excess thereof in the case of Advances denominated in any Committed Currency (determined on the date of the applicable Notice of Borrowing) and shall consist of Advances of the same Type made on the same day by the Lenders ratably according to their respective Revolving Credit Commitments. Within the limits of each Lender's Revolving Credit Commitment, any Borrower may borrow under this Section 2.01(a), prepay pursuant to Section 2.10 and reborrow under this Section 2.01(a).

(b) LETTERS OF CREDIT. Each Issuing Bank agrees, on the terms and conditions hereinafter set forth, to issue letters of credit (each, a "LETTER OF CREDIT") for the account of the Borrower from time to time on any Business Day during the period from the Effective Date until 30 days before the Termination Date (i) in an aggregate Available Amount for all Letters of Credit issued by all Issuing Banks not to exceed at any time the Letter of Credit Facility at such time, (ii) in an amount for each Issuing Bank (converting all non-Dollar amounts into the then Dollar Equivalent thereof) not to exceed the amount of such Issuing Banks' Letter of Credit Commitment at such time and (iii) in an amount for each such Letter of Credit (converting all non-Dollar amounts into the then Dollar Equivalent thereof) not to exceed an amount equal to the Unused Commitments of the Lenders at such time. Each Letter of Credit shall be in an amount of $1,000,000 or more denominated in Dollars, (pound)1,000,000 or more denominated in lawful currency of the United Kingdom or (euro)1,000,000 or more denominated in Euros. No Letter of Credit shall have an expiration date (including all rights of the Borrower or the beneficiary to require renewal) of greater than one year; PROVIDED that any Letter of Credit which provides for automatic one-year extension(s) of such expiration date shall be deemed to comply with the foregoing requirement if the Issuing Bank has the unconditional right to prevent any such automatic extension from taking place. Within the limits referred to above, the Borrower may request the issuance of Letters of Credit under this Section 2.01(b), repay any Advances resulting from drawings thereunder pursuant to Section 2.03(c) and request the issuance of additional Letters of Credit under this Section 2.01(b). Each letter of credit listed on Schedule 2.01(b) shall be deemed to constitute a Letter of Credit issued hereunder, and each Lender that is an issuer of such a Letter of Credit shall, for purposes of Section 2.03, be deemed to be an Issuing Bank for each such letter of credit, PROVIDED than any renewal or replacement of any such letter of credit shall be issued by an Issuing Bank pursuant to the terms of this Agreement. The terms "issue", "issued", "issuance" and all similar terms, when applied to a Letter of Credit, shall include any renewal, extension or amendment thereof.

SECTION 2.02. MAKING THE ADVANCES. (a) Each Revolving Credit Borrowing shall be made on notice, given not later than (x) 10:00 A.M. (New York City time) on the third Business Day prior to the date of the

proposed Revolving Credit Borrowing in the case of a Revolving Credit Borrowing consisting of Eurocurrency Rate Advances denominated in Dollars, (y) 4:00 P.M. (London time) on the third Business Day prior to the date of the proposed Revolving Credit Borrowing in the case of a Revolving Credit Borrowing consisting of Eurocurrency Rate Advances denominated in any Committed Currency, or (z) 12:00 noon (New York City time) on the date of the proposed Revolving Credit Borrowing in the case of a Revolving Credit Borrowing consisting of Base Rate Advances, by any Borrower to the Agent (and, in the case of a Revolving Credit Borrowing consisting of Eurocurrency Rate Advances, simultaneously to the Sub-Agent), which shall give to each Lender prompt notice thereof by facsimile. Each such notice of a Revolving Credit Borrowing (a "NOTICE OF REVOLVING CREDIT BORROWING") shall be by telephone, confirmed immediately in writing, or facsimile in substantially the form of Exhibit B hereto, specifying therein the requested (i) date of such Revolving Credit Borrowing, (ii) Type of Advances comprising such Revolving Credit Borrowing, (iii) aggregate amount of such Revolving Credit Borrowing, and (iv) in the case of a Revolving Credit Borrowing consisting of Eurocurrency Rate Advances, initial Interest Period and currency for each such Advance; PROVIDED, HOWEVER, that if any such notice shall fail to specify a currency, Dollars shall be deemed to have been specified. Each Lender shall, before 2:00 P.M. (New York City time) on the date of such Revolving Credit Borrowing, in the case of a Revolving Credit Borrowing consisting of Advances denominated in Dollars, and before 4:00 P.M. (London time) on the date of such Revolving Credit Borrowing, in the case of a Revolving Credit Borrowing consisting of Eurocurrency Rate Advances denominated in any Committed Currency, make available for the account of its Applicable Lending Office to the Agent at the applicable Agent's Account, in same day funds, such Lender's ratable portion of such Revolving Credit Borrowing. After the Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Agent will make such funds available to the Borrower requesting the Revolving Credit Borrowing at the Agent's address referred to in Section 9.02 or, in the case of a Revolving Credit Borrowing in a Committed Currency, at the applicable Payment Office, as the case may be.

(b) Anything in subsection (a) above to the contrary notwithstanding, (i) no Borrower may select Eurocurrency Rate Advances for any Revolving Credit Borrowing if the aggregate amount of such Borrowing is less

than $5,000,000 (or the Equivalent thereof in a Committed Currency) or if the obligation of the Lenders to make Eurocurrency Rate Advances shall then be suspended pursuant to Section 2.08 or 2.12 and (ii) the Eurocurrency Rate Advances may not be outstanding as part of more than twenty separate Borrowings.

(c) Each Notice of Revolving Credit Borrowing of any Borrower shall be irrevocable and binding on such Borrower. In the case of any Revolving Credit Borrowing that the related Notice of Revolving Credit Borrowing specifies is to be comprised of Eurocurrency Rate Advances, the Borrower requesting such Revolving Credit Borrowing shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the date specified in such Notice of Revolving Credit Borrowing for such Revolving Credit Borrowing the applicable conditions set forth in Article III, including, without limitation, any loss (excluding loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the Advance to be made by such Lender as part of such Revolving Credit Borrowing when such Advance, as a result of such failure, is not made on such date.

(d) Unless the Agent shall have received notice from a Lender prior to the time of any Revolving Credit Borrowing that such Lender will not make available to the Agent such Lender's ratable portion of such Revolving Credit Borrowing, the Agent may assume that such Lender has made such portion available to the Agent on the date of such Revolving Credit Borrowing in accordance with subsection (a) of this Section 2.02 and the Agent may, in reliance upon such assumption, make available to the Borrower proposing the Borrowing on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Agent, such Lender and such Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to such Borrower until the date such amount is repaid to the Agent, at (i) in the case of such Borrower, the higher of (A) the interest rate applicable at the time to Advances comprising such Revolving Credit Borrowing and (B) the

cost of funds incurred by the Agent in respect of such amount and (ii) in the case of such Lender, (A) the Federal Funds Rate in the case of Advances denominated in Dollars or (B) the cost of funds incurred by the Agent in respect of such amount in the case of Advances denominated in Committed Currencies. If such Lender shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Lender's Advance as part of such Revolving Credit Borrowing for purposes of this Agreement.

(e) The failure of any Lender to make the Advance to be made by it as part of any Revolving Credit Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Advance on the date of such Revolving Credit Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Advance to be made by such other Lender on the date of any Revolving Credit Borrowing.

SECTION 2.03. ISSUANCE OF AND DRAWINGS AND REIMBURSEMENT UNDER LETTERS OF CREDIT. (a) REQUEST FOR ISSUANCE. (i) Each Letter of Credit shall be issued upon notice, given not later than 11:00 A.M. (New York City time) on the fifth Business Day prior to the date of the proposed issuance of such Letter of Credit (or on such shorter notice as the applicable Issuing Bank may agree), by any Borrower to any Issuing Bank, and such Issuing Bank shall give the Agent, prompt notice thereof by facsimile. Each such notice of issuance of a Letter of Credit (a "NOTICE OF ISSUANCE") shall be by telephone, confirmed immediately in writing, or facsimile, specifying therein the requested (A) date of such issuance (which shall be a Business Day), (B) Available Amount of such Letter of Credit, (C) expiration date of such Letter of Credit (which shall not be later than one year after the date of issuance thereof; PROVIDED that any Letter of Credit (which provides for automatic one-year extension(s) of such expiration date shall be deemed to comply with the foregoing requirement if the Issuing Bank has the unconditional right to prevent any such automatic extension from taking place, and each Issuing Bank hereby agrees to exercise such right to prevent any such automatic extension for each Letter of Credit outstanding after the Termination Date), (D) name and address of the beneficiary of such Letter of Credit and (E) form of such Letter of Credit, and shall be accompanied by such customary application and agreement for letter of credit as such Issuing Bank may specify to the Borrower requesting such issuance for use in connection with such requested Letter of Credit (a "LETTER OF CREDIT Agreement"). If the requested form of such Letter of Credit is acceptable to such Issuing Bank in its sole discretion, such Issuing Bank will, upon fulfillment of the applicable conditions set forth in Article III, make such Letter of Credit available to the Borrower requesting such issuance at its office referred to in Section 9.02 or as otherwise agreed with such Borrower in connection with such issuance. In the event and to the extent that the provisions of any Letter of Credit Agreement shall conflict with this Agreement, the provisions of this Agreement shall govern.

(b) PARTICIPATIONS. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the applicable Issuing Bank or the Lenders,

such Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from such Issuing Bank, a participation in such Letter of Credit equal to such Lender's Ratable Share of the Available Amount of such Letter of Credit. Each Borrower hereby agrees to each such participation. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Agent, for the account of such Issuing Bank, such Lender's Ratable Share of each drawing made under a Letter of Credit funded by such Issuing Bank and not reimbursed by the applicable Borrower on the date made, or of any reimbursement payment required to be refunded to any Borrower for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Revolving Credit Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Lender further acknowledges and agrees that its participation in each Letter of Credit will be automatically adjusted to reflect such Lender's Ratable Share of the Available Amount of such Letter of Credit at each time such Lender's Revolving Credit Commitment is amended pursuant to the operation of Section 2.18, an assignment in accordance with Section 9.07 or otherwise pursuant to this Agreement.

(c) DRAWING AND REIMBURSEMENT. The payment by an Issuing Bank of a draft drawn under any Letter of Credit shall constitute for all purposes of this Agreement the making by any such Issuing Bank of an Advance, which, in the case of a Letter of Credit denominated in Dollars, shall be a Base Rate Advance, in the amount of such draft or, in the case of a Letter of Credit denominated in Sterling, shall be a Base Rate Advance in the Equivalent in Dollars on the date such draft is paid. Each Issuing Bank shall give prompt notice (and such

Issuing Bank will use its commercially reasonable efforts to deliver such notice within one Business Day) of each drawing under any Letter of Credit issued by it to the Company, the applicable Borrower (if not the Company) and the Agent. Upon written demand by such Issuing Bank, with a copy of such demand to the Agent and the Company, each Lender shall pay to the Agent such Lender's Ratable Share of such outstanding Advance, by making available for the account of its Applicable Lending Office to the Agent for the account of such Issuing Bank, by deposit to the Agent's Account, in same day funds, an amount equal to the portion of the outstanding principal amount of such Advance to be funded by such Lender. Each Lender acknowledges and agrees that its obligation to make Advances pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Revolving Credit Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Promptly after receipt thereof, the Agent shall transfer such funds to such Issuing Bank. Each Lender agrees to fund its Ratable Share of an outstanding Advance on (i) the Business Day on which demand therefor is made by such Issuing Bank, PROVIDED that notice of such demand is given not later than 11:00 A.M. (New York City time) on such Business Day, or (ii) the first Business Day next succeeding such demand if notice of such demand is given after such time. If and to the extent that any Lender shall not have so made the amount of such Advance available to the Agent, such Lender agrees to pay to the Agent forthwith on demand such amount together with interest thereon, for each day from the date of demand by any such Issuing Bank until the date such amount is paid to the Agent, at the Federal Funds Rate for its account or the account of such Issuing Bank, as applicable. If such Lender shall pay to the Agent such amount for the account of any such Issuing Bank on any Business Day, such amount so paid in respect of principal shall constitute an Advance made by such Lender on such Business Day for purposes of this Agreement, and the outstanding principal amount of the Advance made by such Issuing Bank shall be reduced by such amount on such Business Day.

(d) LETTER OF CREDIT REPORTS. Each Issuing Bank shall furnish (A) to the Agent on the first Business Day of each week a written report summarizing issuance and expiration dates of Letters of Credit issued during the previous week and drawings during such week under all Letters of Credit, (B) to each Lender on the first Business Day of each month a written report summarizing issuance and expiration dates of Letters of Credit during the preceding month and drawings during such month under all Letters of Credit and (C) to the Agent and each Lender (with a copy to the Company) on the first Business Day of each calendar quarter a written report setting forth the average daily aggregate Available Amount during the preceding calendar quarter of all Letters of Credit.

(e) FAILURE TO MAKE ADVANCES. The failure of any Lender to make the Advance to be made by it on the date specified in Section 2.03(c) shall not relieve any other Lender of its obligation hereunder to make its Advance on such date, but no Lender shall be responsible for the failure of any other Lender to make the Advance to be made by such other Lender on such date.

SECTION 2.04. FEES. (a) FACILITY FEE. The Company agrees to pay to the Agent for the account of each Lender a facility fee on the aggregate amount of such Lender's Revolving Credit Commitment from the Effective Date in the case of each Initial Lender and from the effective date specified in the

Assumption Agreement or in the Assignment and Acceptance pursuant to which it became a Lender in the case of each other Lender until the Termination Date at a rate per annum equal to the Applicable Percentage in effect from time to time, payable in arrears quarterly on the last day of each March, June, September and December, commencing June 30, 2003, and on the Termination Date.

(b) LETTER OF CREDIT FEES. (i) Each Borrower shall pay to the Agent for the account of each Lender a commission on such Lender's Ratable Share of the average daily aggregate Available Amount of all Letters of Credit issued at the request of such Borrower and outstanding from time to time at a rate per annum equal to the Applicable Margin for Eurocurrency Rate Advances in effect from time to time during such calendar quarter, payable in arrears quarterly on the third Business Day after the last day of each March, June, September and

December, commencing with the quarter ended June 30, 2003, and on and after the later to occur of (x) the Termination Date or (y) if the Term Loan Election Date occurs, the Maturity Date payable upon demand; PROVIDED that the Applicable Margin shall be 2% above the Applicable Margin in effect upon the occurrence and during the continuation of an Event of Default if the Borrowers are required to pay default interest pursuant to Section 2.07(b).

(ii) Each Borrower shall pay to each Issuing Bank for its own account a fee on the aggregate Available Amount of all Letters of Credit issued by such Issuing Bank at the request of such Borrower and outstanding from time to time during each calendar quarter at a rate per annum equal to 0.125% payable in arrears quarterly on the third Business Day after the last day of each March, June, September and December, commencing with the quarter ended June 30, 2003, and on and after the later to occur of (x) the Termination Date or (y) if the Term Loan Election Date occurs, the Maturity Date payable upon demand.

(c) AGENT'S FEES. The Company shall pay to the Agent for its own account such fees as may from time to time be agreed between the Company and the Agent.

SECTION 2.05. TERMINATION OR REDUCTION OF THE COMMITMENTS. (a) OPTIONAL. The Company shall have the right, upon at least three Business Days' notice to the Agent, to permanently terminate in whole or reduce ratably in part the unused portions of the respective Commitments of the Lenders, PROVIDED that each partial reduction shall be in the aggregate amount of $10,000,000 or an integral multiple of $1,000,000 in excess thereof.

(b) MANDATORY. On the Termination Date, if the Company has made the Term Loan Election in accordance with Section 2.06(a) prior to such date, and from time to time thereafter upon each prepayment of the Advances, the Revolving Credit Commitments of the Lenders shall be automatically and permanently reduced on a pro rata basis by an amount equal to the amount by which (i) the aggregate Revolving Credit Commitments immediately prior to such reduction EXCEEDS (ii) the aggregate unpaid principal amount of all Advances outstanding at such time.

SECTION 2.06. REPAYMENT OF ADVANCES. (a) ADVANCES. Each Borrower shall, subject to the next succeeding sentence, repay to the Agent for the ratable account of the Lenders on the Termination Date the aggregate principal amount of the Advances then outstanding. The Company may, upon not less than 15 days' notice to the Agent, elect (the "TERM LOAN ELECTION") to convert all of the Advances outstanding on the Termination Date in effect at such time into a term loan which the Borrowers shall repay in full ratably to the Lenders on the Maturity Date; PROVIDED that the Term Loan Election (x) may not be made if (A) the applicable conditions set forth in Section 3.03 are not met on the date of notice of the Term Loan Election or (B) Consolidated EBITDA for the Company and its Consolidated Subsidiaries for the period of four fiscal quarters most recently ended is less than $831,000,000 and (y) may not be consummated on the Term Loan Conversion Date if (A) the applicable conditions set forth in Section 3.03 are not met on the Term Loan Conversion Date or (B) Consolidated EBITDA for the Company and its Consolidated Subsidiaries for the period of four fiscal quarters most recently ended is less than $831,000,000 (PROVIDED that, for purposes of determining Consolidated EBITDA pursuant to this Section 2.06(a), up to $125,000,000 of the $200,000,000 non-recurring restructuring charges referenced in clause (f) of the definition of EBITDA may be cash charges). All Advances converted into a term loan pursuant to this Section 2.06(a) shall continue to constitute Advances except that the Borrowers may not reborrow pursuant to Section 2.01(a) after all or any portion of such Advances have been prepaid pursuant to Section 2.10.

(b) LETTER OF CREDIT REIMBURSEMENTS. The obligation of any Borrower under this Agreement, any Letter of Credit Agreement and any other agreement or instrument, in each case, to repay any Advance that results from payment of a drawing under a Letter of Credit shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement, such Letter of Credit Agreement and such other agreement or instrument under all circumstances, including, without limitation, the following circumstances (it being understood that any such payment by a Borrower is without prejudice to, and does not constitute a waiver of, any

rights such Borrower might have or might acquire as a result of the payment by any Lender of any draft or the reimbursement by the Borrower thereof):

(i) any lack of validity or enforceability of this Agreement, any Note, any Letter of Credit Agreement, any Letter of Credit or any other agreement or instrument relating thereto (all of the foregoing being, collectively, the "L/C RELATED DOCUMENTS");

(ii) any change in the time, manner or place of payment of any Letter of Credit;

(iii) the existence of any claim, set-off, defense or other right that any Borrower may have at any time against any beneficiary or any transferee of a Letter of Credit (or any Persons for which any such beneficiary or any such transferee may be acting), any Issuing Bank, the Agent, any Lender or any other Person, whether in connection with the transactions contemplated by the L/C Related Documents or any unrelated transaction;

(iv) any statement or any other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect;

(v) payment by any Issuing Bank under a Letter of Credit against presentation of a draft or certificate that does not substantially comply with the terms of such Letter of Credit;

(vi) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any guarantee, for all or any of the obligations of any Borrower in respect of the L/C Related Documents; or

(vii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing that might, but for the provisions of this Section, constitute a legal or equitable discharge of the Borrower's obligations hereunder.

SECTION 2.07. INTEREST ON ADVANCES. (a) SCHEDULED INTEREST. Each Borrower shall pay interest on the unpaid principal amount of each Advance made to it and owing to each Lender from the date of such Advance until such principal amount shall be paid in full, at the following rates per annum:

(i) BASE RATE ADVANCES. During such periods as such Advance is a Base Rate Advance, a rate per annum equal at all times to the sum of (x) the Base Rate in effect from time to time PLUS (y) the Applicable Margin in effect from time to time PLUS (z) the Applicable Utilization Fee, if any, in effect from time to time, payable in arrears quarterly on the last day of each March, June, September and December during such periods and on the date such Base Rate Advance shall be Converted or paid in full.

(ii) EUROCURRENCY RATE ADVANCES. During such periods as such Advance is a Eurocurrency Rate Advance, a rate per annum equal at all times during each Interest Period for such Advance to the sum of (x) the Eurocurrency Rate for such Interest Period for such Advance PLUS (y) the Applicable Margin in effect from time to time PLUS (z) the Applicable Utilization Fee, if any, in effect from time to time, payable in arrears on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on each day that occurs during such Interest Period every three months from the first day of such Interest Period and on the date such Eurocurrency Rate Advance shall be Converted or paid in full.

(b) DEFAULT INTEREST. Upon the occurrence and during the continuance of an Event of Default under Section 6.01(a), the Borrowers shall pay interest on (i) the unpaid principal amount of each Advance owing to each Lender, payable in arrears on the dates referred to in clause (a)(i) or (a)(ii) above, at a rate per annum equal at all times to 2% per annum above the rate per annum required to be paid on such Advance pursuant to clause (a)(i) or (a)(ii) above and (ii) to the fullest extent permitted by law, the amount of any interest, fee or other amount payable hereunder that is not paid when due, from the date such amount shall be due until such amount shall be paid in full, payable in arrears on the date such amount shall be paid in full and on demand, at a rate per annum equal at all times to 2% per annum above the rate per annum required to be paid on Base Rate Advances pursuant to clause (a)(i) above.

SECTION 2.08. INTEREST RATE DETERMINATION. (a) Each Reference Bank agrees to furnish to the Agent timely information for the purpose of determining each Eurocurrency Rate. If any one or more of the Reference Banks shall not furnish such timely information to the Agent for the purpose of determining any such interest rate, the Agent shall determine such interest rate

on the basis of timely information furnished by the remaining Reference Banks. The Agent shall give prompt notice to the Company and the Lenders of the applicable interest rate determined by the Agent for purposes of Section 2.07(a)(i) or (ii), and the rate, if any, furnished by each Reference Bank for the purpose of determining the interest rate under Section 2.07(a)(ii).

(b) If, with respect to any Eurocurrency Rate Advances, the Required Lenders notify the Agent that (i) they are unable to obtain matching deposits in the London inter-bank market at or about 11:00 A.M. (London time) on the second Business Day before the making of a Borrowing in sufficient amounts to fund their respective Advances as a part of such Borrowing during its Interest Period or (ii) the Eurocurrency Rate for any Interest Period for such Advances will not adequately reflect the cost to such Required Lenders of making, funding or maintaining their respective Eurocurrency Rate Advances for such Interest Period, the Agent shall forthwith so notify the Company and the Lenders, whereupon (A) the Borrower of such Eurocurrency Advances will, on the last day of the then existing Interest Period therefor, (1) if such Eurocurrency Rate Advances are denominated in Dollars, either (x) prepay such Advances or (y) Convert such Advances into Base Rate Advances and (2) if such Eurocurrency Rate Advances are denominated in any Committed Currency, either (x) prepay such Advances or (y) redenominate such Advances into an Equivalent amount of Dollars and Convert such Advances into Base Rate Advances and (B) the obligation of the Lenders to make, or to Convert Advances into, Eurocurrency Rate Advances shall be suspended until the Agent shall notify the Company and the Lenders that the circumstances causing such suspension no longer exist.

(c) If any Borrower shall fail to select the duration of any Interest Period for any Eurocurrency Rate Advances in accordance with the provisions contained in the definition of "Interest Period" in Section 1.01, the Agent will forthwith so notify such Borrower and the Lenders and such Advances will automatically, on the last day of the then existing Interest Period therefor, (i) if such Eurocurrency Rate Advances are denominated in Dollars, Convert into Base Rate Advances and (ii) if such Eurocurrency Rate Advances are denominated in a Committed Currency, be redenominated into an Equivalent amount of Dollars and be Converted into Base Rate Advances.

(d) On the date on which the aggregate unpaid principal amount of Eurocurrency Rate Advances comprising any Borrowing shall be reduced, by payment or prepayment or otherwise, to less than $5,000,000 (or the Equivalent thereof in any Committed Currency), such Advances shall automatically Convert into Base Rate Advances.

(e) Upon the occurrence and during the continuance of any Event of Default under Section 6.01(a), (i) each Eurocurrency Rate Advance will automatically, on the last day of the then existing Interest Period therefor, (A) if such Eurocurrency Rate Advance is denominated in Dollars, be Converted into a Base Rate Advance and (B) if such Eurocurrency Rate Advance is denominated in any Committed Currency, be redenominated

into an Equivalent amount of Dollars and be Converted into a Base Rate Advance and (ii) the obligation of the Lenders to make, or to Convert Advances into, Eurocurrency Rate Advances shall be suspended.

(f) If Moneyline Telerate Markets Page 3750 is unavailable and fewer than two Reference Banks furnish timely information to the Agent for determining the Eurocurrency Rate for any Eurocurrency Rate Advances,

(i) the Agent shall forthwith notify the Company and the Lenders that the interest rate cannot be determined for such Eurocurrency Rate Advances,

(ii) with respect to Eurocurrency Rate Advances, each such Advance will automatically, on the last day of the then existing Interest Period therefor, (A) if such Eurocurrency Rate Advance is denominated in Dollars, be prepaid by the applicable Borrower or be automatically Converted into a Base Rate Advance and (B) if such Eurocurrency Rate Advance is denominated in any Committed Currency, be prepaid by the applicable Borrower or be automatically redenominated into an Equivalent amount of Dollars and be Converted into a Base Rate Advance, and

(iii) the obligation of the Lenders to make Eurocurrency Rate Advances or to Convert Base Rate Advances into Eurocurrency Rate Advances shall be suspended until the Agent shall notify the Company and the Lenders that the circumstances causing such suspension no longer exist.

SECTION 2.09. OPTIONAL CONVERSION OF ADVANCES. The Borrower of any Advance may on any Business Day, upon notice given to the Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Conversion and subject to the provisions of Sections 2.08 and 2.12, Convert all Advances denominated in Dollars of one Type comprising the same Borrowing into Advances denominated in Dollars of the other Type; PROVIDED, HOWEVER, that any Conversion of Eurocurrency Rate Advances into Base Rate Advances shall be made only on the last day of an Interest Period for such

Eurocurrency Rate Advances, any Conversion of Base Rate Advances into Eurocurrency Rate Advances shall be in an amount not less than the minimum amount specified in Section 2.02(b) and no Conversion of any Advances shall result in more separate Borrowings than permitted under Section 2.02(b). Each such notice of a Conversion shall, within the restrictions specified above, specify (i) the date of such Conversion, (ii) the Dollar denominated Advances to be Converted, and (iii) if such Conversion is into Eurocurrency Rate Advances, the duration of the initial Interest Period for each such Advance. Each notice of Conversion shall be irrevocable and binding on the Borrower giving such notice.

SECTION 2.10. PREPAYMENTS OF ADVANCES. (a) OPTIONAL. Each Borrower may, upon notice at least one Business Day prior to the date of such prepayment, in the case of Eurocurrency Rate Advances, and not later than 11:00 A.M. (New York City time) on the date of such prepayment, in the case of Base Rate Advances, to the Agent stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given such Borrower shall, prepay the outstanding principal amount of the Advances comprising part of the same Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; PROVIDED, HOWEVER, that (x) each partial prepayment shall be in an aggregate principal amount of $10,000,000 or an integral multiple of $1,000,000 in excess thereof in the case of Advances denominated in Dollars and the Equivalent of $5,000,000 or an integral multiple of $1,000,000 in excess thereof in the case of Advances denominated in any Committed Currencies (determined on the date notice of prepayment is given) and (y) in the event of any such prepayment of a Eurocurrency Rate Advance, such Borrower shall be obligated to reimburse the Lenders in respect thereof pursuant to Section 9.04(c).

(b) MANDATORY PREPAYMENTS. (i) If the Agent notifies the Company on the second Business Day prior to any interest payment date that the sum of (A) the aggregate principal amount of all Advances denominated in Dollars then outstanding plus (B) the Equivalent in Dollars (both (A) and (B) determined on the third Business Day prior to such interest payment date) of the aggregate principal amount of all Advances denominated in Committed Currencies then outstanding exceeds 103% of the aggregate Revolving Credit Commitments of the Lenders on such date, the Borrowers shall, within two Business Days after receipt of such notice, prepay the outstanding principal amount of any Advances owing by the Borrowers in an aggregate amount sufficient to reduce such sum after such payment to an amount not to exceed 100% of the aggregate Revolving Credit Commitments of the Lenders. The Agent shall provide such notice to the Company at the request of any Lender.

(ii) Each prepayment made pursuant to this Section 2.10(b) shall be made together with any interest accrued to the date of such prepayment on the principal amounts prepaid and, in the case of any prepayment of a Eurocurrency Rate Advance on a date other than the last day of an Interest Period or at its maturity, any additional amounts which the Borrowers shall be obligated to reimburse to the Lenders in respect thereof pursuant to Section 9.04(c). The Agent shall give prompt notice of any prepayment required under this Section 2.10(b) to the Company and the Lenders.

(c) LETTERS OF CREDIT. Unless the Termination Date has been extended in accordance with Section 2.18, the Company shall, on the day that is 15 days prior to the Termination Date, pay to the Agent for deposit in the L/C Cash Deposit Account an amount sufficient to cause the aggregate amount on deposit in the L/C Cash Deposit Account to equal the sum of (a) 103% of the Dollar Equivalent of the aggregate Available Amount of all Letters of Credit then outstanding denominated in Sterling or Euros and (b) 100% of the aggregate Available Amount of all Letters of Credit then outstanding denominated in Dollars. Upon the drawing of any such Letter of Credit, to the extent funds are on deposit in the L/C Cash Deposit Account, such funds shall be applied to reimburse the Issuing Banks to the extent permitted by applicable law, and if so applied, then such reimbursement shall be deemed a repayment of the corresponding Advance in respect of such Letter of Credit. After all such Letters of Credit shall have expired or been fully drawn upon and all other obligations of the Borrowers thereunder shall have been paid in full, the balance, if any, in such L/C Cash Deposit Account shall be promptly returned to the Company.

SECTION 2.11. INCREASED COSTS. (a) If, due to either (i) the introduction of or any change in or in the interpretation of any law or regulation after the date hereof or (ii) the compliance with any guideline or request issued after the date hereof by any central bank or other governmental authority including, without limitation, any agency of the European Union or similar monetary or multinational authority (whether or not having the force of law), there shall be any increase in the cost to any Lender of agreeing to make or making, funding or maintaining Eurocurrency Rate Advances or agreeing to issue or of issuing or maintaining or participating in Letters of Credit (excluding for purposes of this Section 2.11 any such increased costs resulting from (i) Taxes or Other Taxes (as to which Section 2.14 shall govern) and (ii) changes in the basis of taxation of overall net income or overall gross income by the United States or by the foreign jurisdiction or state under the laws of which such Lender is organized or has its Applicable Lending Office or any political subdivision thereof), then the Company shall from time to time, upon

demand by such Lender (with a copy of such demand to the Agent), pay to the Agent for the account of such Lender additional amounts sufficient to compensate such Lender for such increased cost. A certificate as to the amount of such increased cost, submitted to the Company and the Agent by such Lender, shall constitute prima facie evidence of such amounts.

(b) If any Lender determines that due to the introduction of or any change in or in the interpretation of any law or regulation or any guideline or request from any central bank or other governmental authority (whether or not having the force of law) after the date hereof, taking into consideration the policies of such Lender and any corporation controlling such Lender with respect to capital adequacy, increases or would increase the amount of capital required or expected to be maintained by such Lender or any corporation controlling such

Lender and that the amount of such increase is based upon the existence of such Lender's commitment to lend hereunder and other commitments of this type and the effect of such increase is to reduce the rate of return on such Lender's capital or on the capital of the corporation controlling such Lender, then, upon demand by such Lender (with a copy of such demand to the Agent), the Company shall pay to the Agent for the account of such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender or such corporation in the light of such circumstances, to the extent that such Lender reasonably determines such increase in capital to be allocable to the existence of such Lender's commitment to lend hereunder. A certificate as to such amounts submitted to the Company and the Agent by such Lender shall constitute prima facie evidence of such amounts.

(c) If any governmental authority of the jurisdiction of any Committed Currency (or any other jurisdiction in which the funding operations of any Lender shall be conducted with respect to such Committed Currency) shall introduce or increase any reserve, liquid asset or similar requirement after the date hereof with respect to any category of deposits or liabilities customarily used to fund loans in such Committed Currency, or by reference to which interest rates applicable to loans in such Committed Currency are determined, and the result of such requirement shall be to increase the cost to such Lender of making or maintaining any Advance denominated in a Committed Currency, and such Lender shall deliver to the relevant Borrowers a notice requesting compensation under this paragraph, then the relevant Borrowers will pay to such Lender on each date on which interest is paid pursuant to Section 2.07 with respect to each affected Advance denominated in a Committed Currency, an amount that will compensate such Lender for such additional cost. A certificate in reasonable detail as to the amount of such increased cost, submitted to the Company and the Agent by such Lender shall constitute prima facie evidence of such amounts.

SECTION 2.12. ILLEGALITY. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Agent that the introduction of or any change in or in the interpretation of any law or regulation after the date hereof makes it unlawful, or any central bank or other governmental authority asserts after the date hereof that it is unlawful, for any Lender or its Eurocurrency Lending Office to perform its obligations hereunder to make Eurocurrency Rate Advances in Dollars or any Committed Currency or to fund or maintain Eurocurrency Rate Advances in Dollars or any Committed Currency hereunder, (a) each Eurocurrency Rate Advance will automatically, upon such demand, (i) if such Eurocurrency Rate Advance is denominated in Dollars, be Converted into a Base Rate Advance and (ii) if such Eurocurrency Rate Advance is denominated in any Committed Currency, be redenominated into an Equivalent amount of Dollars and be Converted into a Base Rate Advance and (b) the obligation of the Lenders to make Eurocurrency Rate Advances or to Convert Advances into Eurocurrency Rate Advances shall be suspended until the Agent shall notify the Company and the Lenders that the circumstances causing such suspension no longer exist.

SECTION 2.13. PAYMENTS AND COMPUTATIONS. (a) Each Borrower shall make each payment hereunder, except with respect to principal of, interest on, and other amounts relating to, Advances denominated in a Committed Currency, not later than 11:00 A.M. (New York City time) on the day when due in Dollars to the Agent at the applicable Agent's Account in same day funds and without deduction, set off or counterclaim. Each Borrower shall make each payment hereunder with respect to principal of, interest on, and other amounts relating to, Advances denominated in a Committed Currency, not later than 11:00 A.M. (at the Payment Office for such Committed Currency) on the day when due in such Committed Currency to the Agent, by deposit of such funds to the applicable Agent's Account in same day funds. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest, fees or commissions ratably (other than amounts payable pursuant to Section 2.04(b)(ii), 2.11, 2.14 or 9.04(c)) to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon any Assuming Lender becoming a Lender hereunder as a result of an extension of the Termination Date pursuant to Section 2.18, and upon the Agent's receipt of such Lender's Assumption Agreement and recording of the

information contained therein in the Register, from and after the applicable Extension Date the Agent shall make all payments hereunder and under any Notes issued in connection therewith in respect of the interest assumed thereby to the Assuming Lender. Upon its acceptance of an Assignment and Acceptance and recording of the information contained therein in the Register pursuant to Section 9.07(c), from and after the effective date specified in such Assignment and Acceptance, the Agent shall make all payments hereunder and under the Notes in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Acceptance shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves.

(b) All computations of interest based on the Base Rate shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be, all computations of interest based on the Eurocurrency Rate or the Federal Funds Rate and of fees and Letter of Credit commissions shall be made by the Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest, fees or commissions are payable. Each determination by the Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(c) Whenever any payment hereunder or under the Notes shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest, fee or commission, as the case may be; PROVIDED, HOWEVER, that, if such extension would cause payment of interest on or principal of Eurocurrency Rate Advances to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(d) Unless the Agent shall have received notice from any Borrower prior to the date on which any payment is due to the Lenders hereunder that such Borrower will not make such payment in full, the Agent may assume that such Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent such Borrower shall not have so made such payment in full to the Agent, each Lender shall repay to the Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Agent, at (i) the Federal Funds Rate in the case of Advances denominated in Dollars or (ii) the cost of funds incurred by the Agent in respect of such amount in the case of Advances denominated in Committed Currencies.

SECTION 2.14. TAXES. (a) Any and all payments by each Borrower hereunder or under the Notes shall be made, in accordance with Section 2.13, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, EXCLUDING, in the case of each Lender and the Agent, taxes imposed on its overall net income, and franchise taxes imposed on it in lieu of net income taxes, by the jurisdiction under the laws of which such Lender or the Agent (as the case may be) is organized or any political subdivision thereof and, in the case of each Lender, taxes imposed on its overall net income, and franchise taxes imposed on it in lieu of net income taxes, by the jurisdiction of such Lender's Applicable Lending Office or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities in respect of payments hereunder or under the Notes being hereinafter referred to as "TAXES"). If any Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder or under any Note to any Lender or the Agent, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.14) such Lender or the Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) such Borrower shall make such deductions and (iii) such Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, the Company shall pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies that arise from any payment made hereunder or under the Notes or from the execution, delivery or registration of, performing under, or otherwise with respect to, this Agreement or the Notes (hereinafter referred to as "OTHER TAXES").

(c) Each Borrower shall indemnify each Lender and the Agent for and hold it harmless against the full amount of Taxes or Other Taxes (including, without limitation, taxes of any kind imposed by any jurisdiction on amounts payable under this Section 2.14) imposed on or paid by such Lender or

the Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto. This indemnification shall be made within 30 days from the date such Lender or the Agent (as the case may be) makes written demand therefor.

(d) Within 30 days after the date of any payment of Taxes, each Borrower shall furnish to the Agent, at its address referred to in Section 9.02, the original or a certified copy of a receipt evidencing such payment. In the case of any payment hereunder or under the Notes by or on behalf of such Borrower through an account or branch outside the United States or by or on behalf of such Borrower by a payor that is not a United States person, if such Borrower determines that no Taxes are payable in respect thereof, such Borrower shall furnish, or shall cause such payor to furnish, to the Agent, at such address, an opinion of counsel acceptable to the Agent stating that such payment is exempt from Taxes. For purposes of this subsection (d) and subsection (e), the terms "UNITED STATES" and "UNITED STATES PERSON" shall have the meanings specified in Section 7701 of the Internal Revenue Code.

(e) Each Lender organized under the laws of a jurisdiction outside the United States, on or prior to the date of its execution and delivery of this Agreement in the case of each Initial Lender and on the date of the Assumption Agreement or the Assignment and Acceptance pursuant to which it becomes a Lender in the case of each other Lender, and from time to time thereafter as requested in writing by the Company (but only so long as such Lender remains lawfully able to do so), shall provide each of the Agent and the Company with two original Internal Revenue Service forms W-8BEN or W-8ECI, as appropriate, or any successor or other form prescribed by the Internal Revenue Service, certifying that such Lender is exempt from or entitled to a reduced rate of United States withholding tax on payments pursuant to this Agreement or the Notes. If the form provided by a Lender at the time such Lender first becomes a party to this Agreement indicates a United States interest withholding tax rate in excess of zero, withholding tax at such rate shall be considered excluded from Taxes unless and until such Lender provides the appropriate forms certifying that a lesser rate applies, whereupon withholding tax at such lesser rate only shall be considered excluded from Taxes for periods governed by such form; PROVIDED, HOWEVER, that, if at the date of the Assignment and Acceptance pursuant to which a Lender assignee becomes a party to this Agreement, the Lender assignor was entitled to payments under subsection (a) in respect of United States withholding tax with respect to interest paid at such date, then, to such extent, the term Taxes shall include (in addition to withholding taxes that may be imposed in the future or other amounts otherwise includable in Taxes) United States withholding tax, if any, applicable with respect to the Lender assignee on such date. If any form or document referred to in this subsection (e) requires the disclosure of information, other than information necessary to compute the tax payable and information required on the date hereof by Internal Revenue Service form W-8BEN or W-8ECI, that the Lender reasonably considers to be confidential, the Lender shall give notice thereof to the Borrowers and shall not be obligated to include in such form or document such confidential information.

(f) For any period with respect to which a Lender has failed to provide the Company with the appropriate form described in Section 2.14(e) (OTHER THAN if such failure is due to a change in law occurring subsequent to the date on which a form originally was required to be provided, or if such form otherwise is not required under subsection (e) above), such Lender shall not be entitled to indemnification under Section 2.14(a) or (c) with respect to Taxes imposed by the United States by reason of such failure; PROVIDED, HOWEVER, that should a Lender become subject to Taxes because of its failure to deliver a form required hereunder, the Company shall take

such steps at such Lender's expense as the Lender shall reasonably request to assist the Lender to recover such Taxes.

(g) Any Lender claiming any additional amounts payable pursuant to this Section 2.14 agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to change the jurisdiction of its Eurocurrency Lending Office if the making of such a change would avoid the need for, or reduce the amount of, any such additional amounts that may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

SECTION 2.15. SHARING OF PAYMENTS, ETC. If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the Advances owing to it (other than pursuant to Section 2.11, 2.14 or 9.04(c)) in excess of its Ratable Share of payments on account of the Advances obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the Advances owing to them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; PROVIDED, HOWEVER, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of

any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. Each Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 2.15 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of such Borrower in the amount of such participation.

SECTION 2.16. EVIDENCE OF DEBT. (a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of each Borrower to such Lender resulting from each Advance owing to such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder in respect of Advances. Each Borrower agrees that upon notice by any Lender to such Borrower (with a copy of such notice to the Agent) to the effect that a Note is required or appropriate in order for such Lender to evidence (whether for purposes of pledge, enforcement or otherwise) the Advances owing to, or to be made by, such Lender, such Borrower shall promptly execute and deliver to such Lender a Note payable to the order of such Lender in a principal amount up to the Revolving Credit Commitment of such Lender.

(b) The Register maintained by the Agent pursuant to Section 9.07(d) shall include a control account, and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded (i) the date and amount of each Borrowing made hereunder, the Type of Advances comprising such Borrowing and, if appropriate, the Interest Period applicable thereto, (ii) the terms of each Assumption Agreement and each Assignment and Acceptance delivered to and accepted by it, (iii) the amount of any principal or interest due and payable or to become due and payable from each Borrower to each Lender hereunder and (iv) the amount of any sum received by the Agent from such Borrower hereunder and each Lender's share thereof.

(c) Entries made in good faith by the Agent in the Register pursuant to subsection (b) above, and by each Lender in its account or accounts pursuant to subsection (a) above, shall be PRIMA FACIE evidence of the amount of principal and interest due and payable or to become due and payable from each Borrower to, in the case of the Register, each Lender and, in the case of such account or accounts, such Lender, under this Agreement, absent manifest error; PROVIDED, HOWEVER, that the failure of the Agent or such Lender to make an entry, or any finding that an entry is incorrect, in the Register or such account or accounts shall not limit or otherwise affect the obligations of any Borrower under this Agreement.

SECTION 2.17. USE OF PROCEEDS. The proceeds of the Advances shall be available (and each Borrower agrees that it shall use such proceeds) solely for general corporate purposes of the Company and its Consolidated Subsidiaries, including commercial paper backstop and acquisition financing; PROVIDED, however, that the proceeds of the Advances shall not be used to prepay any amounts outstanding under the Company's five Note Purchase Agreements with The Prudential Insurance Company of America outstanding on the date hereof or any other long-term Debt of the Company.

SECTION 2.18. EXTENSION OF TERMINATION DATE. (a) Provided that the Company has not previously made a Term Loan Election pursuant to Section 2.06(a), at least 35 days but not more than 45 days prior to the Termination Date, the Company, by written notice to the Agent, may request an extension of the Termination Date in effect at such time by 364 days from its then scheduled expiration. The Agent shall promptly notify each Lender of such request, and each Lender shall in turn, in its sole discretion, not later than 25 days prior to the Termination Date, notify the Company and the Agent in writing as to whether such Lender will consent to such extension. If any Lender shall fail to notify the Agent and the Company in writing of its consent to any such request for extension of the Termination Date at least 24 days prior to the Termination Date, such Lender shall be deemed to be a Non-Consenting Lender with respect to such request. The Agent shall notify the Company on the next succeeding Business Day of the decision of the Lenders regarding the Company's request for an extension of the Termination Date.

(b) If all the Lenders consent in writing to any such request in accordance with subsection (a) of this Section 2.18, the Termination Date in effect at such time shall, effective as at the Termination Date (the "EXTENSION DATE"), be extended for 364 days; PROVIDED that on each Extension Date the applicable conditions set forth in Article III shall be satisfied. If less than all of the Lenders consent in writing to any such request in accordance with subsection (a) of this Section 2.18, the Termination Date in effect at such time shall, effective as at the applicable Extension Date and subject to subsection (d) of this Section 2.18, be extended as to those Lenders that so consented (each a "CONSENTING LENDER") but shall not be extended as to any other Lender (each a "NON-CONSENTING LENDER"). To the extent that the Termination Date is not extended as to any Lender pursuant to this Section 2.18 and the Revolving Credit Commitment or Unissued Letter of Credit Commitment of such Lender is not assumed in accordance with subsection (c) of this Section 2.18 on or prior to the applicable Extension Date, the Revolving Credit Commitment and Unissued Letter of Credit Commitment of such Non-Consenting Lender shall automatically terminate in whole on such unextended Termination Date without any further notice or other

action by the Company, such Lender or any other Person; PROVIDED that such Non-Consenting Lender's rights under Sections 2.11, 2.14 and 9.04, and its obligations under Section 8.05, shall survive the Termination Date for such Lender as to matters occurring prior to such date. It is understood and agreed that no Lender shall have any obligation whatsoever to agree to any request made by the Company for any requested extension of the Termination Date.

(c) If less than all of the Lenders consent to any such request pursuant to subsection (a) of this Section 2.18, the Agent shall promptly so notify the Consenting Lenders, and each Consenting Lender may, in its sole discretion, give written notice to the Agent not later than 10 days prior to the Termination Date of the amount of the Non-Consenting Lenders' Revolving Credit Commitments or Unissued Letter of Credit Commitments for which it is willing to accept an assignment. If the Consenting Lenders notify the Agent that they are willing to accept assignments of Revolving Credit Commitments in an aggregate amount that exceeds the amount of the Revolving Credit Commitments of the Non-Consenting Lenders, such Revolving Credit Commitments shall be allocated among the Consenting Lenders willing to accept such assignments in such amounts as are agreed between the Company and the Agent. If the Consenting Lenders notify the Agent that they are willing to accept assignments of Unissued Letter of Credit Commitments in an aggregate amount that exceeds the amount of the Unissued Letter of Credit Commitments of the Non-Consenting Lenders, such Unissued Letter of Credit Commitments shall be allocated among the Consenting Lenders willing to accept such assignments in such amounts as are agreed between the Company and the Agent. If after giving effect to the assignments of Commitments described above there remain any Revolving Credit Commitments or Unissued Letter of Credit Commitments of Non-Consenting Lenders, the

Company may arrange for one or more Consenting Lenders or other Eligible Assignees (each, an "ASSUMING Lender") to assume, effective as of the Extension Date, any Non-Consenting Lender's Revolving Credit Commitment or Unissued Letter of Credit Commitment and all of the obligations of such Non-Consenting Lender under this Agreement thereafter arising, without recourse to or warranty by, or expense to, such Non-Consenting Lender; PROVIDED, HOWEVER, that the amount of (x) the Revolving Credit Commitment of any such Assuming Lender as a result of such substitution shall in no event be less than $10,000,000 unless the amount of such Commitment of such Non-Consenting Lender is less than $10,000,000, in which case such Assuming Lender shall assume all of such lesser amount and (y) the Unissued Letter of Credit Commitment of any such Assuming Lender as a result of such substitution shall in no event be less than $1,000,000; and PROVIDED FURTHER that:

(i) any such Consenting Lender or Assuming Lender shall have paid to such Non-Consenting Lender (A) the aggregate principal amount of, and any interest accrued and unpaid to the effective date of the assignment on, the outstanding Advances, if any, of such Non-Consenting Lender PLUS (B) any accrued but unpaid facility fees and commissions owing to such Non-Consenting Lender as of the effective date of such assignment;

(ii) all additional costs reimbursements, expense reimbursements and indemnities payable to such Non-Consenting Lender, and all other accrued and unpaid amounts owing to such Non-Consenting Lender hereunder, as of the effective date of such assignment shall have been paid to such Non-Consenting Lender; and

(iii) with respect to any such Assuming Lender, the applicable processing and recordation fee required under Section 9.07(a) for such assignment shall have been paid.

At least three Business Days prior to any Extension Date, (A) each such Assuming Lender, if any, shall have delivered to the Company and the Agent an agreement in form and substance reasonably satisfactory to the Agent and the Company (each, an "ASSUMPTION AGREEMENT"), duly executed by such Assuming Lender, such Non-Consenting Lender, the Company and the Agent, (B) any such Consenting Lender shall have delivered confirmation in writing satisfactory to the Company and the Agent as to the increase in the amount of its Revolving Credit Commitment or Unissued Letter of Credit Commitment and (C) each Non-Consenting Lender being replaced pursuant to this Section 2.18 shall have delivered to the Agent any Note or Notes held by such Non-Consenting Lender. Upon the payment or prepayment of all amounts referred to in clauses (i), (ii) and (iii) above, each such Consenting Lender or Assuming Lender, as of the Extension Date, will be substituted for such Non-Consenting Lender under this Agreement and shall be a Lender for all purposes of this Agreement, without any further acknowledgment by or the consent of the other Lenders, and the obligations of each such Non-Consenting Lender hereunder shall, by the provisions hereof, be released and discharged, PROVIDED that, with respect to each Letter of Credit issued by any such Non-Consenting Lender outstanding on such Extension Date, (x) the participations of the Lenders in such Letters of Credit shall automatically terminate on the Termination Date applicable to such Non-Consenting Lender (and such Non-Consenting Lender shall execute and deliver to each Lender (at such Lender's expense) any documents reasonably requested by such Lender to evidence such termination) and (y) the provisions of Section 2.10(c) shall

apply MUTATIS MUTANDIS with respect to each Letter of Credit issued by such Non-Consenting Lender and such Lender shall be entitled to direct the Agent to pay amounts out of the L/C Cash Deposit Account upon any drawing under such Letter of Credit.

(d) If (after giving effect to any assignments or assumptions pursuant to subsection (c) of this Section 2.18) Lenders having Revolving Credit Commitments in an amount equal to the greater of (x) 50% of the Revolving Credit Commitments in effect immediately prior to the Extension Date and (y) the sum of the aggregate principal amount of the Advances made or assumed by the Consenting Lenders and the Assuming Lenders plus the aggregate Available Amount of all outstanding Letters of Credit issued by Consenting Lenders consent in writing to a requested extension (whether by execution or delivery of an Assumption Agreement or otherwise) not later than one Business Day prior to such Extension Date , the Agent shall so notify the Company, and, subject to the satisfaction of the applicable conditions in Article III, the Termination Date then in effect shall be extended for the additional 364-day period as described in subsection (a) of this Section 2.18, and all references in this Agreement, and in the Notes, if any, to the "TERMINATION DATE" shall, with respect to each Consenting Lender and each Assuming Lender for such Extension Date, refer to the Termination Date as so extended. Promptly following each Extension Date, the Agent shall notify the Lenders (including, without limitation, each Assuming Lender) of the extension of the scheduled Termination Date in effect immediately prior thereto and shall thereupon record in the Register the relevant information with respect to each such Consenting Lender and each such Assuming Lender. Each Non-Consenting Lender's rights under Sections 2.11, 2.14 and 9.04, and its obligatons under Section 8.05, shall survive such substitution as to matters occurring prior to the date of substitution and each Non-Consenting Lender's participation in outstanding Letters of Credit that have not been drawn on or prior to the Termination Date applicable to such Non-Consenting Lender shall terminate as of such date and each Issuing Bank hereby agrees to the termination of such participation.

ARTICLE III

CONDITIONS TO EFFECTIVENESS AND LENDING

SECTION 3.01. CONDITIONS PRECEDENT TO EFFECTIVENESS OF SECTIONS 2.01 AND 2.03. Sections 2.01 and 2.03 of this Agreement shall become effective as of the first date (the "EFFECTIVE DATE") on which the following conditions have been satisfied:

(a) The Agent shall have received counterparts of this Agreement executed by the Company and the Lenders or, as to any of the Lenders, advice satisfactory to the Agent that such Lender has executed this Agreement.

(b) The Company shall have paid all accrued fees and expenses of the Agent and the Lenders (including the invoiced accrued fees and expenses of counsel to the Agent).

(c) On the Effective Date, the following statements shall be true and the Agent shall have received for the account of each Lender a certificate signed by a duly authorized officer of the Company, dated the Effective Date, stating that:

(i) The representations and warranties contained in Section 4.01 are correct on and as of the Effective Date, and

(ii) No event has occurred and is continuing that constitutes a Default.

(d) The Agent shall have received on or before the Effective Date the following, each dated the Effective Date, in form and substance satisfactory to the Agent and in sufficient copies for each Lender:

(i) Certified copies of the resolutions of the Board of Directors or the Finance Committee of the Board of Directors of the Company approving this Agreement, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement.

(iii) A certificate of the Secretary or an Assistant Secretary of the Company certifying the names and true signatures of the officers of the Company authorized to sign this Agreement and the other documents to be delivered by it hereunder.

(iv) A favorable opinion of Nicholas J. Camera, General Counsel of the Company, and of Cleary, Gottlieb, Steen

& Hamilton, counsel for the Company, substantially in the form of Exhibits D-2 and D-1 hereto, respectively.

(v) A favorable opinion of Shearman & Sterling, counsel for the Agent, in form and substance satisfactory to the Agent.

(e) The Company shall have terminated the commitments, and paid in full all Debt, interest, fees and other amounts outstanding, under the 364-Day Credit Agreement dated as of May 16, 2002, as amended, among the Company, the lenders parties thereto and Citibank, as agent, and each of the Lenders that is a party to such credit facility hereby waives, upon execution of this Agreement, the three Business Days' notice required by Section 2.05 of said Credit Agreement relating to the termination of commitments thereunder.

SECTION 3.02. INITIAL ADVANCE TO EACH DESIGNATED SUBSIDIARY. The obligation of each Lender to make an initial Advance to each Designated Subsidiary is subject to the receipt by the Agent on or before the date of such initial Advance of each of the following, in form and substance reasonably satisfactory to the Agent and dated such date, and (except for the Notes) in sufficient copies for each Lender:

(a) The Notes of such Designated Subsidiary to the order of the Lenders to the extent requested by any Lender pursuant to Section 2.16.

(b) Certified copies of the resolutions of the Board of Directors of such Designated Subsidiary (with a certified English translation if the original thereof is not in English) approving this Agreement and the Notes to be delivered by it, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement.

(c) A certificate of a proper officer of such Designated Subsidiary certifying the names and true signatures of the officers of such Designated Subsidiary authorized to sign its Designation Agreement and the Notes to be delivered by it and the other documents to be delivered by it hereunder.

(d) A certificate signed by a duly authorized officer of the Company, certifying that such Designated Subsidiary has obtained all governmental and third party authorizations, consents, approvals (including exchange control approvals) and licenses required under applicable laws and regulations necessary for such Designated Subsidiary to execute and deliver its Designation Agreement and the Notes to be delivered by it and to perform its obligations hereunder and thereunder.

(e) A Designation Agreement duly executed by such Designated Subsidiary and the Company.

(f) Favorable opinions of counsel (which may be in-house counsel) to such Designated Subsidiary substantially in the forms of Exhibits D-1 and D-2 hereto, respectively, and as to such other matters as any Lender through the Agent may request.

(g) Such other approvals, opinions or documents as any Lender, through the Agent may reasonably request.

SECTION 3.03. CONDITIONS PRECEDENT TO EACH BORROWING, EXTENSION DATE, TERM LOAN ELECTION AND ISSUANCE. The obligation of each Lender to make an Advance (other than an Advance made by any Issuing Bank or any Lender pursuant to Section 2.03(c)) on the occasion of each Revolving Credit Borrowing, each extension of Commitments pursuant to Section 2.18, the giving of notice and consummation of the Term Loan Election and the obligations of each Issuing Bank to issue a Letter of Credit shall be subject to the conditions precedent that the Effective Date shall have occurred and on the date of such Revolving Credit Borrowing, the applicable Extension Date, the date of giving of notice of the Term Loan Election, the Term Loan Conversion Date or such issuance (as the case may be) the following statements shall be true (and each of the giving of the applicable Notice of Revolving Credit Borrowing, request for Commitment extension, notice of Term Loan Election, Notice of Issuance and the acceptance by any Borrower of the proceeds of such Revolving Credit Borrowing shall constitute a representation and warranty by such Borrower that on the date of such Borrowing, such Extension Date, the date of notice of the Term Loan election, the Term Loan Conversion Date or the date of such issuance, as the case may be, such statements are true):

(a) the representations and warranties contained in Section 4.01 and in Section 5 of the Subsidiary Guaranty and, in the case of any Borrowing made to a Designated Subsidiary, in the Designation Agreement for such Designated Subsidiary, are correct on and as of such date, before and after giving effect to such Borrowing, such Extension Date, the Term Loan Conversion Date or such issuance (as the case may

be) and to the application by the applicable Borrower of the proceeds therefrom, as though made on and as of such date, and

(b) no event has occurred and is continuing, or would result from such Borrowing, such Extension Date, the Term Loan Conversion Date or such issuance (as the case may be) or from the application by the applicable Borrower of the proceeds therefrom, that constitutes a Default.

SECTION 3.04. DETERMINATIONS UNDER SECTION 3.01 AND 3.02. For purposes of determining compliance with the conditions specified in Sections 3.01 and 3.02, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Lenders unless an officer of the Agent responsible for the transactions contemplated by this Agreement shall have received notice from such Lender prior to the date that the Company, by notice to the Agent, designates as the proposed Effective Date or the date of the initial Advance to the applicable Designated Subsidiary, as the case may be, specifying its objection thereto. The Agent shall promptly notify the Lenders of the occurrence of the Effective Date and each date of initial Advance to a Designated Subsidiary, as applicable.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

SECTION 4.01. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company represents and warrants as follows:

(a) The Company is a corporation duly organized, incorporated, validly existing and in good standing under the laws of the State of Delaware, and has all corporate powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business.

(b) The execution, delivery and performance by the Company of this Agreement and the Notes to be delivered by it, and the consummation of the transactions contemplated hereby, are within the Company's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene, or constitute a default under, any provision of applicable law or regulation or of the certificate of incorporation of the Company or of any judgment, injunction, order, decree, material agreement or other instrument binding upon the Company or result in the creation or imposition of any Lien on any asset of the Company or any of its Consolidated Subsidiaries.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery and performance by the Company of this Agreement or the Notes to be delivered by it.

(d) This Agreement has been, and each of the Notes to be delivered by it when delivered hereunder will have been, duly executed and delivered by the Company. This Agreement is, and each of the Notes to be delivered by it when delivered hereunder will be, the legal, valid and binding obligation of the Company enforceable against the Company in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to general principles of equity.

(e) The Consolidated balance sheet of the Company and its Consolidated Subsidiaries as at December 31, 2002, and the related Consolidated statement of operations and cash flows of the Company and its Consolidated Subsidiaries for the fiscal year then ended, accompanied by an opinion of PricewaterhouseCoopers LLP, independent public accountants, copies of which have been furnished to each Lender, fairly present in all material respects the Consolidated financial condition of the Company and its Consolidated Subsidiaries as at such date and the Consolidated results of the operations and cash flows of the Company and its Consolidated Subsidiaries for the period ended on such date, all in accordance with generally accepted accounting principles consistently applied. Since the Consolidated balance sheet of the Company and its Consolidated Subsidiaries as at December 31, 2002, and except (x) as disclosed in the Company's reports filed with the SEC since such date and prior to the Effective Date and (y) for the impairment of the assets and other losses on sale of the Company's Subsidiaries Brands Hatch Leisure Limited, Octagon Worldwide Limited and Octagon Worldwide Inc. and their respective Subsidiaries, there has been no Material Adverse Change.

(f) There is no action, suit, investigation, litigation or proceeding pending against, or to the knowledge of the Company, threatened against the Company or any of its Consolidated Subsidiaries

before any court or arbitrator or any governmental body, agency or official in which there is a significant probability of an adverse decision that (i) would have a Material Adverse Effect or (ii) purports to affect the legality, validity or enforceability of this Agreement or any Note or the consummation of the transactions contemplated hereby.

(g) Each of the Company and its ERISA Affiliates has fulfilled its obligations under the minimum funding standards of ERISA and the Internal Revenue Code with respect to each Plan and is in compliance in all material respects with the presently applicable provisions of ERISA and the Internal Revenue Code except when the failure to comply would not have a Material Adverse Effect. None of the Company or any of its ERISA Affiliates has incurred any unsatisfied material liability to the PBGC or a Plan under Title IV of ERISA other than a liability to the PBGC for premiums under Section 4007 of ERISA.

(h) The Company is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System). Following the application of the proceeds of each Advance, not more than 25% of the value of the property and assets of the Company and its Consolidated Subsidiaries taken as a whole, subject to the provisions of Section 5.02(a) or subject to any restriction contained in any agreement or instrument between the Company and any Lender or any Affiliate of any Lender relating to Debt within the scope of Section 6.01(d) will be "margin stock" (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System).

(i) The Company is not an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

(j) The Company and its Consolidated Subsidiaries have filed all United States Federal income tax returns and all other material tax returns which are required to be filed by them and have paid all taxes due reported on such returns or pursuant to any assessment received by the Company or any Consolidated Subsidiary, to the extent that such assessment has become due. The charges, accruals and reserves on the books of the Company and its Consolidated Subsidiaries in respect of taxes or other governmental charges are, in the opinion of the Company, adequate except for those which are being contested in good faith by the Company.

(k) Each of the Company's Consolidated Subsidiaries is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and has all powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business, all to the extent material to the Company and its Consolidated Subsidiaries taken as a whole.

ARTICLE V

COVENANTS OF THE COMPANY

SECTION 5.01. AFFIRMATIVE COVENANTS. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Company will:

(a) COMPLIANCE WITH LAWS, ETC. Comply, and cause each of its Consolidated Subsidiaries to comply, with all applicable laws, rules, regulations and orders, such compliance to include, without limitation, compliance with ERISA and applicable environmental laws, except where the necessity of compliance is being contested in good faith or where failure to comply would not have a Material Adverse Effect.

(b) PAYMENT OF TAXES, ETC. Pay and discharge, and cause each of its Consolidated Subsidiaries to pay and discharge, before the same shall become delinquent, (i) all taxes, assessments and governmental charges or levies imposed upon it or upon its property and (ii) all lawful claims that, if unpaid, might solely by operation of law become a Lien upon its property; PROVIDED, HOWEVER, that neither the Company nor any of its Consolidated Subsidiaries shall be required to pay or discharge any such tax, assessment, levy, charge or claim that is being contested in good faith and by proper proceedings and as to which appropriate reserves in accordance with generally accepted accounting principles are being maintained, unless and until any Lien resulting therefrom attaches to its property and becomes enforceable against its other creditors.

(c) MAINTENANCE OF INSURANCE. Maintain, and cause each of its

Consolidated Subsidiaries to maintain, all to the extent material to the Company and its Consolidated Subsidiaries taken as a whole, with responsible and reputable insurance companies or associations, physical damage insurance on all real and personal property on an all risks basis, covering the repair and replacement cost of all such property and consequential loss coverage for business interruption and extra expense, public liability insurance in an amount not less than $25,000,000 and such other insurance covering such other risks as is customarily carried by companies of established reputations engaged in similar businesses and owning similar properties in the same general areas in which the Company or such Consolidated Subsidiary operates; PROVIDED, HOWEVER, that the Company and its Consolidated Subsidiaries may self-insure to the same extent as other companies engaged in similar businesses and owning similar properties in the same general areas in which the Company or such Consolidated Subsidiary operates and to the extent consistent with prudent business practice.

(d) PRESERVATION OF EXISTENCE, ETC. Preserve and maintain, and cause each of its Consolidated Subsidiaries to preserve and maintain, its existence, rights (constituent document and statutory) and franchises necessary in the normal conduct of its business, all to the extent material to the Company and its Consolidated Subsidiaries taken as a whole; PROVIDED, HOWEVER, that the Company and its Consolidated Subsidiaries may consummate any merger or consolidation permitted under Section 5.02(b) and PROVIDED FURTHER that neither the Company nor any of its Consolidated Subsidiaries shall be required to preserve any right or franchise if the Board of Directors of the Company or such Consolidated Subsidiary shall determine that the preservation thereof is no longer desirable in the normal conduct of the business of the Company or such Consolidated Subsidiary, as the case may be, and that the loss thereof is not material to the Company and its Consolidated Subsidiaries taken as a whole.

(e) VISITATION RIGHTS. At any reasonable time and from time to time, permit the Agent or any of the Lenders or any agents or representatives thereof at their own expense, to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Company and any of its Consolidated Subsidiaries, and to discuss the affairs, finances and accounts of the Company and any of its Consolidated Subsidiaries with any of their officers and with their independent certified public accountants, all as often as may reasonably be necessary to ensure compliance by the Company with its obligations hereunder.

(f) KEEPING OF BOOKS. Keep, and cause each of its Consolidated Subsidiaries to keep, proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Company and each such Consolidated Subsidiary in accordance with sound business practices and applicable statutory requirements so as to permit the preparation of the Consolidated financial statements of the Company and its Consolidated Subsidiaries in accordance with generally accepted accounting principles in effect from time to time.

(g) MAINTENANCE OF PROPERTIES, ETC. Maintain and preserve, and cause each of its Consolidated Subsidiaries to maintain and preserve, all of its properties that are used and useful in the conduct of its business in good working order and condition, ordinary wear and tear excepted, except where the failure to do so would not have a Material Adverse Effect.

(h) REPORTING REQUIREMENTS. Furnish to the Lenders or notify the Lenders of the availability of:

(i) as soon as available and in any event within 50 days after the end of each of the first three quarters of each fiscal year of the Company, the unaudited Consolidated balance sheet of the Company and its Consolidated Subsidiaries as of the end of such quarter and unaudited Consolidated statement of operations and cash flows of the Company and its Consolidated Subsidiaries for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, duly certified (except for the absence of footnotes and subject to year-end audit adjustments) by the chief financial officer of the Company as having been prepared in accordance with generally accepted accounting principles and a certificate of the chief financial officer, chief accounting officer or treasurer of the Company, which certificate shall include a statement that such officer has no knowledge, except as specifically stated, of any condition, event or act which constitutes a Default and setting forth in reasonable detail the calculations necessary to demonstrate compliance with Section 5.03 on the date of such balance sheet, PROVIDED that in the event that generally accepted accounting principles used in the preparation of such financial statements shall

differ from GAAP, the Company shall also provide, if necessary for the determination of compliance with Section 5.03, a statement of reconciliation conforming such financial statements to GAAP;

(ii) as soon as available and in any event within 95 days after the end of each fiscal year of the Company, a copy of the audited financial statements for such year for the Company and its Consolidated Subsidiaries, containing the Consolidated balance sheet of the Company and its Consolidated Subsidiaries as of the end of such fiscal year and Consolidated statement of operations and cash flows of the Company and its Consolidated Subsidiaries for such fiscal year, in each case accompanied by the report thereon of PricewaterhouseCoopers LLP or other independent public accountants of nationally recognized standing, together with a certificate of the chief financial officer, chief accounting officer or treasurer of the Company, which certificate shall include a statement that such officer has no knowledge, except as specifically stated, of any condition, event or act which constitutes a Default and setting forth in reasonable detail the calculations necessary to demonstrate compliance with Section 5.03 on the date of such financial statements, PROVIDED that in the event that generally accepted accounting principles used in the preparation of such financial statements shall differ from GAAP, the Company shall also provide, if necessary for the determination of compliance with Section 5.03, a statement of reconciliation conforming such financial statements to GAAP;

(iii) as soon as possible and in any event within ten days after the chief executive officer, chief operation officer, principal financial officer or principal accounting officer of the Company knows or has reason to know of the occurrence of each Default continuing on the date of such statement, a statement of such officer of the Company setting forth details of such Default and the action that the Company has taken and proposes to take with respect thereto;

(iv) promptly after the sending or filing thereof, copies of all quarterly and annual reports and proxy solicitations that the Company sends to any of its securityholders, and copies of all reports on form 8-K and registration statements for the public offering of securities (other than pursuant to employee Plans) that the Company or any Consolidated Subsidiary files with the Securities and Exchange Commission;

(v) promptly after the commencement thereof, notice of all actions and proceedings before any court, governmental agency or arbitrator affecting the Company or any of its Consolidated Subsidiaries of the type described in Section 4.01(f); and

(vi) such other information respecting the financial condition or business of the Company or any of its Consolidated Subsidiaries as any Lender through the Agent may from time to time reasonably request.

The financial statements required to be delivered pursuant to clauses (i) and (ii) and the reports required to be delivered pursuant to clause (iv) of this Section 5.01(h) shall be deemed to have been delivered on the date on which the Company notifies the Agent, in the case of clauses (i) and (ii), that the reports on Form 10-K and Form 10-Q, respectively, containing such financial statements and, in the case of clause (iv), that such reports have been posted on the SEC's website at www.sec.gov; PROVIDED that the Company shall deliver paper copies of the reports (without the exhibits thereto) referred to in clauses (i), (ii) and (iv) of this Section 5.01(h) to the Agent or any Lender who requests the Company to deliver such paper copies until written notice to cease delivering paper copies is given by the Agent or such Lender and PROVIDED, FURTHER, that in every instance the Company shall provide paper copies of the certificates required to be delivered in accordance with this Section 5.01(h) until such time as the Agent shall provide the Company notice otherwise.

(i) SUBSIDIARY GUARANTY. Deliver to the Agent not later than August 29, 2003, in sufficient copies for each Lender:

(i) Certified copies of the resolutions of the Board of Directors of each Subsidiary Guarantor approving the Subsidiary Guaranty, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to the Subsidiary Guaranty.

(ii) A certificate of the Secretary or an Assistant Secretary of each Subsidiary Guarantor certifying the names and true signatures of the officers of such Subsidiary Guarantor authorized to sign the Subsidiary Guaranty and the other documents to be delivered by it hereunder.

(iii) A guaranty in substantially the form of Exhibit F hereto (as amended, supplemented or otherwise modified from time to time, the "SUBSIDIARY GUARANTY"), duly executed by each Subsidiary Guarantor.

(iv) Favorable opinions of outside and in-house counsel for each of the Subsidiary Guarantors, substantially in the forms of Exhibits G-1 and G-2 hereto, respectively.

(j) NEW MATERIAL SUBSIDIARIES. Promptly and in any event within 30 days following the request of the Required Lenders made after the delivery of audited annual financial statements pursuant to Section 5.01(h) that indicate that a Subsidiary of the Company that is not at such time a Subsidiary Guarantor is a Material Subsidiary, cause such Material Subsidiary to execute and deliver an Accession Agreement (as defined in the Subsidiary Guaranty), together with the documents set forth in clause 5.01(i)(i), (ii) and (iv).

SECTION 5.02. NEGATIVE COVENANTS. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Company will not:

(a) LIENS, ETC. Create or suffer to exist, or permit any of its Consolidated Subsidiaries to create or suffer to exist, any Lien on or with respect to any of its assets, whether now owned or hereafter acquired, other than:

(i) Liens existing on the date hereof;

(ii) any Lien existing on any asset of any corporation at the time such corporation becomes a Consolidated Subsidiary and not created in contemplation of such event;

(iii) any Lien on any asset securing Debt incurred or assumed for the purpose of financing all or any part of the cost of acquiring such asset, PROVIDED that such Lien attaches to such asset concurrently with or within 90 days after the acquisition thereof;

(iv) any Lien on any asset of any corporation existing at the time such corporation is merged into or consolidated with the Company or a Consolidated Subsidiary and not created in contemplation of such event;

(v) any Lien existing on any asset prior to the acquisition thereof by the Company or a Consolidated Subsidiary and not created in contemplation of such acquisition;

(vi) any Lien created in connection with capitalized lease obligations, but only to the extent that such Lien encumbers property financed by such capital lease obligation and the principal component of such capitalized lease obligation is not increased;

(vii) Liens arising in the ordinary course of its business which (A) do not secure Debt and (B) do not in the aggregate materially impair the operation of the business of the Company and its Consolidated Subsidiaries, taken as a whole;

(viii) any Lien arising out of the refinancing, extension, renewal or refunding of any Debt secured by any Lien permitted by any of the foregoing clauses of this Section, provided that such Debt is not increased and is not secured by any additional assets;

(ix) Liens securing taxes, assessments, fees or other governmental charges or levies, Liens securing the claims of materialmen, mechanics, carriers, landlords, warehousemen and similar Persons, Liens incurred in the ordinary course of business in connection with workmen's compensation, unemployment insurance and other similar laws, Liens to secure surety, appeal and performance bonds and other similar obligations not incurred in connection with the borrowing of money, and attachment, judgment and other similar Liens arising in connection with court proceedings so long as the enforcement of such Liens is effectively stayed and the claims secured thereby are being contested in good faith by

appropriate proceedings;

(x) any Liens on property arising in connection with a securities repurchase transaction;

(xi) any contractual right of set-off or any contractual right to charge or contractual security interest in or Lien on the accounts of the Company or any of its Consolidated Subsidiaries to effect the payment of amounts to such depositary institution whether or not due and payable in respect of any Debt or financing arrangement and any other Lien arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights;

(xii) any Liens on assets of Subsidiaries organized outside of the United States in favor of lenders under short-term working capital lines of credit entered into in the ordinary course of business;

(xiii) Liens arising in the ordinary course of banking transactions and securing Debt in an aggregate amount of not more than $15,000,000 that matures not more than one year after the date on which it is originally incurred;

(xiv) any Lien arising out of the L/C Cash Deposit Account; and

(xv) Liens not otherwise permitted by the foregoing clauses of this Section securing Debt in an aggregate principal amount at any time outstanding not to exceed 5% of the Consolidated net worth of the Company and its Consolidated Subsidiaries.

(b) MERGERS, ETC. (i) Merge or consolidate with or into any Person (other than a Consolidated Subsidiary of the Company) except that the Company may agree to merge or consolidate any Consolidated Subsidiary with any Person in connection with an acquisition of such Person, (ii) sell, lease or otherwise transfer (whether in one transaction or a series of transactions) all or substantially all of the Company's business or assets (whether now owned or hereafter acquired) to any Person (other than a Consolidated Subsidiary of the Company) or (iii) except for the sale of NFO Worldwide, Inc., Brands Hatch Leisure Limited, Octagon Worldwide Limited and Octagon Worldwide Inc. and their respective Subsidiaries or their assets, permit any Consolidated Subsidiary to merge or consolidate with or into or transfer (whether in one transaction or a series of transactions) all or any substantial part of its assets (whether now owned or hereafter acquired) to any Person except (x) the Company or another Consolidated Subsidiary of the Company or to any other Person if the Board of Directors of the Company (or the finance committee or an officer of the Company duly authorized for such purpose) determines in good faith that the Consolidated Subsidiary or the assets of such Consolidated Subsidiary, as the case may be, are not material to the Company and its Consolidated Subsidiaries taken as a whole, and (y) any Consolidated Subsidiary may merge with or consolidate into any Person in connection with an acquisition of such Person, PROVIDED, in each case, that no Default shall have occurred and be continuing at the time of such proposed transaction or would result therefrom.

(c) ACCOUNTING CHANGES. Make or permit, or permit any of its Consolidated Subsidiaries to make or permit, any change in accounting policies or reporting practices, except as required or permitted by generally accepted accounting principles or applicable statutory requirements.

(d) CHANGE IN NATURE OF BUSINESS. Engage, or permit any Consolidated Subsidiary to engage, predominantly in any business other than business of the same general type as conducted on the date hereof by the Company and its Consolidated Subsidiaries.

(e) AMENDMENTS, ETC. OF OTHER AGREEMENTS. Amend, modify or change in any manner any of the Company's five Note Purchase Agreements with The Prudential Insurance Company of America or any other long-term Debt of the Company, in each case to (i) amend any of the covenants therein in a manner that results in covenants more restrictive than those contained in such agreements or instruments as of December 31, 2002 (unless the same covenants in this Agreement, if any, are similarly amended), (ii) until the Public Debt Ratings are at least BBB from S&P and Baa2 from Moody's (and, if such ratings are BBB and Baa2, respectively, they are not the subject of a credit watch with negative outlook), include any new covenant therein that is not contained in such agreements or instruments as of December 31, 2002 (unless the same new covenant is included in this Agreement with terms no more restrictive than those of such new covenant in any such agreement or

instrument) or (iii) amend any such agreement or instrument to shorten the maturity or amortization thereof to a date prior to July 31, 2005.

(f) ACQUISITIONS. Except as set forth on Schedule 5.02(f) and except for required payments, or optional payments made in lieu of required payments when in the best interest of the Company (as determined in good faith by the appropriate officers of the Company), pursuant to agreements relating to such purchases and acquisitions entered into prior to January 31, 2003, purchase or otherwise acquire all or substantially all of the assets, or a business unit or division, of any Person except to the extent that (i) the consideration of such purchase or acquisition consists solely of capital stock of the Company or (ii) the cash consideration of all such purchases and acquisitions shall not exceed $100,000,000 in the aggregate for any calendar year; PROVIDED that, if for any calendar year, the cash amount permitted above for such calendar year exceeds the aggregate cash consideration of such purchases and acquisitions for such calendar year, the Company and its Subsidiaries shall be permitted to make cash payments in respect of purchases and acquisitions in the immediately succeeding calendar year, in addition to the cash amounts permitted above for such succeeding calendar year, equal to the amount of such excess.

(g) RESTRICTED PAYMENTS. Declare or pay any dividends, purchase, redeem, retire, defease or otherwise acquire for value any shares of its common stock now or hereafter outstanding, return any capital to its stockholders as such, or make any distribution of assets, equity interests, obligations or securities to its stockholders as such (any of the foregoing, a "RESTRICTED PAYMENT"), except that, so long as no Default shall have occurred and be continuing at the time of any action described in clause (i), (ii), (iii), (iv) or (v) below or would result therefrom, the Company may (i) declare and pay dividends and distributions payable only in common stock of the Company, (ii) purchase, redeem, retire, defease or otherwise acquire shares of its capital stock (A) with the proceeds received contemporaneously from the issue of new shares of its capital stock with equal or inferior voting powers, designations, preferences and rights or (B) in connection with the exercise of options by the employees of the Company or its Subsidiaries, (iii) issue preferred stock (or the right to purchase preferred stock) of the Company in connection with a stockholders' rights plan, (iv) make Restricted Payments in an aggregate amount of not more than $25,000,000 in any calendar year and (v) from and after the date EBITDA for the four fiscal quarters most recently ended is at least (A) $1,000,000,000, make Restricted Payments in an aggregate amount of not more than $100,000,000 in any calendar year, (B) $1,200,000,000, make Restricted Payments in an aggregate amount of not more than $150,000,000 in any calendar year or (C) $1,300,000,000, make any Restricted Payments without limitation.

(h) CAPITAL EXPENDITURES. Make, or permit any of its Consolidated Subsidiaries to make, any Capital Expenditures that would cause the aggregate of all such Capital Expenditures made by the Company and its Consolidated Subsidiaries to exceed $175,000,000 in any calendar year; PROVIDED that, if for any calendar year, the amount permitted above for such calendar year exceeds the Capital Expenditures made in such year, the Company and its Consolidated Subsidiaries shall be entitled to make Capital Expenditures in the immediately succeeding calendar year in an amount equal to the sum of (i) $175,000,000 and (ii) the lesser of (A) such excess and (B) $40,000,000. For purposes of this subsection, "CAPITAL EXPENDITURES" means, for any period, the sum of, without duplication, (x) all expenditures made, directly or indirectly, during such period for equipment, fixed assets, real property or improvements, or for replacements or substitutions therefor or additions thereto, that have been or should be, in accordance with GAAP, reflected as additions to property, plant or equipment on a Consolidated balance sheet of a Person or have a useful life of more than one year plus (y) the aggregate principal amount of all Debt (including obligations under capitalized leases) assumed or incurred in connection with any such expenditures.

(i) SUBSIDIARY DEBT. Permit any of its Consolidated Subsidiaries to create or suffer to exist, any Debt other than (without duplication):

(i) Debt owed to the Company or to a Consolidated Subsidiary of the Company,

(ii) Debt existing on the Effective Date and described on Schedule 5.02(i) hereto (the "EXISTING DEBT"), and any Debt extending the maturity of, or refunding or refinancing, in whole or in part, the Existing Debt, PROVIDED that the principal amount of such Existing Debt shall not be increased above the principal amount thereof outstanding

immediately prior to such extension, refunding or refinancing, and the direct and contingent obligors therefor shall not be changed, as a result of or in connection with such extension, refunding or refinancing,

(iii) Debt secured by Liens permitted by Section 5.02(a),

(iv) unsecured Debt incurred in the ordinary course of business of the Company's Consolidated Subsidiaries organized outside the United States,

(v) book overdraft amounts outstanding at any time, and

(vi) unsecured Debt incurred in the ordinary course of business of the Company's Consolidated Subsidiaries organized in the United States in an aggregate amount at any time outstanding of not more than $25,000,000;

PROVIDED, that the foregoing limitations shall not be effective as to any such Subsidiary that is a party to the Subsidiary Guaranty.

SECTION 5.03. FINANCIAL COVENANTS. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Company will:

(a) INTEREST COVERAGE RATIO. Maintain, as of the end of each fiscal quarter, a ratio of (i) Consolidated EBITDA of the Company and its Consolidated Subsidiaries for the four fiscal quarters then ended to (ii) Interest Expense during such period by the Company and its Consolidated Subsidiaries, of not less than (x) 3.5 to 1 for each period ended on or prior to June 30, 2003 and (y) 3.75 to 1 for each period ended on or after September 30, 2003.

(b) DEBT TO EBITDA RATIO. Maintain, as of the end of each fiscal quarter referenced below, a ratio of (i) Debt for Borrowed Money as of the end of such fiscal quarter to (ii) Consolidated EBITDA of the Company and its Consolidated Subsidiaries for the four quarters then ended, of not greater than the ratio set forth opposite such fiscal quarter below:

FISCAL QUARTER ENDING	RATIO
- March 31, 2003	4.00 to 1
June 30, 2003	4.50 to 1
September 30, 2003	

3.75 to 1
- --------

-------- -

December
31, 2003
3.50 to 1
- --------

-------- -

March 31,
2004 3.50
to 1 - ---

--- ------

June 30,
2004 and
thereafter
3.25 to 1
- --------

-------- -

; PROVIDED that, for purposes of determining Debt for Borrowed Money for the fiscal quarter ended March 31, 2003, Debt evidenced by the Company's Zero-Coupon Convertible Senior Notes due 2021 shall be excluded.

(c) MINIMUM EBITDA. Maintain, as of the end of each fiscal quarter referenced below, Consolidated EBITDA of the Company and its Consolidated Subsidiaries for the four quarters then ended of not less than the amount set forth opposite such fiscal quarter below:

- ---------

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FISCAL
QUARTER
ENDING
AMOUNT - --

---- March
31, 2003
$700,000,000
- ---------

June 30, 2003	September 30, 2003	December 31, 2003 and thereafter
$625,000,000	$675,000,000	$750,000,000

ARTICLE VI

EVENTS OF DEFAULT

SECTION 6.01. EVENTS OF DEFAULT. If any of the following events ("EVENTS OF DEFAULT") shall occur and be continuing:

(a) The Company or any other Borrower shall fail to pay any principal of any Advance when the same becomes due and payable; or the Company or any other Borrower shall fail to pay any interest on any Advance or make any other payment of fees or other amounts payable under this Agreement or any Note within five Business Days after the same becomes due and payable; or

(b) Any representation or warranty made by the Company, any Designated Subsidiary or any Subsidiary Guarantor (or any of its officers) in any certificate, financial statement or other document delivered pursuant to this Agreement shall prove to have been incorrect in any material respect when made; or

(c) (i) The Company shall fail to perform or observe any term, covenant or agreement contained in Section 5.01(e) or (h), 5.02 (other than subsection (c) thereof) or 5.03; (ii) the Company or any other Borrower shall fail to perform or observe any term, covenant or agreement contained in Section 5.01(d) if such failure shall remain unremedied for 10 days after written notice thereof shall have been given to the Company by the Agent or any Lender; or (iii) the Company, any other Borrower or any Subsidiary Guarantor shall fail to perform or observe any other term, covenant or agreement contained in this Agreement or any other Loan Document on its part to be performed or observed if such failure shall remain unremedied for 30 days after written notice thereof shall have been given to the Company by the Agent or any Lender; or

(d) The Company or any of its Consolidated Subsidiaries shall fail to pay any principal of or premium or interest on any Debt (but excluding Debt outstanding hereunder and Debt owed solely to the Company or to a Consolidated Subsidiary) of the Company or such Consolidated Subsidiary (as the case

may be), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument creating or evidencing such Debt; or the Company or any of its Consolidated Subsidiaries shall

fail to perform or observe any covenant or agreement to be performed or observed by it in any agreement or instrument creating or evidencing any such Debt and such failure shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure is to accelerate, or to permit the acceleration of, the maturity of such Debt; or any other event shall occur or condition shall exist under any agreement or instrument creating or evidencing any such Debt and shall continue after the applicable grace period, if any, specified in such agreement or instrument (and remain uncured three Business Days after the chief financial officer, chief operation officer, principal financial officer or principal accounting officer of the Company becomes aware or should have become aware of such event or condition), if the effect of such event or condition is to accelerate, or to permit the acceleration of, the maturity of such Debt; or any such Debt shall be declared to be due and payable, or required to be prepaid or redeemed (other than by a regularly scheduled required prepayment or redemption), purchased or defeased, or an offer to prepay, redeem, purchase or defease such Debt shall be required to be made, in each case prior to the stated maturity thereof; PROVIDED that the aggregate principal amount (or, in the case of any payment default, failure or other event in respect of a Hedge Agreement, the net amount due and payable under such Hedge Agreement as of the date of such payment default, failure or event) of all Debt as to which any such payment defaults (whether or not at stated maturity thereof), failures or other events shall have occurred and be continuing exceeds $10,000,000, PROVIDED, FURTHER, that if any of the actions or events set forth above in this subsection (d) shall be taken in respect of, or occur with respect to, a Consolidated Subsidiary, such action or event shall not be the basis for or give rise to an Event of Default under this subsection (d) until five Business Days after the chief executive officer, chief operation officer, principal financial officer or principal accounting officer of the Company knows or has reason to know of the occurrence of such action or event; or

(e) The Company or any of its Consolidated Subsidiaries shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Company or any of its Consolidated Subsidiaries seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Company or any of its Consolidated Subsidiaries shall take any corporate action to authorize any of the actions set forth above in this subsection (e); PROVIDED, that if any of the actions or events set forth above in this subsection (e) shall be taken in respect of, or occur with respect to, a Consolidated Subsidiary, such action or event shall not be the basis for or give rise to an Event of Default under this subsection (e) if (x) the assets or revenues of such Consolidated Subsidiary and its Consolidated Subsidiaries, taken as a whole, comprise 5% or less of the assets or revenues, respectively, of the Company and its Consolidated Subsidiaries, taken as a whole, and (y) the aggregate assets and revenues of all Consolidated Subsidiaries otherwise subject to such actions or events set forth above do not comprise more than 15% of the assets or revenues, respectively, of the Company and its Consolidated Subsidiaries taken as a whole; or

(f) Judgments or orders for the payment of money in excess of $10,000,000 in the aggregate shall be rendered against the Company or any of its Consolidated Subsidiaries and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of 60 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(g) (i) Any Person or two or more Persons acting in concert (other than the Company or a Consolidated Subsidiary) shall have acquired beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934), directly or indirectly, of Voting Stock of the Company (or other securities convertible into such Voting Stock) representing 30% or more of the combined voting power of all Voting Stock of the Company; or (ii) during any period of up to 24 consecutive months, commencing after

the date of this Agreement, individuals who at the beginning of such period were directors of the Company shall cease for any reason to constitute a majority of the board of directors of the Company unless the election or nomination for election by the Company's stockholders of each new director was approved by the vote of at least two-thirds of the directors then still in office who were directors at the beginning of such period; or

(h) The Company or any of its ERISA Affiliates shall incur liability, or in the case of clause (i) below, shall be reasonably likely to incur liability, in excess of $10,000,000 in the aggregate as a result of one or more of the following: (i) the occurrence of any ERISA Event; (ii) the partial or complete withdrawal of the Company or any of its ERISA Affiliates from a Multiemployer Plan; or (iii) the reorganization or termination of a Multiemployer Plan; or

(i) so long as any Consolidated Subsidiary of the Company is a Designated Subsidiary, any provision of Article VII shall for any reason cease to be valid and binding on or enforceable against the Company, or the Company shall so state in writing; or

(j) the Subsidiary Guaranty shall for any reason cease to be valid and binding on or enforceable against each Subsidiary Guarantor (other than by reason of a release of a Subsidiary Guarantor in accordance with the terms of the Subsidiary Guaranty), or any Subsidiary Guarantor shall so state in writing;

then, and in any such event, the Agent (i) shall at the request, or may with the consent, of the Required Lenders, by notice to the Company and the other Borrowers, declare the obligation of each Lender to make Advances (other than Advances by an Issuing Bank or a Lender pursuant to Section 2.03(c)) and of the Issuing Banks to issue Letters of Credit to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Required Lenders, by notice to the Company and the other Borrowers, declare the Advances, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by each Borrower; PROVIDED, HOWEVER, that in the event of an actual or deemed entry of an order for relief with respect to any Borrower under the Federal Bankruptcy Code, (A) the obligation of each Lender to make Advances (other than Advances by an Issuing Bank or a Lender pursuant to Section 2.03(c)) and of the Issuing Banks to issue Letters of Credit shall automatically be terminated and (B) the Advances, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by each Borrower.

SECTION 6.02. ACTIONS IN RESPECT OF THE LETTERS OF CREDIT UPON DEFAULT. If any Event of Default shall have occurred and be continuing, the Agent may with the consent, or shall at the request, of the Required

Lenders, irrespective of whether it is taking any of the actions described in Section 6.01 or otherwise, make demand upon the Company to, and forthwith upon such demand the Company will, (a) pay to the Agent on behalf of the Lenders in same day funds at the Agent's office designated in such demand, for deposit in the L/C Cash Deposit Account, an amount equal to the aggregate Available Amount of all Letters of Credit then outstanding or (b) make such other reasonable arrangements in respect of the outstanding Letters of Credit as shall be acceptable to the Required Lenders. If at any time the Agent reasonably determines that any funds held in the L/C Cash Deposit Account are subject to any right or interest of any Person other than the Agent and the Lenders or that the total amount of such funds is less than the aggregate Available Amount of all Letters of Credit, the Borrowers will, forthwith upon demand by the Agent, pay to the Agent, as additional funds to be deposited and held in the L/C Cash Deposit Account, an amount equal to the excess of (a) such aggregate Available Amount over (b) the total amount of funds, if any, then held in the L/C Cash Deposit Account that are free and clear of any such right and interest. Upon the drawing of any Letter of Credit, to the extent funds are on deposit in the L/C Cash Deposit Account, such funds shall be applied to reimburse the Issuing Banks to the extent permitted by applicable law, and if so applied, then such reimbursement shall be deemed a repayment of the corresponding Advance in respect of such Letter of Credit. After all such Letters of Credit shall have expired or been fully drawn upon and all other obligations of the Borrowers hereunder and under the Notes shall have been paid in full, the balance, if any, in such L/C Cash Deposit Account shall be promptly returned to the Company.

ARTICLE VII

GUARANTY

SECTION 7.01. GUARANTY. The Company hereby absolutely, unconditionally and irrevocably guarantees, as a guarantee of payment and not of collection, the punctual payment when due, whether at scheduled maturity or on any date of a required prepayment or by acceleration, demand or otherwise, of

all obligations of each other Borrower now or hereafter existing under or in respect of this Agreement and the Notes (including, without limitation, any extensions, modifications, substitutions, amendments or renewals of any or all of the foregoing obligations), whether direct or indirect, absolute or contingent, and whether for principal, interest, premiums, fees, indemnities, contract causes of action, costs, expenses or otherwise (such obligations being the "GUARANTEED OBLIGATIONS"), and agrees to pay any and all expenses (including, without limitation, fees and expenses of counsel) incurred by the Agent or any other Lender in enforcing any rights under this Article VII. Without limiting the generality of the foregoing, the Company's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by any such Borrower to the Agent or any Lender under or in respect of this Agreement or the Notes but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving such Borrower.

SECTION 7.02. GUARANTY ABSOLUTE. The Company guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of this Agreement and the Notes, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Lender with respect thereto. The obligations of the Company under or in respect of this Article VII are independent of the Guaranteed Obligations or any other obligations of any other Borrower under or in respect of this Agreement and the Notes, and a separate action or actions may be brought and prosecuted against the Company to enforce this Article VII, irrespective of whether any action is brought against any Borrower or whether any Borrower is joined in any such action or actions. The liability of the Company under this Article VII shall be irrevocable, absolute and unconditional irrespective of, and the Company hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to, any or all of the following:

(a) any lack of validity or enforceability of this Agreement (other than this Article VII), the Notes or any agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations or any other obligations of any Borrower under or in respect of this Agreement or the Notes, or any other amendment or waiver of or any consent to departure from this Agreement or the Notes, including, without limitation, any increase in the Guaranteed Obligations resulting from the extension of additional credit to any Borrower or any of its Subsidiaries or otherwise;

(c) any taking, exchange, release or non-perfection of any collateral, or any taking, release or amendment or waiver of, or consent to departure from, any other guaranty, for all or any of the Guaranteed Obligations;

(d) any manner of application of collateral, or proceeds thereof, to all or any of the Guaranteed Obligations, or any manner of sale or other disposition of any collateral for all or any of the Guaranteed Obligations or any other obligations of any Borrower under this Agreement or the Notes or any other assets of any Borrower or any of its Subsidiaries;

(e) any change, restructuring or termination of the corporate structure or existence of any Borrower or any of its Subsidiaries;

(f) any failure of any Lender or the Agent to disclose to the Company any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any Borrower now or hereafter known to such Lender or the Agent (the Company waiving any duty on the part of the Lenders and the Agent to disclose such information); or

(g) any other circumstance (including, without limitation, any statute of limitations) or any existence of or reliance on any representation by any Lender or the Agent that might otherwise constitute a defense available to, or a discharge of, any Borrower or any other guarantor or surety.

This Article VII shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by any Lender or the Agent or any other Person upon the insolvency, bankruptcy or reorganization of any Borrower or otherwise, all as though such payment had not been made.

SECTION 7.03. WAIVERS AND ACKNOWLEDGMENTS. (a) The Company hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of nonperformance, default, acceleration, protest or dishonor and any other notice with respect to any of the Guaranteed Obligations and this Article VII and any requirement that any Lender or the Agent protect, secure, perfect or insure any Lien or any property subject thereto or exhaust any right or take any action against any

Borrower or any other Person or any collateral.

(b) The Company hereby unconditionally and irrevocably waives any right to revoke this Article VII and acknowledges that the guaranty under this Article VII is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

(c) The Company hereby unconditionally and irrevocably waives (i) any defense arising by reason of any claim or defense based upon an election of remedies by any Lender or the Agent that in any manner impairs, reduces, releases or otherwise adversely affects the subrogation, reimbursement, exoneration, contribution or indemnification rights of the Company or other rights of the Company to proceed against any Borrower, any other guarantor or any other Person or any collateral and (ii) any defense based on any right of set-off or counterclaim against or in respect of the obligations of the Company hereunder.

(d) The Company hereby unconditionally and irrevocably waives any duty on the part of any Lender or the Agent to disclose to the Company any matter, fact or thing relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any Borrower or any of its Subsidiaries now or hereafter known by such Lender or the Agent.

(e) The Company acknowledges that it will receive substantial direct and indirect benefits from the financing arrangements contemplated by this Agreement and the Notes and that the waivers set forth in Section 7.02 and this Section 7.03 are knowingly made in contemplation of such benefits.

SECTION 7.04. SUBROGATION. The Company hereby unconditionally and irrevocably agrees not to exercise any rights that it may now have or hereafter acquire against any Borrower or any other insider guarantor that arise from the existence, payment, performance or enforcement of the Company's Obligations under or in respect of this Article VII, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of any Lender or the Agent against any Borrower or any other insider guarantor or any collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any Borrower or any other insider guarantor, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right, unless and until all of the Guaranteed Obligations and all other amounts payable under this Article VII shall have been paid in full in cash and the Commitments shall have expired or been terminated. If any amount shall be paid to the Company in violation of the immediately preceding sentence at any time prior to the later of (a) the payment in full in cash of the Guaranteed Obligations and all other amounts payable under this Article VII and (b) the Termination Date, such amount shall be received and held in trust for the benefit of the Lenders and the Agent, shall be segregated from other property and funds of the Company and shall forthwith be paid or delivered to the Agent in the same form as so received (with any necessary endorsement or assignment) to be credited and applied to the Guaranteed Obligations and all other amounts payable under this Article VII, whether matured or unmatured, in accordance with the terms of this Agreement, or to be held as collateral for any Guaranteed Obligations or other amounts payable under this Article VII thereafter arising. If (i) the Company shall make payment to any Lender or the Agent of all or any part of the Guaranteed Obligations, (ii) all of the Guaranteed Obligations and all other amounts payable under this Article VII shall have been paid in full in cash and (iii) the Termination Date shall have occurred, the Lenders and the Agent will, at the Company's request and expense, execute and deliver to the Company appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to the Company of an interest in the Guaranteed Obligations resulting from such payment made by the Company pursuant to this Article VII.

SECTION 7.05. CONTINUING GUARANTY; ASSIGNMENTS. The guaranty under this Article VII is a continuing guaranty and shall (a) remain in full force and effect until the later of (i) the payment in full in cash of the Guaranteed Obligations and all other amounts payable under this Article VII and (ii) the Termination Date, (b) be binding upon the Company, its successors and assigns and (c) inure to the benefit of and be enforceable by the Lenders and the Agent and their successors, transferees and assigns. Without limiting the generality of clause (c) of the immediately preceding sentence, any Lender may assign or otherwise transfer all or any portion of its rights and obligations under this Agreement (including, without limitation, all or any portion of its Commitments, the Advances owing to it and the Note or Notes held by it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise, in each case as and to the extent provided in Section 9.07. The Company shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Lenders.

ARTICLE VIII

THE AGENT

SECTION 8.01. AUTHORIZATION AND ACTION. Each Lender (in its capacities as a Lender and Issuing Bank, as applicable) hereby appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under this Agreement as are delegated to the Agent by the terms hereof, together with such powers and discretion as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement (including, without limitation, enforcement or collection of the Notes), the Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Lenders, and such instructions shall be binding upon all Lenders and all holders of Notes; PROVIDED, HOWEVER, that the Agent shall not be required to take any action that exposes the Agent to personal liability or that is contrary to this Agreement or applicable law. The Agent agrees to give to each Lender prompt notice of each notice given to it by the Company or any other Borrower pursuant to the terms of this Agreement.

SECTION 8.02. AGENT'S RELIANCE, ETC. Neither the Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement, except for its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, the Agent: (i) may treat the Lender that made any Advance as the holder of the Debt resulting therefrom until the Agent receives and accepts an Assumption Agreement entered into by an Assuming Lender as provided in Section 2.18 or an Assignment and Acceptance entered into by such Lender, as assignor, and an Eligible Assignee, as assignee, as provided in Section 9.07; (ii) may consult with legal counsel (including counsel for the Company), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (iii) makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations (whether written or oral) made in or in connection with this Agreement; (iv) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of the Company or any other Borrower or to inspect the property (including the books and records) of the Company or any other Borrower; (v) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of, or the perfection or priority of any lien or security interest created or purported to be created under or in connection with, this Agreement or any other instrument or document furnished pursuant hereto; and (vi) shall incur no liability under or in respect of this Agreement by acting upon any notice, consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

SECTION 8.03. CITIBANK AND AFFILIATES. With respect to its Commitments, the Advances made by it and the Notes issued to it, Citibank shall have the same rights and powers under this Agreement as any other Lender and may exercise the same as though it were not the Agent; and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated, include Citibank in its individual capacity. Citibank and its Affiliates may accept deposits from, lend money to, act as trustee under indentures of, accept investment banking engagements from and generally engage in any kind of business with, the Company, any of its Subsidiaries and any Person who may do business with or own securities of the Company or any such Subsidiary, all as if Citibank were not the Agent and without any duty to account therefor to the Lenders.

SECTION 8.04. LENDER CREDIT DECISION. Each Lender acknowledges that it has, independently and without reliance upon the Agent or any other Lender and based on the financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

SECTION 8.05. INDEMNIFICATION. (a) Each Lender severally agrees to indemnify the Agent (to the extent not promptly reimbursed by the Company) from and against such Lender's Ratable Share of any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Agent under this Agreement (collectively, the "INDEMNIFIED COSTS"), PROVIDED that no Lender shall be liable for any portion of the Indemnified Costs resulting from the Agent's gross negligence or willful misconduct. Without limitation of the foregoing, each Lender agrees to reimburse the Agent promptly upon demand for its Ratable Share of any out-of-pocket expenses (including reasonable counsel fees) incurred by the Agent in

connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that the Agent is not reimbursed for such expenses by the Company. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Costs, this Section 8.05 applies whether any such investigation, litigation or proceeding is brought by the Agent, any Lender or a third party.

(b) Each Lender severally agrees to indemnify the Issuing Banks (to the extent not promptly reimbursed by the Company) from and against such Lender's Ratable Share of any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against any such Issuing Bank in any way relating to or arising out of this Agreement or any action taken or omitted by such Issuing Bank hereunder or in connection herewith; PROVIDED, HOWEVER, that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Issuing Bank's gross negligence or willful misconduct. Without limitation of the foregoing, each Lender agrees to reimburse any such Issuing Bank promptly upon demand for its Ratable Share of any costs and expenses (including, without limitation, fees and expenses of counsel) payable by the Company under Section 9.04, to the extent that such Issuing Bank is not promptly reimbursed for such costs and expenses by the Company.

(c) The failure of any Lender to reimburse the Agent or any Issuing Bank promptly upon demand for its Ratable Share of any amount required to be paid by the Lenders to the Agent as provided herein shall not relieve any other Lender of its obligation hereunder to reimburse the Agent or any Issuing Bank for its Ratable Share of such amount, but no Lender shall be responsible for the failure of any other Lender to reimburse the Agent or any Issuing Bank for such other Lender's Ratable Share of such amount. Without prejudice to the survival of any other agreement of any Lender hereunder, the agreement and obligations of each Lender contained in this Section 8.05 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under the Notes. Each of the Agent and each Issuing Bank agrees to return to the Lenders their respective Ratable Shares of any amounts paid under this Section 8.05 that are subsequently reimbursed by the Company or any Borrower.

SECTION 8.06. SUCCESSOR AGENT. The Agent may resign at any time by giving written notice thereof to the Lenders and the Company and may be removed at any time with or without cause by the Required Lenders. Upon any such resignation or removal, the Required Lenders shall have the right to appoint a successor Agent. If no successor Agent shall have been so appointed by the Required Lenders, and shall have accepted such appointment, within 30 days after the retiring Agent's giving of notice of resignation or the Required Lenders' removal of the retiring Agent, then the retiring Agent may, on behalf of the Lenders, appoint a successor Agent, which shall be a commercial bank organized under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least $500,000,000. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, discretion, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Agent's resignation or removal hereunder as Agent, the provisions of this Article VII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement.

SECTION 8.07. SUB-AGENT. The Sub-Agent has been designated under this Agreement to carry out duties of the Agent. The Sub-Agent shall be subject to each of the obligations in this Agreement to be performed by the Sub-Agent, and each of the Company, each other Borrower and the Lenders agrees that the Sub-Agent shall be entitled to exercise each of the rights and shall be entitled to each of the benefits of the Agent under this Agreement as relate to the performance of its obligations hereunder.

SECTION 8.08. OTHER AGENTS. Each Lender hereby acknowledges that neither the documentation agent nor any other Lender designated as any "Agent" (other than the Agent) on the signature pages hereof has any liability hereunder other than in its capacity as a Lender.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. AMENDMENTS, ETC. No amendment or waiver of any provision of this Agreement or the Notes, nor consent to any departure by the Company or any other Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; PROVIDED, HOWEVER, that no amendment, waiver or consent shall, unless in writing and signed by all the Lenders, do any of the following: (a) waive any of the conditions specified in Section 3.01 or Section

3.02, (b) except as provided in Section 2.18(c), increase the Commitments of the Lenders or subject the Lenders to any additional obligations, (c) reduce the principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (d) except as provided in Section 2.18(b), postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (e) change the percentage of the Revolving Credit Commitments or of the aggregate unpaid principal amount of the Advances, or the number of Lenders, that shall be required for the Lenders or any of them to take any action hereunder, (f) reduce or limit the obligations of the Company under Section 7.01 or release or otherwise limit the Company's liability with respect to its obligations under Article VII, (g) reduce or limit in any material respect the obligations of any Subsidiary Guarantor to the Lenders under Section 1(a)(i) of the Subsidiary Guaranty or release or otherwise limit in any material respect any Subsidiary Guarantor's liability to the Lenders with respect to its obligations under the Subsidiary Guaranty (except, in each case, for a release of a Subsidiary Guarantor in accordance with the terms of the Subsidiary Guaranty) or (h) amend the definition of "Required Lenders" or this Section 9.01; PROVIDED FURTHER that (x) no amendment, waiver or consent shall, unless in writing and signed by the Agent in addition to the Lenders required above to take such action, affect the rights or duties of the Agent under this Agreement or any Note, (y) no amendment, waiver or consent of Section 9.07(f) shall, unless in writing and signed by each Lender that has granted a funding option to an SPC in addition to the Lenders required above to take such action, affect the rights or duties of such Lender or SPC under this Agreement or any Note; and (z) no amendment, waiver or consent shall, unless in writing and signed by the Issuing Banks in addition to the Lenders required above to take such action, adversely affect the rights or obligations of the Issuing Banks in their capacities as such under this Agreement.

SECTION 9.02. NOTICES, ETC. All notices and other communications provided for hereunder shall be in writing (including facsimile communication) and mailed, telecopied or delivered, if to the Company or any other Borrower, to (or in care of) the Company, at its address at 1271 Avenue of the Americas, New York, New York 10020, Attention: Vice President and Treasurer (with a copy at the same address to the Senior Vice President and General Counsel); if to any Initial Lender, at its Domestic Lending Office specified opposite its name on Schedule I hereto; if to any other Lender, at its Domestic Lending Office specified in the Assumption Agreement or the Assignment and Acceptance pursuant to which it became a Lender; and if to the Agent, at its address at Two Penns Way, New Castle, Delaware 19720, Attention: Bank Loan Syndications Department; or, as to the Company or the Agent, at such other address as shall be designated by such party in a written notice to the other parties and, as to

each other party, at such other address as shall be designated by such party in a written notice to the Company and the Agent. All such notices and communications shall, when mailed, telecopied or telegraphed, be effective when deposited in the mails, telecopied or delivered to the telegraph company, respectively, except that notices and communications to the Agent pursuant to Article II, III or VII shall not be effective until received by the Agent. Delivery by facsimile of an executed counterpart of any amendment or waiver of any provision of this Agreement or the Notes or of any Exhibit hereto to be executed and delivered hereunder shall be effective as delivery of a manually executed counterpart thereof.

SECTION 9.03. NO WAIVER; REMEDIES. No failure on the part of any Lender or the Agent to exercise, and no delay in exercising, any right hereunder or under any Note shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 9.04. COSTS AND EXPENSES. (a) The Company agrees to pay on demand all reasonable out-of-pocket expenses of the Agent in connection with the preparation, execution, delivery, administration, modification and amendment of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, (A) all due diligence, syndication (including printing, distribution and bank meetings), transportation, computer, duplication, appraisal, consultant, and audit expenses and (B) the reasonable fees and expenses of counsel for the Agent with respect thereto and with respect to advising the Agent as to its rights and responsibilities under this Agreement. The Company further agrees to pay on demand all costs and expenses of the Agent and the Lenders, if any (including, without limitation, reasonable counsel fees and expenses), in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, reasonable fees and expenses of counsel for the Agent and each Lender in connection with the enforcement of rights under this Section 9.04(a).

(b) The Company agrees to indemnify and hold harmless the Agent and each Lender and each of their Affiliates and their officers, directors, employees, agents and advisors (each, an "INDEMNIFIED PARTY") from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, reasonable fees and expenses of counsel) incurred by or asserted or awarded against any Indemnified Party, in each case

arising out of or in connection with or by reason of (including, without limitation, in connection with any investigation, litigation or proceeding or preparation of a defense in connection therewith) the Notes, this Agreement, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Advances, except to the extent such claim, damage, loss, liability or expense is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct. In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 9.04(b) applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by the Company, its directors, shareholders or creditors or an Indemnified Party or any other Person or any Indemnified Party is otherwise a party thereto. The Company also agrees not to assert any claim for special, indirect, consequential or punitive damages against the Agent, any Lender, any of their Affiliates, or any of their respective directors, officers, employees, attorneys and agents, on any theory of liability, arising out of or otherwise relating to the Notes, this Agreement, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Advances.

(c) If any payment of principal of, or Conversion of, any Eurocurrency Rate Advance is made by any Borrower to or for the account of a Lender other than on the last day of the Interest Period for such Advance, as a result of a payment or Conversion pursuant to Section 2.08(d) or (e), 2.10 or 2.12, acceleration of the maturity of the Notes pursuant to Section 6.01 or for any other reason, or by an Eligible Assignee to a Lender other than on the last day of the Interest Period for such Advance upon an assignment of rights and obligations under this Agreement pursuant to Section 9.07 as a result of a demand by the Company pursuant to Section 9.07(a), such Borrower shall, upon demand by such Lender (with a copy of such demand to the Agent), pay to the Agent for the

account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that it may reasonably incur as a result of such payment or Conversion, including, without limitation, any loss (excluding loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance.

(d) Without prejudice to the survival of any other agreement of the Company and the other Borrowers hereunder, the agreements and obligations of the Company and the other Borrowers contained in Sections 2.11, 2.14 and 9.04 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under the Notes.

SECTION 9.05. RIGHT OF SET-OFF. Upon (i) the occurrence and during the continuance of any Event of Default and (ii) the making of the request or the granting of the consent specified by Section 6.01 to authorize the Agent to declare the Advances due and payable pursuant to the provisions of Section 6.01, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Lender or such Affiliate to or for the credit or the account of the Company or any Borrower against any and all of the obligations of the Company or any Borrower now or hereafter existing under this Agreement and any Note held by such Lender, whether or not such Lender shall have made any demand under this Agreement or such Note and although such obligations may be unmatured. Each Lender agrees promptly to notify the appropriate Borrower after any such set-off and application, PROVIDED that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender and its Affiliates under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) that such Lender and its Affiliates may have.

SECTION 9.06. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the Company, the Agent and each Lender and their respective successors and assigns, except that neither the Company nor any other Borrower shall have the right to assign its rights hereunder or any interest herein without the prior written consent of the Lenders.

SECTION 9.07. ASSIGNMENTS AND PARTICIPATIONS. (a) Each Lender may and, if demanded by the Company (following a demand by such Lender pursuant to Section 2.11 or 2.14) upon at least 5 Business Days' notice to such Lender and the Agent, will assign to one or more Persons all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Revolving Credit Commitment, its Unissued Letter of Credit Commitment, the Advances owing to it, its participations in Letters of Credit and the Note or Notes held by it); PROVIDED, HOWEVER, that (i) each such assignment shall be of a constant, and not a varying, percentage of all rights and obligations under this Agreement, (ii) except in the case of an assignment to a Person that, immediately prior to such assignment, was a Lender or an assignment of all of a Lender's rights and obligations under this Agreement, the amount of (x) the Revolving Credit Commitment of the assigning Lender being assigned pursuant to each such

assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall in no event be less than $5,000,000 or an integral multiple of $1,000,000 in excess thereof and (y) the Unissued Letter of Credit Commitment of the assigning Lender being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall in no event be less than $1,000,000 or an integral multiple of $1,000,000 in excess thereof, (iii) each such assignment shall be to an Eligible Assignee, (iv) each such assignment made as a result of a demand by the Company pursuant to this Section 9.07(a) shall be arranged by the Company after consultation with the Agent and shall be either an assignment of all of the rights and obligations of the assigning Lender under this Agreement or an assignment of a portion of such rights and obligations made concurrently with another such assignment or other such assignments that together cover all of the rights and obligations of the assigning Lender under this Agreement, (v) no Lender shall be obligated to make any such assignment as a result of a demand by the Company pursuant to this Section 9.07(a) unless and until such Lender shall have received one or more payments from either the Company or one or more Eligible Assignees in an

aggregate amount at least equal to the aggregate outstanding principal amount of the Advances owing to such Lender, together with accrued interest thereon to the date of payment of such principal amount and all other amounts payable to such Lender under this Agreement, and (vi) the parties to each such assignment shall execute and deliver to the Agent, for its acceptance and recording in the Register, an Assignment and Acceptance, together with any Note subject to such assignment and a processing and recordation fee of $3,500 payable by the parties to each such assignment, PROVIDED, HOWEVER, that in the case of each assignment made as a result of a demand by the Company, such recordation fee shall be payable by the Company except that no such recordation fee shall be payable in the case of an assignment made at the request of the Company to an Eligible Assignee that is an existing Lender, and (vii) any Lender may, without the approval of the Company or the Agent, assign all or a portion of its rights to any of its Affiliates or to another Lender unless on the date of such assignment the assignee would be entitled to make a demand pursuant to Section 2.11 or 2.14, in which case such assignment shall be permitted only if the assignee shall waive in a manner satisfactory to the Company in form and substance its rights to make such a demand. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Acceptance, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (y) the Lender assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights (other than its rights under Section 2.11, 2.14 and 9.04 to the extent any claim thereunder relates to an event arising prior such assignment) and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto).

(b) By executing and delivering an Assignment and Acceptance, the Lender assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of, or the perfection or priority of any lien or security interest created or purported to be created under or in connection with, this Agreement or any other instrument or document furnished pursuant hereto; (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Company or any other Borrower or the performance or observance by the Company or any other Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the Agent, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under this Agreement as are delegated to the Agent by the terms hereof, together with such powers and discretion as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all of the obligations that by the terms of this Agreement are required to be performed by it as a Lender.

(c) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an assignee representing that it is an Eligible Assignee, together with any Note or Notes subject to such assignment, the Agent shall, if such Assignment and Acceptance has been completed and is in

substantially the form of Exhibit C hereto, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Company.

(d) The Agent shall maintain at its address referred to in Section 9.02 a copy of each Assumption Agreement and each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and the Commitment of, and principal amount of the Advances owing to, each Lender from time to time (the "REGISTER"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Company, the Agent and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Company or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Each Lender may sell participations to one or more banks or other entities (other than the Company or any of its Affiliates) in or to all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment, the Advances owing to it and any Note or Notes held by it); PROVIDED, HOWEVER, that (i) such Lender's obligations under this Agreement (including, without limitation, its Commitment to the Borrowers hereunder) shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) such Lender shall remain the holder of any such Note for all purposes of this Agreement, (iv) the Company, the other Borrowers, the Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and (v) no participant under any such participation shall have any rights as a Lender hereunder, including, without limitation, any right to make any demand under Section 2.11 or 2.14 or right to approve any amendment or waiver of any provision of this Agreement or any Note, or any consent to any departure by the Company or any other Borrower therefrom, except to the extent that such amendment, waiver or consent would reduce the principal of, or interest on, the Notes or any fees or other amounts payable hereunder, in each case to the extent subject to such participation, or postpone any date fixed for any payment of principal of, or interest on, the Notes or any fees or other amounts payable hereunder or reduce or limit the obligations of the Company under Section 7.01 or release or otherwise limit the Company's liability with respect to its obligations under Article VII or amend this Section 9.07(e) in any manner adverse to such participant, in each case to the extent subject to such participation.

(f) Each Lender may grant to a special purpose funding vehicle (an "SPC") the option to fund all or any part of any Advance that such Lender is obligated to fund under this Agreement (and upon the exercise by such SPC of such option to fund, such Lender's obligations with respect to such Advance shall be deemed satisfied to the extent of any amounts funded by such SPC); PROVIDED, HOWEVER, that (i) such Lender's obligations under this Agreement (including, without limitation, its Commitment to the Borrowers hereunder) shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) each Borrower, the Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, (iv) any such option granted to an SPC shall not constitute a commitment by such SPC to fund any Advance, (v) neither the grant nor the exercise of such option to an SPC shall increase the costs or expenses or otherwise increase or change the obligations of any Borrower under this Agreement (including, without limitation, its obligations under Section 2.14) and (vi) no SPC shall have any right to approve any amendment or waiver of any provision of this Agreement or any Note, or any consent to any departure by any Borrower therefrom, except to the extent that such amendment, waiver or consent would reduce the principal of, or interest on, the Notes or any fees or other amounts payable hereunder, in each case to the extent subject to such grant of funding option, or postpone any date fixed for any payment of principal of, or interest on, the Notes or any fees or other amounts payable hereunder, in each case to the extent subject to such grant of funding option. Each party to this Agreement hereby agrees that no SPC shall be liable for any indemnity or payment under this Agreement for which a Lender would otherwise be liable. In furtherance of the foregoing, each party hereto hereby agrees (which agreements shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPC, it will not institute against, or join any other Person in instituting against, such

SPC any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof.

(g) Any Lender may, in connection with any assignment, participation or grant of funding option or proposed assignment, participation or grant of funding option pursuant to this Section 9.07, disclose to the assignee, participant or SPC or proposed assignee, participant or SPC, any

information relating to any Borrower furnished to such Lender by or on behalf of such Borrower; PROVIDED that, prior to any such disclosure, the assignee, participant or SPC or proposed assignee, participant or SPC shall agree to preserve the confidentiality of any Borrower Information relating to any Borrower received by it from such Lender.

(h) Notwithstanding any other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation, the Advances owing to it and any Note or Notes held by it) in favor of any Federal Reserve Bank in accordance with Regulation A of the Board of Governors of the Federal Reserve System.

SECTION 9.08. CONFIDENTIALITY. Neither the Agent nor any Lender may disclose to any Person any confidential, proprietary or non-public information of the Company furnished to the Agent or the Lenders by the Company (such information being referred to collectively herein as the "BORROWER INFORMATION"), except that each of the Agent and each of the Lenders may disclose Borrower Information (i) to its and its Affiliates' employees, officers, directors, agents and advisors who need to know the Borrower Information in connection with this Agreement (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Borrower Information and instructed to keep such Borrower Information confidential on substantially the same terms as provided herein), (ii) to the extent requested by any applicable regulatory authority, (iii) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (iv) to any other party to this Agreement, (v) to the extent necessary in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (vi) subject to an agreement for the benefit of the Company containing provisions substantially the same as those of this Section 9.08, to any assignee, participant, SPC, or prospective assignee, participant or SPC, (vii) to the extent such Borrower Information (A) is or becomes generally available to the public on a non-confidential basis other than as a result of a breach of this Section 9.08 by the Agent or such Lender, or (B) is or becomes available to the Agent or such Lender on a nonconfidential basis from a source other than the Company that, to the knowledge of the Agent or such Lender, is not in violation of any confidentiality agreement with the Company and (viii) with the consent of the Company. Notwithstanding anything herein to the contrary, the Agent and the Lenders may disclose to any and all Persons, without limitation of any kind, the U.S. tax treatment and tax structure of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are provided to the Agent or the Lenders relating to such U.S. tax treatment and tax structure.

SECTION 9.09. DESIGNATED SUBSIDIARIES. (a) DESIGNATION. The Company may at any time, and from time to time, by delivery to the Agent of a Designation Agreement duly executed by the Company and the respective Subsidiary and substantially in the form of Exhibit E hereto, designate such Subsidiary as a "Designated Subsidiary" for purposes of this Agreement and such Subsidiary shall thereupon become a "Designated Subsidiary" for purposes of this Agreement and, as such, shall have all of the rights and obligations of a Borrower hereunder. The Agent shall promptly notify each Lender of each such designation by the Company and the identity of the respective Subsidiary.

(b) TERMINATION. Upon the payment and performance in full of all of the indebtedness, liabilities and obligations under this Agreement of any Designated Subsidiary then, so long as at the time no Notice of Borrowing in respect of such Designated Subsidiary is outstanding, such Subsidiary's status as a "Designated Subsidiary" shall terminate upon notice to such effect from the Agent to the Lenders (which notice the Agent shall

give promptly, and only upon its receipt of a request therefor from the Company). Thereafter, the Lenders shall be under no further obligation to make any Advance hereunder to such Designated Subsidiary.

SECTION 9.10. GOVERNING LAW. This Agreement and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 9.11. EXECUTION IN COUNTERPARTS. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 9.12. JUDGMENT. (a) If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in Dollars into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Agent could purchase Dollars with such other currency at Citibank's principal office in London at 11:00 A.M. (London time) on the Business Day preceding that on which final judgment is

given.

(b) If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in a Committed Currency into Dollars, the parties agree to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Agent could purchase such Committed Currency with Dollars at Citibank's principal office in London at 11:00 A.M. (London time) on the Business Day preceding that on which final judgment is given.

(c) The obligation of the Company and each other Borrower in respect of any sum due from it in any currency (the "PRIMARY CURRENCY") to any Lender or the Agent hereunder shall, notwithstanding any judgment in any other currency, be discharged only to the extent that on the Business Day following receipt by such Lender or the Agent (as the case may be), of any sum adjudged to be so due in such other currency, such Lender or the Agent (as the case may be) may in accordance with normal banking procedures purchase the applicable Primary Currency with such other currency; if the amount of the applicable Primary Currency so purchased is less than such sum due to such Lender or the Agent (as the case may be) in the applicable Primary Currency, the Company and each other Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender or the Agent (as the case may be) against such loss, and if the amount of the applicable Primary Currency so purchased exceeds such sum due to any Lender or the Agent (as the case may be) in the applicable Primary Currency, such Lender or the Agent (as the case may be) agrees to remit to the Company or such other Borrower such excess.

SECTION 9.13. JURISDICTION, ETC. (a) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the Notes, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in any such New York State court or, to the extent permitted by law, in such federal court. The Company and each other Borrower hereby further irrevocably consent to the service of process in any action or proceeding in such courts by the mailing thereof by any parties hereto by registered or certified mail, postage prepaid, to the Company at its address specified pursuant to Section 9.02. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any party may otherwise have to bring any action or proceeding relating to this Agreement or the Notes in the courts of any jurisdiction.

(b) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the Notes in any New York State or federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

SECTION 9.14. SUBSTITUTION OF CURRENCY. If a change in any Committed Currency occurs pursuant to any applicable law, rule or regulation of any governmental, monetary or multi-national authority, this Agreement (including, without limitation, the definitions of Eurocurrency Rate) will be amended to the extent determined by the Agent (acting reasonably and in consultation with the Company) to be necessary to reflect the change in currency and to put the Lenders and the Company in the same position, so far as possible, that they would have been in if no change in such Committed Currency had occurred.

SECTION 9.15. NO LIABILITY OF THE ISSUING BANKS. None of the Agent, the Lenders nor any Issuing Bank, nor any of their Affiliates, or the respective directors, officers, employees, agents and advisors of such Person or such Affiliate, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder, or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the applicable Issuing Bank; PROVIDED that the foregoing shall not be construed to excuse any Issuing Bank from liability to the applicable Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrowers to the extent permitted by applicable law) suffered by such Borrower that are caused by such Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof or any failure to honor a Letter of Credit where such Issuing Bank is, under applicable law, required to honor it. The parties hereto expressly agree that, as long as the Issuing Bank

has not acted with gross negligence or willful misconduct, such Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, an Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

SECTION 9.16. WAIVER OF JURY TRIAL. Each of the Company, each other Borrower, the Agent and the Lenders hereby irrevocably waives all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the Notes or the actions of the Agent or any Lender in the negotiation, administration, performance or enforcement thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ STEVEN BERNS

Title: Vice President and Treasurer

CITIBANK, N.A.,
as Agent

By: /S/ CAROLYN A. KEE

Title: Vice President

LETTER OF CREDIT COMMITMENT
$130,000,000 JPMORGAN CHASE BANK

By: /s/ REBECCA VOGEL

Title: Vice President

$20,000,000 HSBC BANK USA

By: /s/ JOHAN SORENSSON

Title: First Vice President

$50,000,000 KEYBANK NATIONAL ASSOCIATION

By: /s/ CHERYL L. EBNER

Title: Senior Vice President

$200,000,000 Total of the Letter of Credit Commitments

LENDERS

LEAD ARRANGER

REVOLVING CREDIT COMMITMENT
$90,000,000 CITIBANK, N.A.

By: /s/ CAROLYN A. KEE

Title: Vice President

AGENTS

$80,000,000 JPMORGAN CHASE BANK

By: /s/ REBECCA VOGEL

Title: Vice President

$75,000,000 UBS AG, CAYMAN ISLANDS BRANCH

By: /s/ WILFRED V. SAINT

Title: Associate Director

By: /s/ THOMAS R. SALZANO
Title: Director

$70,000,000 HSBC BANK USA

By: /s/ JOHAN SORENSSON
Title: First Vice President

LENDERS

$50,000,000 LLOYDS TSB BANK PLC

By: /s/ RICHARD A. HEATH
Title: Vice President

By: /s/ CATHERINE RANKING
Title: Assistant Vice President

$40,000,000 BARCLAYS BANK PLC

By: /s/ NICHOLAS BELL
Title: Director

$25,000,000 FLEET NATIONAL BANK

By: /s/ THOMAS J. LEVY
Title: Senior Vice President

$25,000,000 ING CAPITAL LLC

By: /s/ WILLIAM C. JAMES
Title: Managing Director

$20,000,000 KEYBANK NATIONAL ASSOCIATION

By: /s/ CHERYL L. EBNER
Title: Senior Vice President

$15,000,000 ROYAL BANK OF CANADA

By: /s/ CHRIS ABE

Title: Manager

$10,000,000 WESTPAC BANKING CORPORATION

By: /s/ LISA PORTER
Title: Vice President

$500,000,000 Total of the Revolving Credit Commitments

SCHEDULE I
THE INTERPUBLIC GROUP OF COMPANIES, INC.
364-DAY CREDIT AGREEMENT
APPLICABLE LENDING OFFICES

NAME OF INITIAL LENDER	DOMESTIC LENDING OFFICE	EUROCURRENCY LENDING OFFICE

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--- Barclays Bank PLC 200 Park Avenue 54 Lombard Street New York, NY 10166 London, England Attn: Christina Challenger- Batiz EC3V 9EX T: 212 412-3701 Attn: Graham Smart F: 212 412-5306 T: 44 20 777 36450 F: 44 20 777 36807
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Citibank, N.A. Two Penns Way, Suite 200 Two Penns Way, Suite 200 New Castle, DE 19720 New Castle, DE 19720 Attn: May Wong Attn: May Wong T: 302 894-6015 T: 302 894-6015 F: 302 894-6120 F: 302 894-6120 - --
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----- Fleet National Bank 1185 Avenue of the Americas 1185 Avenue of the Americas New York, NY 10036 New York, NY 10036 Attn: Thomas J. Levy Attn: Thomas J. Levy T: 212 819-6116 T: 212 819-6116 F: 212 819-3049 F: 212 819-3049 - --
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----- HSBC

Bank USA 1 HSBC Center 1 HSBC Center Buffalo, NY 14203 Buffalo, NY 14203 Attn: Donna Reilly Attn: Donna Reilly T: 716 841-4178 T: 716 841-4178 F: 716 841-0269 F: 716 841-0269 - -- ---------- ---------- ---------- -- ---------- ---------- ------- ----- ---------- ---------- ----- ING Capital LLC 55 East 52nd Street 55 East 52nd Street New York, NY 10055 New York, NY 10055 Attn: Lisa Cummings Attn: Lisa Cummings T: 212 409-1676 T: 212 409-1676 F: 212 409-7808 F: 212 409-7808 - ---------- ---------- ---------- - ---------- ---------- ---------- - ---------- ---------- --------- JPMorgan Chase Bank 4 Chase Metrotech Center 4 Chase Metrotech Center 15th Floor 15th Floor Brooklyn, NY 11245 Brooklyn, NY 11245 Attn: Marcia Green-Alleyne Attn: Marcia Green-Alleyne T: 718 242-8064 T: 718 242-8064 F: 718 242-6550 F: 718 242-6550 - ---------- ---------- ---------- - ---------- ---------- ---------- - ---------- ---------- --------- KeyBank National Association 127 Public Square 127 Public Square

Cleveland, OH 94111 Cleveland, OH 94111 Attn: Jeffrey Dinscher Attn: Jeffrey Dinscher T: 216 689-5562 T: 216 689-5562 F: 216689-4981 F: 216689-4981 - ------ ------ ------ ------ ------ ------ --- --------- ------ ------ - Lloyds TSB Bank PLC Lloyds TSB Bank plc Miami Lloyds TSB Bank plc Miami One Biscayne Tower Suite 3200 One Biscayne Tower Suite 3200 2 South Biscayne Boulevard 2 South Biscayne Boulevard Miami, FL 33131 Miami, FL 33131 Attn: Patricia Kilian Attn: Patricia Kilian - ---- ------ ------ -------- ---- ------ ------ ------ ------- ----- ------- ------ ------ --- Royal Bank of Canada Royal Bank of Canada Royal Bank of Canada New York Branch New York Branch One Liberty Plaza, 3rd Floor One Liberty Plaza, 3rd Floor New York, NY 10006-1404 New York, NY 10006-1404 Attn: Manager, Loans Attn: Manager, Loans 1 Administration Administration T: 212 428-6322 T: 212 428-6322 F: 212 428-2372 F: 212 428-

2372 With a copy to: With a copy to: Attn: Chris Abe/Nigel Delph Attn: Chris Abe/Nigel Delph T: 212 428-6260/6249 T: 212 428-6260/6249 F: 212 428-2319 F: 212 428-2319 - ------ ------ ------ ------ ------ ------ --- --------- ------ ------ - UBS AG, Cayman Islands Branch c/o UBS AG, Stamford Branch c/o UBS AG, Stamford Branch Banking Product Services Banking Product Services 677 Washington Blvd 677 Washington Blvd Stamford, CT 06901 Stamford, CT 06901 Attn: Luke Goldsworthy Attn: Luke Goldsworthy T: 203 719-0481 T: 203 719-0481 F: 203 719-4176 F: 203 719-4176 - ------ ------ ------ ------ ------ ------ --- --------- ------ ------ - Westpac Banking Corporation 575 Fifth Avenue, 39th Floor 575 Fifth Avenue, 39th Floor New York, NY 10017 New York, NY 10017 Attn: Tony Smith Attn: Tony Smith T: 212 551-1814 T: 212 551-1814 F: 212 551-1995 F: 212 551-1995 - -- ------ ------ ---------- --

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SCHEDULE 2.01(b)
LETTERS OF CREDIT

ISSUING BANK	BENEFICIARY	L/C NUMBER	EXPIRATION	TOTAL AMOUNT
JPMorgan Chase Bank	Granada Media Group Ltd, et al.	T-235804	6/30/03	(Pound)50,000,000
JPMorgan Chase Bank	Granada Media Group Ltd, et al.	T-235806	6/30/03	(Pound)20,000,000
JPMorgan Chase Bank	RLI Insurance Company	T-218093	10/31/03	US$15,000,000
JPMorgan Chase Bank	Jacoby Vermoegensverwaltungsgesellschaft MBH	T-206187	7/10/03	EUR6,774,617
JPMorgan Chase Bank	Reinhard Springer Vermoegensverwaltungsgesellschaft	T-206189	7/10/03	EUR6,774,617
JPMorgan Chase Bank	W9/ONS Real Estate Limited Partnership	T-210917	3/31/04	US$1,000,000
JPMorgan Chase Bank	Atlantic Mutual Companies	T-222830	2/28/04	US$1,100,000
JPMorgan Chase Bank	Atlantic Mutual Companies	T-235678	2/28/04	US$1,100,000
HSBC Bank USA	RLI Insurance Company	SDCMTN542602	10/31/03	US$15,000,000
HSBC Bank USA	HSBC Singapore	SDCMTN544962	12/31/03	SGD3,167,000

SCHEDULE 5.02(f)

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(US$s in Millions) Estimated Up-Front Cash Portion of Purchase Price	TARGET COMPANY	ACQUIRING AGENCY	COUNTRY	US DOLLARS
	Competence	FCB	Brazil	0.4
	DLKW	FCB	UK	10.7
	Idea	Azione	Italy	2.5
	Marcomm	Octagon	USA	0.3
	New Time	McCann	Brazil	0.2
	RGB	McCann	Italy	0.5
	Satz &	Graphik	Austria	1.0
	Try	Lowe Group	Norway	0.9
	WTA Tier	II Event	Octagon	Belgium
3.2	- TOTAL			19.7

SCHEDULE 5.02(i)

CONSOLIDATED SUBSIDIARY DEBT

(US$ 000'S)	Payable to Banks
$1,389.6	Capitalized Leases
1,140.0	Mortgage Payable
86.2	Letters of Credit (Undrawn)
37,529.2	
	TOTAL
$40,145.1	

EXHIBIT A - FORM OF
PROMISSORY NOTE

U.S.$_____ Dated: _____, 200_

FOR VALUE RECEIVED, the undersigned, THE INTERPUBLIC GROUP OF COMPANIES, INC., a Delaware corporation (the "BORROWER"), HEREBY PROMISES TO PAY

to the order of _____ (the "LENDER") for the account of its Applicable Lending Office on the later of (a) the Termination Date and (b) if the Borrower has made the Term Loan Election prior to the Termination Date, the Maturity Date (each as defined in the Credit Agreement referred to below) the principal sum of U.S.$[amount of the Lender's Revolving Credit Commitment in figures] or, if less, the aggregate principal amount of the Advances made by the Lender to the Borrower pursuant to the 364-Day Credit Agreement dated as of May 15, 2003 among the Borrower, the Lender and certain other lenders parties thereto, JPMorgan Chase Bank, as syndication agent, UBS Warburg LLC and HSBC Bank USA, as co-documentation agents, Citigroup Global Markets Inc., as lead arranger and book manager, and Citibank, N.A. as Agent for the Lender and such other lenders (as amended or modified from time to time, the "CREDIT AGREEMENT"; the terms defined therein being used herein as therein defined) outstanding on such date.

The Borrower promises to pay interest on the unpaid principal amount of each Advance from the date of such Advance until such principal amount is paid in full, at such interest rates, and payable at such times, as are specified in the Credit Agreement.

Both principal and interest in respect of each Advance (i) in Dollars are payable in lawful money of the United States of America to the Agent at its account maintained at 399 Park Avenue, New York, New York 10043, in same day funds and (ii) in any Committed Currency are payable in such currency at the applicable Payment Office in same day funds. Each Advance owing to the Lender by the Borrower pursuant to the Credit Agreement, and all payments made on account of principal thereof, shall be recorded by the Lender and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Promissory Note.

This Promissory Note is one of the Notes referred to in, and is entitled to the benefits of, the Credit Agreement. The Credit Agreement, among other things, (i) provides for the making of Advances by the Lender to the Borrower from time to time in an aggregate amount not to exceed at any time outstanding the U.S. dollar amount first above mentioned, the indebtedness of the Borrower resulting from each such Advance being evidenced by this Promissory Note, (ii) contains provisions for determining the Dollar Equivalent of Advances denominated in Committed Currencies and (iii) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for prepayments on account of principal hereof prior to the maturity hereof upon the terms and conditions therein specified.

This Promissory Note shall be governed by, and construed in accordance with, the laws of the State of New York.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By_____
Title:

ADVANCES AND PAYMENTS OF PRINCIPAL

AMOUNT OF ADVANCE	DATE	AMOUNT OF PRINCIPAL PAID	UNPAID PRINCIPAL	NOTATION MADE BY

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EXHIBIT B - FORM OF
NOTICE OF REVOLVING CREDIT BORROWING

Citibank, N.A., as Agent
for the Lenders parties
to the Credit Agreement
referred to below
Two Penns Way
New Castle, Delaware 19720

[Date]

Attention: Bank Loan Syndications Department

Ladies and Gentlemen:

The undersigned, [The Interpublic Group of Companies, Inc.][Name of Designated Subsidiary], refers to the 364-Day Credit Agreement, dated as of May 15, 2003 (as amended or modified from time to time, the "CREDIT

AGREEMENT", the terms defined therein being used herein as therein defined), among The Interpublic Group of Companies, Inc., certain Lenders parties thereto, JPMorgan Chase Bank, as syndication agent, UBS Warburg LLC and HSBC Bank USA, as co-documentation agents, Citigroup Global Markets Inc., as lead arranger and book manager, and Citibank, N.A., as Agent for said Lenders, and hereby gives you notice, irrevocably, pursuant to Section 2.02 of the Credit Agreement that the undersigned hereby requests a Revolving Credit Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Revolving Credit Borrowing (the "PROPOSED REVOLVING CREDIT BORROWING") as required by Section 2.02(a) of the Credit Agreement:

(i) The Business Day of the Proposed Revolving Credit Borrowing is _____, 200_.

(ii) The Type of Advances comprising the Proposed Revolving Credit Borrowing is [Base Rate Advances] [Eurocurrency Rate Advances].

(iii) The aggregate amount of the Proposed Revolving Credit Borrowing is [$_____][for a Revolving Credit Borrowing in a Committed Currency, list currency and amount of Revolving Credit Borrowing].

[(iv) The initial Interest Period for each Eurocurrency Rate Advance made as part of the Proposed Revolving Credit Borrowing is _____ month[s].]

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Revolving Credit Borrowing:

(A) the representations and warranties contained in Section 4.01 of the Credit Agreement and in Section 5 of the Subsidiary Guaranty [and in the Designation Agreement of the undersigned] are correct, before and after giving effect to the Proposed Revolving Credit Borrowing and to the application of the proceeds therefrom, as though made on and as of such date; and

(B) no event has occurred and is continuing, or would result from such Proposed Revolving Credit Borrowing or from the application of the proceeds therefrom, that constitutes a Default.

Very truly yours,

[THE INTERPUBLIC GROUP OF COMPANIES, INC.][DESIGNATED SUBSIDIARY]

By_____
Title:

EXHIBIT C - FORM OF ASSIGNMENT AND ACCEPTANCE

Reference is made to the 364-Day Credit Agreement dated as of May 15, 2003 (as amended or modified from time to time, the "CREDIT AGREEMENT") among The Interpublic Group of Companies, Inc., a Delaware corporation (the "COMPANY"), the Lenders (as defined in the Credit Agreement), JPMorgan Chase Bank, as syndication agent, UBS Warburg LLC and HSBC Bank USA, as co-documentation agents, Citigroup Global Markets, Inc., as lead arranger and book manager, and Citibank, N.A., as agent for the Lenders (the "AGENT"). Terms defined in the Credit Agreement and not defined herein are used herein with the same meaning.

The "Assignor" and the "Assignee" referred to on Schedule I hereto agree as follows:

1. The Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, an interest in and to the Assignor's rights and obligations under the Credit Agreement as of the date hereof equal to the percentage interest specified on Schedule I hereto of all outstanding rights and obligations under the Credit Agreement together with participations in Letters of Credit held by the Assignor on the date hereof. After giving effect to such sale and assignment, the amount of the Assignee's Revolving Credit Commitment, and Letter of Credit Commitment and the amount of the Advances owing to the Assignee will be as set forth on Schedule 1 hereto.

2. The Assignor (i) represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of, or the perfection or priority of any lien or security interest created or purported to be created under or in connection with, the Credit Agreement or any other instrument or document furnished

pursuant thereto; (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Company or the performance or observance by the Company of any of its obligations under the Credit Agreement or any other instrument or document furnished pursuant thereto; and (iv) attaches the Note, if any, held by the Assignor [and requests that the Agent exchange such Note for a new Note payable to the order of [the Assignee in an amount equal to the Revolving Credit Commitment assumed by the Assignee pursuant hereto or new Notes payable to the order of the Assignee in an amount equal to the Revolving Credit Commitment assumed by the Assignee pursuant hereto and] the Assignor in an amount equal to the Revolving Credit Commitment retained by the Assignor under the Credit Agreement[, respectively,] as specified on Schedule 1 hereto].

3. The Assignee (i) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements referred to in Section 4.01(e) thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (ii) agrees that it will, independently and without reliance upon the Agent, the Assignor or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) confirms that it is an Eligible Assignee; (iv) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement as are delegated to the Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; (v) agrees that it will perform in accordance with their terms all of the obligations that by the terms of the Credit Agreement are required to be performed by it as a Lender; and (vi) attaches any U.S. Internal Revenue Service forms required under Section 2.14 of the Credit Agreement.

4. Following the execution of this Assignment and Acceptance, it will be delivered to the Agent for acceptance and recording by the Agent. The effective date for this Assignment and Acceptance (the

"EFFECTIVE DATE") shall be the date of acceptance hereof by the Agent, unless otherwise specified on Schedule 1 hereto.

5. Upon such acceptance and recording by the Agent, as of the Effective Date, (i) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights (other than its rights under Section 2.11, 2.14 and 9.04 of the Credit Agreement to the extent any claim thereunder relates to an event arising prior to this Assignment and Acceptance) and be released from its obligations under the Credit Agreement.

6. Upon such acceptance and recording by the Agent, from and after the Effective Date, the Agent shall make all payments under the Credit Agreement and the Notes in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and facility fees with respect thereto) to the Assignee. The Assignor and Assignee shall make all appropriate adjustments in payments under the Credit Agreement and the Notes for periods prior to the Effective Date directly between themselves.

7. This Assignment and Acceptance shall be governed by, and construed in accordance with, the laws of the State of New York.

8. This Assignment and Acceptance may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of Schedule 1 to this Assignment and Acceptance by facsimile shall be effective as delivery of a manually executed counterpart of this Assignment and Acceptance.

IN WITNESS WHEREOF, the Assignor and the Assignee have caused Schedule 1 to this Assignment and Acceptance to be executed by their officers thereunto duly authorized as of the date specified thereon.

Schedule 1
to
Assignment and Acceptance

Percentage interest assigned:
_____%
Assignee's

Revolving Credit Commitment: $_____

Assignee's Letter of Credit Commitment: $_____

Aggregate outstanding principal amount of Advances assigned: $_____

Principal amount of Note payable to Assignee: $_____

Principal amount of Note payable to Assignor: $_____

Effective Date*: _____, 200_

[NAME OF ASSIGNOR], as Assignor

By_____
Title:

Dated: _____, 200_

[NAME OF ASSIGNEE], as Assignee

By_____
Title:

Dated: _____, 200_

Domestic Lending Office:
[Address]

Eurocurrency Lending Office:
[Address]

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* This date should be no earlier than five Business Days after the delivery of this Assignment and Acceptance to the Agent.

Accepted [and Approved]** this _____ day of _____, 200_

CITIBANK, N.A., as Agent

By

Title:

[Approved this_____ day of _____, 200_

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By]*

** Required if the Assignee is an Eligible Assignee solely by reason of clause (iii) of the definition of "Eligible Assignee".

* Required if the Assignee is an Eligible Assignee solely by reason of clause (iii) of the definition of "Eligible Assignee".

EXHIBIT D-1 - FORM OF
OPINION OF CLEARY,
GOTTLIEB, STEEN & HAMILTON

[Effective Date]

The parties named as Lenders in
the below-referenced Credit Agreement

Ladies and Gentlemen:

We have acted as special counsel to The Interpublic Group of Companies, Inc. (the "COMPANY") in connection with that certain 364-Day Credit Agreement, dated as of May 15, 2003 (the "CREDIT AGREEMENT"), among the Company, the Lenders parties thereto, JPMorgan Chase Bank, as syndication agent, UBS Warburg LLC and HSBC Bank USA, as co-documentation agents, Citigroup Global Markets, Inc., as lead arranger and book manager, and Citibank, N.A., as Agent for said Lenders. This opinion is furnished to you pursuant to Section 3.01(d)(iv) of the Credit Agreement.

In arriving at the opinions expressed below, we have examined the following documents:

(1) an executed copy of the Credit Agreement;

(2) executed copies of the Notes (as defined in the Credit Agreement), dated the date hereof, of the Company payable to the Lenders named therein (the "COMPANY NOTES"); and

(3) the other documents furnished by the Company pursuant to Article III of the Credit Agreement.

In addition, we have reviewed the originals or copies certified or otherwise identified to our satisfaction of all such corporate records of the Company and such other instruments and other certificates of public officials, officers and representatives of the Company and such other persons, and we have made such investigations of law, as we have deemed necessary as a basis for the opinions expressed below.

In rendering the opinions expressed below, we have assumed the authenticity of all documents submitted to us as originals and the conformity to the originals of all documents submitted to us as copies. In addition, we have assumed and have not verified the accuracy as to factual matters of each document we have reviewed (including, without limitation, the accuracy of the representations and warranties of the Company in the Credit Agreement).

Based upon the foregoing and subject to the further assumptions and qualifications set forth below, it is our opinion that:

1. The Company has corporate power to enter into the Credit Agreement and the Company Notes and to perform its obligations thereunder.

2. The execution and delivery by the Company of the Credit Agreement and the Company Notes have been duly authorized by all necessary corporate action of the Company.

3. The performance by the Company of its obligations under the Credit Agreement and the Company Notes (a) does not require any consent, approval, authorization, registration or qualification of or with any governmental authority of the United States, the State of Delaware or the State of New York and (b) does not result in a violation of any applicable United States federal or New York State law, rule or regulation or the Delaware General Corporation Law.

4. The Credit Agreement is a valid, binding and enforceable agreement of the Company.

5. The Company Notes, after giving effect to the initial borrowing by the Company under the Credit Agreement, will be valid, binding and enforceable obligations of the Company.

Insofar as the foregoing opinions relate to the validity, binding effect or enforceability of any agreement or obligation of the Company, (a) we have assumed that each party to such agreement or obligation has satisfied those legal requirements that are applicable to it to the extent necessary to make such agreement or obligation enforceable against it (except that no such assumption is made as to the Company regarding matters of the federal law of the United States of America, the law of the State of New York or the General Corporation Law of the State of Delaware) and (b) such opinions are subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and to general principles of equity.

We express no opinion as to the applicability or effect of the laws of any jurisdiction other than the State of New York wherein any Lender may be located or wherein enforcement of the Credit Agreement or the Notes may be sought that may limit the rates of interest which may be charged or collected.

We express no opinion as to (a) Section 2.15 of the Credit Agreement insofar as it provides that any Lender purchasing a participation from another Lender pursuant thereto may exercise set-off or similar rights with respect to such participation or (b) Section 9.12 of the Credit Agreement.

We have assumed that any assignments made by or among the Lenders of their rights and obligations under the Credit Agreement will not contravene New York Judiciary Law Section 489 (which makes it a criminal offense to take an assignment of a debt obligation with the intent of and for the purpose of bringing an action or proceeding thereon).

We note that the designations in Section 9.13(a) of the Credit Agreement are (notwithstanding the waiver in Section 9.13(b) of the Credit Agreement) subject to the power of such federal court to transfer actions pursuant to 28 U.S.C. ss.1404(a) or to dismiss such actions or proceedings on the grounds that such a federal court is an inconvenient forum for such action or proceeding.

With respect to the first sentence of Section 9.13(a) of the Credit Agreement, we express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any action relating to the Credit Agreement where jurisdiction based on diversity of citizenship under 28 U.S.C. ss.1332 does not exist.

The opinion expressed in paragraph 3 above relates only to those laws, rules and regulations that, in our experience, are normally applicable to transactions of the type referred to in the Credit Agreement.

The foregoing opinions are limited to the law of the State of New York, the General Corporation Law of the State of Delaware and the federal law of the United States, but we express no opinion as to any state securities or Blue Sky laws or United States federal securities laws.

We are furnishing this opinion letter to you solely for your benefit in connection with the Credit Agreement. This opinion letter is not to be used, circulated, quoted or otherwise referred to for any other purpose. Notwithstanding the foregoing, a copy of this opinion letter may be furnished to, and relied upon by, your successors and a permitted transferee who becomes a party to the Credit Agreement as a Lender thereunder, and you or any such successor or transferee may show this opinion to any governmental authority pursuant to requirements of applicable law or regulations. The opinions expressed herein are, however, rendered on and as of the date hereof, and we assume no obligation to advise you or any such transferee or governmental authority or any other person, or to make any investigations, as to any legal developments or factual matters arising subsequent to the date hereof that might affect the opinions expressed herein.

Very truly yours,

CLEARY, GOTTLIEB, STEEN & HAMILTON

By:

Andrea G. Podolsky, a partner

OPINION OF IN-HOUSE
COUNSEL OF THE COMPANY

[Effective Date]

To each of the Lenders parties
to the Credit Agreement dated
as of May 15, 2003
among The Interpublic Group of Companies, Inc.,
said Lenders and Citibank, N.A.,
as Agent for said Lenders, and
to Citibank, N.A., as Agent

364-DAY CREDIT AGREEMENT

Ladies and Gentlemen:

This opinion is furnished to you pursuant to Section 3.01(d)(iv) of the 364-Day Credit Agreement, dated as of May 15, 2003 (the "CREDIT AGREEMENT"), among The Interpublic Group of Companies, Inc. (the "COMPANY"), the Lenders parties thereto, JPMorgan Chase Bank, as syndication agent, UBS Warburg LLC and HSBC Bank USA, as co-documentation agents, Citigroup Global Markets, Inc., as lead arranger and book manager, and Citibank, N.A., as Agent for said Lenders. Terms defined in the Credit Agreement are used herein as therein defined.

I have acted as General Counsel for the Company in connection with the preparation, execution and delivery of the Credit Agreement.

In arriving at the opinions expressed below, I have examined the following documents:

(1) An executed copy of the Credit Agreement.

(2) The documents furnished by the Company pursuant to Article III of the Credit Agreement.

(3) A copy of the Restated Certificate of Incorporation of the Company and all amendments thereto (the "CHARTER").

(4) A copy of the by-laws of the Company and all amendments thereto (the "BY-LAWS").

(5) A certificate of the Secretary of State of Delaware, dated _____, 2003, attesting to the continued corporate existence and good standing of the Company in that State.

In addition, I have examined the originals, or copies certified or otherwise identified to my satisfaction, of such other corporate records of the Company, certificates of public officials and of officers of the Company and such other persons as I have deemed necessary as a basis for the opinions expressed below.

In rendering the opinions expressed below, I have assumed the authenticity of all documents submitted to me as originals and the conformity to the originals of all documents submitted to me as copies. In addition, I have assumed and have not verified the accuracy as to factual matters of each document I have reviewed (including, without limitation, the accuracy of the representations and warranties of the Company in the Credit Agreement).

Based upon the foregoing and subject to the further assumptions and qualifications set forth below, it is my opinion that:

1. The Company is a corporation validly existing and in good standing under the laws of the State of Delaware.

2. The execution, delivery and performance by the Company of the Credit Agreement and the Notes to be delivered by it, and the consummation of the transactions contemplated thereby, are within the Company's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) the Charter or the By-laws or (ii) any material contractual or legal restriction known to me contained in any material document to which the Company is a party or by which it is bound. The Credit Agreement and the Notes have been duly executed and delivered on behalf of the Company.

3. To the best of my knowledge, no authorization, approval or other action by, and no notice to or filing with, any third party is required for the execution, delivery and performance by the Company of the Credit Agreement and the Notes.

4. To the best of my knowledge, there are no pending or overtly threatened actions or proceedings against the Company or any of its Consolidated Subsidiaries before any court, governmental agency or arbitrator that purport to affect the validity, binding effect or enforceability of the Credit Agreement or any of the Notes or the consummation of the transactions contemplated thereby or, except as disclosed in the Company's reports filed with the Securities and Exchange Commission prior to the Effective Date, that are likely to have a materially adverse effect upon the financial condition or operations of the Company and its Consolidated Subsidiaries taken as a whole.

With regard to clause (ii) of paragraph 2 above, I express no opinion as to whether the deposit of cash into the L/C Cash Deposit Account would be permissible under the applicable lien covenants (all of which permit the Company to create liens in an amount based on its consolidated net worth) at the time such cash is provided.

The foregoing opinions are limited to the law of the State of New York, the General Corporation Law of the State of Delaware and the Federal law of the United States.

I am furnishing this opinion letter to you solely for your benefit in connection with the Credit Agreement. This opinion letter is not to be used, circulated, quoted or otherwise referred to for any other purpose. Notwithstanding the foregoing, a copy of this opinion letter may be furnished to, and relied upon by, your successors and a permitted transferee who becomes a party to the Credit Agreement as a Lender thereunder, and you or any such successor or transferee may show this opinion to any governmental authority pursuant to requirements of applicable law or regulations. The opinions expressed herein are, however, rendered on and as of the date hereof, and I assume no obligation to advise you or any such transferee or governmental authority or any other person, or to make any investigations, as to any legal developments or factual matters arising subsequent to the date hereof that might affect the opinions expressed herein.

Very truly yours,

Nicholas J. Camera, General Counsel

EXHIBIT E - FORM OF
DESIGNATION AGREEMENT

[DATE]

To each of the Lenders
parties to the Credit Agreement
(as defined below) and to Citibank, N.A.
as Agent for such Lenders

Ladies and Gentlemen:

Reference is made to the 364-Day Credit Agreement dated as of May 15, 2003 among The Interpublic Group of Companies, Inc. (the "COMPANY"), certain other borrowers parties thereto, the Lenders parties thereto, JPMorgan Chase Bank, as syndication agent, UBS Warburg LLC and HSBC Bank USA, as co-documentation agents, Citigroup Global Markets, Inc., as lead arranger and book manager, and Citibank, N.A., as Agent for said Lenders (the "CREDIT AGREEMENT"). Terms used herein and defined in the Credit Agreement shall have the respective meanings ascribed to such terms in the Credit Agreement.

Please be advised that the Company hereby designates its undersigned Subsidiary, _____ ("DESIGNATED SUBSIDIARY"), as a "Designated Subsidiary" under and for all purposes of the Credit Agreement.

The Designated Subsidiary, in consideration of each Lender's agreement to extend credit to it under and on the terms and conditions set forth in the Credit Agreement, does hereby assume each of the obligations imposed upon a "Designated Subsidiary" and a "Borrower" under the Credit Agreement and agrees to be bound by the terms and conditions of the Credit Agreement. In furtherance of the foregoing, the Designated Subsidiary hereby represents and warrants to each Lender as follows:

(a) The Designated Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of _____.

(b) The execution, delivery and performance by the Designated Subsidiary of this Designation Agreement, the Credit Agreement and the Notes to be delivered by it are within the Designated Subsidiary's corporate powers, have been duly authorized by all necessary corporate action and do not contravene (i) the Designated Subsidiary's charter or by-laws or (ii) any law, rule or regulation applicable to the

Designated Subsidiary or (iii) any material contractual or legal restriction binding on the Designated Subsidiary. The Designation Agreement and the Notes delivered by it have been duly executed and delivered on behalf of the Designated Subsidiary.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Designated Subsidiary of this Designation Agreement, the Credit Agreement or the Notes to be delivered by it.

(d) This Designation Agreement is, and the Notes to be delivered by the Designated Subsidiary when delivered will be, legal, valid and binding obligations of the Designated Subsidiary enforceable against the Designated Subsidiary in accordance with their respective terms.

(e) There is no pending or, to the knowledge of the Designated Subsidiary , threatened action or proceeding affecting the Designated Subsidiary or any of its Subsidiaries before any court, governmental

agency or arbitrator which purports to affect the legality, validity or enforceability of this Designation Agreement, the Credit Agreement or any Note of the Designated Subsidiary.

This Designation Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Very truly yours,

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By _____
Name:
Title:

[THE DESIGNATED SUBSIDIARY]

By_____
Name:
Title:

EXHIBIT F - FORM OF SUBSIDIARY GUARANTY

==========

SUBSIDIARY GUARANTY

BY

CERTAIN SUBSIDIARIES OF
THE INTERPUBLIC GROUP OF COMPANIES, INC.

IN FAVOR OF

THE LENDERS REFERRED TO HEREIN

AND

THE BANK OF NEW YORK, AS TRUSTEE
FOR THE BENEFIT OF THE NOTEHOLDERS LISTED ON SCHEDULE A HERETO

==========

DATED AS OF [ ], 2003

TABLE OF CONTENTS

GUARANTY

This GUARANTY (this "GUARANTY"), dated as of [ ], 2003, is made by the subsidiaries of The Interpublic Group of Companies, Inc. (the "BORROWER") set forth on the signature pages hereof (each, a "Guarantor", and, collectively, the "GUARANTORS"), in favor of the Lenders (as defined below) and The Bank of New York ("BONY"), as Trustee for the benefit of the noteholders listed on Schedule A hereto (each of the Lenders and BONY, a "GUARANTEED PARTY", and, collectively, the "GUARANTEED PARTIES").

WHEREAS, the Borrower has entered into a Five-Year Credit Agreement dated as of June 27, 2000 and a 364-Day Credit Agreement dated as of May [ ], 2003 (together, as amended, supplemented or otherwise modified through the date hereof, the "REVOLVER CREDIT AGREEMENTS") with the banks, financial institutions and other institutional lenders parties thereto (collectively, the "REVOLVER LENDERS") and Citibank, N.A., as agent for the Revolver Lenders (Citibank, N.A., as agent, and the Revolver Lenders are collectively referred to herein as the "REVOLVER CREDITORS");

WHEREAS, the Borrower has entered into five Note Purchase Agreements with The Prudential Insurance Company of America ("PRUDENTIAL", and together with the Revolver Creditors, the "LENDERS") dated May 26, 1994, April 28, 1995, October 31, 1996, August 18, 1997 and January 21, 1999, respectively (collectively, as amended, supplemented or otherwise modified through the date hereof, the "PRUDENTIAL NOTE PURCHASE AGREEMENTS", and, together with the Revolver Credit Agreements, the "CREDIT AGREEMENTS");

WHEREAS, the Borrower has issued Zero-Coupon Convertible Senior Notes due 2021, 7.25% Notes due 2011, 7.875% Notes due 2005 and 4.50% Convertible Senior Notes due 2023 (collectively, the "NOTES") pursuant to a Senior Debt Indenture with BONY, as Trustee, dated as of October 20, 2000, as supplemented by a First Supplemental Indenture dated as of August 22, 2001, a Second Supplemental Indenture dated as of December 14, 2001 and a Third Supplemental Indenture dated as of March 13, 2003; and

WHEREAS, the Borrower and the Guarantors are affiliates engaged in related businesses and the Guarantors (i) may have received and may receive a portion of the loans extended under the Credit Agreements, (ii) may be

entitled to borrow directly under the Revolver Credit Agreements, (iii) may have received, directly or indirectly, a portion of the proceeds from the issuance of the Notes, (iv) from time to time receive guarantees from the Borrower in the ordinary course of business and with respect to their own indebtedness and (v) will have derived other substantial direct and indirect economic benefit from the Credit Agreements and the Notes and therefore are willing to guarantee the Obligations (as hereinafter defined);

NOW THEREFORE, in consideration of the foregoing, the Guarantors hereby agree with and for the benefit of each Guaranteed Party as follows:

SECTION 1. Guaranty.

(a) The Guarantors hereby unconditionally and irrevocably, jointly and severally, guarantee, as a guarantee of payment and not of collection, the prompt performance and payment in full by the Borrower when due (whether at stated maturity, by acceleration or otherwise) of the following (the "OBLIGATIONS"):

(i) all payment obligations of the Borrower under the Credit Agreements, whether direct or indirect, absolute or contingent, and whether for principal, interest, fees, breakage costs, expenses, indemnification or otherwise; and

(ii) all payment obligations of the Borrower to the noteholders listed on Schedule B hereto arising under the Notes.

The Guarantors further agree to pay all costs, fees and expenses (including, without limitation, reasonable fees of outside counsel) incurred by any Guaranteed Party in enforcing any rights under this Guaranty. If the Borrower fails to pay any of the Obligations in full when due (whether at stated maturity, by

acceleration or otherwise) and any grace period for payment of any such Obligation has expired, the Guarantors, jointly and severally, agree to pay the unpaid portion of such Obligation within 2 business days after receipt by each of them of written demand from the applicable Guaranteed Party.

(b) Each Guarantor, and by its acceptance of this Guaranty, each Guaranteed Party, hereby confirms that it is the intention of all such persons that this Guaranty and the obligations of each Guarantor hereunder not constitute a fraudulent transfer or conveyance for purposes of any applicable law relating to bankruptcy, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to this Guaranty and the obligations of each Guarantor hereunder. To effectuate the foregoing intention, the Guaranteed Parties and the Guarantors hereby irrevocably agree that the obligations of each Guarantor under this Guaranty at any time shall be limited to the maximum amount as will result in the obligations of such Guarantor under this Guaranty not constituting a fraudulent transfer or conveyance.

(c) Each Guarantor hereby unconditionally and irrevocably agrees that in the event any payment shall be required to be made to any Guaranteed Party under this Guaranty, such Guarantor will contribute, to the maximum extent permitted by law, amounts to each other Guarantor with respect to any such payment.

SECTION 2. GUARANTY ABSOLUTE.

(a) The obligations of the Guarantors are joint and several and are those of a primary obligor, and not merely a surety, and are independent of the Obligations. A separate action or actions may be brought against any Guarantor whether or not an action is brought against the Borrower, any other guarantor or other obligor in respect of the Obligations or whether the Borrower, any other guarantor or any other obligor in respect of the Obligations is joined in any such action or actions.

(b) The liability of the Guarantors under this Guaranty shall be absolute and unconditional irrespective of, and each Guarantor hereby irrevocably waives, to the extent permitted by applicable law, any defenses it may now have or hereafter acquire relating to any or all of the following:

(i) any lack of genuineness, validity, legality or enforceability of the Credit Agreements, the Notes or any other document, agreement or instrument relating thereto or any assignment or transfer of any thereof;

(ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the

Obligations, or any waiver, indulgence, compromise, renewal, extension, amendment, modification of, or addition, consent, supplement to, or consent to departure from, or any other action or inaction under or in respect of, the Credit Agreements, the Notes or any other document, instrument or agreement relating to the Obligations or any other instrument or agreement referred to therein or any assignment or transfer of any thereof;

(iii) any release or partial release of any other guarantor or other obligor in respect of the Obligations;

(iv) any exchange, release or non-perfection of any collateral for all or any of the Obligations, or any release, or amendment or waiver of, or consent to departure from, any guaranty or security, for all or any of the Obligations;

(v) any furnishing of any additional security for any of the Obligations;

(vi) the liquidation, bankruptcy, insolvency or reorganization of the Borrower, any other guarantor or other obligor in respect of the Obligations or any action taken with respect to this Guaranty by any trustee or receiver, or by any court, in any such proceeding; or

(vii) any other circumstance which might otherwise constitute a defense available to, or a legal or equitable discharge of, any Guarantor.

(c) This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time payment or performance of the Obligations, or any part thereof, is, upon the insolvency, bankruptcy or reorganization of the Borrower or any Guarantor or otherwise pursuant to applicable law, rescinded or reduced in amount or must otherwise be restored or returned by any Guaranteed Party, all as though such payment or performance had not been made.

SECTION 3. WAIVERS.

(a) To the extent permitted by applicable law, each Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance and any and all other notices with respect to any of the Obligations and this Guaranty, other than the notice provided for in Section 1 hereof, and any requirement that any Guaranteed Party protect, secure, perfect or insure any security interest in or any lien on any property subject thereto or exhaust any right or take any action against the Borrower, any other guarantor or any other person or any collateral or security or any balance of any deposit accounts or credit on the books of any of the Lenders in favor of the Borrower or any Guarantor.

(b) Each Guarantor hereby unconditionally and irrevocably waives any right to revoke this Guaranty and acknowledges that this Guaranty is continuing in nature and applies to all Obligations, whether existing now or in the future.

(c) Each Guarantor hereby unconditionally and irrevocably waives (i) any defense arising by reason of any claim or defense based upon an election of remedies by any Guaranteed Party that in any manner impairs, reduces, releases or otherwise adversely affects the subrogation, reimbursement, exoneration, contribution or indemnification rights of such Guarantor or other rights of such Guarantor to proceed against the Borrower, any other guarantor or any other person or any collateral and (ii) any defense based on any right of set-off or counterclaim against or in respect of the obligations of such Guarantor hereunder.

(d) Each Guarantor hereby unconditionally and irrevocably waives any duty on the part of any Guaranteed Party to disclose to such Guarantor any matter, fact or thing relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of the Borrower or any of its subsidiaries now or hereafter known by such Guaranteed Party.

Each Guarantor acknowledges that it will receive substantial direct and indirect benefits from the financing arrangements contemplated by the Credit Agreements and the Notes and that the waivers set forth in Section 2 and this Section 3 are knowingly made in contemplation of such benefits.

SECTION 4. SUBROGATION. The Guarantors will not exercise any rights which they may acquire by way of rights of subrogation under this Guaranty, by any payment made hereunder or otherwise, until the latest of (i) all the Obligations shall have been irrevocably paid in full and in cash, (ii) the Credit Agreements shall have been terminated and (iii) the Notes shall have been cancelled.

SECTION 5. REPRESENTATIONS AND WARRANTIES. The Guarantors jointly and severally represent and warrant to the Guarantied Parties as follows:

(a) EXISTENCE AND POWER. Each Guarantor is a [corporation] duly formed and validly existing under the laws of the jurisdiction indicated on the signature pages hereof opposite its name, is in good standing

in such jurisdiction and has all requisite power and authority to own its property and to carry on its business as now conducted.

(b) AUTHORITY. Each Guarantor has full power and authority to execute and deliver this Guaranty and to perform its obligations hereunder, all of which have been duly authorized by all proper and necessary action of the Guarantor.

(c) AUTHORITY OF OFFICERS. The officer of each Guarantor who is executing this Guaranty is properly in office and is duly authorized to execute the same.

(d) BINDING AGREEMENT. This Guaranty constitutes the legal, valid and binding obligation of each Guarantor enforceable against it in accordance with its terms except as such enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally.

(e) LITIGATION. There are no actions, suits or arbitration proceedings pending or, to the knowledge of any Guarantor, threatened against any Guarantor, at law or in equity, which, individually or in the aggregate, if adversely determined, would materially adversely affect the financial condition of any Guarantor or materially impair the ability of such Guarantor to perform its obligations under this Guaranty.

(f) NO CONFLICTING LAW OR AGREEMENTS. The execution, delivery and performance by each Guarantor of this Guaranty (i) do not violate any provision of the articles of incorporation or by-laws (or equivalent constituent documents) of such Guarantor; (ii) do not violate in any material respect any order, decree or judgment, or any provision of any statute, rule or regulation applicable to or binding on such Guarantor or any of its property; and (iii) do not violate or conflict with, result in a breach of or constitute (with notice or lapse of time or both) a material default under, any material mortgage, indenture, contract or other material agreement to which such Guarantor is a party, or by which any of its property is bound.

SECTION 6. FURTHER ASSURANCES. The Guarantors agree that at any time and from time to time, at the expense of the Guarantors, the Guarantors will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Guaranteed Parties may reasonably request, to enable the Guaranteed Parties to protect and to exercise and enforce their respective rights and remedies hereunder.

Section 7. NO WAIVER. No failure on the part of any Guaranteed Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8. AMENDMENTS, ETC. Except as set forth in Section 9 hereof, no amendment or waiver of any provision of this Guaranty, nor consent to any departure by the Guarantors herefrom, shall in any event be effective unless the same shall be in writing and signed by (a) each Guarantor, (b) so long as the Revolver Credit Agreements are in effect, Citibank, N.A., acting at the direction of the Required Lenders under (and as defined in) each such Revolving Credit Agreement and (c) so long as the Prudential Note Purchase Agreements are in effect, Prudential; PROVIDED, HOWEVER, that if at any time it becomes necessary for this Guaranty to be qualified under the Trust Indenture Act of 1939, as amended, this Guaranty may be amended without any further action on the part of any Guarantor or any Guaranteed Party in order to incorporate such provisions as would cause it to be so qualified. Any amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

SECTION 9. ADDITION AND REMOVAL OF GUARANTORS.

(a) In the event that any Guarantor is dissolved or ceases to be a consolidated subsidiary of the Borrower, (i) such Guarantor shall, automatically and without any further action on behalf of any of the

Guarantors or the Guaranteed Parties, cease to be a Guarantor and (ii) the definition of "Guarantor" shall, automatically and without any further action on behalf of any of the Guarantors or the Guaranteed Parties, be amended to remove such Guarantor therefrom.

(b) In the event that any consolidated subsidiary of the Borrower wishes to become a Guarantor, such consolidated subsidiary shall execute and deliver an accession agreement substantially in the form of Exhibit A hereto (an "ACCESSION AGREEMENT"). Upon execution and delivery of such Accession Agreement, and without any further action on behalf of any of the Guarantors or the Guaranteed Parties, (i) such consolidated subsidiary shall become a Guarantor and (ii) the definition of "Guarantor" shall automatically be amended to include such consolidated subsidiary therein, in each case as of the date of such Accession Agreement.

SECTION 10. NOTICES. All notices, requests and other communications provided for hereunder shall be in writing and mailed by overnight delivery, transmitted by facsimile or hand delivered:

(i) if to any of the Revolver Creditors, addressed c/o Citibank, N.A., Two Penns Way, Suite 200, New Castle, DE 19720, Attention: May Wong (Facsimile: (302) 894-6120);

(ii) if to Prudential, addressed c/o Prudential Capital Group, 1114 Avenue of the Americas, 30th Floor, New York, NY 10036, Attention: William Pappas (Facsimile: (212) 626-2077);

(iii) if to BONY, addressed to The Bank of New York, 101 Barclay Street, 21st Floor West, New York, NY 10286, Attention: Corporate Trust Trustee Administration (Facsimile: (212) 815-5915);

(iv) if to the Guarantors, at their respective addresses set forth on the signature page hereof, with a copy to the Borrower at 1270 Avenue of the Americas, New York, NY 10020, Attention: Vice President and Treasurer (Facsimile: (212) 621-5748);

or, as to each party, at such other address as shall be designated by such party in a written notice to the other parties. All such notices and other communications shall be effective (x) upon receipt thereof, when mailed by overnight delivery or hand delivered or (y) upon receipt of confirmation of facsimile transmission, when transmitted by facsimile.

SECTION 11. CONTINUING GUARANTY; TRANSFER OF NOTES. This Guaranty is a continuing guaranty and shall (a) remain in full force and effect until the latest of (i) payment in full of the Obligations and all other amounts payable under this Guaranty, (ii) the termination of the Credit Agreements and (iii) the cancellation of the Notes; (b) be binding upon the Guarantors and their respective successors and assigns; and (c) inure to the benefit of the Guaranteed Parties and their respective successors and assigns. Without limiting the generality of clause (c) of the immediately preceding sentence, if any Revolver Lender assigns or otherwise transfers all or any portion of its rights and obligations under the applicable Revolver Credit Agreement (including, without limitation, all or any portion of its commitments, the advances owing to it and the note or notes held by it) to any other person in accordance with the terms thereof, then such other person shall thereupon become vested with all the benefits in respect of such transferred rights and obligations granted to such Guaranteed Party herein.

SECTION 12. SEVERABILITY. If for any reason any provision or provisions hereof are determined to be invalid and contrary to any existing or future law, such invalidity shall not, to the fullest extent permitted by law, impair the operation of or effect of those portions of this Guaranty that are valid.

SECTION 13. GOVERNING LAW; Jurisdiction.

(a) This Guaranty shall be governed by, and construed and enforced in accordance with, the law of the State of New York.

(b) Any legal action or proceeding with respect to this Guaranty may be brought in the courts of the State of New York or of the United States of America for the Southern District of New York, and by execution and delivery of this Guaranty, each Guarantor hereby consents, for itself and in respect of its property, to the non-exclusive jurisdiction of the aforesaid courts. To the fullest extent permitted by law, each Guarantor hereby irrevocably waives any objection, including without limitation, any objection to the laying of venue or based on the grounds of FORUM NON CONVENIENS, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Guaranty or any document related hereto. Notwithstanding any of the foregoing, any suit, action or proceeding against the Guarantors based on

this Guaranty may be instituted by any Guaranteed Party in any court of competent jurisdiction.

SECTION 14. TAXES. All payments to be made by a Guarantor under this Guaranty shall be made without set-off or counterclaim and without deduction for any taxes unless such Guarantor is required by law to make payments subject to such taxes. All taxes in respect of payments made under this Guaranty payable by a Guarantor shall be paid by such Guarantor when due and in any event prior to the date on which penalties attach thereto. Such Guarantor will indemnify each Guaranteed Party with respect to such taxes paid by such Guaranteed Party; PROVIDED that, if such Guaranteed Party receives a refund of any portion of such taxes, it shall pay the amount of any such refund to such Guarantor. In addition, if any taxes or amounts in respect thereof must be deducted from any amounts payable or paid by such Guarantor hereunder, such Guarantor shall pay at the same time as such payment is due such additional amounts as may be necessary to ensure that each Guaranteed Party receives a net amount equal to the full amount which it would have received had payment not been made subject to such tax.

SECTION 15. EXECUTION IN COUNTERPARTS. This Guaranty and each amendment, waiver and consent with respect hereto may be executed in any number of counterparts and by different parties hereto and thereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Guaranty by telecopier shall be effective as delivery of an original executed counterpart of this Guaranty.

SECTION 16. WAIVER OF JURY TRIAL. EACH GUARANTOR WAIVES ANY RIGHT IT MAY HAVE TO A JURY TRIAL IN CONNECTION WITH ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATED IN ANY WAY TO THIS GUARANTY.

IN WITNESS WHEREOF, each Guarantor has caused this Guaranty to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

[GUARANTOR] -
[STATE OF
INCORPORATION]
[GUARANTOR] -
[STATE OF
INCORPORATION]
By: By: -----

---------- --

- Title:
Title: ------

--------- ---

Address:
Address: ----

---------- -

-- Facsimile:
Facsimile: --

[GUARANTOR] -
[STATE OF
INCORPORATION]
[GUARANTOR] -
[STATE OF
INCORPORATION]
By: By: -----

---------- --

- Title:
Title: ------

--------- ---

Address:
Address: ----

---------- -

-- Facsimile:
Facsimile: --

[GUARANTOR] -
[STATE OF
INCORPORATION]
[GUARANTOR] -
[STATE OF
INCORPORATION]
By: By: -----

---------- --

- Title:
Title: ------

--------- ---

Address:
Address: ----

---------- -

-- Facsimile:
Facsimile: --

[GUARANTOR] -
[STATE OF
INCORPORATION]
[GUARANTOR] -
[STATE OF
INCORPORATION]
By: By: -----

---------- --

- Title:
Title: ------

--------- ---

Address:
Address: ----

-- Facsimile:
Facsimile: --

SCHEDULE A

NOTEHOLDERS

Holders of the 4.50% Convertible Senior Notes due 2023

Holders of the Zero-Coupon Convertible Senior Notes due 2021

Holders of the 7.25% Notes due 2011

Holders of the 7.875% Notes due 2005

EXHIBIT A

ACCESSION AGREEMENT

By execution of this Accession Agreement, the undersigned consolidated subsidiary of The Interpublic Group of Companies, Inc. (the "BORROWER") hereby agrees, as of the date noted below, to become a party to and to be bound by all of the terms and conditions of the Guaranty, dated as of [ ], 2003, by certain subsidiaries of the Borrower in favor of the lenders named therein and The Bank of New York, as trustee for the benefit of the noteholders named therein (the "GUARANTY") to the same extent as each of the other Guarantors thereunder. Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Guaranty. By execution of this Accession Agreement, the undersigned shall have all the rights of a Guarantor and shall observe all the obligations of a Guarantor, in each case as specified in the Guaranty. Delivery of an executed counterpart of a signature page to this Accession Agreement by telecopier shall be effective as delivery of an original executed counterpart of this Accession Agreement.

[DATE]

[GUARANTOR] - [STATE OF INCORPORATION]

By:

Title:

Address:

Facsimile:

EXHIBIT G-1 - FORM OF OPINION OF OUTSIDE COUNSEL OF THE SUBSIDIARY GUARANTOR

[Date]

To each of the Lenders in the below-referenced Credit Agreement

[NAME OF THE SUBSIDIARY GUARANTOR]

Ladies and Gentlemen:

We have acted as special counsel to [name of the Subsidiary Guarantor] (the "SUBSIDIARY GUARANTOR") in connection with the preparation, execution and delivery of the subsidiary guaranty (the "SUBSIDIARY GUARANTY") pursuant to Section 5.01(i) of the 364-Day Credit Agreement, dated as of May 15, 2003 (the "CREDIT AGREEMENT"), among The Interpublic Group of Companies, Inc. (the "COMPANY"), the Lenders parties thereto, JPMorgan Chase Bank, as syndication agent, USA Warburg LLC and HSBC Bank USA, as co-documentation agents, Citigroup Global Markets Inc., as lead arranger and book manager, and Citibank, N.A., as Agent for said Lenders.

In arriving at the opinions expressed below, we have examined the following documents:

(1) an executed copy of the Credit Agreement;

(2) an executed copy of the Subsidiary Guaranty; and

(3) executed copies of the other documents furnished by the Subsidiary Guarantor pursuant to Section 5.01(i) of the Credit Agreement.

In addition, we have reviewed the originals or copies certified or otherwise identified to our satisfaction of all such corporate records of the Subsidiary Guarantor and such other instruments and other certificates of public officials, officers and representatives of the Subsidiary Guarantor and such other persons, and we have made such investigations of law, as we have deemed necessary as a basis for the opinions expressed below.

In rendering the opinions expressed below, we have assumed the authenticity of all documents submitted to us as originals and the conformity to the originals of all documents submitted to us as copies. In addition, we have assumed and have not verified the accuracy as to factual matters of each document we have reviewed (including, without limitation, the accuracy of the representations and warranties of the Company in the Credit Agreement and of the Subsidiary Guarantor in the Subsidiary Guaranty).

Based upon the foregoing and subject to the further assumptions and qualifications set forth below, it is our opinion that:

1. The Subsidiary Guarantor has the corporate power to enter into the Subsidiary Guaranty and to perform its obligations thereunder.

2. The execution and delivery by the Subsidiary Guarantor of the Subsidiary Guaranty have been duly authorized by all necessary corporate action of the Subsidiary Guarantor.

3. The performance by the Subsidiary Guarantor of its obligations under the Subsidiary Guaranty (a) does not require any consent, approval, authorization, registration or qualification of or with any governmental authority of the United States, [the State of Delaware or the State of New York], and (b) does not result in a violation of any applicable United States federal [or New York State law, rule or regulation or the Delaware General Corporation].

4. The Subsidiary Guaranty is a valid, binding and enforceable obligation of the Subsidiary Guarantor.

Insofar as the foregoing opinions relate to the validity, binding effect or enforceability of any agreement or obligation of the Subsidiary Guarantor, (a) we have assumed that each party to such agreement or obligation has satisfied those legal requirements that are applicable to it to the extent necessary to make such agreement or obligation enforceable against it (except that no such assumption is made as to the Subsidiary Guarantor regarding matters of the federal law of the United States of America[, the law of the State of New York or the General Corporation Law of the State of Delaware]) and (b) such opinions are subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and to general principles of equity.

We have assumed that any assignments made by or among the guaranteed parties of their rights and obligations under the Subsidiary Guaranty will not contravene New York Judiciary Law Section 489 (which makes it a criminal offense to take an assignment of a debt obligation with the intent of and for the purpose of bringing an action or proceeding thereon).

We note that the designations in Section 13(b) of the Subsidiary Guaranty are (notwithstanding the waiver contained in Section 14(b)) subject to the power of such federal court to transfer actions pursuant to 28 U.S.C. ss.1404(a) or to dismiss such actions or proceedings on the grounds that such a federal court is an inconvenient forum for such action or proceeding.

With respect to the first sentence of Section 13(b) of the Subsidiary Guaranty, we express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any action relating to the Subsidiary Guaranty where jurisdiction based on diversity of citizenship under 28 U.S.C. ss.1332 does not exist.

The opinion expressed in paragraph 3 above relates only to those laws, rules and regulations that, in our experience, are normally applicable to transactions of the type referred to in the Subsidiary Guaranty.

The foregoing opinions are limited to the law of the [State of New York, the General Corporation Law of the State of Delaware] and the federal law of the United States, but we express no opinion as to any state securities or Blue Sky laws or United States federal securities laws.

We are furnishing this opinion letter to you solely for your benefit in connection with the Subsidiary Guaranty. This opinion letter is not to be used, circulated, quoted or otherwise referred to for any other purpose. Notwithstanding the foregoing, a copy of this opinion letter may be furnished to, and relied upon by, your successors and a permitted transferee who becomes a party to the Credit Agreement as a Lender thereunder, and you or any such successor or transferee may show this opinion to any governmental authority pursuant to requirements of applicable law or regulations. The opinions expressed herein are, however, rendered on and as of the date hereof, and we assume no obligation to advise you or any such transferee or governmental authority or any other person, or to make any investigations, as to any legal developments or factual matters arising subsequent to the date hereof that might affect the opinions expressed herein.

Very truly yours,

EXHIBIT G-2 - FORM OF
OPINION OF IN-HOUSE COUNSEL
Of THE SUBSIDIARY GUARANTOR

[Date]

To each of the Lenders parties
to the Credit Agreement dated
as of May 15, 2003
among The Interpublic Group of Companies, Inc.,
said Lenders and Citibank, N.A.,
as Agent for said Lenders, and
to Citibank, N.A., as Agent

[NAME OF THE SUBSIDIARY GUARANTOR]

Ladies and Gentlemen:

This opinion is furnished to you pursuant to Section 5.01(i) of the 364-Day Credit Agreement, dated as of May 15, 2003 (the "CREDIT AGREEMENT"), among The Interpublic Group of Companies, Inc. (the "COMPANY"), the Lenders parties thereto, JPMorgan Chase Bank, as syndication agent, UBS Warburg LLC and HSBC Bank USA, as co-documentation agents, Citigroup Global Markets Inc., as lead arranger and book manager, and Citibank, N.A., as Agent for said Lenders. Terms defined in the Credit Agreement are used herein as therein defined.

I have acted as [General Counsel] for [name of the Subsidiary Guarantor] (the "SUBSIDIARY GUARANTOR") in connection with the preparation, execution and delivery of the Subsidiary Guaranty.

In arriving at the opinions expressed below, I have examined the following documents:

(1) An executed copy of the Credit Agreement.

(2) An executed copy of the Subsidiary Guaranty.

(3) The other documents furnished by the Subsidiary Guarantor pursuant to Section 5.01(i) of the Credit Agreement.

(4) A copy of the [Articles] [Certificate] of Incorporation of the Subsidiary Guarantor and all amendments thereto (the "CHARTER").

(5) A copy of the by-laws of the Subsidiary Guarantor and all amendments thereto (the "BY-LAWS").

(6) A certificate of the Secretary of State of [ ], dated _____, 2003, attesting to the continued corporate existence and good standing of the Subsidiary Guarantor in that State.

In addition, I have examined the originals, or copies certified or otherwise identified to my satisfaction, of such other corporate records of the Subsidiary Guarantor, certificates of public officials and of officers of the Subsidiary Guarantor and such other persons as I have deemed necessary as a basis for the opinions expressed below.

In rendering the opinions expressed below, I have assumed the authenticity of all documents submitted to me as originals and the conformity to the originals of all documents submitted to me as copies. In addition, I have assumed and have not verified the accuracy as to factual matters of each document I have reviewed (including, without limitation, the accuracy of the representations and warranties of the Company in the Credit Agreement and of the Subsidiary Guarantor in the Subsidiary Guaranty).

Based upon the foregoing and subject to the further assumptions and qualifications set forth below, it is my opinion that:

1. The Subsidiary Guarantor is a corporation validly existing and in good standing under the laws of the State of [ ].

2. The execution, delivery and performance by the Subsidiary Guarantor of the Subsidiary Guaranty to be delivered by it, and the consummation of the transactions contemplated thereby, are within the Subsidiary Guarantor's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) the Charter or the By-laws or (ii) any material contractual or legal restriction known to me contained in any material document to which the Subsidiary Guarantor is a party or by which it is bound. The Subsidiary Guaranty has been duly executed and delivered on behalf of the Subsidiary Guarantor.

3. To the best of my knowledge, no authorization, approval or other action by, and no notice to or filing with, any third party is required for the execution, delivery and performance by the Subsidiary Guarantor of the Subsidiary Guaranty.

4. To the best of my knowledge, there are no pending or overtly threatened actions or proceedings against the Subsidiary Guarantor or any of its subsidiaries before any court, governmental agency or arbitrator that purport to affect the validity, binding effect or enforceability of the Subsidiary Guaranty or the consummation of the transactions contemplated thereby or that are likely to have a materially adverse effect upon the financial condition or operations of the Subsidiary Guarantor and its subsidiaries taken as a whole.

The foregoing opinions are limited to the law of the State of [New York][, the General Corporation Law of the State of Delaware] and the Federal law of the United States.

I am furnishing this opinion letter to you solely for your benefit in connection with the Subsidiary Guaranty. This opinion letter is not to be used, circulated, quoted or otherwise referred to for any other purpose. Notwithstanding the foregoing, a copy of this opinion letter may be furnished to, and relied upon by, your successors and a permitted transferee who becomes a party to the Credit Agreement as a Lender thereunder, and you or any such successor or transferee may show this opinion to any governmental authority pursuant to requirements of applicable law or regulations. The opinions expressed herein are, however, rendered on and as of the date hereof, and I assume no obligation to advise you or any such transferee or governmental authority or any other person, or to make any investigations, as to any legal developments or factual matters arising subsequent to the date hereof that might affect the opinions expressed herein.

Very truly yours,

Exhibit 10(i)(a)(ii)

EXECUTION COPY

AMENDMENT NO. 2 TO THE
AMENDED AND RESTATED FIVE YEAR CREDIT AGREEMENT

Dated as of May 15, 2003

AMENDMENT NO. 2 TO THE AMENDED AND RESTATED FIVE YEAR CREDIT AGREEMENT (this "AMENDMENT") among The Interpublic Group of Companies, Inc., a Delaware corporation (the "COMPANY"), Ammirati Puris Lintas K.K., the banks, financial institutions and other institutional lenders parties to the Credit Agreement referred to below (collectively, the "LENDERS") and Citibank, N.A., as agent (the "AGENT") for the Lenders.

PRELIMINARY STATEMENTS:

(1) The Company, the Lenders and the Agent have entered into a Five-Year Credit Agreement dated as of June 27, 2000 and amended and restated as of December 31, 2002 (as amended, supplemented or otherwise modified through the date hereof, the "CREDIT AGREEMENT"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) The Company, the Required Lenders and the Agent have agreed to further amend the Credit Agreement as hereinafter set forth.

SECTION 1. AMENDMENTS TO CREDIT AGREEMENT. The Credit Agreement is, effective as of the date hereof and subject to the satisfaction of the conditions precedent set forth in Section 2, hereby amended as follows:

(a) Section 1.01 is amended by deleting the definitions of "Proceeds Target", "Super Proceeds Target" and "Zero-Coupon Notes Target".

(b) Section 1.01 is amended by adding in appropriate alphabetical order the following new definitions:

"GUARANTEED OBLIGATIONS" has the meaning specified in Section 7.01.

"LOAN DOCUMENT" means this Agreement, the Notes and the Subsidiary Guaranty.

"MATERIAL SUBSIDIARY" means each Consolidated Subsidiary of the Company organized in the United States or any political subdivision thereof that had, as of the end of the most recently ended fiscal year, aggregate revenues for such fiscal year equal to at least $25,000,000.

"SUBSIDIARY GUARANTOR" means each Material Subsidiary that is a party to the Subsidiary Guaranty.

"SUBSIDIARY GUARANTY" has the meaning specified in Section 5.01(i).

(c) The definitions of "Applicable Margin", "Applicable Percentage" and "Applicable Utilization Fee" are deleted and replaced with the following, respectively:

"APPLICABLE MARGIN" means, as of any date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

Public Debt Rating	Applicable Margin for Base Rate Advances	Applicable Margin for Eurocurrency Rate Advances
S&P/Moody's		

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LEVEL 1
BBB+ or
Baa1 or
above
0.000%
0.600% - --

---- ------

LEVEL 2 BBB
or Baa2
0.000%
0.800% - --

---- ------

LEVEL 3
BBB- and
Baa3 0.000%
1.000% - --

---- ------

LEVEL 4
BBB- or
Baa3 0.000%
1.450% - --

---- ------

LEVEL 5 BB+
and Ba1
0.075%
1.575% - --

---- ------

LEVEL 6
Lower than
Level 5
0.200%
1.700% - --

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"APPLICABLE PERCENTAGE" means, as of any date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

Public Debt Rating Applicable S&P/Moody's	Percentage
LEVEL 1 BBB+ or Baa1 or above	0.150%
LEVEL 2 BBB or Baa2	0.200%
LEVEL 3 BBB- and Baa3	0.250%
LEVEL 4 BBB- or Baa3	0.300%
LEVEL 5 BB+ and Ba1	0.425%
LEVEL 6 Lower than Level 5	0.550%

"APPLICABLE UTILIZATION FEE" means, as of any date that the aggregate Advances exceed 33% of the aggregate Commitments, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

Public Debt Rating	Applicable S&P/Moody's Utilization Fee
LEVEL 1 BBB+ or Baa1 or above	0.125%
LEVEL 2 BBB or Baa2	0.250%
LEVEL 3 BBB- and Baa3	0.250%
LEVEL 4 BBB- or Baa3	0.250%
LEVEL 5 BB+ and Ba1	0.500%
LEVEL 6 Lower than Level 5	0.500%

(d) The definition of "Business Day" in Section 1.01 is amended by deleting the phrase "the euro, in Frankfurt German" with the phrase "Euros, on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open).

(e) The definition of "Debt for Borrowed Money" in Section 1.01 is amended by adding to the end thereof the phrase "or the Subsidiary Guaranty".

(f) The definition of EBITDA in Section 1.01 is amended in full to read as follows:

"EBITDA" means, for any period, net income (or net loss) PLUS the sum of (a) Interest Expense, (b) income tax expense, (c) depreciation expense, (d) amortization expense, (e) non-cash, non-recurring charges in an amount not to exceed $161,400,000 taken (i) with respect to the impairment of the assets of Brands Hatch Leisure Limited, Octagon Worldwide Limited and Octagon Worldwide Inc. and their respective Subsidiaries, in the fiscal year ended December 31, 2002 (which shall be allocated to each of the fiscal quarters of 2002 as set forth in a schedule previously delivered by the Company to the Lenders) and (ii) with respect to all such other charges, in the fiscal year ended December 31, 2002 (which shall be allocated to each of the fiscal quarters of 2002 as set forth in a schedule previously delivered by the Company to the Lenders), (f) non-recurring restructuring charges in an amount not to exceed $200,000,000 (up to $175,000,000 of which may be cash charges) recorded in the financial statements of the Company and its Consolidated Subsidiaries for the fiscal quarter ended March 31, 2003, the fiscal quarter ending June 30, 2003 and the fiscal quarter ending September 30, 2003, (g) non-cash, non-recurring charges in an amount not to exceed $70,000,000 taken with respect to the impairment of the remaining book value of Brands Hatch Leisure Limited, Octagon Worldwide Limited and Octagon Worldwide Inc. and their respective Subsidiaries and (h) all impairment charges taken with respect to capital expenditures made on or after January 1, 2003 on behalf of Brands Hatch Leisure Limited, Octagon Worldwide Limited and Octagon Worldwide Inc. and their respective Subsidiaries, in each case determined in accordance with GAAP for such period minus gain realized by the Company upon the sale of NFO Worldwide, Inc.

(g) The definition of Material Adverse Effect in Section 1.01 is amended in full to read as follows:

"MATERIAL ADVERSE EFFECT" means a material adverse effect on (a) the business, financial condition or results of operations of the Company and its Consolidated Subsidiaries taken as a whole, (b) the rights and remedies of the Agent or any Lender under this Agreement or any other Loan Document or (c) the ability of the Company or any Subsidiary Guarantor to perform its obligations under this Agreement or any other Loan Document.

(h) Section 2.14 is amended by (i) deleting from subsection (a) the phrase "present or future withholding taxes, including levies" and substituting therefor the phrase "present or future taxes, levies", (ii) by deleting from subsection (b) the phrase ", but excluding all other United States federal taxes other than withholding taxes" and (iii) by deleting subsection (f) in its entirety and substituting therefor the phrase "[Intentionally omitted.]".

(i) Section 2.17 is amended by adding to the end thereof the following proviso:

; PROVIDED, however, that the proceeds of the Advances shall not be used to prepay any amounts outstanding under the Company's five Note Purchase Agreements with The Prudential Insurance Company of America outstanding on the date hereof or any other long-term Debt of the Company.

(j) Section 3.03(a) is amended in full to read as follows:

(a) the representations and warranties contained in Section 4.01 and in Section 5 of the Subsidiary Guaranty and, in the case of any Borrowing made to a Designated Subsidiary, in the Designation Agreement for such Designated Subsidiary, are correct on and as of such date, before and after

giving effect to such Borrowing or such Extension Date (as the case may be) and to the application by the applicable Borrower of the proceeds therefrom, as though made on and as of such date, and

(k) Section 3.03(b) is amended by deleting the phrase "from the application of the proceeds therefrom " and substituting therefor "from the application by the applicable Borrower of the proceeds therefrom".

(l) Section 4.01(e) is amended in full to read as follows:

(e) The Consolidated balance sheet of the Company and its Consolidated Subsidiaries as at December 31, 2002, and the related Consolidated statement of operations and cash flows of the Company and its Consolidated Subsidiaries for the fiscal year then ended, accompanied by an opinion of PricewaterhouseCoopers LLP, independent public accountants, copies of which have been furnished to each Lender, fairly present in all material respects the Consolidated financial condition of the Company and its Consolidated Subsidiaries as at such date and the Consolidated results of the operations and cash flows of the Company and its Consolidated Subsidiaries for the period ended on such date, all in accordance with generally accepted accounting principles consistently applied. Since the Consolidated balance sheet of the Company and its Consolidated Subsidiaries as at December 31, 2002, and except (x) as disclosed in the Company's reports filed with the SEC since such date and prior to the Effective Date and (y) for the impairment of the assets and other losses on sale of the Company's Subsidiaries Brands Hatch Leisure Limited, Octagon Worldwide Limited and Octagon Worldwide Inc. and their respective Subsidiaries, there has been no Material Adverse Change.

(m) Section 5.01(h)(i) and (ii) are each amended by deleting therefrom the phrase "chief financial officer or chief accounting officer" and substituting therefor the phrase "chief financial officer, chief accounting officer or treasurer".

(n) Section 5.01 is amended by adding two new covenants to read as follows:

(i) SUBSIDIARY GUARANTY. Deliver to the Agent not later than August 29, 2003, in sufficient copies for each Lender:

(i) Certified copies of the resolutions of the Board of Directors of each Subsidiary Guarantor approving the Subsidiary Guaranty, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to the Subsidiary Guaranty.

(ii) A certificate of the Secretary or an Assistant Secretary of each Subsidiary Guarantor certifying the names and true signatures of the officers of such Subsidiary Guarantor authorized to sign the Subsidiary Guaranty and the other documents to be delivered by it hereunder.

(iii) A guaranty in substantially the form of Exhibit F hereto (as amended, supplemented or otherwise modified from time to time, the "SUBSIDIARY GUARANTY"), duly executed by each Subsidiary Guarantor.

(iv) Favorable opinions of outside and in-house counsel for each of the Subsidiary Guarantors, substantially in the forms of Exhibits G-1 and G-2 hereto, respectively.

(j) NEW MATERIAL SUBSIDIARIES. Promptly and in any event within 30 days following the request of the Required Lenders made after the delivery of audited annual financial statements pursuant to Section 5.01(h) that indicate that a Subsidiary of the Company that is not at such time a Subsidiary Guarantor is a Material Subsidiary, cause such Material Subsidiary to execute and deliver an Accession Agreement (as defined in the Subsidiary Guaranty), together with the documents set forth in clauses 5.01(i)(i), (ii) and (iv).

(o) Section 5.02(a) is amended by (i) deleting clause (x) and relettering clauses (xi) and (xii) as clauses "(x)" and "(xi)", respectively, (ii) adding a new clause (xii) to read as follows:

(xii) any Liens on assets of Subsidiaries organized outside of the United States in favor of lenders under short-term working capital lines of credit entered into in the ordinary course of business;

and (iii) by adding to the end thereof new clauses (xiv) and (xv) to read as follows:

(xiv) any Lien arising out of the L/C Cash Deposit Account (as defined in the 364-Day Credit Agreement dated as of May 15, 2003 among the Company, the lenders parties thereto and Citibank, as agent); and

(xv) Liens not otherwise permitted by the foregoing clauses of this Section securing Debt in an aggregate principal amount at any time outstanding not to exceed 5% of the Consolidated net worth of the Company and its Consolidated Subsidiaries.

(p) Section 5.02(e) is amended by restating clause (iii) in full to read "(iii) amend any such agreement or instrument to shorten the maturity or amortization thereof to a date prior to July 31, 2005".

(q) Section 5.02(f) is amended by restating clause (ii) in full to read "(ii) the cash consideration of all such purchases and acquisitions shall not exceed $100,000,000 in the aggregate for any calendar year".

(r) Section 5.02(g) is amended by restating clauses (iv) and (iv) in full to read as follows:

(iv) make Restricted Payments in an aggregate amount of not more than $25,000,000 in any calendar year and (v) from and after the date EBITDA for the four fiscal quarters most recently ended is at least (A) $1,000,000,000, make Restricted Payments in an aggregate amount of not more than $100,000,000 in any calendar year, (B) $1,200,000,000, make Restricted Payments in an aggregate amount of not more than $150,000,000 in any calendar year or (C) $1,300,000,000, make any Restricted Payments without limitation.

(s) Section 5.02(i) is amended by restating the proviso in full to read "PROVIDED, that the foregoing limitations shall not be effective as to any such Subsidiary that is a party to the Subsidiary Guaranty."

(t) Section 5.03 is amended in full to read as follows:

SECTION 5.03. FINANCIAL COVENANTS. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Company will:

(a) INTEREST COVERAGE RATIO. Maintain, as of the end of each fiscal quarter, a ratio of (i) Consolidated EBITDA of the Company and its Consolidated Subsidiaries for the four fiscal quarters then ended to (ii) Interest Expense during such period by the Company and its Consolidated Subsidiaries, of not less than (x) 3.5 to 1 for each period ended on or prior to June 30, 2003 and (y) 3.75 to 1 for each period ended on or after September 30, 2003.

(b) DEBT TO EBITDA RATIO. Maintain, as of the end of each fiscal quarter referenced below, a ratio of (i) Debt for Borrowed Money as of the end of such fiscal quarter to (ii) Consolidated EBITDA of the Company and its Consolidated Subsidiaries for the four quarters then ended, of not greater than the ratio set forth opposite such fiscal quarter below:

FISCAL QUARTER ENDING	RATIO
March 31, 2003	4.00 to 1
June 30, 2003	4.50 to 1

September 30, 2003	3.75 to 1
December 31, 2003	3.50 to 1
March 31, 2004	3.50 to 1
June 30, 2004 and thereafter	3.25 to 1

; PROVIDED that, for purposes of determining Debt for Borrowed Money for the fiscal quarter ended March 31, 2003, Debt evidenced by the Company's Zero-Coupon Convertible Senior Notes due 2021 shall be excluded.

(c) MINIMUM EBITDA. Maintain, as of the end of each fiscal quarter referenced below, Consolidated EBITDA of the Company and its Consolidated Subsidiaries for the four quarters then ended of not less than the amount set forth opposite such fiscal quarter below:

FISCAL QUARTER ENDING	AMOUNT
March 31, 2003	$700,000,000

June 30, 2003	$625,000,000
September 30, 2003	$675,000,000
December 31, 2003 and thereafter	$750,000,000

(u) Section 6.01(b) is amended by deleting the phrase "the Company or any Designated Subsidiary" and substituting therefor the phrase "the Company, any Designated Subsidiary or any Subsidiary Guarantor".

(v) Section 6.01(c)(iii) is amended in full to read as follows:

(iii) the Company, any other Borrower or any Subsidiary Guarantor shall fail to perform or observe any other term, covenant or agreement contained in this Agreement or any other Loan Document on its part to be performed or observed if such failure shall remain unremedied for 30 days after written notice thereof shall have been given to the Company by the Agent or any Lender;

(w) Section 6.01(d) is amended by deleting therefrom the second proviso and substituting therefor the following:

PROVIDED, FURTHER, that if any of the actions or events set forth above in this subsection (d) shall be taken in respect of, or occur with respect to, a Consolidated Subsidiary, such action or event shall not be the basis for or give rise to an Event of Default under this subsection (d) until five Business Days after the chief executive officer, chief operation officer, principal financial officer or principal accounting officer of the Company knows or has reason to know of the occurrence of such action or event;

(x) Section 6.01 is amended by adding a new clause (j) to read as follows:

(j) the Subsidiary Guaranty shall for any reason cease to be valid and binding on or enforceable against each Subsidiary Guarantor (other than by reason of a release of a Subsidiary Guarantor in accordance with the terms of the Subsidiary Guaranty), or any Subsidiary Guarantor shall so state in writing;

(y) Section 9.01 is amended by relettering clause (g) as clause "(h) and inserting a new clause (g) to read as follows:

(g) reduce or limit in any material respect the obligations of any Subsidiary Guarantor to the Lenders under Section 1(a)(i) of the Subsidiary Guaranty or release or otherwise limit in any material respect any Subsidiary Guarantor's liability to the Lenders with respect to its obligations under the Subsidiary Guaranty (except, in each case, for a

release of a Subsidiary Guarantor in accordance with the terms of the Subsidiary Guaranty)

(z) Section 9.08 is amended in full to read as follows:

SECTION 9.08. CONFIDENTIALITY. Neither the Agent nor any Lender may disclose to any Person any confidential, proprietary or non-public information of the Company furnished to the Agent or the Lenders by the Company (such information being referred to collectively herein as the "BORROWER INFORMATION"), except that each of the Agent and each of the Lenders may disclose Borrower Information (i) to its and its Affiliates' employees, officers, directors, agents and advisors who need to know the Borrower Information in connection with this Agreement (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Borrower Information and instructed to keep such Borrower Information confidential on substantially the same terms as provided herein), (ii) to the extent requested by any applicable regulatory authority, (iii) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (iv) to any other party to this Agreement, (v) to the extent necessary in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (vi) subject to an agreement for the benefit of the Company containing provisions substantially the same as those of this Section 9.08, to any assignee, participant, SPC, or prospective assignee, participant or SPC, (vii) to the extent such Borrower Information (A) is or becomes generally available to the public on a non-confidential basis other than as a result of a breach of this Section 9.08 by the Agent or such Lender, or (B) is or becomes available to the Agent or such Lender on a nonconfidential basis from a source other than the Company that, to the knowledge of the Agent or such Lender, is not in violation of any confidentiality agreement with the Company and (viii) with the consent of the Company. Notwithstanding anything herein to the contrary, the Agent and the Lenders may disclose to any and all Persons, without limitation of any kind, the U.S. tax treatment and tax structure of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are provided to the Agent or the Lenders relating to such U.S. tax treatment and tax structure.

(aa) Exhibits B-1 and B-2 are replaced with Exhibits B-1 and B-2 to this Amendment.

(bb) New Exhibits F, G-1 and G-2 are added in the form of Exhibits F, G-1 and G-2 to this Amendment.

SECTION 2. CONDITIONS OF EFFECTIVENESS(a) . This Amendment shall become effective as of the date first above written when, and only when, on or before May 15, 2003 the Agent shall have received counterparts of this Amendment executed by the Company, Ammirati Puris Lintas K.K. and the Required Lenders or, as to any of the Lenders, advice satisfactory to the Agent that such Lender has executed this Amendment and the Agent shall have additionally received a certificate signed by a duly authorized officer of the Company dated the date of this Amendment stating that:

(i) The representations and warranties contained in Section 3 are correct on and as of the date of such certificate as though made on and as of such date; and

(ii) No event has occurred and is continuing that constitutes a Default.

SECTION 3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company represents and warrants as follows:

(a) Each Borrower is a corporation duly organized, validly existing, and, in the case of the Company, in good standing under the laws of the jurisdiction of its organization, and has all corporate powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business.

(b) The execution, delivery and performance by each Borrower of this Amendment and the Credit Agreement and each of the Notes, as amended hereby, are within such Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene, or constitute a default under, any provision of law or regulation applicable to such Borrower or of the certificate of incorporation of such Borrower or of any judgment, injunction, order, decree, material agreement or other instrument binding upon such Borrower or result in the creation or imposition of any Lien on any asset of the Borrower or any of its Consolidated Subsidiaries.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body

or any other third party is required for the due execution, delivery and performance by each Borrower of this Amendment or the Credit Agreement and the Notes, as amended hereby, except the possibility of a post-facto filing under the Japanese Foreign Exchange and Trade Control Law (Law No. 228 of 1949, as amended).

(d) This Amendment has been duly executed and delivered by each Borrower. This Amendment and each of the Notes, as amended hereby, to which such Borrower is a party are legal, valid and binding obligations of such Borrower, enforceable against such Borrower in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to general principles of equity.

(e) There is no action, suit, investigation, litigation or proceeding pending against, or to the knowledge of the Company, threatened against the Company or any of its Consolidated Subsidiaries before any court or arbitrator or any governmental body, agency or official in which there is a significant probability of an adverse decision that (i) would have a Material Adverse Effect or (ii) purports to affect the legality, validity or enforceability of this Amendment, the Credit Agreement or any Note or the consummation of the transactions contemplated hereby.

SECTION 4. REFERENCE TO AND EFFECT ON THE CREDIT AGREEMENT AND THE NOTES. (a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in the Notes or the Designation Agreement relating to Ammirati Puris Lintas K.K. to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement and the Notes, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement.

SECTION 5. COSTS AND EXPENSES The Company agrees to pay on demand all costs and expenses of the Agent in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment and the other instruments and documents to be delivered hereunder (including, without limitation, the reasonable fees and expenses of counsel for the Agent) in accordance with the terms of Section 9.04 of the Credit Agreement.

SECTION 6. EXECUTION IN COUNTERPARTS. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 7. GOVERNING LAW. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

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

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ STEVEN BERNS

Title: Vice President and Treasurer

AMMIRATI PURIS LINTAS K.K.

By: /s/ STEVEN BERNS

Title: Vice President and Treasurer

CITIBANK, N.A.,
as Agent and as Lender

By: /s/ CAROLYN A. KEE

Title: Vice President

BANK ONE, NA

By: /s/ RON EDWARDS

Title: Director/Vice President

BANK OF AMERICA, N.A.

By

Title:

THE BANK OF NEW YORK

By /s/ BRENDAN T. NEDZI

Title: Senior Vice President

BARCLAYS BANK PLC

By: /s/ NICHOLAS BELL

Title: Director

JPMORGAN CHASE BANK

By: /s/ REBECCA VOGEL

Title: Vice President

CREDIT AGRICOLE INDOSUEZ

By
Title:

FLEET NATIONAL BANK

By: /s/ THOMAS J. LEVY

Title: Senior Vice President

HSBC BANK USA

By: /s/ JOHAN SORENSSON

Title: First Vice President

KEYBANK NATIONAL ASSOCIATION

By: /s/ CHERYL L. EBNER

Title: Senior Vice President

LLOYDS TSB BANK PLC

By: /s/ RICHARD M. HEATH

Title: Vice President

By: /s/ CATHERINE RANKING

Title: Assistant Vice President

SUNTRUST BANK

By: /s/ HEIDI M. KHAMBATTA

Title: Vice President

WACHOVIA BANK, NATIONAL ASSOCIATION

By
Title:

BNP PARIBAS

By
Title:

By
Title:

EXHIBIT B-1 - FORM OF NOTICE OF
REVOLVING CREDIT BORROWING

Citibank, N.A., as Agent
for the Lenders parties
to the Credit Agreement
referred to below
Two Penns Way
New Castle, Delaware 19720

[Date]

Attention: Bank Loan Syndications Department

Ladies and Gentlemen:

The undersigned, [The Interpublic Group of Companies, Inc.][Name of Designated Subsidiary], refers to the Five-Year Credit Agreement, dated as of June 27, 2000 and amended and restated as of December 31, 2002 (as amended or modified from time to time, the "CREDIT AGREEMENT", the terms defined therein being used herein as therein defined), among The Interpublic Group of Companies, Inc., certain Lenders parties thereto, Citigroup Global Markets Inc. (formerly known as Salomon Smith Barney, Inc.), as lead arranger and book manager, Bank One, NA, SunTrust Bank and HSBC Bank USA, as co-arrangers, Bank One, NA, as documentation agent, SunTrust Bank, as syndication agent, and Citibank, N.A., as Agent for said Lenders, and hereby gives you notice, irrevocably, pursuant to Section 2.02 of the Credit Agreement that the undersigned hereby requests a Revolving Credit Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Revolving Credit Borrowing (the "PROPOSED REVOLVING CREDIT BORROWING") as required by Section 2.02(a) of the Credit Agreement:

(i) The Business Day of the Proposed Revolving Credit Borrowing is _____, 200_.

(ii) The Type of Advances comprising the Proposed Revolving Credit Borrowing is [Base Rate Advances] [Eurocurrency Rate Advances].

(iii) The aggregate amount of the Proposed Revolving Credit Borrowing is $_____][for a Revolving Credit Borrowing in a Committed Currency, list currency and amount of Revolving Credit Borrowing].

[(iv) The initial Interest Period for each Eurocurrency Rate Advance made as part of the Proposed Revolving Credit Borrowing is _____ month[s].]

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Revolving Credit Borrowing:

(A) the representations and warranties contained in Section 4.01 of the Credit Agreement and in Section __ of the Subsidiary Guaranty [and in the Designation Agreement of the undersigned] are correct, before and after giving effect to the Proposed Revolving Credit Borrowing and to the application of the proceeds therefrom, as though made on and as of such date; and

(B) no event has occurred and is continuing, or would result from such Proposed Revolving Credit Borrowing or from the application of the proceeds therefrom, that constitutes a Default.

Very truly yours,

[THE INTERPUBLIC GROUP OF
COMPANIES, INC.][DESIGNATED SUBSIDIARY]

By_____
Title:

EXHIBIT B-2 - FORM OF NOTICE OF
COMPETITIVE BID BORROWING

Citibank, N.A., as Agent
for the Lenders parties
to the Credit Agreement
referred to below
Two Penns Way
New Castle, Delaware 19720

[Date]

Attention: Bank Loan Syndications Department

Ladies and Gentlemen:

The undersigned, The Interpublic Group of Companies, Inc.[, on behalf of [Name of Designated Subsidiary]], refers to the Five-Year Credit Agreement, dated as of June 27, 2000 and amended and restated as of December 31, 2002 (as amended or modified from time to time, the "CREDIT AGREEMENT", the terms defined therein being used herein as therein defined), among The Interpublic Group of Companies, Inc., certain Lenders parties thereto, Citigroup Global Markets Inc. (formerly known as Salomon Smith Barney, Inc.), as lead arranger and book manager, Bank One, NA, SunTrust Bank and HSBC Bank USA, as co-arrangers, Bank One, NA, as documentation agent, SunTrust Bank, as syndication agent, and Citibank, N.A., as Agent for said Lenders, and hereby gives you notice, irrevocably, pursuant to Section 2.03 of the Credit Agreement that the undersigned hereby requests a Competitive Bid Borrowing under the Credit Agreement, and in that connection sets forth the terms on which such Competitive Bid Borrowing (the "PROPOSED COMPETITIVE BID BORROWING") is requested to be made:

(A)	Date of Competitive Bid Borrowing	_____
(B)	Amount of Competitive Bid Borrowing	_____
(C)	[Maturity Date] [Interest Period]	_____
(D)	Interest Rate Basis	_____
(E)	Day Count Convention	_____
(F)	Interest Payment Date(s)	_____
(G)	Currency	_____
(H)	Borrower's Account Location	_____
(I)	_____	_____

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Competitive Bid Borrowing:

(a) the representations and warranties contained in Section 4.01 of the Credit Agreement and Section __ of the Subsidiary Guaranty [and in the Designation Agreement of the undersigned] are correct, before and after giving effect to the Proposed Competitive Bid Borrowing and to the application of the proceeds therefrom, as though made on and as of such date;

(b) no event has occurred and is continuing, or would result from the Proposed Competitive Bid Borrowing or from the application of the proceeds therefrom, that constitutes a Default; and

(c) the aggregate amount of the Proposed Competitive Bid Borrowing and all other Borrowings to be made on the same day under the Credit Agreement is within the aggregate amount of the unused Commitments of the Lenders.

The undersigned hereby confirms that the Proposed Competitive Bid Borrowing is to be made available to it in accordance with Section 2.03(a)(v) of the Credit Agreement.

Very truly yours,

THE INTERPUBLIC GROUP
OF COMPANIES, INC.

By_____
Title:

==========

SUBSIDIARY GUARANTY

BY

CERTAIN SUBSIDIARIES OF
THE INTERPUBLIC GROUP OF COMPANIES, INC.

IN FAVOR OF

THE LENDERS REFERRED TO HEREIN

AND

THE BANK OF NEW YORK, AS TRUSTEE
FOR THE BENEFIT OF THE NOTEHOLDERS LISTED ON SCHEDULE A HERETO

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DATED AS OF [ ], 2003

TABLE OF CONTENTS

GUARANTY

This GUARANTY (this "GUARANTY"), dated as of [ ], 2003, is made by the subsidiaries of The Interpublic Group of Companies, Inc. (the "BORROWER") set forth on the signature pages hereof (each, a "GUARANTOR", and, collectively, the "GUARANTORS"), in favor of the Lenders (as defined below) and The Bank of New York ("BONY"), as Trustee for the benefit of the noteholders listed on Schedule A hereto (each of the Lenders and BONY, a "GUARANTEED PARTY", and, collectively, the "GUARANTEED PARTIES").

WHEREAS, the Borrower has entered into a Five-Year Credit Agreement dated as of June 27, 2000 and a 364-Day Credit Agreement dated as of May [ ], 2003 (together, as amended, supplemented or otherwise modified through the date hereof, the "REVOLVER CREDIT AGREEMENTS") with the banks, financial institutions and other institutional lenders parties thereto (collectively, the "REVOLVER LENDERS") and Citibank, N.A., as agent for the Revolver Lenders (Citibank, N.A., as agent, and the Revolver Lenders are collectively referred to herein as the "REVOLVER CREDITORS");

WHEREAS, the Borrower has entered into five Note Purchase Agreements with The Prudential Insurance Company of America ("PRUDENTIAL", and together with the Revolver Creditors, the "LENDERS") dated May 26, 1994, April

28, 1995, October 31, 1996, August 18, 1997 and January 21, 1999, respectively (collectively, as amended, supplemented or otherwise modified through the date hereof, the "PRUDENTIAL NOTE PURCHASE AGREEMENTS", and, together with the Revolver Credit Agreements, the "CREDIT AGREEMENTS");

WHEREAS, the Borrower has issued Zero-Coupon Convertible Senior Notes due 2021, 7.25% Notes due 2011, 7.875% Notes due 2005 and 4.50% Convertible Senior Notes due 2023 (collectively, the "NOTES") pursuant to a Senior Debt Indenture with BONY, as Trustee, dated as of October 20, 2000, as supplemented by a First Supplemental Indenture dated as of August 22, 2001, a Second Supplemental Indenture dated as of December 14, 2001 and a Third Supplemental Indenture dated as of March 13, 2003; and

WHEREAS, the Borrower and the Guarantors are affiliates engaged in related businesses and the Guarantors (i) may have received and may receive a portion of the loans extended under the Credit Agreements, (ii) may be entitled to borrow directly under the Revolver Credit Agreements, (iii) may have received, directly or indirectly, a portion of the proceeds from the issuance of the Notes, (iv) from time to time receive guarantees from the Borrower in the ordinary course of business and with respect to their own indebtedness and (v) will have derived other substantial direct and indirect economic benefit from the Credit Agreements and the Notes and therefore are willing to guarantee the Obligations (as hereinafter defined);

NOW THEREFORE, in consideration of the foregoing, the Guarantors hereby agree with and for the benefit of each Guaranteed Party as follows:

Section 1. GUARANTY.

(a) The Guarantors hereby unconditionally and irrevocably, jointly and severally, guarantee, as a guarantee of payment and not of collection, the prompt performance and payment in full by the Borrower when due (whether at stated maturity, by acceleration or otherwise) of the following (the "OBLIGATIONS"):

(i) all payment obligations of the Borrower under the Credit Agreements, whether direct or indirect, absolute or contingent, and whether for principal, interest, fees, breakage costs, expenses, indemnification or otherwise; and

(ii) all payment obligations of the Borrower to the noteholders listed on Schedule B hereto arising under the Notes.

The Guarantors further agree to pay all costs, fees and expenses (including, without limitation, reasonable fees of outside counsel) incurred by any Guaranteed Party in enforcing any rights under this Guaranty. If the Borrower fails to pay any of the Obligations in full when due (whether at stated maturity, by

acceleration or otherwise) and any grace period for payment of any such Obligation has expired, the Guarantors, jointly and severally, agree to pay the unpaid portion of such Obligation within 2 business days after receipt by each of them of written demand from the applicable Guaranteed Party.

(b) Each Guarantor, and by its acceptance of this Guaranty, each Guaranteed Party, hereby confirms that it is the intention of all such persons that this Guaranty and the obligations of each Guarantor hereunder not constitute a fraudulent transfer or conveyance for purposes of any applicable law relating to bankruptcy, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to this Guaranty and the obligations of each Guarantor hereunder. To effectuate the foregoing intention, the Guaranteed Parties and the Guarantors hereby irrevocably agree that the obligations of each Guarantor under this Guaranty at any time shall be limited to the maximum amount as will result in the obligations of such Guarantor under this Guaranty not constituting a fraudulent transfer or conveyance.

(c) Each Guarantor hereby unconditionally and irrevocably agrees that in the event any payment shall be required to be made to any Guaranteed Party under this Guaranty, such Guarantor will contribute, to the maximum extent permitted by law, amounts to each other Guarantor with respect to any such payment.

Section 2. GUARANTY ABSOLUTE.

(a) The obligations of the Guarantors are joint and several and are those of a primary obligor, and not merely a surety, and are independent of the Obligations. A separate action or actions may be brought against any Guarantor whether or not an action is brought against the Borrower, any other guarantor or other obligor in respect of the Obligations or whether the Borrower, any other guarantor or any other obligor in respect of the Obligations is joined in any such action or actions.

(b) The liability of the Guarantors under this Guaranty shall be absolute and unconditional irrespective of, and each Guarantor hereby irrevocably waives, to the extent permitted by applicable law, any defenses it may now have or hereafter acquire relating to any or all of the following:

(i) any lack of genuineness, validity, legality or enforceability of the Credit Agreements, the Notes or any other document, agreement or instrument relating thereto or any assignment or transfer of any thereof;

(ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any waiver, indulgence, compromise, renewal, extension, amendment, modification of, or addition, consent, supplement to, or consent to departure from, or any other action or inaction under or in respect of, the Credit Agreements, the Notes or any other document, instrument or agreement relating to the Obligations or any other instrument or agreement referred to therein or any assignment or transfer of any thereof;

(iii) any release or partial release of any other guarantor or other obligor in respect of the Obligations;

(iv) any exchange, release or non-perfection of any collateral for all or any of the Obligations, or any release, or amendment or waiver of, or consent to departure from, any guaranty or security, for all or any of the Obligations;

(v) any furnishing of any additional security for any of the Obligations;

(vi) the liquidation, bankruptcy, insolvency or reorganization of the Borrower, any other guarantor or other obligor in respect of the Obligations or any action taken with respect to this Guaranty by any trustee or receiver, or by any court, in any such proceeding; or

(vii) any other circumstance which might otherwise constitute a defense available to, or a legal or equitable discharge of, any Guarantor.

(c) This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time payment or performance of the Obligations, or any part thereof, is, upon the insolvency, bankruptcy or reorganization of the Borrower or any Guarantor or otherwise pursuant to applicable law, rescinded or reduced in amount or must otherwise be restored or returned by any Guaranteed Party, all as though such payment or performance had not been made.

Section 3. WAIVERS.

(a) To the extent permitted by applicable law, each Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance and any and all other notices with respect to any of the Obligations and this Guaranty, other than the notice provided for in Section 1 hereof, and any requirement that any Guaranteed Party protect, secure, perfect or insure any security interest in or any lien on any property subject thereto or exhaust any right or take any action against the Borrower, any other guarantor or any other person or any collateral or security or any balance of any deposit accounts or credit on the books of any of the Lenders in favor of the Borrower or any Guarantor.

(b) Each Guarantor hereby unconditionally and irrevocably waives any right to revoke this Guaranty and acknowledges that this Guaranty is continuing in nature and applies to all Obligations, whether existing now or in the future.

(c) Each Guarantor hereby unconditionally and irrevocably waives (i) any defense arising by reason of any claim or defense based upon an election of remedies by any Guaranteed Party that in any manner impairs, reduces, releases or otherwise adversely affects the subrogation, reimbursement, exoneration, contribution or indemnification rights of such Guarantor or other rights of such Guarantor to proceed against the Borrower, any other guarantor or any other person or any collateral and (ii) any defense based on any right of set-off or counterclaim against or in respect of the obligations of such Guarantor hereunder.

(d) Each Guarantor hereby unconditionally and irrevocably waives any duty on the part of any Guaranteed Party to disclose to such Guarantor any matter, fact or thing relating to the business, condition (financial or otherwise), operations, performance,

properties or prospects of the Borrower or any of its subsidiaries now or hereafter known by such Guaranteed Party.

Each Guarantor acknowledges that it will receive substantial direct and indirect benefits from the financing arrangements contemplated by the Credit Agreements and the Notes and that the waivers set forth in Section 2 and this Section 3 are knowingly made in contemplation of such benefits.

Section 4. SUBROGATION. The Guarantors will not exercise any rights which they may acquire by way of rights of subrogation under this Guaranty, by any payment made hereunder or otherwise, until the latest of (i) all the Obligations shall have been irrevocably paid in full and in cash, (ii) the Credit Agreements shall have been terminated and (iii) the Notes shall have been cancelled.

Section 5. REPRESENTATIONS AND WARRANTIES. The Guarantors jointly and severally represent and warrant to the Guarantied Parties as follows:

(a) EXISTENCE AND POWER. Each Guarantor is a [corporation] duly formed and validly existing under the laws of the jurisdiction indicated on the signature pages hereof opposite its name, is in good standing in such jurisdiction and has all requisite power and authority to own its property and to carry on its business as now conducted.

(b) AUTHORITY. Each Guarantor has full power and authority to execute and deliver this Guaranty and to perform its obligations hereunder, all of which have been duly authorized by all proper and necessary action of the Guarantor.

(c) AUTHORITY OF OFFICERS. The officer of each Guarantor who is executing this Guaranty is properly in office and is duly authorized to execute the same.

(d) BINDING AGREEMENT. This Guaranty constitutes the legal, valid and binding obligation of each Guarantor enforceable against it in accordance with its terms except as such enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally.

(e) LITIGATION. There are no actions, suits or arbitration proceedings pending or, to the knowledge of any Guarantor, threatened against any Guarantor, at law or in equity, which, individually or in the aggregate, if adversely determined, would materially adversely affect the financial condition of any Guarantor or materially impair the ability of such Guarantor to perform its obligations under this Guaranty.

(f) NO CONFLICTING LAW OR AGREEMENTS. The execution, delivery and performance by each Guarantor of this Guaranty (i) do not violate any provision of the articles of incorporation or by-laws (or equivalent constituent documents) of such Guarantor; (ii) do not violate in any material respect any order, decree or judgment, or any provision of any statute, rule or regulation applicable to or binding on such Guarantor or any of its property; and (iii) do not violate or conflict with, result in a breach of or constitute (with notice or lapse of time or both) a material default under, any material mortgage, indenture, contract or other material agreement to which such Guarantor is a party, or by which any of its property is bound.

Section 6. FURTHER ASSURANCES. The Guarantors agree that at any time and from time to time, at the expense of the Guarantors, the Guarantors will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Guaranteed Parties may reasonably request, to enable the Guaranteed Parties to protect and to exercise and enforce their respective rights and remedies hereunder.

Section 7. NO WAIVER. No failure on the part of any Guaranteed Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 8. AMENDMENTS, ETC. Except as set forth in Section 9 hereof, no amendment or waiver of any provision of this Guaranty, nor consent to any departure by the Guarantors herefrom, shall in any event be effective unless the same shall be in writing and signed by (a) each Guarantor, (b) so long as the Revolver Credit Agreements are in effect, Citibank, N.A., acting at the direction of the Required Lenders under (and as defined in) each such Revolving Credit Agreement and (c) so long as the Prudential Note Purchase Agreements are in effect, Prudential; PROVIDED, HOWEVER, that if at any time it

becomes necessary for this Guaranty to be qualified under the Trust Indenture Act of 1939, as amended, this Guaranty may be amended without any further action on the part of any Guarantor or any Guaranteed Party in order to incorporate such provisions as would cause it to be so qualified. Any amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 9. ADDITION AND REMOVAL OF GUARANTORS.

(a) In the event that any Guarantor is dissolved or ceases to be a consolidated subsidiary of the Borrower, (i) such Guarantor shall, automatically and without any further action on behalf of any of the Guarantors or the Guaranteed Parties, cease to be a Guarantor and (ii) the definition of "Guarantor" shall, automatically and without any further action on behalf of any of the Guarantors or the Guaranteed Parties, be amended to remove such Guarantor therefrom.

(b) In the event that any consolidated subsidiary of the Borrower wishes to become a Guarantor, such consolidated subsidiary shall execute and deliver an accession agreement substantially in the form of Exhibit A hereto (an "ACCESSION AGREEMENT"). Upon execution and delivery of such Accession Agreement, and without any further action on behalf of any of the Guarantors or the Guaranteed Parties, (i) such consolidated subsidiary shall become a Guarantor and (ii) the definition of "Guarantor" shall automatically be amended to include such consolidated subsidiary therein, in each case as of the date of such Accession Agreement.

Section 10. NOTICES. All notices, requests and other communications provided for hereunder shall be in writing and mailed by overnight delivery, transmitted by facsimile or hand delivered:

(i) if to any of the Revolver Creditors, addressed c/o Citibank, N.A., Two Penns Way, Suite 200, New Castle, DE 19720, Attention: May Wong (Facsimile: (302) 894-6120);

(ii) if to Prudential, addressed c/o Prudential Capital Group, 1114 Avenue of the Americas, 30th Floor, New York, NY 10036, Attention: William Pappas (Facsimile: (212) 626-2077);

(iii) if to BONY, addressed to The Bank of New York, 101 Barclay Street, 21st Floor West, New York, NY 10286, Attention: Corporate Trust Trustee Administration (Facsimile: (212) 815-5915);

(iv) if to the Guarantors, at their respective addresses set forth on the signature page hereof, with a copy to the Borrower at 1270 Avenue of the Americas, New York, NY 10020, Attention: Vice President and Treasurer (Facsimile: (212) 621-5748);

or, as to each party, at such other address as shall be designated by such party in a written notice to the other parties. All such notices and other communications shall be effective (x) upon receipt thereof, when mailed by overnight delivery or hand delivered or (y) upon receipt of confirmation of facsimile transmission, when transmitted by facsimile.

Section 11. CONTINUING GUARANTY; TRANSFER OF NOTES. This Guaranty is a continuing guaranty and shall (a) remain in full force and effect until the latest of (i) payment in full of the Obligations and all other amounts payable under this Guaranty, (ii) the termination of the Credit Agreements and (iii) the cancellation of the Notes; (b) be binding upon the Guarantors and their respective successors and assigns; and (c) inure to the benefit of the Guaranteed Parties and their respective successors and assigns. Without limiting the generality of clause (c) of the immediately preceding sentence, if any Revolver Lender assigns or otherwise transfers all or any portion of its rights and obligations under the applicable Revolver Credit Agreement (including, without limitation, all or any portion of its commitments, the advances owing to it and the note or notes held by it) to any other person in accordance with the terms thereof, then such other person shall thereupon become vested with all the benefits in respect of such transferred rights and obligations granted to such Guaranteed Party herein.

Section 12. SEVERABILITY. If for any reason any provision or provisions hereof are determined to be invalid and contrary to any existing or future law, such invalidity shall not, to the fullest extent permitted by law, impair the operation of or effect of those portions of this Guaranty that are valid.

Section 13. GOVERNING LAW; JURISDICTION.

(a) This Guaranty shall be governed by, and construed and enforced in accordance with, the law of the State of New York.

(b) Any legal action or proceeding with respect to this

Guaranty may be brought in the courts of the State of New York or of the United States of America for the Southern District of New York, and by execution and delivery of this Guaranty, each Guarantor hereby consents, for itself and in respect of its property, to the non-exclusive jurisdiction of the aforesaid courts. To the fullest extent permitted by law, each

Guarantor hereby irrevocably waives any objection, including without limitation, any objection to the laying of venue or based on the grounds of FORUM NON CONVENIENS, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Guaranty or any document related hereto. Notwithstanding any of the foregoing, any suit, action or proceeding against the Guarantors based on this Guaranty may be instituted by any Guaranteed Party in any court of competent jurisdiction.

Section 14. TAXES. All payments to be made by a Guarantor under this Guaranty shall be made without set-off or counterclaim and without deduction for any taxes unless such Guarantor is required by law to make payments subject to such taxes. All taxes in respect of payments made under this Guaranty payable by a Guarantor shall be paid by such Guarantor when due and in any event prior to the date on which penalties attach thereto. Such Guarantor will indemnify each Guaranteed Party with respect to such taxes paid by such Guaranteed Party; PROVIDED that, if such Guaranteed Party receives a refund of any portion of such taxes, it shall pay the amount of any such refund to such Guarantor. In addition, if any taxes or amounts in respect thereof must be deducted from any amounts payable or paid by such Guarantor hereunder, such Guarantor shall pay at the same time as such payment is due such additional amounts as may be necessary to ensure that each Guaranteed Party receives a net amount equal to the full amount which it would have received had payment not been made subject to such tax.

Section 15. EXECUTION IN COUNTERPARTS. This Guaranty and each amendment, waiver and consent with respect hereto may be executed in any number of counterparts and by different parties hereto and thereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Guaranty by telecopier shall be effective as delivery of an original executed counterpart of this Guaranty.

Section 16. WAIVER OF JURY TRIAL. EACH GUARANTOR WAIVES ANY RIGHT IT MAY HAVE TO A JURY TRIAL IN CONNECTION WITH ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATED IN ANY WAY TO THIS GUARANTY.

IN WITNESS WHEREOF, each Guarantor has caused this Guaranty to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

[GUARANTOR] -
[STATE OF
INCORPORATION]
[GUARANTOR] -
[STATE OF
INCORPORATION]
By: By: -----

------ ------

----- Title:
Title: ------

-- ----------

Address:
Address: ----

---------- --

Facsimile:
Facsimile: --

-- ----------

[GUARANTOR] -
[STATE OF
INCORPORATION]
[GUARANTOR] -
[STATE OF
INCORPORATION]
By: By: -----

------ ------

----- Title:
Title: ------

-- ----------

Address:
Address: ----

---------- --

Facsimile:
Facsimile: --

-- ----------

[GUARANTOR] -
[STATE OF
INCORPORATION]
[GUARANTOR] -
[STATE OF
INCORPORATION]
By: By: -----

------ ------

----- Title:
Title: ------

-- ----------

Address:
Address: ----

---------- --

Facsimile:
Facsimile: --

-- ----------

[GUARANTOR] -

[STATE OF INCORPORATION]
[GUARANTOR] -
[STATE OF INCORPORATION]
By: By: -----

------ ------

----- Title:
Title: ------

-- ----------

Address:
Address: ----

---------- --

Facsimile:
Facsimile: --

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SCHEDULE A

NOTEHOLDERS

Holders of the 4.50% Convertible Senior Notes due 2023

Holders of the Zero-Coupon Convertible Senior Notes due 2021

Holders of the 7.25% Notes due 2011

Holders of the 7.875% Notes due 2005

EXHIBIT A

ACCESSION AGREEMENT

By execution of this Accession Agreement, the undersigned consolidated subsidiary of The Interpublic Group of Companies, Inc. (the "BORROWER") hereby agrees, as of the date noted below, to become a party to and to be bound by all of the terms and conditions of the Guaranty, dated as of [ ], 2003, by certain subsidiaries of the Borrower in favor of the lenders named therein and The Bank of New York, as trustee for the benefit of the noteholders named therein (the "GUARANTY") to the same extent as each of the other Guarantors thereunder. Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Guaranty. By execution of this Accession Agreement, the undersigned shall have all the rights of a Guarantor and shall observe all the obligations of a Guarantor, in each case as specified in the Guaranty. Delivery of an executed counterpart of a signature page to this Accession Agreement by telecopier shall be effective as delivery of an original executed counterpart of this Accession Agreement.

[DATE]

[GUARANTOR] - [STATE OF INCORPORATION]

By:

Title:

Address:

Facsimile:

EXHIBIT G-1 - FORM OF
OPINION OF OUTSIDE
COUNSEL OF THE
SUBSIDIARY GUARANTOR

[Date]

To each of the Lenders in the below-referenced
Credit Agreement

[NAME OF THE SUBSIDIARY GUARANTOR]

Ladies and Gentlemen:

We have acted as special counsel to [name of the Subsidiary Guarantor] (the "SUBSIDIARY GUARANTOR") in connection with the preparation, execution and delivery of the subsidiary guaranty (the "SUBSIDIARY GUARANTY") pursuant to Section 5.01(i) of the Five Year Credit Agreement, dated as of June 27, 2000 and amended and restated as of December 31, 2002 (as amended to date, the "CREDIT AGREEMENT"), among The Interpublic Group of Companies, Inc. (the "COMPANY"), the Lenders parties thereto, Citigroup Global Markets Inc. (formerly known as Salomon Smith Barney, Inc.), as lead arranger and book manager, Bank One, NA, SunTrust Bank and HSBC Bank USA, as co-arrangers, Bank One, NA, as documentation agent, SunTrust Bank, as syndication agent, and Citibank, N.A., as Agent for said Lenders.

In arriving at the opinions expressed below, we have examined the following documents:

(1) an executed copy of the Credit Agreement;

(2) an executed copy of the Subsidiary Guaranty; and

(3) executed copies of the other documents furnished by the Subsidiary Guarantor pursuant to Section 5.01(i) of the Credit Agreement.

In addition, we have reviewed the originals or copies certified or otherwise identified to our satisfaction of all such corporate records of the Subsidiary Guarantor and such other instruments and other certificates of public officials, officers and representatives of the Subsidiary Guarantor and such other persons, and we have made such investigations of law, as we have deemed necessary as a basis for the opinions expressed below.

In rendering the opinions expressed below, we have assumed the authenticity of all documents submitted to us as originals and the conformity to the originals of all documents submitted to us as copies. In addition, we have assumed and have not verified the accuracy as to factual matters of each document we have reviewed (including, without limitation, the accuracy of the representations and warranties of the Company in the Credit Agreement and of the Subsidiary Guarantor in the Subsidiary Guaranty).

Based upon the foregoing and subject to the further assumptions and qualifications set forth below, it is our opinion that:

1. The Subsidiary Guarantor has the corporate power to enter into the Subsidiary Guaranty and to perform its obligations thereunder.

2. The execution and delivery by the Subsidiary Guarantor of the Subsidiary Guaranty have been duly authorized by all necessary corporate action of the Subsidiary Guarantor.

3. The performance by the Subsidiary Guarantor of its obligations under the Subsidiary Guaranty (a) does not require any consent, approval, authorization, registration or qualification of or with any governmental authority of the United States, [the State of Delaware or the State of New York], and (b) does not result in a violation of any applicable United States federal [or New York State law, rule or regulation or the Delaware General Corporation].

4. The Subsidiary Guaranty is a valid, binding and enforceable obligation of the Subsidiary Guarantor.

Insofar as the foregoing opinions relate to the validity, binding effect or enforceability of any agreement or obligation of the Subsidiary Guarantor, (a) we have assumed that each party to such agreement or obligation has satisfied those legal requirements that are applicable to it to the extent necessary to make such agreement or obligation enforceable against it (except that no such assumption is made as to the Subsidiary Guarantor regarding matters of the federal law of the United States of America[, the law of the State of New York or the General Corporation Law of the State of Delaware]) and (b) such opinions are subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and to general principles of equity.

We have assumed that any assignments made by or among the guaranteed parties of their rights and obligations under the Subsidiary Guaranty will not contravene New York Judiciary Law Section 489 (which makes it a criminal offense to take an assignment of a debt obligation with the intent of and for the purpose of bringing an action or proceeding thereon).

We note that the designations in Section 13(b) of the Subsidiary Guaranty are (notwithstanding the waiver contained in Section 14(b)) subject to the power of such federal court to transfer actions pursuant to 28 U.S.C. Section 1404(a) or to dismiss such actions or proceedings on the grounds that such a federal court is an inconvenient forum for such action or proceeding.

With respect to the first sentence of Section 13(b) of the Subsidiary Guaranty, we express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any action relating to the Subsidiary Guaranty where jurisdiction based on diversity of citizenship under 28 U.S.C. Section 1332 does not exist.

The opinion expressed in paragraph 3 above relates only to those laws, rules and regulations that, in our experience, are normally applicable to transactions of the type referred to in the Subsidiary Guaranty.

The foregoing opinions are limited to the law of the [State of New York, the General Corporation Law of the State of Delaware] and the federal law of the United States, but we express no opinion as to any state securities or Blue Sky laws or United States federal securities laws.

We are furnishing this opinion letter to you solely for your benefit in connection with the Subsidiary Guaranty. This opinion letter is not to be used, circulated, quoted or otherwise referred to for any other purpose. Notwithstanding the foregoing, a copy of this opinion letter may be furnished to, and relied upon by, your successors and a permitted transferee who becomes a party to the Credit Agreement as a Lender thereunder, and you or any such successor or transferee may show this opinion to any governmental authority pursuant to requirements of applicable law or regulations. The opinions expressed herein are, however, rendered on and as of the date hereof, and we assume no obligation to advise you or any such transferee or governmental authority or any other person, or to make any investigations, as to any legal developments or factual matters arising subsequent to the date hereof that might affect the opinions expressed herein.

Very truly yours,

EXHIBIT G-2 - FORM OF
OPINION OF IN-HOUSE COUNSEL
Of THE SUBSIDIARY GUARANTOR

[Date]

To each of the Lenders parties
to the Credit Agreement dated
as of June 27, 2000 and amended and restated as of December 31, 2002
among The Interpublic Group of Companies, Inc.,
said Lenders and Citibank, N.A.,
as Agent for said Lenders, and
to Citibank, N.A., as Agent

[NAME OF THE SUBSIDIARY GUARANTOR]

Ladies and Gentlemen:

This opinion is furnished to you pursuant to Section 5.01(i) of

the Five Year Credit Agreement, dated as of June 27, 2000 and amended and restated as of December 31, 2002 (as amended to date, the "CREDIT AGREEMENT"), among The Interpublic Group of Companies, Inc. (the "COMPANY"), the Lenders parties thereto, Citigroup Global Markets Inc. (formerly known as Salomon Smith Barney, Inc.), as lead arranger and book manager, Bank One, NA, SunTrust Bank and HSBC Bank USA, as co-arrangers, Bank One, NA, as documentation agent, SunTrust Bank, as syndication agent, and Citibank, N.A., as Agent for said Lenders. Terms defined in the Credit Agreement are used herein as therein defined.

I have acted as [General Counsel] for [name of the Subsidiary Guarantor] (the "SUBSIDIARY GUARANTOR") in connection with the preparation, execution and delivery of the Subsidiary Guaranty.

In arriving at the opinions expressed below, I have examined the following documents:

(1) An executed copy of the Credit Agreement.

(2) An executed copy of the Subsidiary Guaranty.

(3) The other documents furnished by the Subsidiary Guarantor pursuant to Section 5.01(i) of the Credit Agreement.

(4) A copy of the [Articles] [Certificate] of Incorporation of the Subsidiary Guarantor and all amendments thereto (the "CHARTER").

(5) A copy of the by-laws of the Subsidiary Guarantor and all amendments thereto (the "BY-LAWS").

(6) A certificate of the Secretary of State of [ ], dated _____, 2003, attesting to the continued corporate existence and good standing of the Subsidiary Guarantor in that State.

In addition, I have examined the originals, or copies certified or otherwise identified to my satisfaction, of such other corporate records of the Subsidiary Guarantor, certificates of public officials and of officers of the

Subsidiary Guarantor and such other persons as I have deemed necessary as a basis for the opinions expressed below.

In rendering the opinions expressed below, I have assumed the authenticity of all documents submitted to me as originals and the conformity to the originals of all documents submitted to me as copies. In addition, I have assumed and have not verified the accuracy as to factual matters of each document I have reviewed (including, without limitation, the accuracy of the representations and warranties of the Company in the Credit Agreement and of the Subsidiary Guarantor in the Subsidiary Guaranty).

Based upon the foregoing and subject to the further assumptions and qualifications set forth below, it is my opinion that:

1. The Subsidiary Guarantor is a corporation validly existing and in good standing under the laws of the State of [ ].

2. The execution, delivery and performance by the Subsidiary Guarantor of the Subsidiary Guaranty to be delivered by it, and the consummation of the transactions contemplated thereby, are within the Subsidiary Guarantor's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) the Charter or the By-laws or (ii) any material contractual or legal restriction known to me contained in any material document to which the Subsidiary Guarantor is a party or by which it is bound. The Subsidiary Guaranty has been duly executed and delivered on behalf of the Subsidiary Guarantor.

3. To the best of my knowledge, no authorization, approval or other action by, and no notice to or filing with, any third party is required for the execution, delivery and performance by the Subsidiary Guarantor of the Subsidiary Guaranty.

4. To the best of my knowledge, there are no pending or overtly threatened actions or proceedings against the Subsidiary Guarantor or any of its subsidiaries before any court, governmental agency or arbitrator that purport to affect the validity, binding effect or enforceability of the Subsidiary Guaranty or the consummation of the transactions contemplated thereby or that are likely to have a materially adverse effect upon the financial condition or operations of the Subsidiary Guarantor and its subsidiaries taken as a whole.

The foregoing opinions are limited to the law of the State of [New York][, the General Corporation Law of the State of Delaware] and the Federal law of the United States.

I am furnishing this opinion letter to you solely for your benefit in connection with the Subsidiary Guaranty. This opinion letter is not to be used, circulated, quoted or otherwise referred to for any other purpose. Notwithstanding the foregoing, a copy of this opinion letter may be furnished to, and relied upon by, your successors and a permitted transferee who becomes a party to the Credit Agreement as a Lender thereunder, and you or any such successor or transferee may show this opinion to any governmental authority pursuant to requirements of applicable law or regulations. The opinions expressed herein are, however, rendered on and as of the date hereof, and I assume no obligation to advise you or any such transferee or governmental authority or any other person, or to make any investigations, as to any legal developments or factual matters arising subsequent to the date hereof that might affect the opinions expressed herein.

Very truly yours,

Exhibit 10(i)(B)

AMENDMENT

AMENDMENT dated as of March 31, 2003 to the Note Purchase Agreement dated as of May 26, 1994 between The Interpublic Group of Companies, Inc. (the "Company") and The Prudential Insurance Company of America, as amended (the "Agreement"). Capitalized terms used but not defined herein are used with the meanings given to those terms in the Agreement and the Notes (as defined below). The persons listed below as Holders hold at least 66-2/3% of the aggregate outstanding principal amount of 10.01% Senior Notes due 2004 issued pursuant to the Agreement (the "Notes").

1. The Company and the undersigned Holders hereby agree to amend Section 6A(ii) of Paragraph 6 of the Agreement to replace the phrase "0.20 for the consecutive four quarters ending March 31, 2003" with the phrase "0.187 for the consecutive four quarters ending March 31, 2003".

2. Except as expressly provided herein, the Agreement shall remain in full force and effect and this Amendment shall not operate as a waiver of any right, power or remedy of any Holder, nor constitute a waiver of any provision of the Agreement.

3. The Company hereby represents and warrants that:

(a) After giving effect to this Amendment, no Default or Event of Default will have occurred or be continuing.

(b) The Company is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has all corporate powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business.

(c) The execution, delivery and performance by the Company of this Amendment, are within the Company's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene, or constitute a default under, any provision of applicable law or regulation or of the certificate of incorporation of the Company or of any judgment, injunction, order, decree, material agreement or other instrument binding upon the Company or result in the creation or imposition of any Lien on any asset of the Company or any of its Consolidated Subsidiaries.

(d) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery and performance by the Company of this Amendment.

(e) This Amendment has been duly executed and delivered by the Company. This Amendment is the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to general principles of equity.

(f) There is no action, suit, investigation, litigation or proceeding pending against, or to the knowledge of the Company, threatened against the Company or any of its Consolidated Subsidiaries before any court or arbitrator or any governmental body, agency or official in which there is a significant probability of an adverse decision that (i) would have a material adverse effect on (x) the business, financial condition or results of operations of the Company and its Consolidated Subsidiaries taken as a whole, (y) the rights and remedies of the Holders under the Agreement or any Note or (z) the ability of the Company to perform its obligations under the Agreement or any Note or (ii) purports to affect the legality, validity or enforceability of this Amendment or the consummation of the transactions contemplated hereby.

4. The Company agrees to pay all out-of-pocket expenses incurred by the Holders in connection with this Amendment in accordance with the terms of Section 11B of the Agreement.

5. This Amendment shall be construed and enforced in accordance with the laws of the State of New York, without regard to conflicts of law provisions.

6. Each of the Holders agrees to keep confidential, in accordance with Section 11H of the Agreement, all information disclosed by the Company to the Holders in connection with this Amendment relating to the subject matter hereof (other than any such information (i) which was publicly known or otherwise known to such Holder at the time of disclosure, or (ii) which subsequently becomes publicly known through no act or omission by such Holder).

7. This Amendment shall be effective as of the date first above

written and the Agreement shall be deemed amended upon delivery to the Holders of a fully executed copy of this Amendment.

IN WITNESS WHEREOF, each of the Company and the undersigned Holders has caused this Amendment to be executed by its duly authorized representative as of the date and year first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Steven Berns

Name: Steven Berns
Title: Vice President and Treasurer

HOLDERS:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: /s/ Christopher Carey

Name: Christopher Carey
Title: Vice President

Exhibit 10(i)(C)

AMENDMENT

AMENDMENT dated as of March 31, 2003 to the Note Purchase Agreement dated as of April 28, 1995 between The Interpublic Group of Companies, Inc. (the "Company") and The Prudential Insurance Company of America, as amended (the "Agreement"). Capitalized terms used but not defined herein are used with the meanings given to those terms in the Agreement and the Notes (as defined below). The persons listed below as Holders hold at least 66-2/3% of the aggregate outstanding principal amount of 9.95% Senior Notes due 2005 issued pursuant to the Agreement (the "Notes").

1. The Company and the undersigned Holders hereby agree to amend Section 6A(ii) of Paragraph 6 of the Agreement to replace the phrase "0.20 for the consecutive four quarters ending March 31, 2003" with the phrase "0.187 for the consecutive four quarters ending March 31, 2003".

2. Except as expressly provided herein, the Agreement shall remain in full force and effect and this Amendment shall not operate as a waiver of any right, power or remedy of any Holder, nor constitute a waiver of any provision of the Agreement.

3. The Company hereby represents and warrants that:

(a) After giving effect to this Amendment, no Default or Event of Default will have occurred or be continuing.

(b) The Company is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has all corporate powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business.

(c) The execution, delivery and performance by the Company of this Amendment, are within the Company's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene, or constitute a default under, any provision of applicable law or regulation or of the certificate of incorporation of the Company or of any judgment, injunction, order, decree, material agreement or other instrument binding upon the Company or result in the creation or imposition of any Lien on any asset of the Company or any of its Consolidated Subsidiaries.

(d) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery and performance by the Company of this Amendment.

(e) This Amendment has been duly executed and delivered by the Company. This Amendment is the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to general principles of equity.

(f) There is no action, suit, investigation, litigation or proceeding pending against, or to the knowledge of the Company, threatened against the Company or any of its Consolidated Subsidiaries before any court or arbitrator or any governmental body, agency or official in which there is a significant probability of an adverse decision that (i) would have a material adverse effect on (x) the business, financial condition or results of operations of the Company and its Consolidated Subsidiaries taken as a whole, (y) the rights and remedies of the Holders under the Agreement or any Note or (z) the ability of the Company to perform its obligations under the Agreement or any Note or (ii) purports to affect the legality, validity or enforceability of this Amendment or the consummation of the transactions contemplated hereby.

4. The Company agrees to pay all out-of-pocket expenses incurred by the Holders in connection with this Amendment in accordance with the terms of Section 11B of the Agreement.

5. This Amendment shall be construed and enforced in accordance with the laws of the State of New York, without regard to conflicts of law provisions.

6. Each of the Holders agrees to keep confidential, in accordance with Section 11H of the Agreement, all information disclosed by the Company to the Holders in connection with this Amendment relating to the subject matter hereof (other than any such information (i) which was publicly known or otherwise known to such Holder at the time of disclosure, or (ii) which subsequently becomes publicly known through no act or omission by such Holder).

7. This Amendment shall be effective as of the date first above

written and the Agreement shall be deemed amended upon delivery to the Holders of a fully executed copy of this Amendment.

IN WITNESS WHEREOF, each of the Company and the undersigned Holders has caused this Amendment to be executed by its duly authorized representative as of the date and year first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Steven Berns

Name: Steven Berns
Title: Vice President and Treasurer

HOLDERS:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: /s/ Christopher Carey

Name: Christopher Carey
Title: Vice President

Exhibit 10(i)(D)

AMENDMENT

AMENDMENT dated as of March 31, 2003 to the Note Purchase Agreement dated as of October 31, 1996 between The Interpublic Group of Companies, Inc. (the "Company") and The Prudential Insurance Company of America, as amended (the "Agreement"). Capitalized terms used but not defined herein are used with the meanings given to those terms in the Agreement and the Notes (as defined below). The persons listed below as Holders hold at least 66-2/3% of the aggregate outstanding principal amount of 9.41% Senior Notes due 2006 issued pursuant to the Agreement (the "Notes").

1. The Company and the undersigned Holders hereby agree to amend Section 6A(ii) of Paragraph 6 of the Agreement to replace the phrase "0.20 for the consecutive four quarters ending March 31, 2003" with the phrase "0.187 for the consecutive four quarters ending March 31, 2003".

2. Except as expressly provided herein, the Agreement shall remain in full force and effect and this Amendment shall not operate as a waiver of any right, power or remedy of any Holder, nor constitute a waiver of any provision of the Agreement.

3. The Company hereby represents and warrants that:

(a) After giving effect to this Amendment, no Default or Event of Default will have occurred or be continuing.

(b) The Company is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has all corporate powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business.

(c) The execution, delivery and performance by the Company of this Amendment, are within the Company's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene, or constitute a default under, any provision of applicable law or regulation or of the certificate of incorporation of the Company or of any judgment, injunction, order, decree, material agreement or other instrument binding upon the Company or result in the creation or imposition of any Lien on any asset of the Company or any of its Consolidated Subsidiaries.

(d) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery and performance by the Company of this Amendment.

(e) This Amendment has been duly executed and delivered by the Company. This Amendment is the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to general principles of equity.

(f) There is no action, suit, investigation, litigation or proceeding pending against, or to the knowledge of the Company, threatened against the Company or any of its Consolidated Subsidiaries before any court or arbitrator or any governmental body, agency or official in which there is a significant probability of an adverse decision that (i) would have a material adverse effect on (x) the business, financial condition or results of operations of the Company and its Consolidated Subsidiaries taken as a whole, (y) the rights and remedies of the Holders under the Agreement or any Note or (z) the ability of the Company to perform its obligations under the Agreement or any Note or (ii) purports to affect the legality, validity or enforceability of this Amendment or the consummation of the transactions contemplated hereby.

4. The Company agrees to pay all out-of-pocket expenses incurred by the Holders in connection with this Amendment in accordance with the terms of Section 11B of the Agreement.

5. This Amendment shall be construed and enforced in accordance with the laws of the State of New York, without regard to conflicts of law provisions.

6. Each of the Holders agrees to keep confidential, in accordance with Section 11H of the Agreement, all information disclosed by the Company to the Holders in connection with this Amendment relating to the subject matter hereof (other than any such information (i) which was publicly known or otherwise known to such Holder at the time of disclosure, or (ii) which subsequently becomes publicly known through no act or omission by such Holder).

7. This Amendment shall be effective as of the date first above

written and the Agreement shall be deemed amended upon delivery to the Holders of a fully executed copy of this Amendment.

IN WITNESS WHEREOF, each of the Company and the undersigned Holders has caused this Amendment to be executed by its duly authorized representative as of the date and year first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Steven Berns

Name: Steven Berns
Title: Vice President and Treasurer

HOLDERS:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: /s/ Christopher Carey

Name: Christopher Carey
Title: Vice President

Exhibit 10(i)(E)

AMENDMENT

AMENDMENT dated as of March 31, 2003 to the Note Purchase Agreement dated as of August 18, 1997 between The Interpublic Group of Companies, Inc. (the "Company") and The Prudential Insurance Company of America, as amended (the "Agreement"). Capitalized terms used but not defined herein are used with the meanings given to those terms in the Agreement and the Notes (as defined below). The persons listed below as Holders hold at least 66-2/3% of the aggregate outstanding principal amount of 9.09% Senior Notes due 2007 issued pursuant to the Agreement (the "Notes").

1. The Company and the undersigned Holders hereby agree to amend Section 6A(ii) of Paragraph 6 of the Agreement to replace the phrase "0.20 for the consecutive four quarters ending March 31, 2003" with the phrase "0.187 for the consecutive four quarters ending March 31, 2003".

2. Except as expressly provided herein, the Agreement shall remain in full force and effect and this Amendment shall not operate as a waiver of any right, power or remedy of any Holder, nor constitute a waiver of any provision of the Agreement.

3. The Company hereby represents and warrants that:

(a) After giving effect to this Amendment, no Default or Event of Default will have occurred or be continuing.

(b) The Company is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has all corporate powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business.

(c) The execution, delivery and performance by the Company of this Amendment, are within the Company's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene, or constitute a default under, any provision of applicable law or regulation or of the certificate of incorporation of the Company or of any judgment, injunction, order, decree, material agreement or other instrument binding upon the Company or result in the creation or imposition of any Lien on any asset of the Company or any of its Consolidated Subsidiaries.

(d) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery and performance by the Company of this Amendment.

(e) This Amendment has been duly executed and delivered by the Company. This Amendment is the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to general principles of equity.

(f) There is no action, suit, investigation, litigation or proceeding pending against, or to the knowledge of the Company, threatened against the Company or any of its Consolidated Subsidiaries before any court or arbitrator or any governmental body, agency or official in which there is a significant probability of an adverse decision that (i) would have a material adverse effect on (x) the business, financial condition or results of operations of the Company and its Consolidated Subsidiaries taken as a whole, (y) the rights and remedies of the Holders under the Agreement or any Note or (z) the ability of the Company to perform its obligations under the Agreement or any Note or (ii) purports to affect the legality, validity or enforceability of this Amendment or the consummation of the transactions contemplated hereby.

4. The Company agrees to pay all out-of-pocket expenses incurred by the Holders in connection with this Amendment in accordance with the terms of Section 11B of the Agreement.

5. This Amendment shall be construed and enforced in accordance with the laws of the State of New York, without regard to conflicts of law provisions.

6. Each of the Holders agrees to keep confidential, in accordance with Section 11H of the Agreement, all information disclosed by the Company to the Holders in connection with this Amendment relating to the subject matter hereof (other than any such information (i) which was publicly known or otherwise known to such Holder at the time of disclosure, or (ii) which subsequently becomes publicly known through no act or omission by such Holder).

7. This Amendment shall be effective as of the date first above

written and the Agreement shall be deemed amended upon delivery to the Holders of a fully executed copy of this Amendment.

IN WITNESS WHEREOF, each of the Company and the undersigned Holders has caused this Amendment to be executed by its duly authorized representative as of the date and year first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Steven Berns

Name: Steven Berns
Title: Vice President and Treasurer

HOLDERS:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: /s/ Christopher Carey

Name: Christopher Carey
Title: Vice President

AMENDMENT

AMENDMENT dated as of March 31, 2003 to the Note Purchase Agreement dated as of January 21, 1999 between The Interpublic Group of Companies, Inc. (the "Company") and The Prudential Insurance Company of America, as amended (the "Agreement"). Capitalized terms used but not defined herein are used with the meanings given to those terms in the Agreement and the Notes (as defined below). The persons listed below as Holders hold at least 66-2/3% of the aggregate outstanding principal amount of 8.05% Senior Notes due 2009 issued pursuant to the Agreement (the "Notes").

1. The Company and the undersigned Holders hereby agree to amend Section 6A(ii) of Paragraph 6 of the Agreement to replace the phrase "0.20 for the consecutive four quarters ending March 31, 2003" with the phrase "0.187 for the consecutive four quarters ending March 31, 2003".

2. Except as expressly provided herein, the Agreement shall remain in full force and effect and this Amendment shall not operate as a waiver of any right, power or remedy of any Holder, nor constitute a waiver of any provision of the Agreement.

3. The Company hereby represents and warrants that:

(a) After giving effect to this Amendment, no Default or Event of Default will have occurred or be continuing.

(b) The Company is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has all corporate powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business.

(c) The execution, delivery and performance by the Company of this Amendment, are within the Company's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene, or constitute a default under, any provision of applicable law or regulation or of the certificate of incorporation of the Company or of any judgment, injunction, order, decree, material agreement or other instrument binding upon the Company or result in the creation or imposition of any Lien on any asset of the Company or any of its Consolidated Subsidiaries.

(d) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery and performance by the Company of this Amendment.

(e) This Amendment has been duly executed and delivered by the Company. This Amendment is the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to general principles of equity.

(f) There is no action, suit, investigation, litigation or proceeding pending against, or to the knowledge of the Company, threatened against the Company or any of its Consolidated Subsidiaries before any court or arbitrator or any governmental body, agency or official in which there is a significant probability of an adverse decision that (i) would have a material adverse effect on (x) the business, financial condition or results of operations of the Company and its Consolidated Subsidiaries taken as a whole, (y) the rights and remedies of the Holders under the Agreement or any Note or (z) the ability of the Company to perform its obligations under the Agreement or any Note or (ii) purports to affect the legality, validity or enforceability of this Amendment or the consummation of the transactions contemplated hereby.

4. The Company agrees to pay all out-of-pocket expenses incurred by the Holders in connection with this Amendment in accordance with the terms of Section 11B of the Agreement.

5. This Amendment shall be construed and enforced in accordance with the laws of the State of New York, without regard to conflicts of law provisions.

6. Each of the Holders agrees to keep confidential, in accordance with Section 11H of the Agreement, all information disclosed by the Company to the Holders in connection with this Amendment relating to the subject matter hereof (other than any such information (i) which was publicly known or otherwise known to such Holder at the time of disclosure, or (ii) which subsequently becomes publicly known through no act or omission by such Holder).

7. This Amendment shall be effective as of the date first above

written and the Agreement shall be deemed amended upon delivery to the Holders of a fully executed copy of this Amendment.

IN WITNESS WHEREOF, each of the Company and the undersigned Holders has caused this Amendment to be executed by its duly authorized representative as of the date and year first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Steven Berns

Name: Steven Berns
Title: Vice President and Treasurer

HOLDERS:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: /s/ Christopher Carey

Name: Christopher Carey
Title: Vice President

SUPPLEMENTAL AGREEMENT

SUPPLEMENTAL AGREEMENT made as of February 28, 2003 between THE INTERPUBLIC GROUP OF COMPANIES, INC., a Delaware corporation ("INTERPUBLIC") and DAVID A. BELL ("EXECUTIVE").

W I T N E S S E T H:

WHEREAS, Interpublic and Executive are parties to an Employment Agreement made as of January 1, 2000, as amended as of March 1, 2001 and June 11, 2001 (hereinafter referred to as the "AGREEMENT"); and

WHEREAS, Interpublic and Executive desire to amend the Agreement;

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

1. Section 1 of the Agreement is hereby amended, effective February 28, 2003, by deleting "December 31, 2002" therefrom and substituting "March 1, 2005" therefor.

2. Section 2 of the Agreement is amended in its entirety to read as follows:

"2. POSITION AND DUTIES. Interpublic shall employ the Executive during the Employment Period with the title of Chairman and Chief Executive Officer. Executive shall have the authority, duties and responsibilities commensurate with this position and title. During the Employment Period, the Executive shall perform faithfully and loyally and to the best of the Executive's abilities his duties hereunder, shall devote his full business time, attention and efforts to the affairs of Interpublic and the group of subsidiaries and affiliates of Interpublic and shall use his reasonable best efforts to

promote the interests of Interpublic. Notwithstanding the foregoing, the Executive may engage in charitable, civic or community activities, provided that they do not interfere with the performance of the Executive's duties hereunder, and, with the prior approval of the Board, may serve as a director of any business corporation; provided that such service does not violate the terms of any of the covenants contained in Section 8 hereof."

3. Section 3(a) of the Agreement is amended by adding the following:

"In addition, Executive will be entitled to an annual accrual of One Hundred Fifty Thousand Dollars ($150,000) per year, pursuant to the terms and conditions of an Executive Special Benefit Agreement to be entered into between the Executive and the Corporation."

4. Section 3(b) of the Agreement is hereby amended, effective February 28, 2003 by deleting "122% of base salary" therefrom and substituting "133% of base salary up to a maximum of 200% of base salary" therefor.

5. Section 3(e) of the Employment Agreement shall be deleted in its entirety and replaced with the following:

"Executive has been granted an award for the 2002-2004 performance period under Interpublic's Long-Term Performance Plan ("LTPIP") equal to five thousand (5,000) performance units. In addition, Executive has been granted options under Interpublic's Equity Plan to purchase twenty-five thousand (25,000) shares of Interpublic common stock."

6. A new Section 3(f) of the Agreement will be added as follows:

"Executive shall be granted an award for the 2003-2005 performance period under

Interpublic's LTPIP equal to twenty thousand (20,000) performance units. In addition, Executive will be granted options under Interpublic's Equity Plan to purchase two hundred thousand (200,000) shares of Interpublic common stock".

7. A new Section 3(g) of the Agreement will be added as follows:

"Upon full execution of this Agreement, Executive will be entitled to a special bonus of One Hundred Thousand Dollars ($100,000) payable within three (3) months of assuming the role of Chief Executive Officer."

8. Section 5(a)(i) shall be amended to read as follows:

"(i) termination of the Executive's employment by the Company without cause (as defined in sub sections (b) below) where the Company has failed to either provide Executive with twelve months (12) notice of termination or payment of his salary for twelve months in lieu of notice".

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

THE INTERPUBLIC GROUP OF
COMPANIES, INC.

By: /s/ Brian Brooks
Brian Brooks
Title: Executive Vice President
Human Resources

/s/ David A. Bell
David A. Bell

EMPLOYMENT AGREEMENT

AGREEMENT made as of May 6, 2003 by and between THE INTERPUBLIC GROUP OF COMPANIES, INC., a Delaware corporation ("INTERPUBLIC" or the "CORPORATION"), and CHRIS COUGHLIN ("EXECUTIVE").

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

ARTICLE I

TERM OF EMPLOYMENT

1.01 Subject to the provisions of Article VII and Article VIII, and upon the terms and subject to the conditions set forth herein, Interpublic will employ Executive beginning June 16, 2003 ("COMMENCEMENT DATE") and continuing thereafter, subject to termination in accordance with the provisions of Article VII hereof. (The period during which Executive is employed hereunder is referred to herein as the ("TERM OF EMPLOYMENT").

ARTICLE II

DUTIES

2.01 During the term of employment, Executive will:

(i) Serve as Chief Operating Officer of Interpublic, reporting to the Chief Executive Officer of Interpublic;

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

(iii) Perform such duties as the Corporation may from time to time assign to him consistent with his position;

(iv) Serve as a member of the Board of Directors of the Corporation and in such other offices as to which Executive may be elected or appointed; and

(v) Have oversight and responsibility for the Corporation's finance, investor relations and treasury functions, as well as all other areas not reporting directly to the Corporation's Chief Executive Officer or the chief executive officers of its subsidiaries. The legal function will have dual reporting, to the Executive and to the Chief Executive Officer.

ARTICLE III

REGULAR COMPENSATION

3.01 The Corporation will compensate Executive for the duties performed by him hereunder, by payment of a base salary at the rate of Eight Hundred Thousand Dollars ($800,000) per annum, payable in equal installments, which the Corporation shall pay at semi-monthly intervals, subject to customary withholding for federal, state and local taxes. In addition, Executive will receive deferred compensation at the rate of One Hundred Thousand Dollars ($100,000) per annum, pursuant to the terms and conditions of an Executive Special Benefit Agreement ('ESBA") to be entered into between the Corporation and Executive. At the end of the Accrual Term under the ESBA, Executive's base salary will be increased by the One Hundred Thousand Dollars ($100,000) formerly deferred under the ESBA.

3.02 The Corporation may at any time increase the compensation paid to Executive under this Article III if the Corporation in its sole discretion shall deem it advisable to do so in order to compensate him fairly for services rendered to the Corporation. Provided however that, Executive's compensation will be reviewed by the Corporation for increase (but not decrease, other than with Executive's consent or as part of a general reduction in key management compensation) every two (2) years consistent with the practice for other senior executives of the Corporation.

ARTICLE IV

BONUSES

4.01 Executive will be eligible each year during the term of employment

to participate in the Management Incentive Compensation Plan ("MICP"), in accordance with the terms and conditions of the Plan established from time to time. Executive shall be eligible to receive target MICP awards of one hundred percent (100%) of his base salary plus ESBA deferral up to a maximum of one hundred fifty percent (150%) of his base salary plus ESBA deferral, but the actual award, if any, shall be determined by the Corporation and shall be based on earnings targets established for the Corporation, Executive's individual performance, and Board of Director's discretion, all consistent with the targets and standards employed for key management employees generally.

4.02 Executive shall receive an award for the 2003-2005 performance period under Interpublic's Long-Term Performance Incentive Plan ("LTPIP") equal to ten thousand (10,000)

performance units, and subject to the performance standards established under the LTPIP for that period generally.

4.03 Executive will be entitled to a sign-on bonus of Four Hundred Thousand Dollars ($400,000), upon commencement of employment. Such bonus shall be paid in shares of Interpublic restricted common stock which shall vest upon commencement of employment. Such shares shall be priced as of the first day of Executive's employment under this Agreement. In the event Executive terminates this Agreement without Good Reason during the one year following the date of grant, he shall return a portion of such shares (or the cash equivalent based on the value of such shares on the date of termination) in an amount pro-rated from the date of grant through the date of termination of employment.

ARTICLE V

INTERPUBLIC STOCK

5.01 Executive shall receive options to purchase two hundred thousand (200,000) shares of Interpublic Common Stock, which will be subject to all the terms and conditions of the Interpublic Stock Incentive Plan. Such options shall be granted and priced as of the first day of Executive's employment under this Agreement. Beginning with calendar year 2004, Executive will be eligible for additional annual stock option awards, in the discretion of the Board of Directors.

ARTICLE VI

OTHER EMPLOYMENT BENEFITS

6.01 Executive shall be eligible to participate in such other employee benefits as are available from time to time to any other key management executives of Interpublic in accordance with the then-current terms and conditions established by Interpublic for eligibility and employee contributions required for participation in such benefits opportunities, including an annual financial planning allowance.

6.02 Executive will be entitled to annual paid time off (including twenty-eight (28) vacation days), in accordance with the Company's policies and procedures, to be taken in such amounts and at such times as shall be mutually convenient for Executive and the Corporation.

6.03 Executive shall be reimbursed for all reasonable out-of-pocket expenses actually incurred by him in the conduct of the business of the Corporation provided that Executive submits all substantiation of such expenses to the Corporation on a timely basis in accordance with standard policies of the Corporation for key management employees.

6.04 Executive shall be entitled to a club allowance of Ten Thousand Dollars ($10,000) per year payable in the first month of each calendar year (and upon execution of this Agreement for calendar year 2003), provided that Executive submits substantiation in accordance with standard policies of the Corporation for key management employees.

6.05 Executive shall be entitled to reimbursement of legal expenses incurred in connection with the negotiation and preparation of this Agreement and other employment-related agreements up to a maximum of Twenty Thousand Dollars ($20,000).

6.06 Executive shall be entitled to an automobile allowance of Ten Thousand Dollars ($10,000) per year, payable quarterly.

ARTICLE VII

TERMINATION

7.01 The Corporation 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 (12) months after the date on which such notice is given, in which event Executive's employment hereunder shall terminate on the date specified in such notice provided, however, that, in such event, Executive will be permitted to seek other employment immediately; or

(ii) By giving Executive notice in writing at any time specifying a termination date less than twelve (12) months after the date on which such notice is given. In this event Executive's 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 (12) months salary at his then current rate 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 (1) 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 (1) month to be paid together with the last installment.

During the termination period provided in subsection (i), or in the case of a termination under subsection (ii) providing for a termination period of less than twelve (12) months, for a period of twelve (12) months after the termination notice, Executive will be entitled to receive all

employee benefits and executive perquisites accorded to him prior to termination, including, but not limited to, eligibility for an MICP award pursuant to Section 4.01, and Executive shall be treated as still employed by the Corporation during such period for purposes of the Corporation 's LTPIP, ESBA and Stock Incentive Plans provided, that such employee welfare benefits shall cease upon such date that Executive accepts employment with another employer offering similar benefits.

7.02 Notwithstanding the provisions of Section 7.01, If Executive obtains other employment (including work as a consultant, independent contractor or establishing his own business) during the period of notice of termination, Executive will promptly notify the Corporation.

7.03 Executive may at any time give notice in writing to the Corporation specifying a termination date not less than ninety (90) days after the date on which such notice is given, in which event his employment hereunder shall terminate on the date specified in such notice, and Executive shall receive his salary, employee benefits and executive perquisites until the termination date. Provided however that the Corporation may, at its option, upon receipt of such notice determine an earlier termination date.

7.04 Notwithstanding the provisions of Section 7.01, the Corporation may terminate the employment of Executive hereunder, at any time after the Commencement Date, for Cause. For purposes of this Agreement, "CAUSE" means the following:

(i) Any material breach by Executive of any provision of any material agreement with the Corporation (including without limitation Sections 8.01 and 8.02 hereof) upon notice of same by the Corporation which breach, if capable of being cured,

has not been cured within fifteen (15) days after such notice (it being understood and agreed that a breach of Section 8.01 or 8.02 hereof, among others, shall be deemed not capable of being cured);

(ii) Misappropriation by Executive of funds or property of the Corporation or any attempt by Executive to secure any personal profit related to the business of the Corporation (other than as permitted by this Agreement) and not fairly disclosed to and approved by the Board of Directors;

(iii) Fraud, dishonesty, gross negligence or willful misconduct on the part of Executive in the performance of his duties as an employee of the Corporation;

(iv) A felony conviction of Executive involving moral turpitude.

Upon a termination for Cause, the Corporation shall pay Executive his salary through the date of termination of employment, and Executive shall not be entitled to any other payments hereunder, provided however, that Executive shall retain the right to all employee benefits in which he is vested as of the date of termination of employment.

7.05 Executive may terminate his employment with the Corporation for "GOOD REASON" by giving the Company written notice of the termination, setting forth in reasonable detail the specific conduct of the Company that constitutes Good Reason. A termination of employment by the Executive for Good Reason shall be effective on the 21st business day following the date the notice is given, unless the Corporation cures the conduct giving rise to Good Reason prior to that date. "GOOD REASON" means:

(i) the assignment to Executive of any duties inconsistent in any material respect with Section 2.01, or any other action by the Corporation that results in a material

diminution in the Executive's position or authority, duty, titles, responsibilities, or reporting requirements other than an isolated, insubstantial and inadvertent action that is not taken in bad faith;

(ii) any material failure by the Company to comply with any provision of Articles III, IV, V, VI, or IX of this Agreement, other than an isolated, insubstantial and inadvertent failure that is not taken in bad faith;

(iii) any relocation of the Executive's principal business location to a location other than the New York Metropolitan area (within fifty (50) miles of Manhattan); or

(iv) the Executive is not elected or reelected, as appropriate, to the Board.

In the event of a termination for Good Reason, all of the compensation, benefits and perquisites provided by Section 7.01 shall apply as if Executive were terminated by the Corporation.

ARTICLE VIII

COVENANTS

8.01 While Executive is employed hereunder by the Corporation he shall not, without the prior written consent of the Corporation, which will not be unreasonably withheld, 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, that he may continue to own or may hereafter acquire any securities of any class of any publicly-owned company and may serve on the boards of directors of other corporations (or the equivalent for other types of entities) or in other civic or charitable endeavors, with the prior approval of Interpublic, which

shall not be unreasonably withheld. It is understood that Executive will be a member of the Administrative Committee which oversees former Pharmacia Benefit Plans.

8.02 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 for a period of three (3) years 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 other than as required by law or by subpoena pursuant to any judicial or administrative proceeding, provided however that Executive will provide notice to, and, if permissible will confer, with the Corporation's legal counsel prior to any such disclosure.

8.03 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.

8.04 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 Corporation.

8.05 Following the termination of Executive's employment hereunder for any reason, Executive shall not for a period of eighteen (18) months from such termination, (a) solicit any then employees of the Corporation, Interpublic or any affiliated company of Interpublic to leave such employ to enter the employ of Executive or of any person, firm or corporation 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 event marketing, public relations, advertising, sales promotion or market research business of any person or entity which is a client of the Corporation at the date of termination of Executive's employment.

8.06 If at the time of enforcement of any provision of this Agreement, a court shall hold that the duration, scope or area restriction of any provision hereof is unreasonable under circumstances now or then existing, the parties hereto agree that the maximum duration, scope or area reasonable under the circumstances shall be substituted by the court for the stated duration, scope or area.

8.07 Executive acknowledges that a remedy at law for any breach or attempted breach of Article VIII of this Agreement will be inadequate, and agrees that the Corporation shall be entitled to specific performance and injunctive and other equitable relief in the case of any such breach or attempted breach.

8.08 Executive represents and warrants that neither the execution and delivery of this Employment Agreement nor the performance of Executive's services hereunder will conflict with, or result in a breach of, any agreement to which Executive is a party or by which he may be bound or affected, in particular the terms of any employment agreement to which Executive may be a party. Executive and the Corporation each further represent and warrant to the other that

each has full right, power and authority to enter into and carry out the provisions of this Employment Agreement.

ARTICLE IX

ASSIGNMENT

9.01 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 X

AGREEMENT ENTIRE

10.01 This Agreement constitutes the entire understanding between the Corporation and Executive concerning his employment by the Corporation or any of its parents, affiliates or subsidiaries and supersedes any and all previous agreements between Executive and the Corporation or any of its parents, affiliates or subsidiaries concerning such employment, and/or any compensation or bonuses. This Agreement may not be changed orally.

ARTICLE XI

APPLICABLE LAW

11.01 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: /s/Brian J. Brooks
Brian J. Brooks
Executive Vice President
Human Resources

/s/Chris Coughlin
Chris Coughlin

EXECUTIVE SPECIAL BENEFIT AGREEMENT

AGREEMENT made as of June 16, 2003, by and between THE INTERPUBLIC GROUP OF COMPANIES, INC., a corporation of the State of Delaware (hereinafter referred to as "INTERPUBLIC") and CHRIS COUGHLIN (hereinafter referred to as "EXECUTIVE").

W I T N E S S E T H:

WHEREAS, Executive is in the employ of Interpublic and/or one or more of its subsidiaries (Interpublic and its subsidiaries being hereinafter referred to collectively as the "CORPORATION"); and

WHEREAS, Interpublic and Executive desire to enter into an Executive Special Benefit Agreement which shall be supplementary to any employment agreement or arrangement which Executive now or hereinafter may have with respect to Executive's employment by Interpublic or any of its subsidiaries;

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

ARTICLE I

DEATH AND SPECIAL RETIREMENT BENEFITS

1.01 For purposes of this Agreement the "ACCRUAL TERM" shall mean the period of ninety-six (96) months beginning on the date of this Agreement and ending on the day

preceding the eighth anniversary hereof or on such earlier date on which Executive shall cease to be in the employ of the Corporation.

1.02 The Corporation shall provide Executive with the following benefits contingent upon Executive's compliance with all the terms and conditions of this Agreement. Effective at the end of the Accrual Term, Executive's annual compensation will be increased by One Hundred Thousand Dollars ($100,000) if Executive is in the employ of the Corporation at that time.

1.03 If, during the Accrual Term or thereafter during a period of employment by the Corporation which is continuous from the date of this Agreement, Executive shall die while in the employ of the Corporation, the Corporation shall pay to such beneficiary or beneficiaries as Executive shall have designated pursuant to Section 1.07 (or in the absence of such designation, shall pay to the Executor of the Will or the Administrator of the Estate of Executive) survivor income payments of Two Hundred Thousand Dollars ($200,000) per annum for fifteen (15) years in monthly installments beginning with the 15th of the calendar month following Executive's death, and in equal monthly installment thereafter.

1.04 If, after a continuous period of employment from the date of this Agreement, Executive shall retire from the employ of the Corporation so that the first day on which Executive is no longer in the employ of the Corporation occurs on or after Executive's sixtieth birthday, the Corporation shall pay to Executive special retirement benefits at the rate of Two Hundred Thousand Dollars ($200,000) per annum for fifteen (15) years in monthly installments beginning with the 15th of the calendar month following Executive's last day of employment, and in equal monthly installments thereafter.

1.05 If, after a continuous period of employment from the date of this Agreement, Executive shall retire, resign, or be terminated from the employ of the Corporation so that the first day on which Executive is no longer in the employ of the Corporation occurs on or after Executive's fifty-ninth birthday but prior to Executive's sixtieth birthday, the Corporation shall pay to Executive special retirement benefits at the annual rates set forth below for fifteen years beginning with the calendar month following Executive's last day of employment, such payments to be made in equal monthly installments:

Last Day of Employment	Annual Rate
On or after 59th birthday but prior	

to 60th
birthday $
176,000

1.06 If, following such termination of employment, Executive shall die before payment of all of the installments provided for in Section 1.04 or Section 1.05, any remaining installments shall be paid to such beneficiary or beneficiaries as Executive shall have designated pursuant to Section 1.07 or, in the absence of such designation, to the Executor of the Will or the Administrator of the Estate of Executive.

1.07 For purposes of Sections 1.03, 1.04 and 1.05, or any of them, Executive may at any time designate a beneficiary or beneficiaries by filing with the chief human resource officer of Interpublic a Beneficiary Designation Form provided by such officer. Executive may at any time, by filing a new Beneficiary Designation Form, revoke or change any prior designation of beneficiary.

1.08 If Executive shall die while in the employ of the Corporation, no sum shall be payable pursuant to Sections 1.04, 1.05, 1.06, 2.01, 2.02 or 2.03.

ARTICLE II

ALTERNATIVE DEFERRED COMPENSATION

2.01 If Executive shall, for any reason other than death, cease to be employed by the Corporation on a date prior to Executive's fifty-ninth birthday, the Corporation shall, in lieu of any payment pursuant to Article I of this Agreement, compensate Executive by payment, at the times and in the manner specified in Section 2.02, of a sum computed at the rate of One Hundred Thousand Dollars ($100,000) per annum for each full year and proportionate amount for any part year from the date of this Agreement to the date of such termination during which Executive is in the employ of the Corporation. Such payment shall be conditional upon Executive's compliance with all the terms and conditions of this Agreement.

2.02 The aggregate compensation payable under Section 2.01 shall be paid in equal consecutive monthly installments commencing with the first month in which Executive is no longer in the employ of the Corporation and continuing for a number of months equal to the number of months which have elapsed from the date of this Agreement to the date of termination, up to a maximum of ninety-six (96) months.

2.03 If Executive dies while receiving payments in accordance with the provisions of Section 2.02, any installments payable in accordance with the provisions of Section 2.02 less any amounts previously paid Executive in accordance therewith, shall be paid to Executive's beneficiary under Section 1.07, or, if none, to the Executor of the Will or the Administrator of the Estate of Executive.

2.04 If Executive's employment is terminated within the first two (2) years, (other than for cause or voluntary resignation, which is not for "Good Reason") then, in addition to any other payments to which Executive may be entitled under this Agreement, Executive will receive an annual annuity of Fifty Thousand Dollars ($50,000) per year for a period of fifteen

(15) years to commence on Executive's 60th birthday. Such amounts shall be payable in monthly installments beginning with the 15th of the calendar month following Executive's 60th birthday.

2.05 It is understood that none of the payments made in accordance with this Agreement shall be considered for purposes of determining benefits under the Interpublic Pension Plan, nor shall such sums be entitled to credits equivalent to interest under the Plan for Credits Equivalent to Interest on Balances of Deferred Compensation Owing under Employment Agreements adopted effective as of January 1, 1974 by Interpublic.

ARTICLE III

NON-SOLICITATION OF CLIENTS OR EMPLOYEES

3.01 Following the termination of Executive's employment hereunder for any reason, Executive shall not for a period of twelve (12) months either (a) solicit any employee of the Corporation 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.

ARTICLE IV

ASSIGNMENT

4.01 This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Interpublic. Interpublic shall require any successor (whether direct or indirect, by merger, consolidation, sale or otherwise) to all or substantially all of the business or assets of Interpublic, by agreement in form satisfactory to the Executive, expressly, absolutely and unconditionally to assume and agree to perform this Agreement in the same manner and to

the same extent as Interpublic would have been required to perform it if no such succession had taken place. Neither this Agreement nor any rights hereunder shall be subject in any matter to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge by Executive, and any such attempted action by Executive shall be void. This Agreement may not be changed orally, nor may this Agreement be amended to increase the amount of any benefits that are payable pursuant to this Agreement or to accelerate the payment of any such benefits.

ARTICLE V

CONTRACTUAL NATURE OF OBLIGATION

5.01 The liabilities of the Corporation to Executive pursuant to this Agreement shall be those of a debtor pursuant to such contractual obligations as are created by the Agreement. Executive's rights with respect to any benefit to which Executive has become entitled under this Agreement, but which Executive has not yet received, shall be solely the rights of a general unsecured creditor of the Corporation.

ARTICLE VI

APPLICABLE LAW

6.01 This 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: /s/Brian J. Brooks
Brian J. Brooks
Executive Vice President
Human Resources

/s/ Chris Coughlin
Chris Coughlin

Exhibit 10(iii)(A)(iv)

EXECUTIVE SEVERANCE AGREEMENT

This AGREEMENT ("Agreement") dated June 16, 2003, by and BETWEEN THE INTERPUBLIC GROUP OF COMPANIES, INC. ("INTERPUBLIC"), a Delaware corporation (Interpublic and its subsidiaries being referred to herein collectively as the "COMPANY"), and CHRIS COUGHLIN (the "EXECUTIVE").

W I T N E S S E T H

WHEREAS, the Company recognizes the valuable services that the Executive will render thereto and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to any potential or actual change of control of Interpublic;

WHEREAS, the Executive is willing to serve the Company but desires assurance that he will not be materially disadvantaged by a change of control of Interpublic; and

WHEREAS, the Company is willing to accord such assurance provided that, should the Executive's employment be terminated consequent to a change of control, he will not for a period thereafter engage in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company and the mutual agreements herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

RIGHT TO PAYMENTS

Section 1.1. TRIGGERING EVENTS. If Interpublic undergoes a Change of Control, the Company shall make payments to the Executive as provided in article II of this Agreement.

If, within two years following a Change of Control, either (a) the Company terminates the Executive other than by means of a termination for Cause or for death or (b) the Executive resigns for a Good Reason (either of which events shall constitute a "Qualifying Termination"), the Company shall make payments to the Executive as provided in article III hereof.

Section 1.2. CHANGE OF CONTROL. A Change of Control of Interpublic shall be deemed to have occurred if (a) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "1934 Act")), other than Interpublic or any of its majority-controlled subsidiaries, becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of 30 percent or more of the combined voting power of Interpublic's then outstanding voting securities; (b) a tender offer or exchange offer (other than an offer by Interpublic or a majority-controlled subsidiary), pursuant to which 30 percent or more of the combined voting power of Interpublic's then outstanding voting securities was purchased, expires; (c) the stockholders of Interpublic approve an agreement to merge or consolidate with another corporation (other than a majority-controlled subsidiary of Interpublic) unless Interpublic's shareholders immediately before the merger or consolidation are to own more than 70 percent of the combined voting power of the resulting entity's voting securities; (d) Interpublic's stockholders approve an agreement (including, without limitation, a plan of liquidation) to sell or otherwise dispose of all or substantially all of the business or assets of Interpublic; or (e) during any period of two consecutive years, individuals who, at the beginning of such period, constituted the Board of Directors of Interpublic cease for any reason to constitute at least a majority thereof, unless the election or the nomination for election by Interpublic's stockholders of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period. However, no Change of Control shall be deemed to have occurred by reason of any transaction in which the Executive, or a group of persons or entities with which the Executive acts in concert, acquires,

directly or indirectly, more than 30 percent of the common stock or the business or assets of Interpublic.

Section 1.3. TERMINATION FOR CAUSE. Interpublic shall have Cause to terminate the Executive for purposes of Section 1.1 of this Agreement only if, following the Change of Control, the Executive (a) engages in conduct that constitutes a felony under the laws of the United States or a state or country in which he works or resides and that results or was intended to result, directly or indirectly, in the personal enrichment of the Executive at the Company's expense; (b) refuses (except by reason of incapacity due to illness or injury) to make a good faith effort to substantially perform his duties with the Company on a full-time basis and continues such refusal for 15 days following receipt of notice from the Company that his effort is deficient; or (c) deliberately and materially breaches any agreement between himself and the Company and fails to remedy that breach within 30 days following notification thereof by the Company. If the Company has Cause to terminate the Executive, it may in fact terminate him for Cause for purposes of section 1.1 hereof if (a) it notifies the Executive of such Cause, (b) it gives him reasonable opportunity to appear before a majority of Interpublic's Board of Directors to respond to the notice of Cause and (c) a majority of the Board of Directors subsequently votes to terminate him.

Section 1.4. RESIGNATION FOR GOOD REASON. The Executive shall have a Good Reason for resigning only if (a) the Company fails to elect the Executive to, or removes him from, any office of the Company, including without limitation membership on any Board of Directors, that the Executive held immediately prior to the Change of Control; (b) the Company reduces the Executive's rate of regular cash and fully vested deferred base compensation ("Regular Compensation") from that which he earned immediately prior to the Change of Control or fails to increase it within 12 months following the Change of Control by (in addition to any increase pursuant to section 2.2 hereof) at least the average of the rates of increase in his Regular Compensation during the four consecutive 12-month periods immediately prior to the Change of Control (or, if fewer, the number of 12-month periods immediately prior to the

Change of Control during which the Executive was continuously employed by the Company); (c) the Company fails to provide the Executive with fringe benefits and/or bonus plans, such as stock option, stock purchase, restricted stock, life insurance, health, accident, disability, incentive, bonus, pension and profit sharing plans ("Benefit or Bonus Plans"), that, in the aggregate, (except insofar as the Executive has waived his rights thereunder pursuant to article II hereof) are as valuable to him as those that were in effect for him immediately prior to the Change of Control; (d) the Company fails to provide the Executive with an annual number of paid vacation days at least equal to that to which he was entitled immediately prior to the Change of Control; (e) the Company breaches any agreement between it and the Executive (including this Agreement); (f) without limitation of the foregoing clause (e), the Company fails to obtain the express assumption of this Agreement by any successor of the Company as provided in section 6.3 hereof; (g) the Company attempts to terminate the Executive for Cause without complying with the provisions of section 1.3 hereof; (h) the Company requires the Executive, without his express written consent, to be based in an office outside of the office in which Executive is based on the date hereof or to travel substantially more extensively than he did prior to the Change of Control; or (i) the Executive determines in good faith that the Company has, without his consent, effected a significant change in his status within, or the nature or scope of his duties or responsibilities with, the Company than that which obtained immediately prior to the Change of Control (including but not limited to, subjecting the Executive's activities and exercise of authority to greater immediate supervision than existed prior to the Change of Control); PROVIDED, HOWEVER, that no event designated in clauses (a) through (i) of this sentence shall constitute a Good Reason unless the Executive notifies Interpublic that the Company has committed an action or inaction specified in clauses (a) through (i) (a "Covered Action") and the Company does not cure such Covered Action within 30 days after such notice, at which time such Good Reason shall be deemed to have arisen. Notwithstanding the immediately preceding

sentence, no action by the Company shall give rise to a Good Reason if it results from the Executive's termination for Cause or death or from the Executive's resignation for other than a Good Reason, and no action by the Company specified in clauses (a) through (i) of the preceding sentence shall give rise to a Good Reason if it results from the Executive's Disability. If the Executive has a Good Reason to resign, he may in fact resign for a Good Reason for purposes of section 1.1 of this Agreement by, within 30 days after the Good Reason arises, giving Interpublic a minimum of 30 and a maximum of 90 days advance notice of the date of his resignation.

Section 1.5. DISABILITY. For all purposes of this Agreement, the term "Disability" shall have the same meaning as that term has in the Interpublic Long-Term Disability Plan.

ARTICLE II

PAYMENTS UPON A CHANGE OF CONTROL

Section 2.1. ELECTIONS BY THE EXECUTIVE. If the Executive so elects prior to a Change of Control, the Company shall pay him, within 30 days following the Change of Control, lump sum cash amounts in respect of certain Benefit or Bonus Plans or deferred compensation arrangements designated in sections 2.2 through 2.4 hereof ("Plan Amounts"). The Executive may make an election with respect to the Benefit or Bonus Plans or deferred compensation arrangements covered under any one or more of sections 2.2 through 2.4, but an election with respect to any such section shall apply to all Plan Amounts that are specified therein. Each election shall be made by notice to Interpublic on a form satisfactory to Interpublic and, once made, may be revoked by notice on such form at any time prior to a Change of Control. If the Executive elects to receive payments under a section of this article II, he shall, upon receipt of such payments, execute a waiver, on a form satisfactory to Interpublic, of such rights as are indicated in that section. If the Executive does not make an election under this article with

respect to a Benefit or Bonus Plan or deferred compensation arrangement, his rights to receive payments in respect thereof shall be governed by the Plan or arrangement itself.

Section 2.2. ESBA. The Plan Amount in respect of all Executive Special Benefit Agreements ("ESBA's") between the Executive and Interpublic shall consist of an amount equal to the present discounted values, using the Discount Rate designated in section 5.8 hereof as of the date of the Change of Control, of all payments that the Executive would have been entitled to receive under the ESBA's if he had terminated employment with the Company on the day immediately prior to the Change of Control. Upon receipt of the Plan Amount in respect of the ESBA's, the Executive shall waive any rights that he may have to payments under the ESBA's. If the Executive makes an election pursuant to, and executes the waiver required under, this section 2.2, his Regular Compensation shall be increased as of the date of the Change of Control at an annual rate equal to the sum of the annual rates of deferred compensation in lieu of which benefits are provided the Executive under any ESBA the Accrual Term for which (as defined in the ESBA) includes the date of the Change of Control.

Section 2.3. MICP. The Plan Amount in respect of the Company's Management Incentive Compensation Plans ("MICP")shall consist of an amount equal to the sum of all amounts awarded to the Executive under, but deferred pursuant to, the MICP as of the date of the Change of Control and all amounts equivalent to interest creditable thereon up to the date that the Plan Amount is paid. Upon receipt of that Plan Amount, the Executive shall waive his rights to receive any amounts under the MICP that were deferred prior to the Change of Control and any interest equivalents thereon.

Section 2.4. DEFERRED COMPENSATION. The Plan Amount in respect of deferred compensation (other than amounts referred to in other sections of this article II) shall be an amount equal to all compensation from the Company that the Executive has earned and agreed to defer (other than through the Interpublic Savings Plan pursuant to Section 401(k) of the Internal Revenue Code (the "Code")) but has not received as of the date of the Change of Control,

together with all amounts equivalent to interest creditable thereon through the date that the Plan Amount is paid. Upon receipt of this Plan Amount, the Executive shall waive his rights to receive any deferred compensation that he earned prior to the date of the Change of Control and any interest equivalents thereon.

Section 2.5. INCENTIVE PLANS. The effect of a Change of Control on the rights of the Executive with respect to options and restricted shares awarded to him under any Interpublic Incentive Plan shall be governed by those Plans and not by this Agreement.

ARTICLE III

PAYMENTS UPON QUALIFYING TERMINATION

Section 3.1. BASIC SEVERANCE PAYMENT. In the event that the Executive is subjected to a Qualifying Termination within two years after a Change of Control, the Company shall pay the Executive within 30 days after the effective date of his Qualifying Termination (his "Termination Date") a cash amount equal to his Base Amount times the number designated in Section 5.9 of this Agreement (the "Designated Number"). The Executive's Base Amount shall equal the average of the Executive's Includable Compensation for the two whole calendar years immediately preceding the date of the Change of Control (or, if the Executive was employed by the Company for only one of those years, his Includable Compensation for that year). The Executive's Includable Compensation for a calendar year shall consist of (a) the compensation reported by the Company on the Form W-2 that it filed with the Internal Revenue Service for that year in respect of the Executive or which would have been reported on such form but for the fact that Executive's services were performed outside of the United States, plus (b) any compensation payable to the Executive during that year the receipt of which was deferred at the

Executive's election or by employment agreement to a subsequent year, and (c) target bonus for the Corporation's 2004 fiscal year minus (d) any amounts included on the Form W-2 (or which would have been included if Executive had been employed in the United States) that represented either (i) amounts in respect of a stock option or restricted stock plan of the Company or (ii) payments during the year of amounts payable in prior years but deferred at the Executive's election or by employment agreement to a subsequent year. The compensation referred to in clause (b) of the immediately preceding sentence shall include, without limitation, amounts initially payable to the Executive under the MICP or a Long-Term Performance Incentive Plan in that year but deferred to a subsequent year, the amount of deferred compensation for the year in lieu of which benefits are provided the Executive under an ESBA and amounts of Regular Compensation earned by the Executive during the year but deferred to a subsequent year (including amounts deferred under Interpublic Savings Plan pursuant to Section 401(k) of the Code); clause (c) of such sentence shall include, without limitation, all amounts equivalent to interest paid in respect of deferred amounts and all amounts of Regular Compensation paid during the year but earned in a prior year and deferred.

Section 3.2. MICP SUPPLEMENT. The Company shall also pay the Executive within 30 days after his Termination Date a cash amount equal to (a) in the event that the Executive received an award under the MICP (or the Incentive Award program applicable outside the United States) in respect of the year immediately prior to the year that includes the Termination Date (the latter year constituting the "Termination Year"), the amount of that award multiplied by the fraction of the Termination Year preceding the Termination Date or (b) in the event that the Executive did not receive an MICP award (or an Incentive Award) in respect of the year immediately prior to the Termination Year, the amount of the MICP award (or Incentive Award) that Executive received in respect of the second year immediately prior to the

Termination Year multiplied by one plus the fraction of the Termination Year preceding the Termination Date. Provided further however that in the event that Executive failed to receive an MICP award in either of the two (2) years preceding the Termination Year as a result of the financial performance of the Company generally (and not as a result of Executive's individual performance) then, in such case, the MICP award to be used for purposes of this Section 3.2 shall be the target MICP award set forth in Section 4.01 of Executive's Employment Agreement with the Corporation or the most recent MICP award received by Executive, whichever is greater.

ARTICLE IV

TAX MATTERS

Section 4.1. WITHHOLDING. The Company may withhold from any amounts payable to the Executive hereunder all federal, state, city or other taxes that the Company may reasonably determine are required to be withheld pursuant to any applicable law or regulation, but, if the Executive has made the election provided in section 4.2 hereof, the Company shall not withhold amounts in respect of the excise tax imposed by Section 4999 of the Code or its successor.

Section 4.2. DISCLAIMER. If the Executive so agrees prior to a Change of Control by notice to the Company in form satisfactory to the Company, the amounts payable to the Executive under this Agreement but not yet paid thereto shall be reduced to the largest amounts in the aggregate that the Executive could receive, in conjunction with any other payments received or to be received by him from any source, without any part of such amounts being subject to the excise tax imposed by Section 4999 of the Code or its successor. The amount of such reductions and their allocation among amounts otherwise payable to the Executive shall be determined either by the Company or by the Executive in consultation with counsel (compensated by the Company), whichever is designated by the Executive in the aforesaid notice

to the Company (the "Determining Party"). If, subsequent to the payment to the Executive of amounts reduced pursuant to this section 4.2, the Determining Party should reasonably determine, or the Internal Revenue Service should assert against the party other than the Determining Party, that the amount of such reductions was insufficient to avoid the excise tax under Section 4999 (or the denial of a deduction under Section 280G of the Code or its successor), the amount by which such reductions were insufficient shall, upon notice to the other party, be deemed a loan from the Company to the Executive that the Executive shall repay to the Company within one year of such reasonable determination or assertion, together with interest thereon at the applicable federal rate provided in section 7872 of the Code or its successor. However, such amount shall not be deemed a loan if and to the extent that repayment thereof would not eliminate the Executive's liability for any Section 4999 excise tax.

ARTICLE V

COLLATERAL MATTERS

Section 5.l. NATURE OF PAYMENTS. All payments to the Executive under this Agreement shall be considered either payments in consideration of his continued service to the Company, severance payments in consideration of his past services thereto or payments in consideration of the covenant contained in section 5.l0 hereof. No payment hereunder shall be regarded as a penalty to the Company.

Section 5.2. LEGAL EXPENSES. The Company shall pay all legal fees and expenses that the Executive may incur as a result of the Company's contesting the validity, the enforceability or the Executive's interpretation of, or determinations under, this Agreement. Without limitation of the foregoing, Interpublic shall, prior to the earlier of (a) 30 days after notice from the Executive to Interpublic so requesting or (b) the occurrence of a Change of Control, provide the Executive with an irrevocable letter of credit in the amount of $100,000

from a bank satisfactory to the Executive against which the Executive may draw to pay legal fees and expenses in connection with any attempt to enforce any of his rights under this Agreement. Said letter of credit shall not expire before 10 years following the date of this Agreement.

Section 5.3. MITIGATION. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement either by seeking other employment or otherwise. The amount of any payment provided for herein shall not be reduced by any remuneration that the Executive may earn from employment with another employer or otherwise following his Termination Date.

Section 5.4. SETOFF FOR DEBTS. The Company may reduce the amount of any payment due the Executive under article III of this Agreement by the amount of any debt owed by the Executive to the Company that is embodied in a written instrument, that is due to be repaid as of the due date of the payment under this Agreement and that the Company has not already recovered by setoff or otherwise.

Section 5.5. COORDINATION WITH EMPLOYMENT CONTRACT. Payments to the Executive under article III of this Agreement shall be in lieu of any payments for breach of any employment contract between the Executive and the Company to which the Executive may be entitled by reason of a Qualifying Termination, and, before making the payments to the Executive provided under article III hereof, the Company may require the Executive to execute a waiver of any rights that he may have to recover payments in respect of a breach of such contract as a result of a Qualifying Termination. If the Executive has a Good Reason to resign and does so by providing the notice specified in the last sentence of section l.4 of this Agreement, he shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and the Company.

Section 5.6. BENEFIT OR BONUS PLANS. Except as otherwise provided in this Agreement or required by law, the Company shall not be compelled to include the Executive in any of its Benefit or Bonus Plans following the Executive's Termination Date, and the Company

may require the Executive, as a condition to receiving the payments provided under article III hereof, to execute a waiver of any such rights. However, said waiver shall not affect any rights that the Executive may have in respect of his participation in any Benefit or Bonus Plan prior to his Termination Date.

Section 5.7. FUNDING. Except as provided in section 5.2 of this Agreement, the Company shall not be required to set aside any amounts that may be necessary to satisfy its obligations hereunder. The Company's potential obligations to make payments to the Executive under this Agreement are solely contractual ones, and the Executive shall have no rights in respect of such payments except as a general and unsecured creditor of the Company.

Section 5.8. DISCOUNT RATE. For purposes of this Agreement, the term "Discount Rate" shall mean the applicable Federal short-term rate determined under Section 1274(d) of the Code or its successor. If such rate is no longer determined, the Discount Rate shall be the yield on 2-year Treasury notes for the most recent period reported in the most recent issue of the Federal Reserve Bulletin or its successor, or, if such rate is no longer reported therein, such measure of the yield on 2-year Treasury notes as the Company may reasonably determine.

Section 5.9. DESIGNATED NUMBER. For purposes of this Agreement, the Designated Number shall be three (3).

Section 5.10. COVENANT OF EXECUTIVE. In the event that the Executive undergoes a Qualifying Termination that entitles him to any payment under article III of this Agreement, he shall not, for 18 months following his Termination Date, either (a) solicit any employee of Interpublic or a majority-controlled subsidiary thereof to leave such employ and enter into the employ of the Executive or any person or entity with which the Executive is associated or (b) solicit or handle on his own behalf or on behalf of any person or entity with which he is associated the advertising, public relations, sales promotion or market research business of any advertiser that is a client of Interpublic or a majority-controlled subsidiary thereof as of the Termination Date. Without limitation of any other remedies that the Company may pursue, the

Company may enforce its rights under this section 5.l0 by means of injunction. This section shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

ARTICLE VI

GENERAL PROVISIONS

Section 6.l. TERM OF AGREEMENT. This Agreement shall terminate upon the earliest of (a) the expiration of five years from the date of this Agreement if no Change of Control has occurred during that period; (b) the termination of the Executive's employment with the Company for any reason prior to a Change of Control; (c) the Company's termination of the Executive's employment for Cause or death, the Executive's compulsory retirement within the provisions of 29 U.S.C. ss.631(c) (or, if Executive is not a citizen or resident of the United States, compulsory retirement under any applicable procedure of the Company in effect immediately prior to the change of control) or the Executive's resignation for other than Good Reason, following a Change of Control and the Company's and the Executive's fulfillment of all of their obligations under this Agreement; and (d) the expiration following a Change of Control of the Designated Number plus three years and the fulfillment by the Company and the Executive of all of their obligations hereunder.

Section 6.2. GOVERNING LAW. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York.

Section 6.3. SUCCESSORS TO THE COMPANY. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including, without limitation, any corporation or corporations acquiring directly or indirectly all or substantially all of the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be

assignable by Interpublic. Without limitation of the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger, consolidation, sale or otherwise) to all or substantially all of the business or assets of Interpublic, by agreement in form satisfactory to the Executive, expressly, absolutely and unconditionally to assume and agree to perform this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to all or substantially all of its business or assets that executes and delivers the agreement provided for in this section 6.3 or that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 6.4. SUCCESSOR TO THE EXECUTIVE. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to section 6.5 hereof, his designees ("Successors"). If the Executive should die while amounts are or may be payable to him under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 6.5. NONALIENABILITY. No right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process or (except as provided in section 5.4 hereof) to setoff against any obligation or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action specified in the immediately preceding sentence shall be void. However, this section 6.5 shall not prohibit the Executive from designating one or more persons, on a form satisfactory to the Company, to receive amounts payable to him under this Agreement in the event that he should die before receiving them.

Section 6.6. NOTICES. All notices provided for in this Agreement shall be in writing. Notices to Interpublic shall be deemed given when personally delivered or sent by

certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., l27l Avenue of the Americas, New York, New York l0020, attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 6.7. AMENDMENT. No amendment of this Agreement shall be effective unless in writing and signed by both the Company and the Executive.

Section 6.8. WAIVERS. No waiver of any provision of this Agreement shall be valid unless approved in writing by the party giving such waiver. No waiver of a breach under any provision of this Agreement shall be deemed to be a waiver of such provision or any other provision of this Agreement or any subsequent breach. No failure on the part of either the Company or the Executive to exercise, and no delay in exercising, any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or herein shall operate as a waiver of any other right or remedy.

Section 6.9. SEVERABILITY. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 6.l0. CAPTIONS. The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

Section 6.ll. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

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

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Brian J. Brooks
Brian J. Brooks
Title: Executive Vice President
Human Resources

/s/ Chris Coughlin
Chris Coughlin

Exhibit 10(iii)(A)(v)

SUPPLEMENTAL AGREEMENT

SUPPLEMENTAL AGREEMENT made as of March 31, 2003 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, JR. (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 as amended by Supplemental Agreements made as of July 1, 1995, September 1, 1997, April 1, 2000 and November 7, 2002 (hereinafter referred collectively 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 3.03 of the Employment Agreement is hereby amended to read in its entirety as follows: "Executive has been granted (i) an award for the 2003-2005 performance period under Interpublic's Long Term Performance Incentive Plan ("LTPIP") equal to Twenty Thousand (20,000) performance units tied to the cumulative compound growth of Interpublic and (ii) during 2003, options under Interpublic's Stock Incentive Plan to purchase One Hundred Seventy-six Thousand Sven Hundred Nine (176,709) shares of Interpublic common stock which may not be exercised in any part prior to the end of the performance period and thereafter shall

be exercisable in whole or in part. Subject to the terms of the Corporation's Performance Incentive Plan, the Committee approved certain non-forfeiture provisions in connection with Executive's grant, in the event Executive's employment is terminated by the Corporation without cause.

2. Except as herein above 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: /s/ Brian Brooks
Brian Brooks

By: /s/ John J. Dooner
John J. Dooner

Signed as of: 4/15/03

SUPPLEMENTAL AGREEMENT

SUPPLEMENTAL AGREEMENT made as of March 31, 2003 by and between The Interpublic Group of Companies, Inc., a corporation of the State of Delaware (hereinafter referred to as the "Corporation"), and SEAN ORR (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 April 27, 1999 and as amended by Supplemental Agreement made as of April 1, 2000 and November 7, 2002 (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 5.02 of the Employment Agreement is hereby amended to read in its entirety as follows: " "Executive has been granted (i) an award for the 2003-2005 performance period under Interpublic's Long Term Performance Incentive Plan ("LTPIP") equal to Twelve Thousand (12,000) performance units tied to the cumulative compound growth of Interpublic and (ii) during 2003, options under Interpublic's Stock Incentive Plan to purchase One Hundred Six Thousand Twenty-five (106,025) shares of Interpublic common stock which may not be

exercised in any part prior to the end of the performance period and thereafter shall be exercisable in whole or in part".

2. Except as herein above 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 /s/Brian Brooks
Brian Brooks

By: /s/Sean Orr
Sean Orr

Signed as of: 4/11/03

EXECUTIVE SEVERANCE AGREEMENT

This AGREEMENT ("Agreement") dated November 14, 2002 by and between The Interpublic Group of Companies, Inc. ("Interpublic"), a Delaware corporation (Interpublic and its subsidiaries being referred to herein collectively as the "Company"), and Thomas Dowling (the "Executive").

W I T N E S S E T H

WHEREAS, the Company recognizes the valuable services that the Executive has rendered thereto and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to any potential or actual change of control of Interpublic;

WHEREAS, the Executive is willing to continue to serve the Company but desires assurance that he will not be materially disadvantaged by a change of control of Interpublic; and

WHEREAS, the Company is willing to accord such assurance provided that, should the Executive's employment be terminated consequent to a change of control, he will not for a period thereafter engage in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company and the mutual agreements

herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

RIGHT TO PAYMENTS

Section 1.1. TRIGGERING EVENTS. If Interpublic undergoes a Change of Control, the Company shall make payments to the Executive as provided in article II of this Agreement. If, within two years following a Change of Control, either (a) the Company terminates the Executive other than by means of a termination for Cause or for death or (b) the Executive resigns for a Good Reason (either of which events shall constitute a "Qualifying Termination"), the Company shall make payments to the Executive as provided in article III hereof.

Section 1.2. CHANGE OF CONTROL. A Change of Control of Interpublic shall be deemed to have occurred if (a) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "1934 Act")), other than Interpublic or any of its majority-controlled subsidiaries, becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of 30 percent or more of the combined voting power of Interpublic's then outstanding voting securities; (b) a tender offer or exchange offer (other than an offer by Interpublic or a majority-controlled subsidiary), pursuant to which 30 percent or more of the combined voting power of

Interpublic's then outstanding voting securities was purchased, expires; (c) the stockholders of Interpublic approve an agreement to merge or consolidate with another corporation (other than a majority-controlled subsidiary of Interpublic) unless Interpublic's shareholders immediately before the merger or consolidation are to own more than 70 percent of the combined voting power of the resulting entity's voting securities; (d) Interpublic's stockholders approve an agreement (including, without limitation, a plan of liquidation) to sell or otherwise dispose of all or substantially all of the business or assets of Interpublic; or (e) during any period of two consecutive years, individuals who, at the beginning of such period, constituted the Board of Directors of Interpublic cease for any reason to constitute at least a majority thereof, unless the election or the nomination for election by Interpublic's stockholders of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period. However, no Change of Control shall be deemed to have occurred by reason of any transaction in which the Executive, or a group of persons or entities with which the Executive acts in concert, acquires, directly or indirectly, more than 30 percent of the common stock or the business or assets of Interpublic.

Section 1.3. TERMINATION FOR CAUSE. Interpublic shall have Cause to terminate the Executive for purposes of Section 1.1 of this Agreement only if, following the Change of Control, the Executive (a) engages in conduct that constitutes a

felony under the laws of the United States or a state or country in which he works or resides and that results or was intended to result, directly or indirectly, in the personal enrichment of the Executive at the Company's expense; (b) refuses (except by reason of incapacity due to illness or injury) to make a good faith effort to substantially perform his duties with the Company on a full-time basis and continues such refusal for 15 days following receipt of notice from the Company that his effort is deficient; or (c) deliberately and materially breaches any agreement between himself and the Company and fails to remedy that breach within 30 days following notification thereof by the Company. If the Company has Cause to terminate the Executive, it may in fact terminate him for Cause for purposes of section 1.1 hereof if (a) it notifies the Executive of such Cause, (b) it gives him reasonable opportunity to appear before a majority of Interpublic's Board of Directors to respond to the notice of Cause and (c) a majority of the Board of Directors subsequently votes to terminate him.

Section 1.4. RESIGNATION FOR GOOD REASON. The Executive shall have a Good Reason for resigning only if (a) the Company fails to elect the Executive to, or removes him from, any office of the Company, including without limitation membership on any Board of Directors, that the Executive held immediately prior to the Change of Control; (b) the Company reduces the Executive's rate of regular cash and fully vested deferred base compensation ("Regular Compensation") from that which he earned immediately prior to the Change of Control or

fails to increase it within 12 months following the Change of Control by (in addition to any increase pursuant to section 2.2 hereof) at least the average of the rates of increase in his Regular Compensation during the four consecutive 12-month periods immediately prior to the Change of Control (or, if fewer, the number of 12-month periods immediately prior to the Change of Control during which the Executive was continuously employed by the Company); (c) the Company fails to provide the Executive with fringe benefits and/or bonus plans, such as stock option, stock purchase, restricted stock, life insurance, health, accident, disability, incentive, bonus, pension and profit sharing plans ("Benefit or Bonus Plans"), that, in the aggregate, (except insofar as the Executive has waived his rights thereunder pursuant to article II hereof) are as valuable to him as those that he enjoyed immediately prior to the Change of Control; (d) the Company fails to provide the Executive with an annual number of paid vacation days at least equal to that to which he was entitled immediately prior to the Change of Control; (e) the Company breaches any agreement between it and the Executive (including this Agreement); (f) without limitation of the foregoing clause (e), the Company fails to obtain the express assumption of this Agreement by any successor of the Company as provided in section 6.3 hereof; (g) the Company attempts to terminate the Executive for Cause without complying with the provisions of section 1.3 hereof; (h) the Company requires the Executive, without his express written consent, to be based in an office outside of the office in which Executive

is based on the date hereof or to travel substantially more extensively than he did prior to the Change of Control; or (i) the Executive determines in good faith that the Company has, without his consent, effected a significant change in his status within, or the nature or scope of his duties or responsibilities with, the Company that obtained immediately prior to the Change of Control (including but not limited to, subjecting the Executive's activities and exercise of authority to greater immediate supervision than existed prior to the Change of Control); PROVIDED, HOWEVER, that no event designated in clauses (a) through (i) of this sentence shall constitute a Good Reason unless the Executive notifies Interpublic that the Company has committed an action or inaction specified in clauses (a) through (i) (a "Covered Action") and the Company does not cure such Covered Action within 30 days after such notice, at which time such Good Reason shall be deemed to have arisen. Notwithstanding the immediately preceding sentence, no action by the Company shall give rise to a Good Reason if it results from the Executive's termination for Cause or death or from the Executive's resignation for other than a Good Reason, and no action by the Company specified in clauses (a) through (i) of the preceding sentence shall give rise to a Good Reason if it results from the Executive's Disability. If the Executive has a Good Reason to resign, he may in fact resign for a Good Reason for purposes of section 1.1 of this Agreement by, within 30 days after the Good Reason arises, giving Interpublic a minimum of 30

and a maximum of 90 days advance notice of the date of his resignation.

Section 1.5. DISABILITY. For all purposes of this Agreement, the term "Disability" shall have the same meaning as that term has in the Interpublic Long-Term Disability Plan.

ARTICLE II

PAYMENTS UPON A CHANGE OF CONTROL

Section 2.1. ELECTIONS BY THE EXECUTIVE. If the Executive so elects prior to a Change of Control, the Company shall pay him, within 30 days following the Change of Control, cash amounts in respect of certain Benefit or Bonus Plans or deferred compensation arrangements designated in sections 2.2 through 2.4 hereof ("Plan Amounts"). The Executive may make an election with respect to the Benefit or Bonus Plans or deferred compensation arrangements covered under any one or more of sections 2.2 through 2.4, but an election with respect to any such section shall apply to all Plan Amounts that are specified therein. Each election shall be made by notice to Interpublic on a form satisfactory to Interpublic and, once made, may be revoked by such notice on such form at any time prior to a Change of Control. If the Executive elects to receive payments under a section of this article II, he shall, upon receipt of such payments, execute a waiver, on a form satisfactory to

Interpublic, of such rights as are indicated in that section. If the Executive does not make an election under this article with respect to a Benefit or Bonus Plan or deferred compensation arrangement, his rights to receive payments in respect thereof shall be governed by the Plan or arrangement itself.

Section 2.2. ESBA. The Plan Amount in respect of all Executive Special Benefit Agreements ("ESBA's") between the Executive and Interpublic shall consist of an amount equal to the present discounted values, using the Discount Rate designated in section 5.8 hereof as of the date of the Change of Control, of all payments that the Executive would have been entitled to receive under the ESBA's if he had terminated employment with the Company on the day immediately prior to the Change of Control. Upon receipt of the Plan Amount in respect of the ESBA's, the Executive shall waive any rights that he may have to payments under the ESBA's. If the Executive makes an election pursuant to, and executes the waiver required under, this section 2.2, his Regular Compensation shall be increased as of the date of the Change of Control at an annual rate equal to the sum of the annual rates of deferred compensation in lieu of which benefits are provided the Executive under any ESBA the Accrual Term for which (as defined in the ESBA) includes the date of the Change of Control.

Section 2.3. MICP. The Plan Amount in respect of the Company's Management Incentive Compensation Plans ("MICP") and/or the 2002 Performance Incentive Plan ("2002 PIP") shall consist of an amount equal to the sum of all amounts awarded to

the Executive under, but deferred pursuant to, the MICP and/or the 2002 PIP as of the date of the Change of Control and all amounts equivalent to interest creditable thereon up to the date that the Plan Amount is paid. Upon receipt of that Plan Amount, the Executive shall waive his rights to receive any amounts under the MICP and/or the 2002 PIP that were deferred prior to the Change of Control and any interest equivalents thereon.

Section 2.4. DEFERRED COMPENSATION. The Plan Amount in respect of deferred compensation (other than amounts referred to in other sections of this article II) shall be an amount equal to all compensation from the Company that the Executive has earned and agreed to defer (other than through the Interpublic Savings Plan pursuant to Section 401(k) of the Internal Revenue Code (the "Code")) but has not received as of the date of the Change of Control, together with all amounts equivalent to interest creditable thereon through the date that the Plan Amount is paid. Upon receipt of this Plan Amount, the Executive shall waive his rights to receive any deferred compensation that he earned prior to the date of the Change of Control and any interest equivalents thereon.

Section 2.5. STOCK INCENTIVE PLANS. The effect of a Change of Control on the rights of the Executive with respect to options and restricted shares awarded to him under the Interpublic 1986 Stock Incentive Plan, the 1996 Stock Incentive Plan, the 1997 Performance Incentive Plan and the 2002 Performance Incentive Plan, shall be governed by those Plans and not by this Agreement.

ARTICLE III

PAYMENTS UPON QUALIFYING TERMINATION

Section 3.1. BASIC SEVERANCE PAYMENT. In the event that the Executive is subjected to a Qualifying Termination within two years after a Change of Control, the Company shall pay the Executive within 30 days after the effective date of his Qualifying Termination (his "Termination Date") a cash amount equal to his Base Amount times the number designated in Section 5.9 of this Agreement (the "Designated Number"). The Executive's Base Amount shall equal the average of the Executive's Includable Compensation for the two whole calendar years immediately preceding the date of the Change of Control (or, if the Executive was employed by the Company for only one of those years, his Includable Compensation for that year). The Executive's Includable Compensation for a

calendar year shall consist of (a) the compensation reported by the Company on the Form W-2 that it filed with the Internal Revenue Service for that year in respect of the Executive or which would have been reported on such form but for the fact that Executive's services were performed outside of the United States, plus (b) any compensation payable to the Executive during that year the receipt of which was deferred at the Executive's election or by employment agreement to a subsequent year, minus (c) any amounts included on the Form W-2 (or which would have been included if Executive had been employed in the United States) that represented either (i) amounts in respect of a stock option or

restricted stock plan of the Company or (ii) payments during the year of amounts payable in prior years but deferred at the Executive's election or by employment agreement to a subsequent year. The compensation referred to in clause (b) of the immediately preceding sentence shall include, without limitation, amounts initially payable to the Executive under the MICP or a Long-Term Performance Incentive Plan or the 2002 PIP in that year but deferred to a subsequent year, the amount of deferred compensation for the year in lieu of which benefits are provided the Executive under an ESBA and amounts of Regular Compensation earned by the Executive during the year but deferred to a subsequent year (including amounts deferred under Interpublic Savings Plan pursuant to Section 401(k) of the Code); clause (c) of such sentence shall include, without limitation, all amounts equivalent to interest paid in respect of deferred amounts and all amounts of Regular Compensation paid during the year but earned in a prior year and deferred.

Section 3.2. MICP SUPPLEMENT. The Company shall also pay the Executive within 30 days after his Termination Date a cash amount equal to (a) in the event that the Executive received an award under the MICP (or the Incentive Award program applicable outside the United States) or the 2002 PIP ("Incentive Award") in respect of the year immediately prior to the year that includes the Termination Date (the latter year constituting the "Termination Year"), the amount of that award multiplied by the fraction of the Termination Year preceding the Termination Date or (b) in the event that the Executive did not

receive an MICP award (or an Incentive Award) in respect of the year immediately prior to the Termination Year, the amount of the MICP award (or Incentive Award) that Executive received in respect of the second year immediately prior to the Termination Year multiplied by one plus the fraction of the Termination Year preceding the Termination Date.

ARTICLE IV

TAX MATTERS

Section 4.1. WITHHOLDING. The Company may withhold from any amounts payable to the Executive hereunder all federal, state, city or other taxes that the Company may reasonably determine are required to be withheld pursuant to any applicable law or regulation, but, if the Executive has made the election provided in section 4.2 hereof, the Company shall not withhold amounts in respect of the excise tax imposed by Section 4999 of the Code or its successor.

Section 4.2. DISCLAIMER. If the Executive so agrees prior to a Change of Control by notice to the Company in form satisfactory to the Company, the amounts payable to the Executive under this Agreement but not yet paid thereto shall be reduced to the largest amounts in the aggregate that the Executive could receive, in conjunction with any other payments received or to be received by him from any source, without any

part of such amounts being subject to the excise tax imposed by Section 4999 of the Code or its successor. The amount of such reductions and their allocation among amounts otherwise payable to the Executive shall be determined either by the Company or by the Executive in consultation with counsel chosen (and compensated) by him, whichever is designated by the Executive in the aforesaid notice to the Company (the "Determining Party"). If, subsequent to the payment to the Executive of amounts reduced pursuant to this section 4.2, the Determining Party should reasonably determine, or the Internal Revenue Service should assert against the party other than the Determining Party, that the amount of such reductions was insufficient to avoid the excise tax under Section 4999 (or the denial of a deduction under Section 280G of the Code or its successor), the amount by which such reductions were insufficient shall, upon notice to the other party, be deemed a loan from the Company to the Executive that the Executive shall repay to the Company within one year of such reasonable determination or assertion, together with interest thereon at the applicable federal rate provided in section 7872 of the Code or its successor. However, such amount shall not be deemed a loan if and to the extent that repayment thereof would not eliminate the Executive's liability for any Section 4999 excise tax.

ARTICLE V

COLLATERAL MATTERS

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Section 5.l. NATURE OF PAYMENTS. All payments to the Executive under this Agreement shall be considered either payments in consideration of his continued service to the Company, severance payments in consideration of his past services thereto or payments in consideration of the covenant contained in section 5.l0 hereof. No payment hereunder shall be regarded as a penalty to the Company.

Section 5.2. LEGAL EXPENSES. The Company shall pay all legal fees and expenses that the Executive may incur as a result of the Company's contesting the validity, the enforceability or the Executive's interpretation of, or determinations under, this Agreement. Without limitation of the foregoing, Interpublic shall, prior to the earlier of (a) 30 days after notice from the Executive to Interpublic so requesting or (b) the occurrence of a Change of Control, provide the Executive with an irrevocable letter of credit in the amount of $100,000 from a bank satisfactory to the Executive against which the Executive may draw to pay legal fees and expenses in connection with any attempt to enforce any of his rights under this Agreement. Said letter of credit shall not expire before 10 years following the date of this Agreement.

Section 5.3. MITIGATION. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement either by seeking other employment or otherwise. The amount of any payment provided for herein shall not be reduced by any remuneration that the Executive may earn from

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employment with another employer or otherwise following his Termination Date.

Section 5.4. SETOFF FOR DEBTS. The Company may reduce the amount of any payment due the Executive under article III of this Agreement by the amount of any debt owed by the Executive to the Company that is embodied in a written instrument, that is due to be repaid as of the due date of the payment under this Agreement and that the Company has not already recovered by setoff or otherwise.

Section 5.5. COORDINATION WITH EMPLOYMENT CONTRACT. Payments to the Executive under article III of this Agreement shall be in lieu of any payments for breach of any employment contract between the Executive and the Company to which the Executive may be entitled by reason of a Qualifying Termination, and, before making the payments to the Executive provided under article III hereof, the Company may require the Executive to execute a waiver of any rights that he may have to recover payments in respect of a breach of such contract as a result of a Qualifying Termination. If the Executive has a Good Reason to resign and does so by providing the notice specified in the last sentence of section l.4 of this Agreement, he shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and the Company.

Section 5.6. BENEFIT OF BONUS PLANS. Except as otherwise provided in this Agreement or required by law, the Company shall not be compelled to include the Executive in any

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of its Benefit or Bonus Plans following the Executive's Termination Date, and the Company may require the Executive, as a condition to receiving the payments provided under article III hereof, to execute a waiver of any such rights. However, said waiver shall not affect any rights that the Executive may have in respect of his participation in any Benefit or Bonus Plan prior to his Termination Date.

Section 5.7. FUNDING. Except as provided in section 5.2 of this Agreement, the Company shall not be required to set aside any amounts that may be necessary to satisfy its obligations hereunder. The Company's potential obligations to make payments to the Executive under this Agreement are solely contractual ones, and the Executive shall have no rights in respect of such payments except as a general and unsecured creditor of the Company.

Section 5.8. DISCOUNT RATE. For purposes of this Agreement, the term "Discount Rate" shall mean the applicable Federal short-term rate determined under Section 1274(d) of the Code or its successor. If such rate is no longer determined, the Discount Rate shall be the yield on 2-year Treasury notes for the most recent period reported in the most recent issue of the Federal Reserve Bulletin or its successor, or, if such rate is no longer reported therein, such measure of the yield on 2-year Treasury notes as the Company may reasonably determine.

Section 5.9. DESIGNATED NUMBER. For purposes of this Agreement, the

Designated Number shall be two (2.0).

Section 5.10. COVENANT OF EXECUTIVE. In the event that the Executive undergoes a Qualifying Termination that entitles him to any payment under article III of this Agreement, he shall not, for 18 months following his Termination Date, either (a) solicit any employee of Interpublic or a majority-controlled subsidiary thereof to leave such employ and enter into the employ of the Executive or any person or entity with which the Executive is associated or (b) solicit or handle on his own behalf or on behalf of any person or entity with which he is associated the advertising, public relations, sales promotion or market research business of any advertiser that is a client of Interpublic or a majority-controlled subsidiary thereof as of the Termination Date. Without limitation of any other remedies that the Company may pursue, the Company may enforce its rights under this section 5.l0 by means of injunction. This section shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

ARTICLE VI

GENERAL PROVISIONS

Section 6.l. TERM OF AGREEMENT. This Agreement shall terminate upon the earliest of (a) the expiration of five years from the date of this Agreement if no Change of Control has occurred during that period; (b) the termination of the Executive's employment with the Company for any reason prior to

a Change of Control; (c) the Company's termination of the Executive's employment for Cause or death, the Executive's compulsory retirement within the provisions of 29 U.S.C. Section 631(c) (or, if Executive is not a citizen or resident of the United States, compulsory retirement under any applicable procedure of the Company in effect immediately prior to the change of control) or the Executive's resignation for other than Good Reason, following a Change of Control and the Company's and the Executive's fulfillment of all of their obligations under this Agreement; and (d) the expiration following a Change of Control of the Designated Number plus three years and the fulfillment by the Company and the Executive of all of their obligations hereunder.

Section 6.2. GOVERNING LAW. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York.

Section 6.3. SUCCESSORS TO THE COMPANY. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including, without limitation, any corporation or corporations acquiring directly or indirectly all or substantially all of the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be assignable by Interpublic. Without limitation of the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger,

consolidation, sale or otherwise) to all or substantially all of the business or assets of Interpublic, by agreement in form satisfactory to the Executive, expressly, absolutely and unconditionally to assume and agree to perform this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to all or substantially all of its business or assets that executes and delivers the agreement provided for in this section 6.3 or that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 6.4. SUCCESSOR TO THE EXECUTIVE. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to section 6.5 hereof, his designees ("Successors"). If the Executive should die while amounts are or may be payable to him under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 6.5. NONALIENABILITY. No right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process or (except as provided in section 5.4 hereof) to setoff against any obligation

or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action specified in the immediately preceding sentence shall be void. However, this section 6.5 shall not prohibit the Executive from designating one or more persons, on a form satisfactory to the Company, to receive amounts payable to him under this Agreement in the event that he should die before receiving them.

Section 6.6. NOTICES. All notices provided for in this Agreement shall be in writing. Notices to Interpublic shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., l27l Avenue of the Americas, New York, New York l0020, attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 6.7. AMENDMENT. No amendment of this Agreement shall be effective unless in writing and signed by both the Company and the Executive.

Section 6.8. WAIVERS. No waiver of any provision of this Agreement shall be valid unless approved in writing by the party giving such waiver. No waiver of a breach under any provision of this Agreement shall be deemed to be a waiver of such provision or any other provision of this Agreement or any

subsequent breach. No failure on the part of either the Company or the Executive to exercise, and no delay in exercising, any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or herein shall operate as a waiver of any other right or remedy.

Section 6.9. SEVERABILITY. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 6.l0. CAPTIONS. The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

Section 6.ll. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

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

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Sean F. Orr
Sean F. Orr

By: /s/ Thomas Dowling
Thomas Dowling

EXECUTIVE SEVERANCE AGREEMENT

This AGREEMENT ("Agreement") dated November 14, 2002 by and between The Interpublic Group of Companies, Inc. ("Interpublic"), a Delaware corporation (Interpublic and its subsidiaries being referred to herein collectively as the "Company"), and Susan Watson (the "Executive").

W I T N E S S E T H

WHEREAS, the Company recognizes the valuable services that the Executive has rendered thereto and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to any potential or actual change of control of Interpublic;

WHEREAS, the Executive is willing to continue to serve the Company but desires assurance that she will not be materially disadvantaged by a change of control of Interpublic; and

WHEREAS, the Company is willing to accord such assurance provided that, should the Executive's employment be terminated consequent to a change of control, she will not for a period thereafter engage in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company and the mutual agreements herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

RIGHT TO PAYMENTS

Section 1.1. TRIGGERING EVENTS. If Interpublic undergoes a Change of Control, the Company shall make payments to the Executive as provided in article II of this Agreement. If, within two years following a Change of Control, either (a) the Company terminates the Executive other than by means of a termination for Cause or for death or (b) the Executive resigns for a Good Reason (either of which events shall constitute a "Qualifying Termination"), the Company shall make payments to the Executive as provided in article III hereof.

Section 1.2. CHANGE OF CONTROL. A Change of Control of Interpublic shall be deemed to have occurred if (a) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "1934 Act")), other than Interpublic or any of its majority-controlled subsidiaries, becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of 30 percent or more of the combined voting power of Interpublic's then outstanding voting securities; (b) a tender offer or exchange offer (other than an offer by

Interpublic or a majority-controlled subsidiary), pursuant to which 30 percent or more of the combined voting power of Interpublic's then outstanding voting securities was purchased, expires; (c) the stockholders of Interpublic approve an agreement to merge or consolidate with another corporation (other than a majority-controlled subsidiary of Interpublic) unless Interpublic's shareholders immediately before the merger or consolidation are to own more than 70 percent of the combined voting power of the resulting entity's voting securities; (d) Interpublic's stockholders approve an agreement (including, without limitation, a plan of liquidation) to sell or otherwise dispose of all or substantially all of the business or assets of Interpublic; or (e) during any period of two consecutive years, individuals who, at the beginning of such period, constituted the Board of Directors of Interpublic cease for any reason to constitute at least a majority thereof, unless the election or the nomination for election by Interpublic's stockholders of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period. However, no Change of Control shall be deemed to have occurred by reason of any transaction in which the Executive, or a group of persons or entities with which the Executive acts in concert, acquires, directly or indirectly, more than 30 percent of the common stock or the business or assets of Interpublic.

Section 1.3. TERMINATION FOR CAUSE. Interpublic shall have Cause to terminate the Executive for purposes of

Section 1.1 of this Agreement only if, following the Change of Control, the Executive (a) engages in conduct that constitutes a felony under the laws of the United States or a state or country in which she works or resides and that results or was intended to result, directly or indirectly, in the personal

enrichment of the Executive at the Company's expense; (b) refuses (except by reason of incapacity due to illness or injury) to make a good faith effort to substantially perform his duties with the Company on a full-time basis and continues such refusal for 15 days following receipt of notice from the Company that his effort is deficient; or (c) deliberately and materially breaches any agreement between herself and the Company and fails to remedy that breach within 30 days following notification thereof by the Company. If the Company has Cause to terminate the Executive, it may in fact terminate her for Cause for purposes of section 1.1 hereof if (a) it notifies the Executive of such Cause, (b) it gives her reasonable opportunity to appear before a majority of Interpublic's Board of Directors to respond to the notice of Cause and (c) a majority of the Board of Directors subsequently votes to terminate her.

Section 1.4. RESIGNATION FOR GOOD REASON. The Executive shall have a Good Reason for resigning only if (a) the Company fails to elect the Executive to, or removes her from, any office of the Company, including without limitation membership on any Board of Directors, that the Executive held immediately prior to the Change of Control; (b) the Company reduces the Executive's rate of regular cash and fully vested

deferred base compensation ("Regular Compensation") from that which she earned immediately prior to the Change of Control or fails to increase it within 12 months following the Change of Control by (in addition to any increase pursuant to section 2.2 hereof) at least the average of the rates of increase in his Regular Compensation during the four consecutive 12-month periods immediately prior to the Change of Control (or, if fewer, the number of 12-month periods immediately prior to the Change of Control during which the Executive was continuously employed by the Company); (c) the Company fails to provide the Executive with fringe benefits and/or bonus plans, such as stock option, stock purchase, restricted stock, life insurance, health, accident, disability, incentive, bonus, pension and profit sharing plans ("Benefit or Bonus Plans"), that, in the aggregate, (except insofar as the Executive has waived his rights thereunder pursuant to article II hereof) are as valuable to her as those that she enjoyed immediately prior to the Change of Control; (d) the Company fails to provide the Executive with an annual number of paid vacation days at least equal to that to which she was entitled immediately prior to the Change of Control; (e) the Company breaches any agreement between it and the Executive (including this Agreement); (f) without limitation of the foregoing clause (e), the Company fails to obtain the express assumption of this Agreement by any successor of the Company as provided in section 6.3 hereof; (g) the Company attempts to terminate the Executive for Cause without complying with the provisions of section 1.3 hereof; (h) the Company

requires the Executive, without his express written consent, to be based in an office outside of the office in which Executive is based on the date hereof or to travel substantially more extensively than she did prior to the Change of Control; or (i) the Executive determines in good faith that the Company has, without his consent, effected a significant change in his status within, or the nature or scope of his duties or responsibilities with, the Company that obtained immediately prior to the Change of Control (including but not limited to, subjecting the Executive's activities and exercise of authority to greater immediate supervision than existed prior to the Change of Control); PROVIDED, HOWEVER, that no event designated in clauses (a) through (i) of this sentence shall constitute a Good Reason unless the Executive notifies Interpublic that the Company has committed an action or inaction specified in clauses (a) through (i) (a "Covered Action") and the Company does not cure such Covered Action within 30 days after such notice, at which time such Good Reason shall be deemed to have arisen. Notwithstanding the immediately preceding sentence, no action by the Company shall give rise to a Good Reason if it results from the Executive's termination for Cause or death or from the Executive's resignation for other than a Good Reason, and no action by the Company specified in clauses (a) through (i) of the preceding sentence shall give rise to a Good Reason if it results from the Executive's Disability. If the Executive has a Good Reason to resign, she may in fact resign for a Good Reason for purposes of section 1.1 of this Agreement by, within 30 days

after the Good Reason arises, giving Interpublic a minimum of 30 and a maximum of 90 days advance notice of the date of his resignation.

Section 1.5. DISABILITY. For all purposes of this Agreement, the term "Disability" shall have the same meaning as that term has in the Interpublic Long-Term Disability Plan.

ARTICLE II

PAYMENTS UPON A CHANGE OF CONTROL

Section 2.1. ELECTIONS BY THE EXECUTIVE. If the Executive so elects

prior to a Change of Control, the Company shall pay her, within 30 days following the Change of Control, cash amounts in respect of certain Benefit or Bonus Plans or deferred compensation arrangements designated in sections 2.2 through 2.4 hereof ("Plan Amounts"). The Executive may make an election with respect to the Benefit or Bonus Plans or deferred compensation arrangements covered under any one or more of sections 2.2 through 2.4, but an election with respect to any such section shall apply to all Plan Amounts that are specified therein. Each election shall be made by notice to Interpublic on a form satisfactory to Interpublic and, once made, may be revoked by such notice on such form at any time prior to a Change of Control. If the Executive elects to receive payments under a section of this article II, she shall, upon receipt of

such payments, execute a waiver, on a form satisfactory to Interpublic, of such rights as are indicated in that section. If the Executive does not make an election under this article with respect to a Benefit or Bonus Plan or deferred compensation arrangement, his rights to receive payments in respect thereof shall be governed by the Plan or arrangement itself.

Section 2.2. ESBA. The Plan Amount in respect of all Executive Special Benefit Agreements ("ESBA's") between the Executive and Interpublic shall consist of an amount equal to the present discounted values, using the Discount Rate designated in section 5.8 hereof as of the date of the Change of Control, of all payments that the Executive would have been entitled to receive under the ESBA's if she had terminated employment with the Company on the day immediately prior to the Change of Control. Upon receipt of the Plan Amount in respect of the ESBA's, the Executive shall waive any rights that she may have to payments under the ESBA's. If the Executive makes an election pursuant to, and executes the waiver required under, this section 2.2, his Regular Compensation shall be increased as of the date of the Change of Control at an annual rate equal to the sum of the annual rates of deferred compensation in lieu of which benefits are provided the Executive under any ESBA the Accrual Term for which (as defined in the ESBA) includes the date of the Change of Control.

Section 2.3. MICP. The Plan Amount in respect of the Company's Management Incentive Compensation Plans ("MICP") and/or the 2002 Performance Incentive Plan ("2002 PIP") shall

consist of an amount equal to the sum of all amounts awarded to the Executive under, but deferred pursuant to, the MICP and/or the 2002 PIP as of the date of the Change of Control and all amounts equivalent to interest creditable thereon up to the date that the Plan Amount is paid. Upon receipt of that Plan Amount, the Executive shall waive his rights to receive any amounts under the MICP and/or the 2002 PIP that were deferred prior to the Change of Control and any interest equivalents thereon.

Section 2.4. DEFERRED COMPENSATION. The Plan Amount in respect of deferred compensation (other than amounts referred to in other sections of this article II) shall be an amount equal to all compensation from the Company that the Executive has earned and agreed to defer (other than through the Interpublic Savings Plan pursuant to Section 401(k) of the Internal Revenue Code (the "Code")) but has not received as of the date of the Change of Control, together with all amounts equivalent to interest creditable thereon through the date that the Plan Amount is paid. Upon receipt of this Plan Amount, the Executive shall waive his rights to receive any deferred compensation that she earned prior to the date of the Change of Control and any interest equivalents thereon.

Section 2.5. STOCK INCENTIVE PLANS. The effect of a Change of Control on the rights of the Executive with respect to options and restricted shares awarded to her under the Interpublic 1986 Stock Incentive Plan, the 1996 Stock Incentive Plan, the 1997 Performance Incentive Plan and the 2002

Performance Incentive Plan, shall be governed by those Plans and not by this Agreement.

ARTICLE III

PAYMENTS UPON QUALIFYING TERMINATION

Section 3.1. BASIC SEVERANCE PAYMENT. In the event that the Executive is subjected to a Qualifying Termination within two years after a Change of Control, the Company shall pay the Executive within 30 days after the effective date of his Qualifying Termination (his "Termination Date") a cash amount equal to his Base Amount times the number designated in Section 5.9 of this Agreement (the "Designated Number"). The Executive's Base Amount shall equal the average of the Executive's Includable Compensation for the two whole calendar years immediately preceding the date of the Change of Control (or, if the Executive was employed by the Company for only one of those years, his Includable Compensation for that year). The Executive's Includable Compensation for a

calendar year shall consist of (a) the compensation reported by the Company on the Form W-2 that it filed with the Internal Revenue Service for that year in respect of the Executive or which would have been reported on such form but for the fact that Executive's services were performed outside of the United States, plus (b) any compensation payable to the Executive during that year the receipt of which was deferred at the Executive's election or by employment agreement to a subsequent year, minus (c) any amounts included on the Form W-2 (or which would have been included if

Executive had been employed in the United States) that represented either (i) amounts in respect of a stock option or restricted stock plan of the Company or (ii) payments during the year of amounts payable in prior years but deferred at the Executive's election or by employment agreement to a subsequent year. The compensation referred to in clause (b) of the immediately preceding sentence shall include, without limitation, amounts initially payable to the Executive under the MICP or a Long-Term Performance Incentive Plan or the 2002 PIP in that year but deferred to a subsequent year, the amount of deferred compensation for the year in lieu of which benefits are provided the Executive under an ESBA and amounts of Regular Compensation earned by the Executive during the year but deferred to a subsequent year (including amounts deferred under Interpublic Savings Plan pursuant to Section 401(k) of the Code); clause (c) of such sentence shall include, without limitation, all amounts equivalent to interest paid in respect of deferred amounts and all amounts of Regular Compensation paid during the year but earned in a prior year and deferred.

Section 3.2. MICP SUPPLEMENT. The Company shall also pay the Executive within 30 days after his Termination Date a cash amount equal to (a) in the event that the Executive received an award under the MICP (or the Incentive Award program applicable outside the United States) or the 2002 PIP ("Incentive Award") in respect of the year immediately prior to the year that includes the Termination Date (the latter year constituting the "Termination Year"), the amount of that award

multiplied by the fraction of the Termination Year preceding the Termination Date or (b) in the event that the Executive did not receive an MICP award (or an Incentive Award) in respect of the year immediately prior to the Termination Year, the amount of the MICP award (or Incentive Award) that Executive received in respect of the second year immediately prior to the Termination Year multiplied by one plus the fraction of the Termination Year preceding the Termination Date.

ARTICLE IV

TAX MATTERS

Section 4.1. WITHHOLDING. The Company may withhold from any amounts payable to the Executive hereunder all federal, state, city or other taxes that the Company may reasonably determine are required to be withheld pursuant to any applicable law or regulation, but, if the Executive has made the election provided in section 4.2 hereof, the Company shall not withhold amounts in respect of the excise tax imposed by Section 4999 of the Code or its successor.

Section 4.2. DISCLAIMER. If the Executive so agrees prior to a Change of Control by notice to the Company in form satisfactory to the Company, the amounts payable to the Executive under this Agreement but not yet paid thereto shall be reduced to the largest amounts in the aggregate that the

Executive could receive, in conjunction with any other payments received or to be received by her from any source, without any part of such amounts being subject to the excise tax imposed by Section 4999 of the Code or its successor. The amount of such reductions and their allocation among amounts otherwise payable to the Executive shall be determined either by the Company or by the Executive in consultation with counsel chosen (and compensated) by her, whichever is designated by the Executive in the aforesaid notice to the Company (the "Determining Party"). If, subsequent to the payment to the Executive of amounts reduced pursuant to this section 4.2, the Determining Party should reasonably determine, or the Internal Revenue Service should assert against the party other than the Determining Party, that the amount of such reductions was insufficient to avoid the excise tax under Section 4999 (or the denial of a deduction under Section 280G of the Code or its successor), the amount by which such reductions were insufficient shall, upon notice to the other party, be deemed a loan from the Company to the Executive that the Executive shall repay to the Company within one year of such reasonable determination or assertion, together with interest thereon at the applicable federal rate provided in section 7872 of the Code or its successor. However, such amount shall not be deemed a loan if and to the extent that repayment thereof would not eliminate the Executive's liability for any Section 4999 excise tax.

ARTICLE V

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COLLATERAL MATTERS

Section 5.l. NATURE OF PAYMENTS. All payments to the Executive under this Agreement shall be considered either payments in consideration of his continued service to the Company, severance payments in consideration of his past services thereto or payments in consideration of the covenant contained in section 5.l0 hereof. No payment hereunder shall be regarded as a penalty to the Company.

Section 5.2. LEGAL EXPENSES. The Company shall pay all legal fees and expenses that the Executive may incur as a result of the Company's contesting the validity, the enforceability or the Executive's interpretation of, or determinations under, this Agreement. Without limitation of the foregoing, Interpublic shall, prior to the earlier of (a) 30 days after notice from the Executive to Interpublic so requesting or (b) the occurrence of a Change of Control, provide the Executive with an irrevocable letter of credit in the amount of $100,000 from a bank satisfactory to the Executive against which the Executive may draw to pay legal fees and expenses in connection with any attempt to enforce any of his rights under this Agreement. Said letter of credit shall not expire before 10 years following the date of this Agreement.

Section 5.3. MITIGATION. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement either by seeking other employment or otherwise. The amount of any payment provided for herein shall not be

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reduced by any remuneration that the Executive may earn from employment with another employer or otherwise following his Termination Date.

Section 5.4. SETOFF FOR DEBTS. The Company may reduce the amount of any payment due the Executive under article III of this Agreement by the amount of any debt owed by the Executive to the Company that is embodied in a written instrument, that is due to be repaid as of the due date of the payment under this Agreement and that the Company has not already recovered by setoff or otherwise.

Section 5.5. COORDINATION WITH EMPLOYMENT CONTRACT. Payments to the Executive under article III of this Agreement shall be in lieu of any payments for breach of any employment contract between the Executive and the Company to which the Executive may be entitled by reason of a Qualifying Termination, and, before making the payments to the Executive provided under article III hereof, the Company may require the Executive to execute a waiver of any rights that she may have to recover payments in respect of a breach of such contract as a result of a Qualifying Termination. If the Executive has a Good Reason to resign and does so by providing the notice specified in the last sentence of section l.4 of this Agreement, she shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and the Company.

Section 5.6. BENEFIT OF BONUS PLANS. Except as otherwise provided in this Agreement or required by law, the

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Company shall not be compelled to include the Executive in any of its Benefit or Bonus Plans following the Executive's Termination Date, and the Company may require the Executive, as a condition to receiving the payments provided under article III hereof, to execute a waiver of any such rights. However, said waiver shall not affect any rights that the Executive may have in respect of his participation in any Benefit or Bonus Plan prior to his Termination Date.

Section 5.7. FUNDING. Except as provided in section 5.2 of this Agreement, the Company shall not be required to set aside any amounts that may be necessary to satisfy its obligations hereunder. The Company's potential obligations to make payments to the Executive under this Agreement are solely contractual ones, and the Executive shall have no rights in respect of such payments except as a general and unsecured creditor of the Company.

Section 5.8. DISCOUNT RATE. For purposes of this Agreement, the term "Discount Rate" shall mean the applicable Federal short-term rate determined under Section 1274(d) of the Code or its successor. If such rate is no longer determined, the Discount Rate shall be the yield on 2-year Treasury notes for the most recent period reported in the most recent issue of the Federal Reserve Bulletin or its successor, or, if such rate is no longer reported therein, such measure of the yield on 2-year Treasury notes as the Company may reasonably determine.

Section 5.9. DESIGNATED NUMBER. For purposes of this Agreement, the

Designated Number shall be two (2.0).

Section 5.10. COVENANT OF EXECUTIVE. In the event that the Executive undergoes a Qualifying Termination that entitles her to any payment under article III of this Agreement, she shall not, for 18 months following his Termination Date, either (a) solicit any employee of Interpublic or a majority-controlled subsidiary thereof to leave such employ and enter into the employ of the Executive or any person or entity with which the Executive is associated or (b) solicit or handle on his own behalf or on behalf of any person or entity with which she is associated the advertising, public relations, sales promotion or market research business of any advertiser that is a client of Interpublic or a majority-controlled subsidiary thereof as of the Termination Date. Without limitation of any other remedies that the Company may pursue, the Company may enforce its rights under this section 5.l0 by means of injunction. This section shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

ARTICLE VI

GENERAL PROVISIONS

Section 6.l. TERM OF AGREEMENT. This Agreement shall terminate upon the earliest of (a) the expiration of five years from the date of this Agreement if no Change of Control has occurred during that period; (b) the termination of the Executive's employment with the Company for any reason prior to

a Change of Control; (c) the Company's termination of the Executive's employment for Cause or death, the Executive's compulsory retirement within the provisions of 29 U.S.C. Section 631(c) (or, if Executive is not a citizen or resident of the United States, compulsory retirement under any applicable procedure of the Company in effect immediately prior to the change of control) or the Executive's resignation for other than Good Reason, following a Change of Control and the Company's and the Executive's fulfillment of all of their obligations under this Agreement; and (d) the expiration following a Change of Control of the Designated Number plus three years and the fulfillment by the Company and the Executive of all of their obligations hereunder.

Section 6.2. GOVERNING LAW. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York.

Section 6.3. SUCCESSORS TO THE COMPANY. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including, without limitation, any corporation or corporations acquiring directly or indirectly all or substantially all of the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be assignable by Interpublic. Without limitation of the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger,

consolidation, sale or otherwise) to all or substantially all of the business or assets of Interpublic, by agreement in form satisfactory to the Executive, expressly, absolutely and unconditionally to assume and agree to perform this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to all or substantially all of its business or assets that executes and delivers the agreement provided for in this section 6.3 or that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 6.4. SUCCESSOR TO THE EXECUTIVE. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to section 6.5 hereof, his designees ("Successors"). If the Executive should die while amounts are or may be payable to her under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 6.5. NONALIENABILITY. No right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process or (except as provided in section 5.4 hereof) to setoff against any obligation

or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action specified in the immediately preceding sentence shall be void. However, this section 6.5 shall not prohibit the Executive from designating one or more persons, on a form satisfactory to the Company, to receive amounts payable to her under this Agreement in the event that she should die before receiving them.

Section 6.6. NOTICES. All notices provided for in this Agreement shall be in writing. Notices to Interpublic shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., l27l Avenue of the Americas, New York, New York l0020, attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 6.7. AMENDMENT. No amendment of this Agreement shall be effective unless in writing and signed by both the Company and the Executive.

Section 6.8. WAIVERS. No waiver of any provision of this Agreement shall be valid unless approved in writing by the party giving such waiver. No waiver of a breach under any provision of this Agreement shall be deemed to be a waiver of such provision or any other provision of this Agreement or any

subsequent breach. No failure on the part of either the Company or the Executive to exercise, and no delay in exercising, any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or herein shall operate as a waiver of any other right or remedy.

Section 6.9. SEVERABILITY. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 6.l0. CAPTIONS. The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

Section 6.ll. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

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

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By:/s/Sean F. Orr
Sean F. Orr

By: /s/Susan Watson
Susan Watson

EXECUTIVE SEVERANCE AGREEMENT

This AGREEMENT ("Agreement") dated as of November 8, 2002, by and between The Interpublic Group of Companies, Inc. ("Interpublic"), a Delaware corporation (Interpublic and its subsidiaries being referred to herein collectively as the "Company"), and Brian Brooks (the "Executive").

W I T N E S S E T H

WHEREAS, the Company recognizes the valuable services that the Executive has rendered thereto and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to any potential or actual change of control of Interpublic;

WHEREAS, the Executive is willing to continue to serve the Company but desires assurance that he will not be materially disadvantaged by a change of control of Interpublic; and

WHEREAS, the Company is willing to accord such assurance provided that, should the Executive's employment be terminated consequent to a change of control, he will not for a period thereafter engage in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company and the mutual agreements

herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

RIGHT TO PAYMENTS

Section 1.1. TRIGGERING EVENTS. If Interpublic undergoes a Change of Control, the Company shall make payments to the Executive as provided in article II of this Agreement. If, within three years following a Change of Control, either (a) the Company terminates the Executive other than by means of a termination for Cause or for death or (b) the Executive resigns for a Good Reason (either of which events shall constitute a "Qualifying Termination"), the Company shall make payments to the Executive as provided in article III hereof.

Section 1.2. CHANGE OF CONTROL. A Change of Control of Interpublic shall be deemed to have occurred if (a) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "1934 Act")), other than Interpublic or any of its majority-controlled subsidiaries, becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of 30 percent or more of the combined voting power of Interpublic's then outstanding voting securities; (b) a tender offer or exchange offer (other than an offer by Interpublic or a majority-controlled subsidiary), pursuant to which 30 percent or more of the combined voting power of

Interpublic's then outstanding voting securities was purchased, expires; (c) the stockholders of Interpublic approve an agreement to merge or consolidate with another corporation (other than a majority-controlled subsidiary of Interpublic) unless Interpublic's shareholders immediately before the merger or consolidation are to own more than 70 percent of the combined voting power of the resulting entity's voting securities; (d) Interpublic's stockholders approve an agreement (including, without limitation, a plan of liquidation) to sell or otherwise dispose of all or substantially all of the business or assets of Interpublic; or (e) during any period of two consecutive years, individuals who, at the beginning of such period, constituted the Board of Directors of Interpublic cease for any reason to constitute at least a majority thereof, unless the election or the nomination for election by Interpublic's stockholders of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period. However, no Change of Control shall be deemed to have occurred by reason of any transaction in which the Executive, or a group of persons or entities with which the Executive acts in concert, acquires, directly or indirectly, more than 30 percent of the common stock or the business or assets of Interpublic.

Section 1.3. TERMINATION FOR CAUSE. Interpublic shall have Cause to terminate the Executive for purposes of Section 1.1 of this Agreement only if, following the Change of Control, the Executive (a) engages in conduct that constitutes a

felony under the laws of the United States or a state or country in which he works or resides and that results or was intended to result, directly or indirectly, in the personal enrichment of the Executive at the Company's expense; (b) refuses (except by reason of incapacity due to illness or injury) to make a good faith effort to substantially perform his duties with the Company on a full-time basis and continues such refusal for 15 days following receipt of notice from the Company that his effort is deficient; or (c) deliberately and materially breaches any agreement between himself and the Company and fails to remedy that breach within 30 days following notification thereof by the Company. If the Company has Cause to terminate the Executive, it may in fact terminate him for Cause for purposes of section 1.1 hereof if (a) it notifies the Executive of such Cause, (b) it gives him reasonable opportunity to appear before a majority of Interpublic's Board of Directors to respond to the notice of Cause and (c) a majority of the Board of Directors subsequently votes to terminate him.

Section 1.4. RESIGNATION FOR GOOD REASON. The Executive shall have a Good Reason for resigning only if (a) the Company fails to elect the Executive to, or removes him from, any office of the Company, including without limitation membership on any Board of Directors, that the Executive held immediately prior to the Change of Control; (b) the Company reduces the Executive's rate of regular cash and fully vested deferred base compensation ("Regular Compensation") from that which he earned immediately prior to the Change of Control or

fails to increase it within 12 months following the Change of Control by (in addition to any increase pursuant to section 2.2 hereof) at least the average of the rates of increase in his Regular Compensation during the four consecutive 12-month periods immediately prior to the Change of Control (or, if fewer, the number of 12-month periods immediately prior to the Change of Control during which the Executive was continuously employed by the Company); (c) the Company fails to provide the Executive with fringe benefits and/or bonus plans, such as stock option, stock purchase, restricted stock, life insurance, health, accident, disability, incentive, bonus, pension and profit sharing plans ("Benefit or Bonus Plans"), that, in the aggregate, (except insofar as the Executive has waived his rights thereunder pursuant to article II hereof) are as valuable to him as those that he enjoyed immediately prior to the Change of Control; (d) the Company fails to provide the Executive with an annual number of paid vacation days at least equal to that to which he was entitled immediately prior to the Change of Control; (e) the Company breaches any agreement between it and the Executive (including this Agreement); (f) without limitation of the foregoing clause (e), the Company fails to obtain the express assumption of this Agreement by any successor of the Company as provided in section 6.3 hereof; (g) the Company attempts to terminate the Executive for Cause without complying with the provisions of section 1.3 hereof; (h) the Company requires the Executive, without his express written consent, to be based in an office outside of the office in which Executive

is based on the date hereof or to travel substantially more extensively than he did prior to the Change of Control; or (i) the Executive determines in good faith that the Company has, without his consent, effected a significant change in his status within, or the nature or scope of his duties or responsibilities with, the Company that obtained immediately prior to the Change of Control (including but not limited to, subjecting the Executive's activities and exercise of authority to greater immediate supervision than existed prior to the Change of Control); PROVIDED, HOWEVER, that no event designated in clauses (a) through (i) of this sentence shall constitute a Good Reason unless the Executive notifies Interpublic that the Company has committed an action or inaction specified in clauses (a) through (i) (a "Covered Action") and the Company does not cure such Covered Action within 30 days after such notice, at which time such Good Reason shall be deemed to have arisen. Notwithstanding the immediately preceding sentence, no action by the Company shall give rise to a Good Reason if it results from the Executive's termination for Cause or death or from the Executive's resignation for other than a Good Reason, and no action by the Company specified in clauses (a) through (i) of the preceding sentence shall give rise to a Good Reason if it results from the Executive's Disability. If the Executive has a Good Reason to resign, he may in fact resign for a Good Reason for purposes of section 1.1 of this Agreement by, within 30 days after the Good Reason arises, giving Interpublic a minimum of 30

and a maximum of 90 days advance notice of the date of his resignation.

Section 1.5. DISABILITY. For all purposes of this Agreement, the term "Disability" shall have the same meaning as that term has in the Interpublic

Long-Term Disability Plan.

ARTICLE II

PAYMENTS UPON A CHANGE OF CONTROL

Section 2.1. ELECTIONS BY THE EXECUTIVE. If the Executive so elects prior to a Change of Control, the Company shall pay him, within 30 days following the Change of Control, cash amounts in respect of certain Benefit or Bonus Plans or deferred compensation arrangements designated in sections 2.2 through 2.4 hereof ("Plan Amounts"). The Executive may make an election with respect to the Benefit or Bonus Plans or deferred compensation arrangements covered under any one or more of sections 2.2 through 2.4, but an election with respect to any such section shall apply to all Plan Amounts that are specified therein. Each election shall be made by notice to Interpublic on a form satisfactory to Interpublic and, once made, may be revoked by such notice on such form at any time prior to a Change of Control. If the Executive elects to receive payments under a section of this article II, he shall, upon receipt of

such payments, execute a waiver, on a form satisfactory to Interpublic, of such rights as are indicated in that section. If the Executive does not make an election under this article with respect to a Benefit or Bonus Plan or deferred compensation arrangement, his rights to receive payments in respect thereof shall be governed by the Plan or arrangement itself.

Section 2.2. ESBA. The Plan Amount in respect of all Executive Special Benefit Agreements ("ESBA's") between the Executive and Interpublic shall consist of an amount equal to the present discounted values, using the Discount Rate designated in section 5.8 hereof as of the date of the Change of Control, of all payments that the Executive would have been entitled to receive under the ESBA's if he had terminated employment with the Company on the day immediately prior to the Change of Control. Upon receipt of the Plan Amount in respect of the ESBA's, the Executive shall waive any rights that he may have to payments under the ESBA's. If the Executive makes an election pursuant to, and executes the waiver required under, this section 2.2, his Regular Compensation shall be increased as of the date of the Change of Control at an annual rate equal to the sum of the annual rates of deferred compensation in lieu of which benefits are provided the Executive under any ESBA the Accrual Term for which (as defined in the ESBA) includes the date of the Change of Control.

Section 2.3. MICP. The Plan Amount in respect of the Company's Management Incentive Compensation Plans ("MICP") and/or the 1997 Performance Incentive Plan ("1997 PIP") shall

consist of an amount equal to the sum of all amounts awarded to the Executive under, but deferred pursuant to, the MICP and/or the 1997 PIP as of the date of the Change of Control and all amounts equivalent to interest creditable thereon up to the date that the Plan Amount is paid. Upon receipt of that Plan Amount, the Executive shall waive his rights to receive any amounts under the MICP and/or the 1997 PIP that were deferred prior to the Change of Control and any interest equivalents thereon.

Section 2.4. DEFERRED COMPENSATION. The Plan Amount in respect of deferred compensation (other than amounts referred to in other sections of this article II) shall be an amount equal to all compensation from the Company that the Executive has earned and agreed to defer (other than through the Interpublic Savings Plan pursuant to Section 401(k) of the Internal Revenue Code (the "Code")) but has not received as of the date of the Change of Control, together with all amounts equivalent to interest creditable thereon through the date that the Plan Amount is paid. Upon receipt of this Plan Amount, the Executive shall waive his rights to receive any deferred compensation that he earned prior to the date of the Change of Control and any interest equivalents thereon.

Section 2.5. STOCK INCENTIVE PLANS. The effect of a Change of Control on the rights of the Executive with respect to options and restricted shares awarded to him under the Interpublic 1986 Stock Incentive Plan, the 1996 Stock Incentive Plan, the 1997 Performance Incentive Plan and the 2002

Performance Incentive Plan, shall be governed by those Plans and not by this Agreement.

ARTICLE III

PAYMENTS UPON QUALIFYING TERMINATION

Section 3.1. BASIC SEVERANCE PAYMENT. In the event that the Executive

is subjected to a Qualifying Termination within three years after a Change of Control, the Company shall pay the Executive within 30 days after the effective date of his Qualifying Termination (his "Termination Date") a cash amount equal to his Base Amount times the number designated in Section 5.9 of this Agreement (the "Designated Number"). The Executive's Base Amount shall equal the average of the Executive's Includable Compensation for the two whole calendar years immediately preceding the date of the Change of Control (or, if the Executive was employed by the Company for only one of those years, his Includable Compensation for that year, or if the Executive was employed by the Company for less than one year, an amount reasonably estimated by the Corporation as set forth below). The Executive's Includable Compensation for a calendar year shall consist of (a) the compensation reported by the Company on the Form W-2 that it filed with the Internal Revenue Service for that year in respect of the Executive or which would

have been reported on such form but for the fact that Executive's services were performed outside of the United States, plus (b) any compensation payable to the Executive during that year the receipt of which was deferred at the Executive's election or by employment agreement to a subsequent year, minus (c) any amounts included on the Form W-2 (or which would have been included if Executive had been employed in the United States) that represented either (i) amounts in respect of a stock option or restricted stock plan of the Company or (ii) payments during the year of amounts payable in prior years but deferred at the Executive's election or by employment agreement to a subsequent year. The compensation referred to in clause (b) of the immediately preceding sentence shall include, without limitation, amounts initially payable to the Executive under the MICP or a Long-Term Performance Incentive Plan or the 1997 PIP in that year but deferred to a subsequent year, the amount of deferred compensation for the year in lieu of which benefits are provided the Executive under an ESBA and amounts of Regular Compensation earned by the Executive during the year but deferred to a subsequent year (including amounts deferred under Interpublic Savings Plan pursuant to Section 401(k) of the Code); clause (c) of such sentence shall include, without limitation, all amounts equivalent to interest paid in respect of deferred amounts and all amounts of Regular Compensation paid

during the year but earned in a prior year and deferred. In the event that a Change of Control occurs prior to the completion by Executive of one year of service, the Company shall make a good faith, reasonable estimate of Includable Compensation, based on the foregoing criteria.

Section 3.2. MICP SUPPLEMENT. The Company shall also pay the Executive within 30 days after his Termination Date a cash amount equal to (a) in the event that the Executive received an award under the MICP (or the Incentive Award program applicable outside the United States) or the 1997 PIP ("Incentive Award") in respect of the year immediately prior to the year that includes the Termination Date (the latter year constituting the "Termination Year"), the amount of that award multiplied by the fraction of the Termination Year preceding the Termination Date or (b) in the event that the Executive did not receive an MICP award (or an Incentive Award) in respect of the year immediately prior to the Termination Year, the amount of the MICP award (or Incentive Award) that Executive received in respect of the second year immediately prior to the Termination Year multiplied by one plus the fraction of the Termination Year preceding the Termination Date.

ARTICLE IV

TAX MATTERS

Section 4.1. WITHHOLDING. The Company may withhold from any amounts payable to the Executive hereunder all federal, state, city or other taxes that the Company may reasonably determine are required to be withheld pursuant to any applicable law or regulation, but, if the Executive has made the election provided in section 4.2 hereof, the Company shall not withhold amounts in respect of the excise tax imposed by Section 4999 of the Code or its successor.

Section 4.2. DISCLAIMER. If the Executive so agrees prior to a Change of Control by notice to the Company in form satisfactory to the Company, the amounts payable to the Executive under this Agreement but not yet paid thereto shall be reduced to the largest amounts in the aggregate that the Executive could receive, in conjunction with any other payments received or to be received by him from any source, without any part of such amounts being subject to the excise tax imposed by Section 4999 of the Code or its successor. The amount of such reductions and their allocation among amounts otherwise payable to the Executive shall be determined either by the Company or by the Executive in consultation with counsel chosen (and compensated) by him, whichever is designated by the Executive in the aforesaid notice to the Company (the

"Determining Party"). If, subsequent to the payment to the Executive of amounts reduced pursuant to this section 4.2, the Determining Party should reasonably determine, or the Internal Revenue Service should assert against the party other than the Determining Party, that the amount of such reductions was insufficient to

avoid the excise tax under Section 4999 (or the denial of a deduction under Section 280G of the Code or its successor), the amount by which such reductions were insufficient shall, upon notice to the other party, be deemed a loan from the Company to the Executive that the Executive shall repay to the Company within one year of such reasonable determination or assertion, together with interest thereon at the applicable federal rate provided in section 7872 of the Code or its successor. However, such amount shall not be deemed a loan if and to the extent that repayment thereof would not eliminate the Executive's liability for any Section 4999 excise tax.

ARTICLE V

COLLATERAL MATTERS

Section 5.l. NATURE OF PAYMENTS. All payments to the Executive under this Agreement shall be considered either payments in consideration of his continued service to the Company, severance payments in consideration of his past services thereto or payments in consideration of the covenant contained in section 5.l0 hereof. No payment hereunder shall be regarded as a penalty to the Company.

Section 5.2. LEGAL EXPENSES. The Company shall pay all legal fees and expenses that the Executive may incur as a result of the Company's contesting the validity, the enforceability or the Executive's interpretation of, or

determinations under, this Agreement. Without limitation of the foregoing, Interpublic shall, prior to the earlier of (a) 30 days after notice from the Executive to Interpublic so requesting or (b) the occurrence of a Change of Control, provide the Executive with an irrevocable letter of credit in the amount of $100,000 from a bank satisfactory to the Executive against which the Executive may draw to pay legal fees and expenses in connection with any attempt to enforce any of his rights under this Agreement. Said letter of credit shall not expire before 10 years following the date of this Agreement.

Section 5.3. MITIGATION. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement either by seeking other employment or otherwise. The amount of any payment provided for herein shall not be reduced by any remuneration that the Executive may earn from employment with another employer or otherwise following his Termination Date.

Section 5.4. SETOFF FOR DEBTS. The Company may reduce the amount of any payment due the Executive under article III of this Agreement by the amount of any debt owed by the Executive to the Company that is embodied in a written instrument, that is due to be repaid as of the due date of the payment under this Agreement and that the Company has not already recovered by setoff or otherwise.

Section 5.5. COORDINATION WITH EMPLOYMENT CONTRACT. Payments to the Executive under article III of this Agreement shall be in lieu of any payments for breach of any employment

contract between the Executive and the Company to which the Executive may be entitled by reason of a Qualifying Termination, and, before making the payments to the Executive provided under article III hereof, the Company may require the Executive to execute a waiver of any rights that he may have to recover payments in respect of a breach of such contract as a result of a Qualifying Termination. If the Executive has a Good Reason to resign and does so by providing the notice specified in the last sentence of section l.4 of this Agreement, he shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and the Company.

Section 5.6. BENEFIT OF BONUS PLANS. Except as otherwise provided in this Agreement or required by law, the Company shall not be compelled to include the Executive in any of its Benefit or Bonus Plans following the Executive's Termination Date, and the Company may require the Executive, as a condition to receiving the payments provided under article III hereof, to execute a waiver of any such rights. However, said waiver shall not affect any rights that the Executive may have in respect of his participation in any Benefit or Bonus Plan prior to his Termination Date.

Section 5.7. FUNDING. Except as provided in section 5.2 of this Agreement, the Company shall not be required to set aside any amounts that may be necessary to satisfy its obligations hereunder. The Company's potential obligations to make payments to the Executive under this Agreement are solely

contractual ones, and the Executive shall have no rights in respect of such payments except as a general and unsecured creditor of the Company.

Section 5.8. DISCOUNT RATE. For purposes of this Agreement, the term "Discount Rate" shall mean the applicable Federal short-term rate determined under Section 1274(d) of the Code or its successor. If such rate is no longer determined, the Discount Rate shall be the yield on 2-year Treasury notes for the most recent period reported in the most recent issue of the Federal Reserve Bulletin or its successor, or, if such rate is no longer reported therein, such measure of the yield on 2-year Treasury notes as the Company may reasonably determine.

Section 5.9. DESIGNATED NUMBER. For purposes of this Agreement, the Designated Number shall be three (3).

Section 5.10. COVENANT OF EXECUTIVE. In the event that the Executive undergoes a Qualifying Termination that entitles him to any payment under article III of this Agreement, he shall not, for 18 months following his Termination Date, either (a) solicit any employee of Interpublic or a majority-controlled subsidiary thereof to leave such employ and enter into the employ of the Executive or any person or entity with which the Executive is associated or (b) solicit or handle on his own behalf or on behalf of any person or entity with which he is associated the advertising, public relations, sales promotion or market research business of any advertiser that is a client of Interpublic or a majority-controlled subsidiary thereof as of the Termination Date. Without limitation of any

other remedies that the Company may pursue, the Company may enforce its rights under this section 5.l0 by means of injunction. This section shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

ARTICLE VI

GENERAL PROVISIONS

Section 6.l. TERM OF AGREEMENT. This Agreement shall terminate upon the earliest of (a) the expiration of five years from the date of this Agreement if no Change of Control has occurred during that period; (b) the termination of the Executive's employment with the Company for any reason prior to a Change of Control; (c) the Company's termination of the Executive's employment for Cause or death, the Executive's compulsory retirement within the provisions of 29 U.S.C. Section 631(c) (or, if Executive is not a citizen or resident of the United States, compulsory retirement under any applicable procedure of the Company in effect immediately prior to the change of control) or the Executive's resignation for other than Good Reason, following a Change of Control and the Company's and the Executive's fulfillment of all of their obligations under this Agreement; and (d) the expiration following a Change of Control of the Designated Number plus three years and the fulfillment by the Company and the Executive of all of their obligations hereunder.

Section 6.2. GOVERNING LAW. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York.

Section 6.3. SUCCESSORS TO THE COMPANY. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including, without limitation, any corporation or corporations acquiring directly or indirectly all or substantially all of the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be assignable by Interpublic. Without limitation of the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger, consolidation, sale or otherwise) to all or substantially all of the business or assets of Interpublic, by agreement in form satisfactory to the Executive, expressly, absolutely and unconditionally to assume and agree to perform this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to all or substantially all of its business or assets that executes and delivers

the agreement provided for in this section 6.3 or that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 6.4. SUCCESSOR TO THE EXECUTIVE. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to section 6.5 hereof, his designees ("Successors"). If the Executive should die while amounts are or may be payable to him under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 6.5. NONALIENABILITY. No right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process or (except as provided in section 5.4 hereof) to setoff against any obligation or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action specified in the immediately preceding sentence shall be void. However, this section 6.5 shall not prohibit the Executive from designating one or more persons, on a form satisfactory to the Company, to receive amounts payable to him under this Agreement in the event that he should die before receiving them.

Section 6.6. NOTICES. All notices provided for in this Agreement shall be in writing. Notices to Interpublic shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., l27l Avenue of the

Americas, New York, New York l0020, attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 6.7. AMENDMENT. No amendment of this Agreement shall be effective unless in writing and signed by both the Company and the Executive.

Section 6.8. WAIVERS. No waiver of any provision of this Agreement shall be valid unless approved in writing by the party giving such waiver. No waiver of a breach under any provision of this Agreement shall be deemed to be a waiver of such provision or any other provision of this Agreement or any subsequent breach. No failure on the part of either the Company or the Executive to exercise, and no delay in exercising, any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or herein shall operate as a waiver of any other right or remedy.

Section 6.9. SEVERABILITY. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 6.l0. CAPTIONS. The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

Section 6.ll. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

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

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By /s/ C. Kent Kroeber

C. Kent Kroeber

/s/ Brian Brooks

Brian Brooks

EXHIBIT 99

QUARTERLY CERTIFICATION
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), each of the undersigned officers of The Interpublic Group of Companies, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The quarterly report on Form 10-Q for the quarter ended March 31, 2003 of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 15, 2003

/s/ David A. Bell

David A. Bell
Chief Executive Officer

Dated: May 15, 2003

/s/ Sean F. Orr

Sean F. Orr
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of the Form 10-Q or as a separate disclosure document. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.