

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

FORM 8-K

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

Date of report (Date of earliest event reported): June 13, 2006

The Interpublic Group of Companies, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware	1-6686	13-1024020
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)
1114 Avenue of the Americas, New York, New York		10036
(Address of Principal Executive Offices)		(Zip Code)

Registrant's telephone number, including area code: 212-704-1200

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

On June 13, 2006, The Interpublic Group of Companies, Inc. (the “Company”) completed a transaction that provides it with a new source of committed stand-by liquidity and a new letter of credit facility (the “ELF Financing”). In connection with the ELF Financing, the Company entered into these material agreements:

- a \$750 million 3-Year Credit Agreement, dated as of June 13, 2006 (the “Credit Agreement”), among the Company, as Borrower, ELF Special Financing Ltd. (“ELF”), as Initial Lender and L/C Issuer, and Morgan Stanley Capital Services Inc. (“MSCS”), as Administrative Agent and L/C Administrator;
- a Warrant Agreement, dated as of June 13, 2006 (the “Warrant Agreement”), between the Company and LaSalle Bank National Association, as Warrant Agent, under which the Company issued 29,072,092 capped warrants (the “Capped Warrants”) and 38,826,875 uncapped warrants (the “Uncapped Warrants”);
- a Letter of Credit Agreement, dated as of June 13, 2006 (the “Citibank Letter of Credit Agreement”), between the Company and Citibank, N.A.; and
- an L/C Issuance Agreement, dated as of June 13, 2006 (the “Morgan Stanley Letter of Credit Agreement”), between the Company, as Account Party, and MSCS, as L/C Issuer.

The ELF Financing and these agreements are summarized below. Each of these agreements is filed herewith as an exhibit, and the summaries below are qualified in their entirety by the full terms of the agreements.

The ELF Financing

ELF is a new special-purpose entity incorporated in the Cayman Islands, in which the Company has no equity or other interest and which the Company does not expect to consolidate for financial reporting purposes. In the ELF Financing, ELF sold securities to institutional investors. Through a group of initial purchasers led by Morgan Stanley & Co. Incorporated, Citigroup Global Markets Inc., J.P. Morgan Securities Inc. and UBS Securities LLC, ELF sold:

- 2,500 Series A Units consisting, in the aggregate, of:
 - \$250 million principal amount of ELF’s Series A Floating Rate Senior Credit Linked Notes due 2009 (the “ELF Series A Notes”) and
 - 25,280,000 of the Company’s Capped Warrants; and
- 4,625 Series B Units consisting, in the aggregate, of:
 - \$462.5 million principal amount of ELF’s Series B Floating Rate Senior Credit Linked Notes due 2009 (the “ELF Series B Notes”) and
 - 38,826,875 of the Company’s Uncapped Warrants.

ELF also sold to MSCS:

- \$37,500,000 aggregate principal amount of Floating Rate Junior Credit Linked Notes due 2009 (the “ELF Junior Notes”); and
- 3,792,092 of the Company’s Capped Warrants.

The ELF Series A Notes and the ELF Series B Notes (together, the “ELF Senior Notes”) and the ELF Junior Notes (together with the ELF Senior Notes, the “ELF Notes”) are issued pursuant to an indenture dated as of June 13, 2006 (the “Indenture”) between ELF and LaSalle Bank National Association, as Indenture Trustee and Notes Issuer Representative. Because of the subordination provisions and other structural features, the ELF Junior Notes will function like equity to support the ELF Senior Notes.

ELF received \$750 million in proceeds of these sales, which it used to purchase AAA-rated liquid assets. It will hold the liquid assets pending any request for borrowing from the Company, or any drawing on any letters of credit issued for the account of the Company, under the credit facility described below, which ELF will fund by selling liquid assets. ELF also entered into an interest rate swap (the “Interest Rate Swap”) with an affiliate of Morgan Stanley & Co. Incorporated, the effect of which is to exchange the yield ELF receives on its liquid assets, together with payments received under the Credit Agreement, against LIBOR to service the interest on the ELF Notes.

The Company is not a party to the ELF Notes, the Indenture or the Interest Rate Swap. Under certain circumstances, including events of default under the Credit Agreement and under the Notes, holders of ELF Notes may elect to receive in exchange for their Notes loans and reimbursement obligations under the Credit Agreement.

Credit Agreement

Under the Credit Agreement, ELF is obligated at the Company’s request to make cash advances to the Company and to issue letters of credit for the account of the Company, in an aggregate amount not to exceed \$750 million outstanding at any time. The aggregate face amount of letters of credit may not exceed \$600 million at any time. The obligations of the Company under the Credit Agreement are unsecured. The Credit Agreement is a revolving facility, under which amounts borrowed may be repaid and reborrowed, and the aggregate available amount of letters of credit may decrease or increase, subject to the overall limit of \$750 million and the \$600 million limit on letters of credit.

The Company will pay interest on any outstanding advances under the Credit Agreement at an annual rate equal to 3-month LIBOR plus 0.78% per annum (the “Applicable Margin”). The Company will also pay commitment fees on the undrawn amount under the Credit Agreement at an annual rate equal to the Applicable Margin, plus an additional facility fee equal to 0.15%. The Credit Agreement will expire on June 15, 2009.

The continued availability of the Credit Agreement, and its terms, can be affected if certain events occur that have consequences under the terms of the ELF Notes. In particular, holders of the ELF Senior Notes are entitled to require the repurchase of their notes, at par plus accrued interest, in the event of a fundamental change, as defined in the Credit Agreement, involving the Company. The Credit Agreement provides that ELF may reduce the total commitment under the Credit Agreement following a fundamental change, and the Indenture provides that ELF will reduce the total commitment by an amount equal to the aggregate principal amount of any ELF Senior Notes that are tendered for repurchase and not repurchased by the holders of ELF Junior Notes. The Applicable Margin may also change following any

repurchases pursuant to these provisions. The commitment under the Credit Agreement may also terminate upon the occurrence of specified events.

A copy of the Credit Agreement is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

Warrant Agreement

The Company issued a total of 67,898,967 warrants under the Warrant Agreement, consisting of 29,072,092 Capped Warrants and 38,826,875 Uncapped Warrants.

Each warrant will entitle the holder to receive, following expiration of the warrant on June 15, 2009, an amount in (a) cash, (b) shares of the Company's common stock, par value \$0.10 per share, or (c) a combination of cash and shares, at the Company's option. The amount will be based, subject to customary adjustments, on the difference between the market price of one share of common stock (over 30 trading days following expiration) and the stated exercise price of the warrant. For the Uncapped Warrants, the exercise price is \$11.91 per warrant. For the Capped Warrants, the exercise price is \$9.89 per warrant and the amount deliverable upon exercise is capped so a holder will not benefit from appreciation of the common stock above \$12.36 per share.

If a fundamental change, as defined in the Warrant Agreement, occurs prior to June 15, 2009, each holder will have the right to exercise its warrants at any time on or after the effective date of such fundamental change until the 30th trading day after the effective date. The Company will, in connection with any such exercise by a holder, pay to the holder an early settlement amount, which may be settled in cash, shares of the Company's common stock, or any combination thereof at the Company's option, and which will reflect an adjustment to the exercise price.

A copy of the Warrant Agreement is attached hereto as Exhibit 10.2 and is incorporated herein by reference. As disclosed in previous filings, the Company has entered into call spread transactions to reduce the potential dilution or cash cost upon exercise of the Uncapped Warrants.

Letter of Credit Agreements

The Company is required from time to time to post letters of credit, primarily to support commitments of the Company and/or its subsidiaries to purchase media placements, mostly in locations outside the United States, or to satisfy other obligations. The Citibank Letter of Credit Agreement provides for the issuance of letters of credit with an aggregate available amount not to exceed \$250 million at any time, which the Company intends to use for this purpose. The Citibank Letter of Credit Agreement expires June 15, 2009. Upon termination of the Prior Credit Agreement (defined under Item 1.02 below), letters of credit with an aggregate available amount of approximately \$208 million, which had been issued under the Prior Credit Agreement, remained outstanding and are now governed by the new Citibank Letter of Credit Agreement.

Under the Citibank Letter of Credit Agreement, any letters of credit issued under that agreement must be backed by (a) letters of credit issued by Morgan Stanley Capital Services Inc. under the Morgan Stanley Letter of Credit Agreement or (b) letters of credit issued by other backstop letter of credit issuers acceptable to Citibank or (c) cash deposits.

Letters of credit issued under the Morgan Stanley Letter of Credit Agreement, including those issued to Citibank as described in the preceding paragraph, are required to be backed by letters of credit issued by ELF under the Credit Agreement. Although all letters of credit issued under these two facilities

currently support, directly or indirectly, letters of credit issued under the Citibank Letter of Credit Agreement, the Company may choose to request that additional letters of credit under either the Credit Agreement or the Morgan Stanley Letter of Credit Agreement be issued directly to other beneficiaries, in an aggregate available amount for all letters of credit not to exceed the \$600 million overall letter of credit limit described above under "Credit Agreement."

Copies of the Letter of Credit Agreement and the Morgan Stanley Letter of Credit Agreement are attached hereto as Exhibits 10.3 and 10.4, respectively, and are incorporated herein by reference.

Item 1.02 Termination of a Material Definitive Agreement.

On June 13, 2006, the Company terminated the Amended and Restated 3-Year Credit Agreement, dated as of May 10, 2004, amended and restated as of September 27, 2005 (the "Prior Credit Agreement"), among the Company, the Initial Lenders Named Therein, and Citibank, N.A., as Administrative Agent.

Item 3.02 Unregistered Sales of Equity Securities.

On June 13, 2006, the Company issued warrants that ELF resold, as described in Item 1.01 above, to investors that are qualified institutional buyers in reliance on the exemption from registration set forth under Rule 144A of the Securities Act of 1933. The terms of the warrants are described in Item 1.01 above. In connection with the ELF Financing, the Company paid \$22.5 million in underwriting commissions.

Item 9.01 Financial Statements and Exhibits.

Exhibit 10.1 3-Year Credit Agreement, dated as of June 13, 2006, among the Company, as Borrower, ELF Special Financing Ltd., as Initial Lender and L/C Issuer, and Morgan Stanley Capital Services Inc., as Administrative Agent and L/C Administrator.

Exhibit 10.2 Warrant Agreement, dated as of June 13, 2006, between the Company and LaSalle Bank National Association, as Warrant Agent.

Exhibit 10.3 Letter of Credit Agreement, dated as of June 13, 2006, between the Company and Citibank, N.A.

Exhibit 10.4 L/C Issuance Agreement, dated as of June 13, 2006, between the Company, as Account Party, and Morgan Stanley Capital Services Inc., as L/C Issuer.

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 hereunto duly authorized.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

Date: June 19, 2006

By: /s/ Nicholas J. Camera
Nicholas J. Camera
Senior Vice President, General Counsel and Secretary

\$750,000,000

3-YEAR CREDIT AGREEMENT

Dated as of

June 13, 2006

Among

THE INTERPUBLIC GROUP OF COMPANIES, INC.
as Borrower,

ELF SPECIAL FINANCING LTD.
as Initial Lender and L/C Issuer,

MORGAN STANLEY CAPITAL SERVICES INC.
as Administrative Agent and L/C Administrator

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- Exhibit D - Form of Assignment and Assumption
- Exhibit E-1 - Form of Opinion of Cleary Gottlieb Steen & Hamilton LLP
- Exhibit E-2 - Form of Opinion of In-House Counsel for the Borrower

3-YEAR CREDIT AGREEMENT

Dated as of June 13, 2006

THE INTERPUBLIC GROUP OF COMPANIES, INC., a Delaware corporation (the "**Borrower**"), ELF SPECIAL FINANCING LTD., a Cayman Islands limited liability company as lender (in such capacity, the "**Initial Lender**") and as L/C Issuer, and MORGAN STANLEY CAPITAL SERVICES INC., as administrative agent for the Lenders (as hereinafter defined) and as L/C Administrator, agree as follows:

ARTICLE 1

DEFINITIONS AND ACCOUNTING TERMS

Section 1.01. *Certain Defined Terms.* As used in this Agreement, the following terms shall have the following meanings:

"**Advance**" means a Loan or a Reimbursement Obligation and includes, after a Tranching Effective Date to the extent any Advances are from time to time thereafter outstanding, Advances under each Tranche of Advances.

"**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**" means MSCS in its capacity as administrative agent, or any successor Agent.

"**Agent's Account**" means an account maintained by the Agent and designated in writing to the Borrower and the Lenders as the Agent's Account.

"**Agreement**" means this agreement between the Borrower, the Initial Lender, the L/C Issuer, the Agent and the L/C Administrator.

"**Aggregate Exposure**" means, at any time, (a) the aggregate principal amount of Advances (including Advances of all Tranches, if applicable) outstanding at such time plus (b) the aggregate Available Amount of all Letters of Credit (including the portions of Letters of Credit attributable to all Tranches, if applicable) outstanding at such time.

"**Applicable Lending Office**" means, with respect to any Lender, the office of such Lender specified as its "Applicable Lending Office" opposite its name on Schedule 1 hereto or in 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 Borrower and the Agent in writing.

“**Applicable Margin**” means, initially, 0.78% per annum, as the same may be adjusted from time to time pursuant to Section 6.03.

“**Assignment and Acceptance**” means an assignment and acceptance entered into by a Lender assignor and an assignee in substantially the form of Exhibit D hereto or in any other form approved by the Agent with the prior written consent of the Borrower, not to be unreasonably withheld or delayed.

“**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).

“**Bankruptcy**” means the Borrower (or any Successor of the Borrower) (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due; (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (d) institutes or has instituted against it a proceeding, whether judicial, quasi-judicial or administrative, seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against in, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within 30 calendar days of the institution or presentation thereof; (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days thereafter; or (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (a) to (g) (inclusive).

“**Borrowed Money**” means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

“**Borrower**” has the meaning specified in the introductory paragraph of this Agreement.

“**Borrowing**” means a borrowing of a Loan made by the Initial Lender pursuant to Section 2.01(a) on a date specified pursuant to Section 2.02.

“**Business Day**” means a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City or Chicago, Illinois are authorized or required by law, regulation or executive order to close; *provided, however*, that if the applicable Business Day relates to interest payable hereunder or the calculation of Three-month LIBOR, such day must also be a London Banking Day.

“**Capital Stock**” of any Person means any and all shares, interests, participations or other equivalents however designated of corporate stock or other equity participations, including partnership interests, whether general or limited, of such Person and any rights (other than debt securities convertible or exchangeable into an equity interest), warrants or options to acquire an equity interest in such Person.

“**Collection Account**” means the account maintained by the Indenture Trustee at LaSalle Bank National Association at its office at 181 West Madison Street, 32nd Floor, Chicago, Illinois, 60602, Account Numbers 710821.4 and 710821.5 or such other account in the United States and with a U.S. financial institution as is designated in writing from time to time by the Agent to the Borrower and the Lenders for such purpose.

“**Commitment**” means the commitment of the Initial Lender to make Loans to the Borrower from time to time and of the L/C Issuer to issue Letters of Credit, in the aggregate amount at any time outstanding of \$750,000,000, as such amount may be decreased pursuant to Section 2.16(b).

“**Common Stock**” means the common stock, par value \$0.10 per share, of the Borrower, or any other class of stock resulting from successive changes or reclassifications of such common stock consisting solely of changes in par value, or from par value to no par value, or as a result of a subdivision, combination, merger, consolidation or similar transaction in which the Borrower is a constituent corporation.

“**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 Borrower in its Consolidated financial statements as of such date.

“Counterparty Swap Termination Date” means the date, if any, following the occurrence of a Counterparty Swap Termination Event (a) that is (i) if either (x) such Counterparty Swap Termination Event occurred or (y) the Holders of a majority in aggregate principal amount of the Credit Linked Notes have elected to exchange their Credit Linked Notes as a result of such Counterparty Swap Termination Event, less than six Business Days prior to a Payment Date, six Business Days prior to the second succeeding Payment Date and (ii) otherwise, six Business Days prior to the next succeeding Payment Date and (b) on or prior to which no qualified replacement swap counterparty shall have been appointed or replacement swap entered into.

“Counterparty Swap Termination Event” means a Swap Termination Event which entitles the Initial Lender to deliver a termination notice under the Interest Rate Swap.

“Credit Event” means a Bankruptcy or a Failure to Pay, in each case as to which there is Publicly Available Information.

“Credit Linked Notes” means the Floating Rate Credit Linked Notes due 2009 issued by the Initial Lender under the Indenture.

“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.

“Dollars” and the **“\$”** sign each means the lawful currency of the United States of America.

“Downstream Affiliate” means an entity whose outstanding shares or other interests that have the power to elect the board of directors or similar governing body thereof were, at the date of issuance of a Qualifying Affiliate Guarantee, more than 50% owned, directly or indirectly, by the Borrower (or any Successor of the Borrower).

“Effective Date” has the meaning specified in Section 3.01.

“Eligible Assignee” means, with respect to any Lender assignor, (a) any Noteholder (or holder of a beneficial interest in a global Credit Linked Note) and (b) any other Person that (i) such Lender assignor reasonably believes is a “qualified institutional buyer” (as defined in Rule 144A under the Securities Act) acquiring an Advance for its own account or for the account of a qualified institutional buyer or (ii) is acquiring an Advance in accordance with any other exception from registration under the Securities Act for investment purposes and not with a view to, or for offer or sale in connection with, any distribution in violation of the Securities Act.

“Event of Default” has the meaning specified in Section 6.01.

“Exposure Excess” means, at any time prior to the Termination Date, the excess, if any, of Aggregate Exposure at such time over the amount of the Commitment (including Commitments of all Tranches, if applicable) at such time.

“Failure to Pay” means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Borrower (or any Successor of the Borrower) to make, when and where due, any payments in an aggregate amount of not less than \$1,000,000 (or the equivalent

in any other currency at the time of the Failure to Pay) under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

“Fee Period” means the period (a) initially, from and including the Effective Date and to but excluding September 15, 2006 (or, if such day is not a Business Day, the next succeeding Business Day), and (b) thereafter, from and including the last day of the immediately preceding Fee Period and to but excluding the next Period End Date or, if occurring prior to such Period End Date, the Termination Date; *provided* that in the case of a Termination Date occurring upon termination in whole of the Commitment pursuant to Section 6.02(a), the related Fee Period shall end on the Business Day next succeeding the Termination Date.

“Fundamental Change” means (a) a “person” or “group” within the meaning of Section 13(d) of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) other than the Borrower, its Subsidiaries or any employee benefit plan of the Borrower or any of its Subsidiaries, files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that the person or group has become the direct or indirect ultimate “beneficial owner”, as defined in Rule 13d-3 under the Exchange Act, of the common stock of the Borrower representing more than 50% of the voting power of its common stock; (b) consummation of any share exchange, consolidation or merger of the Borrower pursuant to which the Common Stock will be converted into cash, securities or other property or any sale, lease or other transfer in one transaction or a series of transactions of all or substantially all of the consolidated assets of the Borrower and its Subsidiaries, taken as a whole, to any Person other than a Subsidiary of the Borrower; *provided, however*, that a transaction where the holders of more than 50% of all classes of the common equity of the Borrower immediately prior to the transaction own, directly or indirectly, more than 50% of all classes of common equity of the continuing or surviving corporation or transferee immediately after the event shall not be a Fundamental Change; or (c) the Borrower is liquidated or dissolved or holders of its Capital Stock approve any plan or proposal for its liquidation or dissolution; *provided, however*, that a Fundamental Change shall not be deemed to have occurred if at least 90% of the consideration (excluding cash payments for fractional shares and cash payment pursuant to dissenters’ appraisal rights) in the transaction or transactions constituting the Fundamental Change consists of shares of common stock of a United States company with full voting rights traded on a national securities exchange or quoted on the NASDAQ National Market (or which shall be so traded or quoted when issued or exchanged in connection with such Fundamental Change).

“Fundamental Change Commitment Reduction Date” has the meaning specified in Section 2.16(b)(i).

“Fundamental Change Prepayment Default” means an Event of Default arising as a result of a failure by the Borrower to make a mandatory prepayment required by Section 2.16(b).

“GAAP” means generally accepted accounting principles in effect from time to time in the United States.

“**Grace Period**” means: (a) subject to clause (b), the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as of the later of the Effective Date and the date as of which such Obligation is issued or incurred, and (b) if, at the later of the Effective Date and the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; *provided, however*, that such deemed Grace Period shall expire no later than the Maturity Date. For the purposes of this definition of Grace Period, “**Grace Period Business Day**” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and if a place or places are not so specified, in the jurisdiction of the currency or currencies in which the relevant Obligation is denominated.

“**Initial Lender**” has the meaning set forth in the introductory paragraph of this Agreement.

“**Indenture**” means the Indenture dated as of the Effective Date setting forth the terms of the Credit Linked Notes.

“**Indenture Event of Default**” has the meaning specified in the Indenture.

“**Indenture Trustee**” means LaSalle Bank National Association, as Trustee under the Indenture.

“**Interest Period**” means the period (a) initially, from and including the Effective Date and to but excluding September 15, 2006 (or, if such day is not a Business Day, the next succeeding Business Day), and (b) thereafter, from and including the last day of the immediately preceding Interest Period and to but excluding the next Period End Date or, if occurring prior to such Period End Date, the later of (i) the Maturity Date and (ii) the date upon which all Advances have been repaid in full.

“**Interest Rate Swap**” means the interest rate swap transaction entered into between MSCS and the Initial Lender with effect from the Effective Date pursuant to the terms of the ISDA Master Agreement dated as of June 13, 2006 between Morgan Stanley International Limited and the Initial Lender and related schedule and confirmation and any interest rate swap transaction entered into by the Initial Lender that replaces such interest rate swap transaction (including any ISDA Master Agreement, schedules and confirmations entered into in connection therewith) or any replacement interest rate swap transaction.

“**Internal Revenue Code**” means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

“**Junior Notes**” means the Series C Credit Linked Notes.

“**L/C Administrator**” means MSCS, in its capacity as letter of credit administrator for the L/C Issuer, or any successor L/C Administrator.

“**L/C Availability Period**” means the period from the Effective Date until the earlier of (a) 30 days prior to the Maturity Date and (b) the date of effectiveness of a termination in whole of the L/C Issuer’s obligation to issue Letters of Credit pursuant to Section 6.02(a).

“**L/C Disbursement**” means a payment made by the L/C Issuer in respect of a drawing under a Letter of Credit.

“**L/C Excess**” means, at any time, the excess, if any, of the aggregate Available Amount of Letters of Credit (including the portions of Letters of Credit attributable to all Tranches, if applicable) outstanding at such time over the amount of the Commitment at such time (including Commitments of all Tranches, if applicable).

“**L/C Facility**” means, at any time, an amount equal to the lesser of (i) \$600,000,000 and (ii) the amount of the Commitment at such time.

“**L/C Issuer**” means ELF Special Financing Ltd., in its capacity as issuer of Letters of Credit hereunder.

“**L/C Termination Notice**” means a notice delivered by the L/C Administrator on behalf of the L/C Issuer to the beneficiary of a Letter of Credit notifying such beneficiary of a termination of, or reduction in the Available Amount of, such Letter of Credit.

“**Lender**” means the Initial Lender and each Person that shall become a party hereto pursuant to Section 8.07.

“**Letter of Credit**” means any irrevocable standby letter of credit, issued by the L/C Issuer pursuant to this Agreement and substantially in the form of Exhibit A or such other form as may be permitted pursuant to Section 2.03.

“**LIBOR Determination Date**” means the second London Banking Day preceding the related LIBOR Reset Date.

“**LIBOR Reset Date**” means the Effective Date and each Period End Date thereafter.

“**Loan**” means a loan made by the Initial Lender to the Borrower pursuant to Section 2.01(a).

“**Loan Documents**” means this Agreement and the Notes, if any.

“**London Banking Day**” means a day on which commercial banks are open for business, including dealings in Dollars, in London.

“Mandatory Exchange Election” means the election by the holders of a majority in aggregate principal amount of the Credit Linked Notes to exchange their Credit Linked Notes following an Event of Default.

“Material Adverse Effect” means a material adverse effect on (a) the business, financial condition or results of operations of the Borrower and its Consolidated Subsidiaries taken as a whole, (b) the rights and remedies of the Agent or any Lender under this Agreement or any Note or (c) the ability of the Borrower to perform its obligations under this Agreement or any Note.

“Maturity Date” means June 15, 2009 or, if such day is not a Business Day, the immediately preceding Business Day.

“Moneyline Telerate Page 3750” means the display on Moneyline Telerate (or any successor service) on such page (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for Dollars.

“MSCS” means Morgan Stanley Capital Services Inc.

“Note” means a promissory note of the Borrower payable to any Lender, delivered pursuant to a request made under Section 2.14 or Section 6.03(c) in substantially the form of Exhibit B hereto (modified as necessary to reflect the Tranche of Advances evidenced by such Note, if applicable), evidencing indebtedness owed by the Borrower to such Lender resulting from the Advances made to the Borrower.

“Noteholders” means the holders of the Credit Linked Notes.

“Notice of Amendment” has the meaning specified in Section 2.03(b).

“Notice of Borrowing” has the meaning specified in Section 2.02.

“Notice of Issuance” has the meaning specified in Section 2.03(a).

“Obligation” means any obligation of the Borrower (or any Successor of the Borrower) (either directly or as provider of a Qualifying Affiliate Guarantee) that is Borrowed Money; *provided, however*, that in the event such obligation is a Qualifying Affiliate Guarantee, such Qualifying Affiliate Guarantee will be deemed to be Borrowed Money for the purpose of this definition if the Underlying Obligation is Borrowed Money.

“Officer” means the Chairman of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, any Vice President, the Treasurer or the Secretary of the Borrower.

“Officer’s Certificate” means a certificate signed by any Officer or attorney-in-fact of the Borrower.

“**Optional Termination**” has the meaning specified in Section 2.05.

“**Optional Termination Effective Date**” has the meaning specified in Section 2.05.

“**Optional Termination Notice**” has the meaning specified in Section 2.05.

“**Other Taxes**” has the meaning specified in Section 2.12(b).

“**Payment Date**” means, in respect of any Fee Period or Interest Period, the date that is one Business Day prior to the last day of such Fee Period or Interest Period (as the case may be).

“**Period End Date**” means (a) initially, September 15, 2006 and (b) thereafter, the 15th day of each March, June, September and December or, if such day is not a Business Day (i) if the next succeeding Business Day falls in the next succeeding calendar month, the preceding Business Day and (ii) otherwise, the next succeeding Business Day.

“**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.

“**Publicly Available Information**” means information that reasonably confirms any of the facts relevant to the determination that a Failure to Pay or Bankruptcy has occurred and which (i) has been published in or on not less than two Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information; *provided, however*, that, if any party hereto or any of their respective Affiliates (other than the Borrower or any of its Affiliates) is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless such party or its Affiliate is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation, (ii) is information received from or published by (A) the Borrower or (B) a trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation, (iii) is information contained in any petition or filing instituting a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights or a petition for winding-up or liquidation against or by the Borrower or (iv) is information contained in any order, decree, notice or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body.

“**Public Source**” means each of Bloomberg Service, Dow Jones Telerate Service, Reuter Monitor Money Rates Service, Dow Jones News Wire, Wall Street Journal, New York Times, Nihon Keizai Shinbun, Asahi Shinbun, Yomiuri Shinbun, Financial Times, La Tribune, Les Echos and The Australian Financial Review (and successor publications), the main sources of business news in the country in which the Borrower is

organized and any other internationally recognized published or electronically displayed news sources.

“**Purchase Agreement**” means the purchase agreement dated as of June 6, 2006 among the Initial Lender, the Borrower, Morgan Stanley & Co. Incorporated and the other parties thereto.

“**Qualifying Affiliate Guarantee**” means an arrangement evidenced by a written instrument pursuant to which the Borrower (or any Successor of the Borrower) irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an obligation (the “**Underlying Obligation**”) for which a Downstream Affiliate is the obligor. Qualifying Affiliate Guarantees shall exclude any arrangement (x) structured as a surety bond, financial guarantee insurance policy, letter of credit or equivalent legal arrangement or (y) pursuant to the terms of which the payment obligations of the Borrower (or any Successor of the Borrower) can be discharged, reduced or otherwise altered or assigned (other than by operation of law) as a result of the occurrence or non-occurrence of an event or circumstance (other than payment).

“**Ratable Share**” of any amount means, with respect (a) to the Initial Lender prior to the Termination Date, 100%, and (b) to any Lender at any time thereafter, the product of (i) a fraction the numerator of which is the aggregate principal amount of such Lender’s Advances outstanding at such time and the denominator of which is the aggregate principal amount of all Advances outstanding at such time and (ii) such amount.

“**Register**” has the meaning specified in Section 8.07(d).

“**Reimbursement Obligation**” has the meaning specified in Section 2.03(c).

“**Relevant Jurisdiction**” means, with respect to the Borrower, the jurisdictions (a) in which the Borrower is incorporated, organized, managed, controlled or considered to have its seat, or otherwise is considered as a resident for tax purposes, (b) where an office through which the Borrower is acting for purposes of this Agreement is located, (c) in which the Borrower executes this Agreement and (d) in relation to any payment, from or through which such payment is made.

“**Required Lenders**” means at any time (a) prior to the Termination Date, the Initial Lender, and (b) after the Termination Date (i) Lenders holding at least a majority in interest of the then aggregate outstanding principal amount of the Advances or (ii) if no such Advances are then outstanding, the Lenders that would have constituted the Required Lenders immediately prior to the repayment of the Advances.

“**SEC**” means the U.S. Securities and Exchange Commission.

“**Securities Act**” means the Securities Act of 1933, as amended from time to time.

“**Senior Indebtedness**” has the meaning specified in Section 9.15.

“**Subordinated Advances**” has the meaning specified in Section 6.03.

“**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.

“**Successor**” means any Person who directly or indirectly succeeds to all or any portion of obligations of the Borrower hereunder by way of a Succession Event (as defined in the 2003 ISDA Credit Derivative Definitions as though references therein to the “Reference Entity” were references to the Borrower).

“**Swap Counterparty Margin**” means a percentage per annum equal to the fee payable by the Initial Lender from time to time on the reference amount under the Interest Rate Swap as the same may be in effect from time to time; *provided, however*, that the Swap Counterparty Margin may not be increased at any time without the prior written consent of the Borrower.

“**Swap Termination Event**” means the occurrence of an “event of default” or “termination event” under the terms of the Interest Rate Swap.

“**Taxes**” has the meaning specified in Section 2.12(a).

“**Termination Date**” means the earlier of (a) the Maturity Date and (b) the date of effectiveness of a termination in whole of the Commitment pursuant to Section 2.05 or 6.02(a).

“**Termination Event**” means (a) a Third-Party Termination Event or (b) a Credit Event.

“**Third-Party Termination Event**” means an Indenture Event of Default or a Swap Termination Event.

“**Three-month LIBOR**” means, (a) with respect to the initial Interest Period, 5.27% and (b) with respect to any subsequent Interest Period:

(i) the rate for three-month deposits in Dollars commencing on the related LIBOR Reset Date that appears on the Moneyline Telerate Page 3750 as of 11:00 a.m., London time, on the LIBOR Determination Date;

(ii) if no rate appears on the particular LIBOR Determination Date on the Moneyline Telerate Page 3750, the rate calculated by the Agent as the arithmetic mean of at least two offered quotations obtained by the Agent after requesting the principal London offices of each of four major reference banks in the London interbank market to provide the Agent with its offered quotation for deposits in Dollars for the period of three months, commencing on the related LIBOR Reset Date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on that LIBOR Determination Date and in a principal amount that is representative for a single transaction in Dollars in that market at that time;

(iii) if fewer than two offered quotations referred to in clause (ii) are provided as requested, the rate calculated by the Agent as the arithmetic mean of the rates quoted at approximately 11:00 a.m. (New York City time) on the particular LIBOR Determination Date by three major banks in New York City selected by the Agent for loans in Dollars to leading European banks for a period of three months and in a principal amount that is representative for a single transaction in Dollars in that market at that time; or

(iv) if the banks so selected by the Agent are not quoting as mentioned in clause (iii) above, Three-month LIBOR in effect for the preceding Interest Period.

“**Tranche**” has the meaning specified in Section 6.03.

“**Tranching Effective Date**” has the meaning specified in Section 6.03.

“**Tranching Election Notice**” has the meaning specified in Section 6.03.

“**Transaction Document**” means each of the Indenture, the Credit Linked Notes, the Interest Rate Swap, the Letters of Credit, each other agreement or instrument entered into in connection with such agreements (including, without limitation, each security agreement, account control agreement and intercreditor agreement relating to any security interests securing any obligations under any such agreement, but excluding any agreement to which the Borrower is a party), the Memorandum and Articles of Association of the Initial Lender, any declaration of trust relating to the issued shares of the Initial Lender and any administration agreement entered into by the Initial Lender with respect to administrative and management services provided to it by any Person.

“**Unused Commitment**” means, at any time, (a) the amount of the Commitment at such time *minus* (b) the amount of the Aggregate Exposure at such time.

“**Underlying Obligation**” has the meaning specified in the definition of Qualifying Affiliate Guarantee.

“**Voluntary Bankruptcy**” means an Event of Default under Section 6.01(e) or a Bankruptcy, in either case if arising from the filing by the Borrower of a voluntary petition under chapter 11 of Title 11 to the United States Code 11 U.S.C. §§101 *et seq.*

“**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.

“**Warrant**” has the meaning specified in Section 3.03.

“**Warrant Agreement**” means the Warrant Agreement dated as of the date hereof between the Borrower and the Initial Lender.

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 words “**from**” or “**beginning on**” mean “**from and including**” and the words “**to**”, “**until**”, “**ending on**” and “**through**” each mean “**to but excluding**”. Unless otherwise specified herein, all references to time shall mean New York City time.

Section 1.03. *Construction.* The definition of terms herein (including those incorporated by reference to another document) apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun includes the corresponding masculine, feminine and neuter forms. The words “**include**” and “**including**” shall be deemed to be followed by the phrase “**without limitation**”. The word “**will**” shall be construed to have the same meaning and effect as the word “**shall**”. Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and permitted assigns, (c) the words “**hereof**”, “**herein**”, “**hereunder**” and words of similar import shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof and (d) article, section, subsection, schedule and exhibit references are to this Agreement unless otherwise specified. The section headings contained in this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation hereof in any respect.

ARTICLE 2
AMOUNTS AND TERMS OF THE LOANS AND LETTERS OF CREDIT

Section 2.01. *The Loans and Letters of Credit.* (a) *The Loans.* The Initial Lender agrees, on the terms and conditions hereinafter set forth, to make Loans in Dollars to the Borrower from time to time on any Business Day during the period from the Effective Date until the Termination Date in an aggregate amount not to exceed the Unused Commitment at such time; *provided, however,* that, anything in this Agreement to the contrary notwithstanding, the Initial Lender shall have no obligation to make any Loan under this Section 2.01(a) from and after a Voluntary Bankruptcy. Each Borrowing pursuant to this Section 2.01(a) shall be in an aggregate amount of \$1,000,000 or an integral multiple of \$100,000 in excess thereof. Within the limits of the amount of the Commitment, the Borrower may borrow under this Section 2.01(a), prepay pursuant to Section 2.09 and reborrow under this Section 2.01(a).

(b) *The Letters of Credit.* The L/C Issuer agrees from time to time on any Business Day during the L/C Availability Period, on the terms and conditions hereinafter set forth, to (i) issue Letters of Credit in Dollars for the account of the Borrower in an Available Amount for each such Letter of Credit not to exceed the Unused Commitment at such time and (ii) at the request of the Borrower and subject to the prior written consent of the applicable beneficiary, amend one or more Letters of Credit previously issued by it (including for the purpose of increasing or reducing the Available Amount of such Letters of Credit); *provided, however,* that after giving effect to such issuance or amendment, the Available Amount for all Letters of Credit outstanding would not exceed the L/C Facility at such time. Each Letter of Credit shall have an Available Amount of not less than \$10,000. No Letter of Credit shall have an expiration date (including all rights of the Borrower or any beneficiary to require renewal) later than the earlier of (x) the day that is 15 days prior to the Maturity Date or (y) unless otherwise agreed by the L/C Issuer or the L/C Administrator on its behalf, the date that is one year after the issuance of such Letter of Credit; *provided, however,* that any Letter of Credit that provides for automatic one-year extension(s) of such expiration date shall be deemed to comply with the foregoing requirement so long as the L/C Issuer or the L/C Administrator on its behalf, has the unconditional right to prevent any such automatic extension from taking place, and such extension does not result in such Letter of Credit having an expiration that is later than the day that is 15 days prior to the Maturity Date. Within the limits referred to above, the Borrower may request the issuance of Letters of Credit under this Section 2.01(b), repay any Reimbursement Obligations resulting from drawings thereunder pursuant to Section 2.09 and request the issuance of additional Letters of Credit under this Section 2.01(b).

Section 2.02. *Making the Loans.* Each Borrowing shall be made on notice, given not later than 11:00 a.m. (New York City time) on the date of the proposed Borrowing, by the Borrower to the Agent and the Initial Lender. Each such notice of a Borrowing (a "**Notice of Borrowing**") shall be by telephone (to the Agent), confirmed immediately in writing or facsimile (to the Agent and the Initial Lender), in substantially the form of Exhibit C hereto, specifying therein the requested (i) date of such Borrowing (which shall be a Business Day) and (ii) aggregate amount of such Borrowing. The Initial Lender shall, subject to fulfillment of the applicable conditions set forth in Article 3, make the proceeds of the Loan available to the Borrower by wire transfer in accordance with wire instructions provided to the Initial Lender before (x) 4:00 p.m. (New York City time) on the proposed date of such Borrowing, if the Initial Lender received the Notice of Borrowing prior to 11:00 a.m. (New York City time) on the proposed date of such Borrowing and (y) 2:00 p.m. (New York City time) on the proposed date of such

Borrowing, if the Initial Lender received the Notice of Borrowing on or after 11:00 a.m. but prior to 5:00 p.m. (New York City time) on the Business Day prior to the proposed date of such Borrowing. Each Notice of Borrowing shall be irrevocable and binding on the Borrower.

Section 2.03. *Issuance of, Amendment to and Drawings and Reimbursements Under Letters of Credit.* (a) *Request for Issuance.* Each Letter of Credit to be issued after the Effective Date 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 L/C Administrator may agree), by the Borrower to the L/C Administrator and the L/C Issuer. Each such notice of issuance of a Letter of Credit (a “**Notice of Issuance**”) shall be by telephone (to the L/C Administrator), confirmed immediately in writing or facsimile (to the L/C Administrator and the L/C Issuer), specifying therein the requested (i) date of such issuance (which shall be a Business Day), (ii) Available Amount of such Letter of Credit, (iii) expiration date of such Letter of Credit (which shall comply with the requirements of Section 2.01(b)), (iv) name and address of the beneficiary of such Letter of Credit and (v) form of such Letter of Credit (if different from the form set forth in Exhibit A-1 or A-2). If the requested form of such Letter of Credit (to the extent different from the form set forth in Exhibit A-1 or A-2) is acceptable to the L/C Administrator in its reasonable discretion, the L/C Administrator on behalf of the L/C Issuer will, upon fulfillment of the applicable conditions set forth in Article 3, make such Letter of Credit available to the Borrower at its office referred to in Section 8.02 or as otherwise agreed with the Borrower in connection with such issuance. The L/C Administrator shall promptly notify the L/C Issuer of the issuance of any Letter of Credit.

(b) *Request for Amendment.* Each Letter of Credit shall be amended, in each case as contemplated by Section 2.01, upon notice, given not later than 11:00 a.m. (New York City time) on the fifth Business Day prior to the proposed effective date of such amendment (or such shorter notice as the L/C Administrator may agree), by the Borrower to the L/C Administrator and the L/C Issuer. Each such notice of amendment of a Letter of Credit (a “**Notice of Amendment**”) shall be by telephone (to the L/C Administrator), confirmed immediately in writing or facsimile (to the L/C Administrator and the L/C Issuer), specifying therein the requested (i) Letter of Credit to be amended, (ii) effective date of the amendment thereof (which shall be a Business Day), and (iii) amount of the reduction or increase (as applicable) in the Available Amount of such Letter of Credit. If the requested form of such amendment (to the extent different from Exhibit A-3) is acceptable to the L/C Administrator in its reasonable discretion, the L/C Administrator on behalf of the L/C Issuer will, upon fulfillment of the applicable conditions set forth in Article 3, enter into such amendment.

(c) *Drawing and Reimbursement.* If the L/C Issuer makes any L/C Disbursement under a Letter of Credit, the Borrower shall be obligated to reimburse the L/C Issuer for the amount of such L/C Disbursement (such obligation, a “**Reimbursement Obligation**”), which obligation shall for all purposes hereof be deemed to be an Advance made by the L/C Issuer on the date and in the amount of such L/C Disbursement. Notwithstanding anything herein to the contrary, no Letter of Credit

will require same day funding with respect to any demand for payment received after 11:00 a.m. (New York City time) on any Business Day.

(d) *L/C Disbursement Procedures.* The L/C Administrator shall promptly notify the Agent, the Borrower and the L/C Issuer of its receipt of any demand for payment under a Letter of Credit and whether the L/C Issuer will make or has made an L/C Disbursement with respect thereto; *provided, however,* that any failure to give or delay in giving such notice will not relieve the Borrower of its obligation to reimburse the L/C Issuer for any L/C Disbursement made with respect to such demand. The L/C Issuer hereby irrevocably authorizes the L/C Administrator to withdraw an amount not greater than the amount of any demand for payment made or deemed to have been made under a Letter of Credit from the Collection Account and pay such amount on behalf of the L/C Issuer to the applicable Letter of Credit beneficiary in accordance with the terms of the relevant Letter of Credit.

(e) *Obligations Absolute.* The obligations of the Borrower to reimburse the L/C Issuer for the amount of each L/C Disbursement shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms hereof, under all circumstances whatsoever, including without limitation the following circumstances:

(i) any lack of validity or enforceability of this Agreement, any Letter of Credit or any other agreement or instrument relating thereto (each an **“L/C Related Document”**);

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

(iii) the existence of any claim, setoff, defense or other right which the Borrower may have at any time against any beneficiary or any transferee of any Letter of Credit (or any Person or entity for whom any such beneficiary or any such transferee may be acting), the L/C Issuer, the Initial Lender, the L/C Administrator or any other Person, whether in connection with any L/C Related Document or any unrelated transaction;

(iv) any statement or any other document presented under any 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 the L/C Issuer 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 the 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.

(f) *Appointment of L/C Administrator.* The L/C Issuer hereby authorizes the L/C Administrator to execute and deliver each Letter of Credit on behalf of the L/C Issuer in accordance with the terms hereof and hereby irrevocably constitutes and appoints the L/C Administrator its true and lawful attorney-in-fact for and on its behalf with full power of substitution and revocation in its own name or in the name of the L/C Administrator to issue, execute and deliver, as the case may be, each Letter of Credit and each amendment to a Letter of Credit and to carry out the purposes of this Agreement with respect to Letters of Credit. The L/C Administrator shall act on behalf of the L/C Issuer with respect to any Letter of Credit issued hereunder and the documents associated therewith and shall have all of the benefits and immunities (i) provided to the Agent in Article 7 with respect to any acts taken or omissions suffered by the L/C Administrator in connection with Letters of Credit issued or proposed to be issued hereunder and documents pertaining to such Letters of Credit as fully as if the term "Agent" as used in Article 7 included the L/C Administrator with respect to such acts or omissions and the term "Lender" included the L/C Issuer, and (ii) as additionally provided herein with respect to the L/C Administrator.

Section 2.04. *Fees.* (a) *Commitment Fees.* The Borrower shall pay to the Agent for the account of the Initial Lender a commitment fee on the average daily Unused Commitment for each Fee Period at a rate per annum equal to the Applicable Margin as in effect from time to time during such period, payable (i) for such Fee Period on the applicable Payment Date and (ii) in arrears upon any termination or reduction in the Commitment or any Tranche thereof pursuant to Section 2.16(b), on the amount of the Commitment or any Tranche thereof so terminated or reduced.

(b) *Letter of Credit Fees.* The Borrower shall pay to the Agent for the account of the L/C Issuer a commission on the average daily aggregate Available Amount of all Letters of Credit issued and outstanding from time to time for each Fee Period at a rate per annum equal to the Applicable Margin as in effect from time to time during such period, payable (i) for such Fee Period on the applicable Payment Date and (ii) in arrears upon any termination or reduction in the Available Amount of any Letter of Credit pursuant to Section 2.09(b) or 2.16(b) on the amount so terminated or reduced, as applicable.

(c) *Swap Fees.* The Borrower shall pay to the Agent for the account of the Initial Lender a fee on the average daily Undrawn Amount for each Fee Period at a rate per annum equal to the Swap Counterparty Margin (if any), payable (i) for such Fee Period on the applicable Payment Date and (ii) upon termination of the Interest Rate Swap following a Swap Termination Event and receipt of notice thereof by the Borrower, in arrears through the date of such termination of the Interest Rate Swap. For the purpose of the foregoing "**Undrawn Amount**" means the amount of (x) the Commitment *minus* (y) the aggregate outstanding principal amount of the Advances.

Section 2.05. *Optional Termination of Commitment.*

(a) If, at any time prior to the Termination Date, the aggregate amount of the Commitment is less than \$50,000,000, the Borrower may elect to terminate in whole but not in part the outstanding Commitment (the “**Optional Termination**”) by (i) delivering an irrevocable notice (an “**Optional Termination Notice**”) to the Agent and the Initial Lender specifying the proposed date of such Optional Termination, (ii) issuing a press release including the Optional Termination Notice and (iii) publishing the Optional Termination Notice on its web site or such other similar publicly available medium as shall be available at such time. The Optional Termination shall be effective on a Business Day selected by the Borrower that is not less than 35 days following the satisfaction of the foregoing notification requirements (the “**Optional Termination Effective Date**”).

(b) The Borrower shall prepay Advances, and take such other actions as shall be necessary, so that there are no Advances or Letters of Credit outstanding on the Optional Termination Effective Date (giving effect to all payments made by the Borrower and terminations of Letters of Credit on such date). If there shall be any Letters of Credit outstanding on the date that is five Business Days prior to the Optional Termination Effective Date, the L/C Administrator shall deliver an L/C Termination Notice to the beneficiary of each such Letter of Credit terminating such Letter of Credit, whereupon each such Letter of Credit shall terminate with effect on the Optional Termination Effective Date.

(c) On the Optional Termination Effective Date, the Borrower shall pay to the Agent for the account of the Initial Lender and the L/C Issuer (as applicable) all accrued and unpaid interest and fees payable hereunder. Notwithstanding Section 2.11, all payments required to be made by the Borrower on the Optional Termination Effective Date shall be made prior to 10:00 a.m. (New York City time) on such date.

(d) The Borrower may not reduce the Commitment in part or, except to the extent set forth in this Section 2.05, terminate the Commitment in full.

Section 2.06. *Repayment.* The Borrower shall repay to the Agent for the ratable account of the Lenders on the Maturity Date the aggregate principal amount of the Advances then outstanding (plus accrued and unpaid interest).

Section 2.07. *Interest on Advances.* (a) *Scheduled Interest.* The Borrower shall pay to the Agent for the account of each Lender interest on the unpaid principal amount of each Advance from the date of such Advance until the principal amount thereof shall be paid in full, at a rate per annum during each Interest Period equal to the sum of (x) Three-month LIBOR in effect for such Interest Period plus (y) the Applicable Margin as in effect from time to time during such period, payable (i) for such Interest Period on the applicable Payment Date, and (ii) in arrears upon any payment of principal in respect of such Advance on the amount so paid.

(b) *Interest on Overdue Amounts.* The Borrower shall pay interest on the amount of any interest, fee or other amount (excluding the principal amount of any Advance, as to which Section 2.07(a) shall apply) 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 payment shall be paid in full and on demand, at a rate per annum equal at all times to Three-month LIBOR in effect for Advances at such time plus (i) prior to the Termination Date, 1.35% and (ii) after the Termination Date, the Applicable Margin for the applicable Tranche or, if such overdue amount does not relate to any Tranche, the weighted average Applicable Margin in respect of all Tranches of Advances outstanding at such time.

Section 2.08. *Interest Rate and Fee Determination.* The Agent shall give prompt notice to the Borrower and the Lenders of the applicable interest rate determined by the Agent for purposes of Section 2.07. In addition, prior to the Termination Date, the Agent agrees that it will, not later than 12:00 noon (New York City time) on the Business Day prior to any Payment Date, provide a notice in writing to the Initial Lender and the Borrower setting forth the amount of interest and fees required to be paid by the Borrower on such Payment Date.

Section 2.09. *Prepayments of Advances.* (a) *Optional.* The Borrower may, upon notice delivered not later than 11:00 a.m. (New York City time) on the date of such prepayment to the Agent and the Initial Lender, and if such notice is given the Borrower shall, prepay the outstanding principal amount of one or more Advances in whole or ratably in part, together with interest accrued to the date of such prepayment on the principal amount prepaid; *provided, however,* that each partial prepayment shall be in an aggregate principal amount of \$1,000,000 or an integral multiple of \$100,000 in excess thereof. Each such notice of prepayment shall state the proposed date and aggregate principal amount of the prepayment.

(b) *Mandatory Prepayments.* Except with respect to any Exposure Excess that exists as a result of any election made by the Initial Lender pursuant to Section 2.16(a), as to which Section 2.16 shall apply:

(i) If the Agent, on behalf of the Initial Lender, notifies the Borrower on any date prior to the Termination Date that an Exposure Excess exists as of such date (the “**Excess Notification Date**”), the Borrower shall, within three Business Days following the receipt by the Borrower of such notice, prepay the outstanding principal amount of any Advances then owing by the Borrower in an aggregate amount equal to the lesser of (x) the amount of the Exposure Excess and (y) the aggregate principal amount of all Advances then outstanding.

(ii) If the Agent, on behalf of the Initial Lender, notifies the Borrower that (notwithstanding any prepayment to be made pursuant to clause (i) above) an L/C Excess exists on any Excess Notification Date, the Borrower may, by not later than 5:00 p.m. on the Business Day following the date of receipt of such notice (the “**Designation Deadline**”), deliver to the Agent, the L/C Issuer and the L/C Administrator a notice in writing (the “**Designation Notice**”) identifying

Letters of Credit to be terminated and/or directing the L/C Administrator on behalf of the L/C Issuer to reduce the Available Amount of identified Letters of Credit as to which partial drawings are permitted; *provided, however*, that any such notice shall only be a Designation Notice for the purposes hereof if, after giving effect to all such terminations or reductions specified in such notice, the L/C Excess would be eliminated. If the L/C Administrator shall have received a Designation Notice by the Designation Deadline, the L/C Administrator shall deliver an L/C Termination Notice to the beneficiary of each Letter of Credit identified in the Designation Notice stating that, with effect from the fifth Business Day following the date of the delivery of the L/C Termination Notice, either the Available Amount of such Letter of Credit will be reduced or such Letter of Credit shall be terminated (as specified in the Designation Notice). If the L/C Administrator shall not have received a Designation Notice by the Designation Deadline, the L/C Administrator shall deliver an L/C Termination Notice to the beneficiary of one or more Letters of Credit stating that, with effect from the fifth Business Day following the date of delivery of the L/C Termination Notice, such Letter of Credit shall be terminated or the Available Amount of such Letter of Credit shall be reduced; *provided, however*, that the L/C Administrator shall *first*, to the extent permitted by the terms thereof, reduce the Available Amount of outstanding Letters of Credit selected by it in its sole discretion to the extent necessary to cause the L/C Excess to be eliminated and, *second*, if the Available Amount of all such Letters of Credit is not sufficient to eliminate such L/C Excess, terminate outstanding Letters of Credit selected by it in its sole discretion to the extent it reasonably deems necessary to eliminate such L/C Excess. In each case, each such Letter of Credit shall be terminated, or the Available Amount thereof reduced, in accordance with its terms with effect from the fifth Business Day following the date of delivery of the applicable L/C Termination Notice, and the Borrower shall be obligated immediately to repay any Reimbursement Obligation arising following the delivery of the applicable L/C Termination Notice and any drawings made by the applicable beneficiary under the Letter of Credit to which any such L/C Termination Notice applies.

(iii) Each prepayment of an Advance made pursuant to this Section 2.09(b) shall be made together with interest accrued to the date of such prepayment on the principal amount prepaid. Upon the termination or reduction in the Available Amount of a Letter of Credit pursuant to this Section 2.09(b), the Borrower shall pay all fees with respect to such Letter of Credit or such Available Amount (as applicable) that shall be accrued and unpaid through the date of such termination or reduction.

Section 2.10. *Cost Adjustments*. If, due to either (a) the introduction of or any change in or in the interpretation of any law or regulation after the date hereof or (b) the compliance with any guideline or request issued after the date hereof by any governmental 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 of making, funding or maintaining Advances or to the L/C Issuer of agreeing to issue or of issuing or

maintaining Letters of Credit (excluding for purposes of this Section 2.10(a) any such increased costs resulting from (i) Taxes or Other Taxes (as to which Section 2.12 shall govern) and (ii) changes in the basis of taxation of the 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 or the L/C Issuer (as applicable) is organized or, in the case of any Lender, has its Applicable Lending Office or any political subdivision thereof), then the Borrower shall, except as otherwise provided in Section 8.07(c), from time to time, upon demand by such Lender or the L/C Issuer (as applicable) (with a copy of such demand to the Agent), pay to such Lender or the L/C Issuer (as applicable) additional amounts sufficient to compensate such Lender or the L/C Issuer (as applicable) for such increased cost; *provided, however*, that, for the avoidance of doubt, the provisions of this Section 2.10 shall in no event apply to any increase in such costs to the extent arising out of or relating to the Indenture, the Credit Linked Notes, the Warrant Agreement, the Warrants or otherwise involving the offering or sale of any such securities, or any hedging transaction entered into in connection with the Loan Documents or any of the foregoing documents. A certificate as to the amount of such increased cost, submitted to the Borrower and the Agent by such Lender or the L/C Issuer (as applicable), shall constitute prima facie evidence of such amounts.

Section 2.11. *Payments and Computations.* (a) The Borrower shall make each payment hereunder not later than 12:00 noon (New York City time) on the day when due in Dollars in same day funds and without deduction, setoff or counterclaim. On and prior to the Termination Date, each such payment shall be made to the Agent for the account of the Initial Lender or the L/C Issuer by wire transfer to the Collection Account, except payments to be made for the account of the Agent or the L/C Administrator pursuant to the express terms of this Agreement, which shall be paid directly to the parties entitled to such payments at the respective accounts designated by such parties. Following the Termination Date, each such payment shall be made to the Agent by wire transfer to the Agent's Account, and 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 2.10, Section 2.12, Section 2.16 or Article 9) 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, the Agent, the L/C Administrator or the L/C Issuer (as applicable) to such Lender for the account of its Applicable Lending Office, the Agent, the L/C Administrator or the L/C Issuer, in each case to be applied in accordance with the terms of this Agreement. Upon the effectiveness of any Assignment and Acceptance, the Agent shall make all payments hereunder and under any 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 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 but excluding the last day) occurring in the period for which such interest is payable. Each

determination by the Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(c) Except as otherwise expressly provided herein, whenever any payment hereunder or under any 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.

Section 2.12. *Taxes.* (a) Any and all payments by the Borrower hereunder or under any Notes for the account of the Agent, the L/C Administrator, the L/C Issuer or the Initial Lender shall be made, in accordance with Section 2.11, 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 imposed by the United States, any political subdivision thereunder or other Relevant Jurisdiction, excluding taxes imposed on its overall net income or the overall net income of a branch or office and franchise taxes imposed on it in lieu of net income taxes (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities in respect of payments hereunder or under any Notes being hereinafter referred to as “**Taxes**”), unless such deduction is required by law. Subject to the terms and conditions of this Section 2.12, if the Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder or under any Note to the Agent, the L/C Administrator, the L/C Issuer or the Initial Lender, (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 2.12) the Agent, the L/C Administrator, the L/C Issuer or the Initial Lender (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, the Borrower shall pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies, imposed by any jurisdiction, that arise from any payment made hereunder or under any Notes or from the execution, delivery or registration of, performance under, or otherwise with respect to, this Agreement or any Notes (hereinafter referred to as “**Other Taxes**”).

(c) The Borrower shall indemnify the Agent, the L/C Administrator, the L/C Issuer and the Initial Lender for and hold it harmless against the full amount of Taxes (including, without limitation, taxes of any kind imposed by the United States, any political subdivision thereof or other Relevant Jurisdiction on amounts payable under this Section 2.12) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, and shall, subject to the provisions of Section 8.07(c), indemnify the Agent, the L/C Administrator, the L/C Issuer, the Initial Lender and each other Lender for and hold it harmless against the full amount of Other Taxes (including, without limitation, taxes of any kind imposed by any jurisdiction on amounts payable under this Section 2.12) imposed on or paid by the Agent, the L/C Administrator, the L/C Issuer or such Lender (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 the Agent, the L/C Administrator, the L/C Issuer or such Lender (as the case may be) makes written demand therefor.

(d) Within 30 days after the date of any payment of Taxes, the Borrower shall furnish to the Agent, at its address referred to in Section 8.02, the original or a certified copy of a receipt evidencing such payment. In the case of any payment hereunder or under any Notes by or on behalf of the Borrower through an account or branch outside the United States or by or on behalf of the Borrower by a payor that is not a United States person, if the Borrower determines that no Taxes are payable in respect thereof, the 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 subsections (e), (f) and (g), the terms "United States" and "United States person" shall have the meanings specified in Section 7701 of the Internal Revenue Code.

(e) The Initial Lender (i) hereby represents and warrants that it will file a timely election effective its date of formation under U.S. Treasury Regulation Section 301.7701-3 to be classified other than as an association for U.S. federal income tax purposes (a "**Non-Corporate Entity**") and will not change such election, and (ii) in its capacity as both Initial Lender and L/C Issuer, on or prior to the date of its execution and delivery of this Agreement, and from time to time thereafter as requested in writing by the Borrower (but only so long as the Initial Lender remains lawfully able to do so), shall provide the Borrower (A) if a single Person is the owner of all of the Junior Notes for U.S. federal income tax purposes (any Person owning an interest in Junior Notes for such purposes, an "**Owner**"), two original Internal Revenue Service Forms W-9, or any successor or other form prescribed by the Internal Revenue Service, in which such Owner certifies that it is a United States person, or (B) if the Initial Lender has more than one Owner, two original Internal Revenue Service Forms W-8IMY, to which the Initial Lender attaches, with respect to each Owner, an original Internal Revenue Service Form W-9, or any successor or other form prescribed by the Internal Revenue Service, in which such Owner certifies that it is a United States person. Should the Initial Lender or any of its Owners become aware that the Initial Lender is not treated for U.S. federal income tax purposes as a Non-Corporate Entity, the Initial Lender shall provide the Borrower with two original Internal Revenue Service Forms W-8BEN, W-8ECI or W-8IMY, as appropriate, or any successor or other form prescribed by the Internal Revenue Service, certifying that the Initial Lender is exempt from United States withholding tax on interest payments pursuant to this Agreement or any Notes. For the avoidance of doubt, (x) the Initial Lender, its Owner(s), the Borrower, the L/C Issuer and the Agent shall take no position on any tax return that is inconsistent with the characterization of the Initial Lender as a Non-Corporate Entity, or take any action that could reasonably be expected to undermine such characterization, (y) if the Initial Lender has complied with the requirements under this Section 2.12(e), it shall not be required to incur any expenses or take any other actions in connection with defending in any proceeding the characterization of the Initial Lender as a Non-Corporate Entity (unless the Borrower pays for such expenses), and (z) if the Initial Lender has complied with the requirements under this Section 2.12(e) and is

nevertheless treated as an association for U.S. federal income tax purposes, the Initial Lender shall not be treated as having breached its representation under Section 2.12(e)(i).

(f) For any period with respect to which an Owner is not a United States person or the Initial Lender has failed to provide the Borrower with the appropriate form(s) described in Section 2.12(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) or if the Initial Lender otherwise breaches its representations or agreements under Section 2.12(e), neither the Initial Lender nor the L/C Issuer shall be entitled to additional amounts under Section 2.12(a) or to indemnification under Section 2.12(c) with respect to Taxes imposed as a result of such failure or breach; *provided, however*, that should the Initial Lender become subject to Taxes because of its failure to deliver a form required hereunder, the Borrower shall take such steps at the Initial Lender's expense as the Initial Lender shall reasonably request to assist the Initial Lender to recover such Taxes.

(g) The Agent and the L/C Administrator each represents that it is a United States person and agrees to provide to the Borrower on or before the date of its execution and delivery of this Agreement, and from time to time thereafter as requested in writing by the Borrower, an original Internal Revenue Service Form W-9, or any successor or other form prescribed by the Internal Revenue Service, in which it certifies that it is a United States person. If the Agent or the L/C Administrator breaches its representations or agreements in the preceding sentence or Section 2.12(e), then the Agent or the L/C Administrator, respectively, shall not be entitled to additional amounts under Section 2.12(a) or to indemnification under Section 2.12(c) with respect to Taxes imposed as a result of such breach.

(h) The Borrower hereby warrants and represents that it will not claim a current deduction on any of its tax returns with respect to its payment of commitment fees pursuant to Section 2.04(a) or its delivery of Warrants to the Initial Lender pursuant to Section 3.03, and will instead capitalize such items for U.S. federal income tax purposes as required by Rev. Rul. 81-160 1981-1 CB 312.

Section 2.13. *Sharing of Payments, Etc.* If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) on account of the Advances owing to it (other than pursuant to Section 2.10, Section 2.12, Section 2.16 or Article 9) 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. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 2.13 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of setoff) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

Section 2.14. *Evidence of Debt.* The Agent shall maintain an account or accounts evidencing the indebtedness of the Borrower to each Lender resulting from Advances from time to time, including the amounts of principal and interest payable and paid from time to time hereunder in respect of Advances. The Borrower agrees that upon notice by the Agent on behalf of any Lender to the Borrower 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, from time to time, the Borrower shall promptly execute and deliver to such Lender a Note payable to such Lender in a principal amount up to the amount of the Commitment of (or, if the Commitment shall have been terminated, the Advances owed to) such Lender.

Section 2.15. *Use of Proceeds and Letters of Credit.* The Letters of Credit and the proceeds of the Loans shall be available (and the Borrower agrees that it shall use such Letters of Credit and such proceeds) solely for general corporate purposes of the Borrower and its Consolidated Subsidiaries.

Section 2.16. *Fundamental Changes.* (a) The Borrower shall, within ten Business Days after the occurrence of a Fundamental Change, (i) deliver a notice (a "**Fundamental Change Notice**") of such Fundamental Change to the Agent and, prior to the Termination Date, the Initial Lender (the date of such notice, a "**Fundamental Change Notice Date**"), (ii) issue a press release including the Fundamental Change Notice and (iii) publish such Fundamental Change Notice on its web site or such other similar publicly available medium as shall be available at such time.

(b) (i) If a Fundamental Change shall occur prior to the Termination Date, the Initial Lender may, in its sole discretion on the day that is 26 Business Days following a Fundamental Change Notice Date, elect to terminate in whole or reduce in part the amount of the Commitment (or, if a Tranching Effective Date in respect of such Fundamental Change shall have occurred, terminate in whole or reduce in part the amount of any Tranche of the Commitment) by delivering a notice in writing to the Borrower and the Agent (such notice, a "**Fundamental Change Commitment Reduction Notice**"). The Fundamental Change Commitment Reduction Notice will (A) state either (x) that, with effect from the date that is seven Business Days following the date of receipt by the Borrower of the Fundamental Change Commitment Reduction Notice (the "**Fundamental Change Commitment Reduction Date**") the Commitment (or any Tranche of the Commitment) will be terminated in full, or (y) that with effect from the Fundamental Change Commitment Reduction Date, the amount of the Commitment (or any Tranche of the Commitment) will be reduced by a specified amount, (B) if applicable, identify the Tranche(s) of the Commitment to which such termination or reduction shall apply and (C) set forth the Exposure Excess (if any) that would be anticipated to result from such reduction as of the Fundamental Change

Commitment Reduction Date (assuming no Borrowing or prepayment of Loans and no issuance, expiration or termination of, and no increase or decrease in the Available Amount under, any Letter of Credit occurs from the date of such Fundamental Change Commitment Reduction Notice to the Fundamental Change Commitment Reduction Date). With effect from the applicable Fundamental Change Commitment Reduction Date, the Commitment (or the applicable Tranche of the Commitments) shall be automatically terminated in accordance with, or reduced by the amount set forth in, the applicable Fundamental Change Commitment Reduction Notice.

(ii) If any termination or reduction in the Commitment pursuant to clause (i) above would cause an Exposure Excess to exist on the Fundamental Change Commitment Reduction Date, the Borrower shall, on the Fundamental Change Commitment Reduction Date, prepay Advances in an outstanding principal amount equal to the Exposure Excess (including, for the avoidance of doubt, any Reimbursement Obligations that will arise on the Fundamental Change Commitment Reduction Date following the delivery by the Agent of an L/C Termination Notice (if any) in accordance with clause (iii) below).

(iii) If, after giving effect to (1) any termination or reduction in the Commitment pursuant to clause (i) above and (2) prepayment of all Advances on the Fundamental Change Commitment Reduction Date pursuant to clause (ii) above (other than prepayments of Reimbursement Obligations resulting from the application of this clause (iii)), an L/C Excess would exist on the Fundamental Change Commitment Reduction Date, the Borrower may, by not later than 5:00 p.m. on the Business Day following the date of receipt of the Fundamental Change Commitment Reduction Notice (the "**Fundamental Change Designation Deadline**") deliver to the Agent, the L/C Issuer and the L/C Administrator a notice in writing (the "**Fundamental Change Designation Notice**") identifying Letters of Credit to be terminated and/or directing the L/C Administrator on behalf of the L/C Issuer to reduce the Available Amount of identified Letters of Credit as to which partial drawings are permitted; *provided, however*, that any such notice shall only be a Fundamental Change Designation Notice for the purposes hereof if, after giving effect to all terminations or reductions specified in such notice, the L/C Excess would be eliminated as of the Fundamental Change Commitment Reduction Date. If the L/C Administrator shall have received a Fundamental Change Designation Notice by the Fundamental Change Designation Deadline, the L/C Administrator shall deliver an L/C Termination Notice to the beneficiary of each Letter of Credit identified in the Fundamental Change Designation Notice stating that, with effect from the Fundamental Change Commitment Reduction Date, either the Available Amount of such Letter of Credit will be reduced or the Letter of Credit shall be terminated (as specified in the Fundamental Change Designation Notice). If the L/C Administrator shall not have received a Fundamental Change Designation Notice by the Fundamental Change Designation Deadline, the L/C Administrator shall deliver an L/C Termination Notice to the beneficiaries of one or more Letters of Credit then outstanding stating that, with effect from the Fundamental Change Commitment

Reduction Date, the Letter of Credit held by such beneficiary shall be terminated or the Available Amount of such Letter of Credit shall be reduced; *provided, however*, that the L/C Administrator shall, *first*, to the extent permitted by the terms thereof, reduce the Available Amount of outstanding Letters of Credit selected by it in its sole discretion to the extent necessary to cause the L/C Excess to be eliminated and, *second*, if the Available Amount of all such Letters of Credit is not sufficient to eliminate such L/C Excess, terminate outstanding Letters of Credit selected by it in its sole discretion to the extent it reasonably deems necessary to eliminate such L/C Excess. In each case, each such Letter of Credit shall be terminated, or the Available Amount thereof reduced, in accordance with its terms with effect from the Fundamental Change Commitment Reduction Date.

(iv) If, pursuant to this Section 2.16(b), the Initial Lender elects to terminate or reduce any Tranche of Commitments created pursuant to Section 6.03 following a Fundamental Change, then immediately after giving effect to such termination or reduction, (x) any remaining Advances and Letters of Credit (and unpaid interest and Letter of Credit fees in respect thereof) shall be automatically reallocated, to and among the remaining Tranche or Tranches *pro rata* based on the aggregate amount of the Commitments of the remaining Tranche or Tranches and (y) any accrued but unpaid commitment fees shall be allocated among the Tranche or Tranches of Commitments as in effect immediately prior to any such termination or reduction but after giving effect to the allocation referred to in the preceding clause (x), in each case with effect (for purposes of calculating interest and fees thereafter payable hereunder) from the last Payment Date in respect of which all accrued interest and fees were paid in full. It is understood and agreed that in no event shall the termination or reduction in the Commitments of any Tranche pursuant to this Section 2.16(b) result in a requirement to prepay Advances or terminate or reduce Letters of Credit to any greater extent than if no such Tranches had been created pursuant to Section 6.03 and the aggregate amount of such terminations and reductions had been instead applied to the amount of the aggregate Commitment.

(v) On the Fundamental Change Commitment Reduction Date, the Borrower shall pay to the Agent for the account of the Initial Lender or the L/C Issuer (as applicable) accrued and unpaid fees and interest payable hereunder in respect of any Commitment (or Tranche of Commitment) terminated or reduced, in each case to the extent allocable to the Commitment (or Tranche of Commitments) so terminated or the portion of the Commitment (or Tranche of Commitment) so reduced; *provided, however*, that, in the case of a termination or reduction of any Tranche or Tranches of Commitment created pursuant to Section 6.03 following a Fundamental Change, for the purpose of calculating such accrued and unpaid fees and interest, (i) such Tranches shall be deemed to have been created with effect from the last Payment Date in respect of which all accrued interest and fees were paid in full, and (ii) any Advances prepaid, any Letter of Credit terminated or the Available Amount of which was reduced and any commitment fees prepaid, in each case pursuant to this Section 2.16(b), shall

be deemed to have been Advances, Letters of Credit and commitment fees of the Tranche so reduced or terminated, or, if more than one Tranche of Commitments is reduced or terminated, shall be deemed to have been allocated *pro rata* between the Tranches based on the amount of such reduction or termination.

(vi) Upon any allocation or reallocation pursuant to clause (iv) or clause (v) above, the Agent shall provide written notice to the Borrower setting forth, with respect to each Tranche (A) the amount of the Commitment allocated to such Tranche, (B) the outstanding principal amount of all Advances allocated to such Tranche, and (C) the portion of the Available Amount of each Letter of Credit allocated to such Tranche. Prior to the Fundamental Change Commitment Reduction Date, the Agent shall provide written notice to the Borrower setting forth the amount of accrued and unpaid interest and fees, if any, payable in respect of each Tranche on the Fundamental Change Commitment Reduction Date (assuming no Borrowing or prepayment of Loans and no issuance, expiration or termination of, and no increase or decrease in the Available Amount under, any Letter of Credit occurs from the date of such notice to the Fundamental Change Commitment Reduction Date).

(vii) Notwithstanding Section 2.11, all payments required to be made by the Borrower on a Fundamental Change Commitment Reduction Date shall be made prior to 10:00 a.m. (New York City time) on such date.

(c) If a Fundamental Change shall occur on or after the Termination Date, each Lender may, in its sole discretion on the day that is 26 Business Days following a Fundamental Change Notice Date (a "**Fundamental Change Put Date**"), require the Borrower to repay all, but not less than all, of such Lender's Advances by delivering a notice (a "**Fundamental Change Put Notice**") in writing to the Agent, which shall, on the Fundamental Change Put Date, deliver to the Borrower a notice setting forth the aggregate principal amount of all Advances so required by the Lenders to be prepaid and the amount of interest, accrued through the seventh Business Day following the Fundamental Change Put Date, payable with respect thereto. The Borrower shall, on the day that is seven Business Days following the Fundamental Change Put Date, prepay all Advances, together with accrued and unpaid interest thereon through the date of such payment, to the Agent for the account of each Lender that shall have delivered a Fundamental Change Put Notice prior to such Fundamental Change Put Date.

(d) If a Termination Date shall occur after the occurrence of a Fundamental Change but prior to the related Fundamental Change Commitment Reduction Date, then for the foregoing purposes (i) any Fundamental Change Commitment Reduction Notice delivered pursuant to Section 2.16(b) shall automatically be null and void as if such Fundamental Change Commitment Reduction Notice had not been so delivered, (ii) such Fundamental Change will be deemed to have occurred on the Business Day following such Termination Date and (iii) Section 2.16(c) shall apply.

ARTICLE 3
CONDITIONS TO EFFECTIVENESS AND LENDING

Section 3.01. *Conditions Precedent to Effectiveness of Agreement.* This Agreement shall become effective on 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 Borrower, the Initial Lender, the L/C Administrator and the L/C Issuer.

(b) On the Effective Date, the following statements shall be true and the Agent shall have received a certificate signed by an Officer, 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.

(c) 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:

(i) Any Note required by the Initial Lender executed by the Borrower and made payable to the Initial Lender pursuant to Section 2.14.

(ii) Certified copies of the resolutions of the Board of Directors or the Finance Committee of the Board of Directors of the Borrower 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 Borrower certifying the names and true signatures of the officers of the Borrower authorized to sign this Agreement and the other documents to be delivered by it hereunder, including any Notice of Borrowing, Notice of Issuance or Notice of Amendment (it being understood that the Borrower shall be entitled from time to time to update such certification with respect to documents delivered hereunder after the Effective Date).

(iv) Favorable opinions of Nicholas J. Camera, General Counsel of the Borrower, and of Cleary Gottlieb Steen & Hamilton LLP, counsel for the Borrower, substantially in the forms of Exhibits E-2 and E-1 hereto, respectively.

(v) Such other such documents and certifications as the Agent may reasonably require to evidence that the Borrower is duly organized or formed, and is validly existing, in good standing and qualified to engage in business in its jurisdiction of incorporation.

(d) The Credit Linked Notes shall have been issued and the Initial Lender shall have received net proceeds of not less than \$750,000,000 from such issuance. The Agent shall have received true and correct copies of the Indenture and the Credit Linked Notes. The Interest Rate Swap shall have become effective in accordance with its terms.

Section 3.02. *Conditions Precedent to Each Borrowing.* The obligation of the Initial Lender to make a Loan or of the L/C Issuer to issue any Letter of Credit or to amend any Letter of Credit to increase the Available Amount thereof shall be subject to the conditions precedent that the Effective Date shall have occurred and on the date of such Borrowing or such issuance (as the case may be) the following statements shall be true (and each of the giving of the applicable Notice of Borrowing, Notice of Issuance or Notice of Amendment (as the case may be), and the acceptance by the Borrower of the proceeds of such Borrowing or the issuance or amendment of such Letters of Credit (as the case may be) shall constitute a representation and warranty by the Borrower that on the date of such Borrowing or such issuance or amendment (as the case may be) such statements are true):

(a) The representations and warranties contained in subsection (a)(i), (a)(ii), (b)(ii)(A), (d)(ii), and (f) of Section 4.01 are correct on and as of such date, before and after giving effect to such Borrowing, issuance or amendment (as the case may be) and to the application by the Borrower of the proceeds from such Borrowing (in the case of a Borrowing), as though made on and as of such date.

(b) In the case of any Loan, the Termination Date shall not have occurred and, in the case of any issuance or amendment of a Letter of Credit, the L/C Availability Period shall not have ended.

(c) Immediately after giving effect to such Loan, issuance or amendment (as the case may be) the Aggregate Exposure would not exceed the amount of the Commitment on such date.

(d) In the case of an issuance or amendment of a Letter of Credit, immediately after giving effect to such issuance or amendment, the aggregate Available Amount of all Letters of Credit would not exceed the L/C Facility.

Section 3.03. *Conditions to Loans.* The Initial Lender's obligation to make any Loan hereunder shall be subject to the condition precedent that Warrants (the "**Warrants**") with respect to the Borrower's common stock shall have been issued to the Initial Lender in accordance with the Purchase Agreement in consideration for the Initial Lender's agreement to make Advances under Section 2.01(a) at the interest rate described in Section 2.07 (it being understood that satisfaction of the condition set forth in this Section 3.03 on the Effective Date will constitute satisfaction of this condition for all Loans hereunder). The Agent shall have received true and correct copies of such Warrants and the Warrant Agreement on or prior to the Effective Date.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

Section 4.01. *Representations and Warranties of the Borrower.* The Borrower represents and warrants as of the Effective Date, and in the case of subsections (a)(i), (a)(ii), (b)(ii)(A), (d)(ii), and (f) thereafter as of each date a Loan is made or a Letter of Credit is issued or amended to increase the Available Amount thereof, as follows:

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

(b) The execution, delivery and performance by the Borrower of this Agreement and the Notes to be delivered by it, if any, and the consummation of the transactions contemplated hereby, (i) are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action, (ii) do not contravene, or constitute a default under, any provision of (A) applicable law or regulation or of the certificate of incorporation of the Borrower or (B) of any judgment, injunction, order, decree, material agreement or other material instrument binding upon the Borrower and (iii) do not 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 the Borrower of this Agreement or the Notes to be delivered by it, if any.

(d) This Agreement (i) has been, and each of the Notes to be delivered by it, if any, when delivered hereunder will have been, duly executed and delivered by the Borrower and (ii) is, and each of the Notes to be delivered by it when delivered hereunder will be, the legal, valid and binding obligation of the Borrower enforceable against the 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) Except as disclosed in the Borrower's reports filed with the SEC prior to the Effective Date, there is no action, suit, investigation, litigation or proceeding pending against, or to the knowledge of the Borrower, threatened against the Borrower 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.

(f) The Borrower 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.

(g) Except as set forth in Schedule 4.01(g), the Borrower 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 Borrower or any such Consolidated Subsidiary, to the extent that such assessment has become due, except, in each case, to the extent contested in good faith by the Borrower or any such Consolidated Subsidiary (as the case may be). The charges, accruals and reserves on the books of the Borrower and its Consolidated Subsidiaries in respect of taxes or other governmental charges are, in the opinion of the Borrower, adequate.

ARTICLE 5 COVENANTS OF THE BORROWER

So long as any Advance shall remain unpaid, any Letter of Credit shall remain outstanding or the Initial Lender shall have any Commitment hereunder, the Borrower:

Section 5.01. *Preservation of Existence, Etc.* Will 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 Borrower and its Consolidated Subsidiaries taken as a whole; *provided, however*, that the Borrower may consummate any merger or consolidation permitted under Section 5.03; and *provided, further*, that the Borrower shall not be required to preserve any right or franchise if the Board of Directors of the Borrower shall determine that the preservation thereof is no longer desirable in the normal conduct of the business of the Borrower and that the loss thereof is not material to the Borrower.

Section 5.02. *Reporting.* (a) Shall deliver to the Agent (for distribution to the Lenders) and, prior to the Termination Date, to the Initial Lender within 120 days after the end of each fiscal year of the Borrower, an Officer’s Certificate, the signor of which shall be the chief executive officer, chief financial officer, principal accounting officer or treasurer of the Borrower, stating whether or not the signor knows of any Default or Event of Default that occurred during such period and is continuing. If the signor does have such knowledge, the certificate shall describe the Default or Event of Default and its status.

(b) As soon as possible and in any event within ten days after the chief executive officer, chief financial officer or principal accounting officer of the Borrower becomes aware of the occurrence of an Event of Default, shall deliver to the Agent (for distribution to the Lenders) and, prior to the Termination Date, to the Initial Lender, an Officer’s Certificate setting forth the details of the Event of Default, and the action which the Borrower proposes to take with respect thereto.

(c) Shall deliver to the Agent (for distribution to the Lenders) and, prior to the Termination Date, to the Initial Lender, within 15 days after it files such annual and quarterly reports, information, documents and other reports with the SEC, copies of its annual report and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) which the Borrower is required to file with the SEC pursuant to Section 13 or 15(d) of the Securities and Exchange Act of 1934, as amended. The annual and quarterly reports, information, documents and other reports referred to in this clause (c) will be deemed to have been delivered on the date on which the Borrower notifies the Agent that such reports and other materials have been posted on the SEC's website at www.sec.gov. It is understood and agreed that no representation or warranty of any kind is required or deemed to be made by the Borrower in connection with its delivery of any information, document or report pursuant to this Section 5.02(c).

Section 5.03. *Mergers, etc.* Will not (a) consolidate with or merge with or into any Person, (b) sell, convey, lease, transfer, or otherwise dispose of all or substantially all of its assets as an entirety or substantially an entirety, in one transaction or a series of related transactions, to any Person or (c) permit any Person to merge with or into the Borrower unless:

(i) either (x) the Borrower is the continuing Person or (y) the resulting, surviving or transferee Person is a corporation organized and validly existing under the laws of the United States of America or any jurisdiction thereof and expressly assumes in a manner satisfactory to the Agent and each Lender all of the obligations of the Borrower under this Agreement and the Notes;

(ii) before and immediately after giving effect to the transaction, no Default has occurred and is continuing; and

(iii) the Borrower delivers to the Agent and each Lender an Officer's Certificate and an opinion of counsel, each in form and substance reasonably satisfactory to the Agent, stating that the consolidation, merger or transfer and the assumption referred to above (if any) comply with this Agreement.

Upon the consummation of any transaction effected in accordance with this Section 5.03, if the Borrower is not the continuing Person, the resulting, surviving or transferee Person will succeed to, and be substituted for, and may exercise every right and power of, the Borrower under this Agreement and the Notes with the same effect as if such successor Person had been named as the Borrower in this Agreement.

ARTICLE 6
EVENTS OF DEFAULT AND TERMINATION EVENTS

Section 6.01. *Events of Default*. Any of the following shall constitute an Event of Default (each, an “**Event of Default**”):

(a) The Borrower shall fail to pay any principal of any Advance when the same becomes due and payable or the 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 or deemed to be made by the Borrower (or any of its officers) in this Agreement or made in any certificate or other document delivered pursuant to this Agreement shall prove to have been incorrect in any material respect when made (a “**Material Misrepresentation**”) and either (i) such Material Misrepresentation is not reasonably susceptible of being cured by the Borrower or (ii) such Material Misrepresentation shall not have been cured within ten Business Days after the chief executive officer, chief financial officer, or principal accounting officer of the Borrower becomes aware of such Material Misrepresentation; or

(c) The Borrower shall fail to perform or observe (i) any term, covenant or agreement contained in Section 2.16(a) and such failure shall continue unremedied for five Business Days, (ii) any term, covenant or agreement contained in Section 5.01 and such failure shall remain unremedied for ten days after written notice thereof shall have been given to the Borrower by the Agent or any Lender; or (iii) 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 Borrower by the Agent or any Lender; or

(d) (i) The Borrower or any of its Consolidated Subsidiaries shall fail to pay any principal of or premium or interest on any debt for borrowed money (but excluding debt outstanding hereunder and debt owed solely to the Borrower or to a Consolidated Subsidiary) of the Borrower 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 (ii) the Borrower 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 (iii) 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 executive officer, chief financial officer or principal accounting officer of the Borrower 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 (iv) 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, however*, that the aggregate principal amount 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 failures, actions, conditions or events set forth above in this subsection (d) shall be taken in respect of, or occur with respect to, a Consolidated Subsidiary, such failure, action, condition or event shall not be the basis for or give rise to an Event of Default under this subsection (d) unless such failure, action, condition or event is not cured or such amount has not been repaid within five Business Days after the chief executive officer, chief financial officer or principal accounting officer of the Borrower knows or has reason to know of the occurrence of such action or event; *provided, further*, that the existence, triggering or exercise of any repurchase right exercised on a holder-by-holder basis upon the occurrence of a fundamental change, termination of trading or other substantially equivalent circumstance unrelated to a default by the issuer of the relevant indebtedness shall not constitute an Event of Default under subsection (d)(iv); or

(e) The Borrower shall generally not pay its debts as such debts become due, or shall admit in writing in a judicial, regulatory or administrative proceeding or filing 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 Borrower seeking to adjudicate it 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 Borrower shall have a resolution passed to authorize any of the actions set forth above in this subsection (e).

Section 6.02. *Remedies Upon Event of Default or Termination Event.*

(a) *Termination of Commitments.* If either (i) a Termination Event occurs, or (ii) an Event of Default occurs and (unless a Mandatory Exchange Election has been made) is continuing, then the Agent shall, (x) in the case of a Credit Event, whether or not so requested by the Required Lenders and (y) otherwise, if, but only if, so requested by the Required Lenders, deliver a notice of such Termination Event or Event of Default (as applicable) to the Borrower, whereupon:

(A) the L/C Issuer's obligation to issue Letters of Credit hereunder will automatically terminate with effect from (x) in the case of a Counterparty Swap Termination Event, the Counterparty Swap Termination Date, if any, and (y) otherwise, the date of receipt of such notice by the Borrower; and

(B) the Commitment will automatically terminate with effect from the day that is (x) in the case of a Fundamental Change Prepayment Default, six Business Days following the date of receipt of such notice, (y) in the case of a Counterparty Swap Termination Event, the first Payment Date to occur after the Counterparty Swap Termination Date and (z) otherwise, ten Business Days after the receipt of such notice by the Borrower;

provided, however, that if a Bankruptcy or an Event of Default under Section 6.01(e) shall have occurred, (i) the L/C Issuer's obligation to issue Letters of Credit hereunder will automatically terminate upon such occurrence and (ii) the Commitment shall automatically terminate with effect from the day that is ten Business Days after such occurrence, in each case without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

(b) *Termination of Letters of Credit.* If either (i) a Termination Event occurs, or (ii) an Event of Default occurs and (unless a Mandatory Exchange Election has been made) is continuing, the L/C Administrator shall (x) in the case of a Credit Event, whether or not so requested by the Required Lenders, and (y) otherwise, if, but only if, so requested by the Required Lenders, in accordance with the terms of each Letter of Credit, notify each beneficiary of an outstanding Letter of Credit that such Letter of Credit shall terminate on the Termination Date, and such Letter of Credit shall so terminate, with effect from such date; provided, however, that in the case of a Counterparty Swap Termination Event, no such notice shall be delivered by the L/C Administrator prior to the Counterparty Swap Termination Date.

(c) *Acceleration.* If any Event of Default occurs and (unless a Mandatory Exchange Election has been made) is continuing, then the Agent shall, if requested by the Required Lenders, deliver a notice of such Event of Default to the Borrower (which notice may be included in the notice delivered to the Borrower pursuant to 6.02(a)) whereupon, with effect from the later of the Termination Date and the date of receipt of such notice by the Borrower, the unpaid principal amount of the Advances, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document shall be immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided, however, that if an Event of Default under Section 6.01(e) shall have occurred, the unpaid principal amount of the Advances, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document will be automatically due and payable with effect from the day that is ten Business Days after such occurrence, in each case without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by the Borrower.

Section 6.03. *Tranching of Advances, Commitments and Unpaid Fees.* (a) At any time on or after the Termination Date or the occurrence of any Fundamental Change, the Initial Lender may elect by notice in writing to the Borrower (a "**Tranching Election Notice**") to split the Advances (and (x), in the case of a Tranching Election Notice in respect of a Fun

damantal Change, the Commitment or (y) in the case of a Tranching Election Notice in respect of a Termination Date, any unpaid fees accrued under Sections 2.04(a) and 2.04(b)) into two or more tranches (each a "**Tranche**") with effect from the

last Payment Date in respect of which all accrued interest and fees were paid in full. The date upon which the Borrower receives any Tranching Election Notice is referred to herein as a “**Tranching Effective Date**”. Each Tranche shall:

(i) consist of Advances (and, if the Tranching Effective Date occurs prior to the Termination Date, Commitments) in an aggregate principal amount determined by the Initial Lender in its sole discretion (and, if the Tranching Effective Date occurs on or after the Termination Date, unpaid fees accrued under Sections 2.04(a) and 2.04(b)); *provided, however*, that the aggregate principal amount of all Tranches of Advances (and, if applicable, all Tranches of Commitments or Tranches of accrued and unpaid fees) shall equal the aggregate principal amount of the Advances (and, if applicable, the Commitment or the accrued and unpaid fees) outstanding immediately prior to the Tranching Effective Date;

(ii) have an Applicable Margin determined by the Initial Lender in its sole discretion; *provided, however*, that (x) the weighted average Applicable Margin of all Tranches immediately after giving effect to the creation of such Tranches shall not exceed the Applicable Margin immediately prior to the Tranching Effective Date and (y) no Tranche shall have an Applicable Margin greater than 2.20% or less than 0.35%; and *provided, further*, that the change in the weighted average Applicable Margin of all Tranches upon the termination or reduction of the Commitment of any Tranche pursuant to Section 2.16(b) following a Fundamental Change (and related prepayments and reductions or terminations of Letters of Credit) shall not exceed, by more than 0.25%, the change in the weighted average cost of funding of the Initial Lender resulting from such Fundamental Change; and

(iii) otherwise have the same terms as the Advances (and (x), if the Tranching Effective Date occurs prior to the Termination Date, the Commitment or (y) if the Tranching Effective Date occurs on or after the Termination Date, the unpaid fees accrued under Sections 2.04(a) and 2.04(b)) outstanding immediately prior to the Tranching Effective Date; *provided, however*, that, if the Tranching Effective Date occurs on or after the Termination Date, the Initial Lender may designate all of the Advances of one or more Tranches to be “Subordinated Advances” for the purpose of this Agreement (such Advances, the “**Subordinated Advances**”).

(b) Notwithstanding anything herein to the contrary, on or after any Tranching Effective Date (i) if such Tranching Effective Date occurs prior to the Termination Date, except as otherwise provided in Section 2.16(b), all Borrowings of Loans, all Letters of Credit and all Reimbursement Obligations arising hereunder on or after such Tranching Effective Date shall be allocated to each Tranche *pro rata* based on the aggregate Commitments of each Tranche then outstanding, (ii) except payments required to be made upon a termination or reduction in Commitments pursuant to Section 2.16(b) (which shall be allocated as necessary to the Tranche required to be prepaid thereunder), all payments of principal in respect of outstanding Advances, made or arising hereunder

shall be allocated to each Tranche *pro rata* based on the aggregate principal amount of Advances of such Tranche then outstanding, and (iii) except for payments required to be made upon a termination or reduction in Commitments pursuant to Section 2.16(b) (which shall be allocated as required by Section 2.16(b)), all payments of interest or fees hereunder shall be allocated to each Tranche *pro rata* in proportion to the fees and interest owed in respect of the Advances, Letters of Credit and Commitments (whether or not previously terminated) of such Tranche.

(c) Upon request by the Agent on behalf of any Lender, the Borrower shall promptly execute and deliver to the Agent for distribution to such Lender, upon receipt of any corresponding Note or Notes representing the outstanding principal amounts of the relevant Advances and instructions from the Agent as to the relevant Tranche or Tranches, and corresponding principal amounts, to be reflected in the new Notes to be produced by the Borrower under this Section 6.03(c), a Note in the aggregate principal amount of each Tranche of Advances held by such Lender payable to such Lender and reflecting the Tranche of Advances evidenced by such Note.

ARTICLE 7 THE AGENT

Section 7.01. *Authorization and Action.* Each Lender 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 any 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 (or such other number or percentage of Lenders as shall be necessary under the circumstances as provided in Section 8.01), and such instructions shall be binding upon all Lenders and all holders of any 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 Borrower pursuant to the terms of this Agreement.

Section 7.02. *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 Loan as the holder of the debt resulting therefrom until the Agent receives an Assignment and Acceptance entered into by such Lender, as assignor, and an assignee, as provided in Section 8.07; (ii) may consult with legal counsel (including counsel for the Borrower), 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 Borrower or to inspect the property (including the books and records) of the Borrower; and (v) 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 7.03. *MSCS and Affiliates.* With respect to any Notes issued to it, MSCS 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 MSCS in its individual capacity. MSCS 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 Borrower, any of its Subsidiaries and any Person who may do business with or own securities of the Borrower or any such Subsidiary, all as if MSCS were not the Agent and without any duty to account therefor to the Lenders.

Section 7.04. *Lender Credit Decision.* Each Lender acknowledges that it has, independently and without reliance upon the Agent or any other Lender and based on such 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 7.05. *Indemnification.* (a) Each Lender severally agrees to indemnify the Agent (to the extent not promptly reimbursed by the Borrower as and when due hereunder) 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 its capacity as Agent, in any way relating to or arising out of this Agreement or any action taken or omitted by the Agent in such capacity under this Agreement (collectively, the “**Indemnified Costs**”), *provided, however*, 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 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 Borrower as and when due hereunder. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Costs, this Section 7.05 applies whether any

such investigation, litigation or proceeding is brought by the Agent, any Lender or a third party.

(b) The failure of any Lender to reimburse the Agent 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 for its Ratable Share of such amount, but no Lender shall be responsible for the failure of any other Lender to reimburse the Agent 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 7.05 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under any Notes. The Agent agrees to return to the Lenders their respective Ratable Shares of any amounts paid under this Section 7.05 that are subsequently reimbursed by the Borrower.

Section 7.06. *Successor Agent.* The Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower, effective upon the appointment of a successor Agent pursuant to this Section 7.06. Upon any such resignation, the Required Lenders shall have the right to appoint a successor Agent by notice in writing to the Borrower and the other Lenders. 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, then the retiring Agent may, on behalf of the Lenders, appoint by notice in writing to the Borrower and the other Lenders 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 the 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 (or retired) Agent, and the retiring Agent shall be discharged from its duties and obligations under this Agreement (if not already discharged therefrom as provided in this Section). After any retiring Agent's resignation hereunder as the Agent, the provisions of this Article 7 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 7.07. *Delegation of Duties.* The Agent and the L/C Administrator may perform any and all of its duties and exercise its rights and powers by or through its Affiliates. The indemnification provisions of this Agreement shall apply to any such Affiliate, and shall apply to such Affiliates' respective activities in connection herewith; *provided, however,* that any such Affiliate shall not be entitled to additional payments or indemnification under Section 2.12 greater than the additional payments or indemnification that would have applied if the Agent or L/C Administrator had acted itself and not through an Affiliate. The Agent may perform any or all of its duties hereunder or under any other Loan Document through one or more sub-agents appointed by the Agent with the consent of the Borrower, not to be unreasonably withheld or delayed.

ARTICLE 8
MISCELLANEOUS

Section 8.01. *Amendments, Etc.* No amendment or waiver of any provision of this Agreement or any Notes, nor consent to any departure by the 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) increase or reduce the amount of the Commitment or subject the Lenders to any additional obligations (excluding, for the avoidance of doubt, the changes contemplated by Section 2.16 and 6.03), (b) reduce the principal of, or interest on, the Advances or any fees or other amounts payable hereunder (excluding, for the avoidance of doubt, the changes contemplated by Section 2.16 and 6.03), (c) postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (d) change 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, or (e) amend the definition of “**Required Lenders**” or this Section 8.01; *provided, further*, that (i) 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, (ii) no amendment, waiver or consent shall, unless in writing and signed by the L/C Issuer in addition to the Lenders required above to take such action, adversely affect the rights or duties of the L/C Issuer in its capacity as such under this Agreement, (iii) no amendment, waiver or consent shall, unless in writing and signed by the L/C Administrator in addition to the Lenders required above to take such action, adversely affect the rights or duties of the L/C Administrator in its capacity as such under this Agreement and (iv) no amendment, waiver or consent may change the provisions of Article 9 in a manner that would limit or terminate the benefits available to any holder of Senior Indebtedness unless holders of Senior Indebtedness holding at least a majority in principal amount of all Senior Indebtedness then outstanding, or a representative of such holders, consents to such amendment, waiver or consent.

Section 8.02. *Notices, Etc.* (a) Except as otherwise provided herein, all notices and other communications provided for hereunder shall be either in writing (including facsimile communication) and mailed, telecopied or delivered, if to the Borrower, to it, at its address at 1114 Avenue of the Americas, New York, New York 10036, Attention: Senior Vice President and Treasurer, Facsimile No.: 212-704-2229 (with a copy at the same address to the Senior Vice President and General Counsel); if to the Initial Lender or the L/C Issuer, to it at its Applicable Lending Office specified opposite its name on Schedule 1 hereto with a copy to LaSalle Bank National Association, 181 West Madison Street, 32nd Floor, Chicago, Illinois 60602, Attn: CDO Trust Services Group – ELF Special Financing Ltd., Facsimile No.: 312-904-0524 and the Agent; if to any other Lender, at its Applicable Lending Office specified in the Assignment and Acceptance pursuant to which it became a Lender; and if to the Agent or the L/C Administrator, at its address at 1585 Broadway 2nd floor, New York NY 10036, Attention: Structured Credit

Products, James J. Hill, Facsimile No.: (212) 507-8465; or, as to the Borrower 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 Borrower and the Agent. All such notices and communications shall, when mailed, telecopied or emailed, be effective when delivered, telecopied or confirmed by email, respectively, except that notices and communications to the Agent pursuant to Article 2 or 3 shall not be effective until received by the Agent.

(b) Each notice by the Agent pursuant to Section 6.02(a) shall be delivered by certified mail to 1114 Avenue of the Americas, New York, New York 10036, (i) Attention: Nicholas J. Camera, Senior Vice President and General Counsel, by email to Nick.Camera@interpublic.com and by telephone to (212) 704-1343 and (ii) Attention: Ellen Johnson, Senior Vice President and Treasurer, by email to Ellen.Johnson@interpublic.com and by telephone to (212) 704-1220 (but shall be deemed to have been received by the Borrower upon the first such notice to be received by the Borrower).

Section 8.03. *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 8.04. *Costs and Expenses; Indemnity.* (a) The Borrower agrees to pay on written demand all reasonable out-of-pocket expenses of the Agent in connection with the modification or amendment of this Agreement, any Notes and the other documents to be delivered hereunder, including, without limitation, 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 Borrower further agrees to pay on written demand all costs and expenses of the Agent, the L/C Issuer, the L/C Administrator 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, any Notes and the other documents to be delivered hereunder, including, without limitation, reasonable fees and expenses of counsel for the Agent, the L/C Issuer, the L/C Administrator and each Lender in connection with the enforcement of rights under this Section 8.04(a).

(b) The Borrower agrees to indemnify and hold harmless the Agent, the L/C Issuer, the L/C Administrator 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) any Notes, this Agreement, any of the transactions contemplated herein or the actual or proposed use

of the proceeds of the Loans or use of the Letters of Credit, 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; *provided, however*, that the indemnity provided in this Section 8.04(b) shall in no event (i) entitle an Indemnified Party to payment in respect of claims, damages, losses, liabilities or expenses of any kind that are governed by other provisions of this Agreement in excess of amounts (if any) to which such Indemnified Party is entitled pursuant to such provisions, or (ii) apply to any claims, damages, losses, liabilities or expenses to the extent arising out of or relating to the Indenture, the Credit Linked Notes, the Warrant Agreement, the Warrants, or otherwise involving the offering or sale of any such securities, or any hedging transactions entered into in connection with the Loan Documents or any of the foregoing documents. In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 8.04(b) applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by the Borrower, its directors, shareholders or creditors or an Indemnified Party or any other Person or any Indemnified Party is otherwise a party thereto. The Borrower also agrees not to assert any claim for special, indirect, consequential or punitive damages against the Agent, the L/C Administrator, the L/C Issuer, 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 any Notes, this Agreement, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Loans or of the Letters of Credit. The Borrower shall not be required to make any payments under this Section 8.04 with respect to Taxes (and liabilities with respect thereto and taxes imposed on overall net income or the overall net income of a branch or office and franchise taxes imposed in lieu of net income taxes) imposed with respect to payments made to the Agent, the L/C Issuer, the L/C Administrator or the Initial Lender, which shall be governed exclusively by Section 2.12(a).

Section 8.05. *Right of Setoff*. Upon the occurrence and during the continuance of any Event of Default, 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 Borrower against any and all of the obligations of the 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 Borrower after any such setoff and application, *provided, however*, that, to the maximum extent permitted by law, the failure to give such notice shall not affect the validity of such setoff 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 setoff) that such Lender and its Affiliates may have.

Section 8.06. *Binding Effect*. This Agreement shall be binding upon and inure to the benefit of the Borrower, the Agent, the L/C Administrator, the L/C Issuer and each Lender and their respective successors and permitted assigns, except that the Borrower

shall not have the right to assign its rights or duties hereunder or any interest herein without the prior written consent of the Agent and the Lenders.

Section 8.07. *Assignments.* (a) Each Lender may assign to one or more Eligible Assignees (other than the Borrower or a Affiliate of the Borrower) all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of the Advances owing to it, any Note or Notes held by it and all other amounts funded by or payable to it hereunder); *provided, however*, that no such assignment may occur prior to the Termination Date without the prior written consent of the Borrower, the L/C Issuer and the Agent. The parties to each such assignment shall execute and deliver to the Agent, for recording in the Register, an Assignment and Acceptance, together with any Note subject to such assignment. Upon such execution and delivery, 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 Sections 2.10, 2.12 and 8.04 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) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an assignee, together with any Note or Notes subject to such assignment, the Agent shall, if such Assignment and Acceptance has been completed, (i) record the information contained therein in the Register, (ii) give prompt notice thereof to the Borrower and (iii) deliver any such Note or Notes to the Borrower for cancellation and/or exchange for newly issued Notes (if any) in accordance with the provisions of this Agreement.

(c) Notwithstanding anything to the contrary in this Agreement, no assignee Lender shall be entitled to receive payments under Section 2.10 and/or 2.12 hereof in respect of Advances or other rights assigned to it to the extent such payments would be in excess of the amounts to which the Lender assigning such Advances or other rights was entitled pursuant to such provisions prior to such assignment (giving effect to this Section 8.07(c) with respect to any prior assignment to such Lender); *provided, however*, that the provisions of this Section 8.07(c) shall not prohibit the payment of greater amounts under the provisions of Sections 2.10 or 2.12 to the extent arising from an event occurring subsequent to the consummation of such assignment and, in the case of Section 2.12, to the extent that such event would have entitled the assigning Lender to such greater amount had such assignment not been made (giving effect to this Section 8.07(c) with respect to any prior assignment to such assigning Lender).

(d) The Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at its address referred to in Section 8.02 a copy of each Assignment and

Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, principal amount of the Advances owing to each Lender from time to time and, in the case of the Initial Lender, the amount of the Commitment from time to time (the “**Register**”). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, 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 Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

Section 8.08. *Survival.* All covenants, agreements, representations and warranties made in this Agreement and in certificates or other instruments delivered pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement, the making of the Loans and the issuance of Letters of Credit (it being understood and agreed that any such representation or warranty by the Borrower speaks only as of the date made or deemed made, except to the extent otherwise expressly provided for in such representation or warranty), regardless of any investigation made by any such other party or on its behalf and notwithstanding that any Person may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as any principal of or accrued interest on any Advance or any fee or other amount payable hereunder is outstanding and unpaid or any Commitment or Letter of Credit remains outstanding. The provisions of Sections 2.10, 2.12 and 8.04 and of Article 7 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under the Notes, the expiration or termination of all Letters of Credit and the expiration or termination of the Commitment.

Section 8.09. *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 8.10. *Severability.* If any provision of any Loan Document is invalid, illegal or unenforceable in any jurisdiction then, to the fullest extent permitted by law, (i) such provision shall, as to such jurisdiction, be ineffective to the extent (but only to the extent) of such invalidity, illegality or unenforceability, (ii) the other provisions of the Loan Documents shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the parties thereto as nearly as may be possible and (iii) the invalidity, illegality or unenforceability of any such provision in any jurisdiction shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

Section 8.11. *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 8.12. *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 the Borough of Manhattan, 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, if any, 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 Borrower hereby further irrevocably consents to the service of process in any action or proceeding in such courts by the mailing thereof by any party hereto by registered or certified mail, postage prepaid, to the Borrower at its address specified pursuant to Section 8.02. 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 any 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 any Notes in any New York State or federal court referred to in Section 8.12(a) above. 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 8.13. *No Liability Regarding Letters of Credit.* None of the Agent, the Lenders, the L/C Administrator and the L/C Issuer, 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, amendment 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 L/C Administrator; *provided, however*, that the foregoing shall not be construed to excuse the L/C Issuer or the L/C Administrator from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by the L/C Issuer's or the L/C Administrator'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 the L/C Administrator is, under applicable law, required to honor it. The parties hereto expressly agree that, as long as the L/C Issuer and the L/C Administrator have not acted with gross negligence or willful misconduct, each of them 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, the L/C Administrator on behalf of the L/C Issuer may, in its sole discretion, either (i) accept and make payment upon such documents without responsibility for further investigation or (ii) 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 8.14. *PATRIOT Act Notification.* Each Lender and the Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of Section 326 of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) and the promulgated regulations thereto (the "**PATRIOT Act**"), it is or may be required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Agent, as applicable, to identify the Borrower in accordance with the PATRIOT Act. The Borrower shall, and shall cause each of their Subsidiaries to, provide, to the extent commercially reasonable, such information and take such actions as are reasonably requested by the Agent or any Lenders in order to assist the Agent and the Lenders in maintaining compliance with the PATRIOT Act.

Section 8.15. *No Advisory or Fiduciary Responsibility.* In connection with all aspects of each transaction contemplated hereby, the Borrower acknowledges and agrees that: (i) the credit facility provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document) are an arm's-length commercial transaction between the Borrower and its Affiliates, on the one hand, and the Agent, the L/C Administrator, the L/C Issuer and the Initial Lender (together, the "**Lender Parties**"), on the other hand, and the Borrower is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, each Lender Party is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary, for the Borrower or any of its Affiliates, stockholders, creditors or employees or any other Person; (iii) no Lender Party has assumed or will not assume an advisory, agency or fiduciary responsibility in favor of the Borrower with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Loan Document (irrespective of whether such Lender Party has advised or is currently advising the Borrower or any of its Affiliates on other matters) and no Lender Party has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; (iv) the Lender Parties and their Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and the Lender Parties do not have any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship;

and (v) no Lender Party has provided and no Lender Party will provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Loan Document) and the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. The Borrower hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Lender Parties with respect to any breach or alleged breach of agency or fiduciary duty.

Section 8.16. *WAIVER OF JURY TRIAL*. EACH OF THE BORROWER, THE AGENT, THE L/C ADMINISTRATOR, THE L/C ISSUER 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, ANY NOTES OR ANY LETTER OF CREDIT OR THE ACTIONS OF THE AGENT, THE L/C ADMINISTRATOR, THE L/C ISSUER OR ANY LENDER IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT THEREOF.

Section 8.17. *Changes to Transaction Documents*. Each of the Agent, the L/C Issuer, the L/C Administrator and the Initial Lender agrees that it shall not, and shall cause each of its Affiliates not to, enter into any amendment, waiver or other modification of, or consent to any change in or departure from the terms of, any Transaction Document to which it is a party or with respect to which such Person has the right to consent that could adversely affect the Borrower in any way without the prior written consent of the Borrower, such consent not to be unreasonably withheld or delayed.

Section 8.18. *No-Petition*. Each of the Agent, the L/C Administrator and the Borrower hereby covenants that it will not at any time institute against the Initial Lender or the L/C Issuer, or join any Person in instituting against the Initial Lender or the L/C Issuer, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or any other similar proceedings under any Cayman Islands, United States federal or state, or other bankruptcy, insolvency or similar law in connection with any obligations of the Initial Lender or the L/C Issuer relating to the Advances, the Letters of Credit or any other Transaction Document until at least one year and one day (or any longer preference period under applicable law) has lapsed after the payment in full of all other amounts payable by the Initial Lender and the L/C Issuer hereunder; *provided, however*, that nothing in this Section 8.18 shall preclude, or be deemed to estop, the Agent, the L/C Administrator or the Borrower from taking any action prior to the expiration of the aforementioned one year and one day period in any case or proceeding voluntarily filed or commenced by the Initial Lender or the L/C Issuer or in any involuntary insolvency proceeding filed or commenced against the Initial Lender or the L/C Issuer by any Person other than the Agent, the L/C Administrator or the Borrower (as applicable).

Section 8.19. *Limited Recourse*. The obligations of the Initial Lender and the L/C Issuer hereunder constitute direct, limited recourse obligations of the Initial Lender and the L/C Issuer, and are payable only to the extent that funds are available in the Collection Account or otherwise from the assets or the proceeds of the assets of the Initial Lender and the L/C Issuer (the “**Available Funds**”). To the extent the Available Funds are insufficient to satisfy such obligations, such obligations will be extinguished. The Agent, the L/C Administrator and the Borrower hereby acknowledge and agree that the Initial Lender’s and the L/C Issuer’s obligations hereunder and under the Transaction Documents will be solely the corporate obligations of the Initial Lender and the L/C Issuer, as applicable, and that the Agent, the L/C Administrator and the Borrower shall not have any recourse (in the absence of fraud or willful misconduct) against any of the directors, officers or employees of the Initial Lender or the L/C Issuer for any claims, losses, damages, liabilities, indemnities or other obligations whatsoever in connection with any transactions contemplated by hereby and by the Transaction Documents.

ARTICLE 9 SUBORDINATION

Section 9.01. *Agreement to Subordinate; Application of Article*. The indebtedness hereunder with respect to Subordinated Advances, if any, is subordinated in right of payment, to the extent and in the manner provided in this Article 9, to the prior payment of all Senior Indebtedness (as defined in Section 9.15). The subordination provisions are for the benefit of and enforceable by the holders of Senior Indebtedness.

Section 9.02. *Liquidation, Dissolution, Bankruptcy*. Upon any payment or distribution of the assets of the Borrower to creditors upon a total or partial liquidation or a total or partial dissolution of the Borrower or in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to the Borrower or its property, (a) holders of the Senior Indebtedness are entitled to receive payment in full in cash of all Senior Obligations (as defined in Section 9.15) in respect of Senior Indebtedness (and only such payment constituting “**payment in full**”) before Subordinated Lenders will be entitled to receive any payment of principal of or interest on the Subordinated Advances; and (b) until the Senior Indebtedness is paid in full, any distribution to which Subordinated Lenders would be entitled but for these subordination provisions shall instead be made to holders of Senior Indebtedness as their interests may appear.

Section 9.03. *Default on Senior Indebtedness*. The Borrower shall not pay the principal of or interest on the Subordinated Advances if at the time any Senior Indebtedness has not been paid when due, whether at maturity, upon mandatory prepayment, acceleration, or otherwise, and such default has not been cured or waived.

Section 9.04. *When Distribution Must Be Paid Over*. If a payment or other distribution is made to Subordinated Lenders that because of these subordination provisions should not have been made to them, the Subordinated Lenders that receive the distribution shall hold it in trust for the holders of Senior Indebtedness and pay it over to them as their interests may appear.

Section 9.05. *Subrogation*. A distribution made to holders of Senior Indebtedness which, but for these subordination provisions, would have been made to Subordinated Lenders is not, as between the Borrower and Subordinated Lenders, a payment by the Borrower on Senior Indebtedness. After all Senior Indebtedness is paid in full and until the Subordinated Advances are paid in full, Subordinated Lenders will be subrogated to the rights of holders of Senior Indebtedness to receive payments in respect of Senior Indebtedness.

Section 9.06. *Relative Rights; Subordination Not to Prevent Events of Default or Limit Right to Accelerate*. These subordination provisions define the relative rights of Subordinated Lenders and holders of Senior Indebtedness and do not impair, as between the Borrower and Subordinated Lenders, the obligation of the Borrower to pay principal of and interest on the Subordinated Advances in accordance with their terms. The failure to make a payment pursuant to the Subordinated Advances by reason of these subordination provisions does not prevent the occurrence of a Default, nor do these subordination provisions have any effect on the right of the Subordinated Lenders or the Agent to accelerate the maturity of the Subordinated Advances upon an Event of Default in accordance with the provisions of Article 6 or prevent the Agent or any Subordinated Lender from exercising its available remedies upon an Event of Default, subject to the rights of holders of Senior Indebtedness to receive distributions otherwise payable to Subordinated Lenders.

Section 9.07. *Subordination May Not Be Impaired By the Borrower*. No right of any holder of Senior Indebtedness to enforce the subordination of the Subordinated Advances will be impaired by any act or failure to act by the Borrower or by its failure to comply with this Agreement.

Section 9.08. *Rights of the Agent*. (a) The Agent may continue to make payments on the Subordinated Advances and will not be charged with knowledge of the existence of facts that would prohibit the making of any such payments unless, not less than two Business Days prior to the date of such payment, the Agent receives written notice from the Borrower or a holder of Senior Indebtedness that payments may not be made as a result of this Article.

(b) The Agent in its individual or any other capacity may hold Senior Indebtedness with the same rights, including rights under this Article, it would have if it were not the Agent.

Section 9.09. *Distributions and Notices to, and Notices and Consents By, Representatives of Holders of Senior Indebtedness*. Whenever a distribution is to be made or a notice given to holders of Senior Indebtedness, the distribution may be made and the notice given to their representative (if any). If there is a representative acting for the holders of any Senior Indebtedness pursuant to the agreements governing such Senior Indebtedness, notices or consents under this Agreement from holders of such Senior Indebtedness may be given only by their representative.

Section 9.10. *Payments in Permitted Junior Securities.* Notwithstanding anything herein to the contrary, distributions to Subordinated Lenders in the form of Permitted Junior Securities (as defined in Section 9.15) of the Borrower are not subordinated to the prior payment of any Senior Indebtedness or otherwise subject to these subordination provisions, and none of the Subordinated Lenders will be obligated to pay over any such payments or distributions to any holder of Senior Indebtedness.

Section 9.11. *Agent Entitled to Rely.* For the purpose of ascertaining the outstanding amount of Senior Indebtedness, the holders thereof, and all other information relevant to making any payment or distribution to holders of Senior Indebtedness pursuant to this Article, the Agent and the Subordinated Lenders are entitled to rely upon an order or decree of a court of competent jurisdiction in which any proceedings of the nature referred to in Section 9.02 are pending, a certificate of the liquidating trustee or other Person making a payment or distribution to the Agent or to the Subordinated Lenders, or information provided by the holders of Senior Indebtedness. The Agent may defer any payment or distribution pending receipt of evidence or instructions reasonably satisfactory to it or a judicial determination regarding the rights of parties to receive the payment or distribution.

Section 9.12. *Agent to Effectuate Subordination.* Each Subordinated Lender authorizes and directs the Agent on behalf of such Subordinated Lender to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination of the Subordinated Lenders to the holders of Senior Indebtedness as provided in this Article and appoints the Agent as attorney-in-fact for any and all such purposes, including for the purpose of filing a claim in any proceedings of the nature referred to in Section 9.02.

Section 9.13. *Agent Not Fiduciary for Holders of Senior Indebtedness.* The Agent will not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness and will not be liable to any such holders if it mistakenly pays over or distributes to Subordinated Lenders, or to the Borrower or any other Person, any money or assets to which holders of Senior Indebtedness are entitled by virtue of this Article.

Section 9.14. *Reliance By Holder of Senior Indebtedness on Subordination Provisions; No Waiver.* (a) Each Subordinated Lender acknowledges and agrees that these subordination provisions are, and are intended to be, an inducement and a consideration to each holder of Senior Indebtedness, whether created or acquired before or after the making of the Subordinated Advances, to acquire or to hold such Senior Indebtedness, and each holder of Senior Indebtedness will be deemed conclusively to have relied on these subordination provisions in acquiring and holding such Senior Indebtedness.

(b) The holders of Senior Indebtedness may, at any time and from time to time, without the consent of or notice to the Agent or the Subordinated Lenders, without incurring any liability or responsibility to the Subordinated Lenders, and without impairing the rights of holders of Senior Indebtedness under these subordination provisions, do any of the following: (i) change the manner, place or terms of payment or

extend the time of payment of, or renew or alter, Senior Indebtedness or any instrument evidencing the same or any agreement under which Senior Indebtedness is outstanding or secured; (ii) sell, exchange, release or otherwise deal with any property pledged, mortgaged or otherwise securing Senior Indebtedness; (iii) release any Person liable in any manner for the payment of Senior Indebtedness; or (iv) exercise or refrain from exercising any rights against the Borrower and any other Person.

Section 9.15. *Defined Terms.* For the purpose of this Article 9, the following terms shall have the following meanings:

“**Subordinated Lenders**” means Lenders holding Subordinated Advances from time to time.

“**Permitted Junior Securities**” means any securities of the Borrower provided for by a plan of reorganization or readjustment authorized by an order or decree of a court of competent jurisdiction in a reorganization proceeding under applicable bankruptcy law relating to the Borrower, that (a) constitute either (i) equity interests of the Borrower or (ii) indebtedness of the Borrower subordinated in right of payment to all Senior Indebtedness of the Borrower then outstanding to at least the same extent as the Subordinated Advances are subordinated herein, (b) are not entitled to the benefit of covenants or defaults materially more favorable to the holders of such securities than those then in effect with respect to the Subordinated Advances and (c) do not provide for any maturity, mandatory redemption, or mandatory repayment or repurchase, upon the occurrence of any event or otherwise, prior to the date six months following the last stated maturity of the Senior Indebtedness of the Borrower, as relevant (as modified by the plan of reorganization or readjustment pursuant to which such securities are issued).

“**Senior Indebtedness**” means all Senior Obligations owed by the Borrower with respect to the Advances of any Tranche that are not designated as “Subordinated Advances”.

“**Senior Obligations**” means, with respect to any indebtedness of the Borrower, all obligations for or in respect of principal (when due, upon acceleration, upon redemption, upon mandatory repayment or repurchase pursuant to a mandatory offer to purchase, or otherwise), premium, interest, penalties, fees, indemnification, reimbursement and other amounts payable and liabilities with respect to such indebtedness, including all interest accrued or accruing after the commencement of any bankruptcy, insolvency or reorganization or similar case or proceeding at the contract rate (including, without limitation, any contract rate applicable upon default) specified in the relevant documentation, whether or not the claim for such interest is allowed or allowable as a claim in such case or proceeding.

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., as Borrower

By: /s/ Ellen Johnson
Name: Ellen Johnson
Title: Senior Vice Pres. & Treasurer

MORGAN STANLEY CAPITAL SERVICES INC., as Agent and L/C Administrator

By: /s/ Madhu Philips
Name: Madhu Philips
Title: Vice President

Amount of Commitment
\$750,000,000

ELF SPECIAL FINANCING LTD., as Initial Lender and L/C Issuer

By: /s/ Chris Marett
Name: Chris Marett
Title: Director

LIST OF APPLICABLE LENDING OFFICES

Name of the Initial Lender	Applicable Lending Office
ELF Special Financing Ltd.	Maples Finance Limited P.O. Box 1093 GT Queensgate House, South Church Street, George Town Grand Cayman, Cayman Islands

The United Kingdom income tax returns (“**computations**”) for The Interpublic Group of Companies, Inc. for 2004 have been delayed beyond their due date. The primary reason for the delay is that the statutory financial statements had been delayed. Representatives of the Borrower have met with the UK tax authorities (“**HMRC**”) and informed them of the delay. The Borrower and HMRC have agreed informally on a revised timetable to file the 2004 returns and the Borrower intends to comply with this timetable.

The Borrower and its Consolidated Subsidiaries are engaged in business in many jurisdictions outside of the United States in addition to the United Kingdom (there are approximately 1,200 legal entities doing business outside of the United States). The Borrower is aware of certain other instances where corporate income tax returns in certain foreign jurisdictions are overdue. Most of these instances arise from delays in producing financial statements arising from the restatement adjustments that needed to be reflected therein.

The Borrower believes that penalties resulting from these instances of late filing of income tax returns outside of the United States would not have a material adverse effect on the financial position of the Borrower and its Consolidated Subsidiaries as a whole.

FORM OF
STERLING L/C BACKSTOP LETTER OF CREDIT

No. []

June 13, 2006

MORGAN STANLEY CAPITAL
SERVICES INC.
1585 Broadway, 2nd Floor
New York, New York 10036
Attention: James Hill

Ladies and Gentlemen:

We, ELF SPECIAL FINANCING LTD. (the "**L/C Issuer**"), hereby establish, at the request and for the account of THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "**Account Party**"), in your favor, as beneficiary (the "**Beneficiary**"), our Irrevocable Standby Letter of Credit No. [IPG__-__] in the amount equal to the Available Amount (as defined below), effective immediately and expiring at 11:00 a.m. (New York City time) on the Termination Date (as defined below). For the purpose hereof, "**Dollars**" and "**\$**" mean the lawful currency of the United States.

This Letter of Credit has been issued in your favor in support of that certain Irrevocable Transferable Standby Letter of Credit No. [] that you will issue for the account of the Account Party on the date hereof (the "**MSCS L/C**"). The "**Available Amount**" under this Letter of Credit means, at any time, (a) \$[] *minus* (b) the amount of any reduction in the Available Amount required pursuant to a notice (an "**Available Amount Reduction Notice**") delivered by the L/C Issuer prior to such time, which reduction shall take effect at 11:00 a.m. (New York City time) on the Available Amount Reduction Date *minus* (c) without duplication of any reduction pursuant to clause (b), the amount of any drawing hereunder prior to such time. "**Available Amount Reduction Date**" means the date specified as the Available Amount Reduction Date in an Available Amount Reduction Notice delivered not later than one Business Day prior to such specified date.

We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, upon the receipt by Morgan Stanley Capital Services Inc. ("**MSCS**"), as letter of credit administrator (in such capacity, the "**L/C Administrator**"), of (a) your draft, payable at sight and (b) a certificate, in

substantially the form of Annex A attached hereto, which shall be signed by one of your authorized representatives, in each case presented to the L/C Administrator on a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City or Chicago, Illinois are authorized or required by law, regulation or executive order to close (a **"Business Day"**) on or before the termination hereof. **"Termination Date"** means the earlier of (a) June 1, 2009 and (b) the Early Termination Date. **"Early Termination Date"** means the Business Day specified as the "Early Termination Date" in a notice of the termination of this Letter of Credit (an **"Early Termination Notice"**) provided to you (to the address and facsimile number specified below) not less than one Business Day prior to such specified date. Any such draft required to be delivered is referred to herein as a **"Draft"** and any such certificate required to be delivered is referred to herein as a **"Certificate"**.

Funds in U.S. dollars under this Letter of Credit are available to you against your Draft and Certificate, each referring thereon to the number of this Letter of Credit, presented to the L/C Administrator at its office located at 1585 Broadway 2nd floor, New York NY 10036, Attention: Structured Credit Products, James J. Hill (Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465), or such other person as shall be notified to you from time to time. If the L/C Administrator receives your Draft and Certificate, all in strict conformity with the terms and conditions of this Letter of Credit, not later than 11:00 a.m. (New York City time), on a Business Day prior to the termination hereof, we will honor the same by 4:00 p.m. (New York City time), on the same day in accordance with the payment instructions set forth below. If the L/C Administrator receives your Draft and Certificate at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after 11:00 a.m. (New York City time) on a Business Day prior to the termination hereof, we will honor the same by 2:00 p.m. (New York City time) on the next succeeding Business Day in accordance with the payment instructions set forth below. Notwithstanding anything herein to the contrary, if the L/C Issuer shall have delivered an Available Amount Reduction Notice or an Early Termination Notice, the Beneficiary shall be deemed to have delivered, prior to 11:00 a.m. (New York City time) on the Available Amount Reduction Date or the Early Termination Date, as applicable, a Draft strictly complying with the terms and conditions of this Letter of Credit to draw an amount equal to (i) in the case of an Early Termination Notice, the full Available Amount hereof and (ii) in the case of an Available Amount Reduction Notice, the amount of the reduction in Available Amount set forth therein, and in either case any requirement hereunder for the delivery of any Certificate shall be waived. Multiple partial drawings under this Letter of Credit are permitted.

Payment under this Letter of Credit shall be made by wire transfer of same day funds to an account in the name of MSCS maintained at Citibank, N.A. (or such other bank as shall be agreed in writing by the Beneficiary and the beneficiary of the MSCS L/C from time to time), which account is pledged to the

beneficiary of the MSCS L/C (the "**Cash Collateral Account**"); *provided, however*, that if, prior to the date of such payment, the Beneficiary shall have paid the full amount of the MSCS L/C in accordance with the terms thereof, such payment shall be made to an account of the Beneficiary designated by the Beneficiary from time to time. Whenever the beneficiary of the MSCS L/C sends you and us notice identifying the MSCS account maintained at Citibank, N.A. (or such other bank as shall be agreed in writing by the Beneficiary and the beneficiary of the MSCS L/C from time to time) into which payment under this Letter of Credit is to be made, such identification shall be incorporated by reference as though fully set forth herein.

This Letter of Credit shall terminate at 11:00 a.m. (New York City time) on the Termination Date.

If a demand for payment does not conform to the terms and conditions of this Letter of Credit, the L/C Administrator will notify you thereof by telecommunication, within a reasonable time after such delivery of such demand for payment (not to exceed the time permitted for honor of a conforming demand), and the L/C Administrator shall hold all documents at your disposal or, at your option, return the same to you. Dishonor of your demand shall not prejudice your right to cure and re-present documents or to make a later demand on or before the termination hereof.

This Letter of Credit shall be governed by the Uniform Customs and Practice For Documentary Credits (1993 Revision) International Chamber of Commerce No. 500 (the "UCP"). As to matters not governed by the UCP, such matters shall be governed by and construed in accordance with the laws of the State of New York.

Telecommunications hereunder shall be made by telecopy or by telephone to the numbers set forth or referred to below, and notices that may be personally delivered or mailed shall be made (a) if to the L/C Administrator or the L/C Issuer, to the L/C Administrator at the address set forth above or otherwise notified to you from time to time with a copy to LaSalle Bank National Association, 181 West Madison Street, 32nd Floor, Chicago, Illinois, 60602, Attention: CDO Trust Services Group - ELF Special Financing Ltd., Telephone: (312) 904-0881, Facsimile No.: (312) 904-0524 and (b) if to the Beneficiary, to it at Morgan Stanley Capital Services Inc., 1585 Broadway, 2nd Floor, New York, New York 10036, Attn.: Structured Credit Products, Attention: James Hill, Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465, or otherwise notified to you from time to time.

We agree that any action or proceeding relating in any way to this Letter of Credit may be brought and enforced in the courts of the State of New York located in the Borough of Manhattan, or, to the fullest extent permitted under

applicable law, of the United States of America for the Southern District of New York. Legal process may be served in connection with any suit, action or proceeding to the addresses and in the manner set forth herein.

The Beneficiary, by its acceptance hereof, hereby covenants that it will not at any time institute against the L/C Issuer, or join any person in instituting against the L/C Issuer, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or any other similar proceedings under any Cayman Islands, United States federal or state, or other bankruptcy, insolvency or similar law in connection with any obligations of the L/C Issuer relating to this Letter of Credit until at least one year and one day (or any longer preference period under applicable law) has lapsed after the payment in full of all amounts payable in respect of this Letter of Credit; *provided, however*, that nothing in this paragraph shall preclude, or be deemed to estop, the Beneficiary from taking any action prior to the expiration of the aforementioned one year and one day period in any case or proceeding voluntarily filed or commenced by the L/C Issuer or in any involuntary insolvency proceeding filed or commenced against the L/C Issuer by any person other than the Beneficiary.

The obligations of the L/C Issuer hereunder constitute direct, limited recourse obligations of the L/C Issuer, and are payable only to the extent that funds are available from the assets or the proceeds of the assets of the L/C Issuer (the "**Available Funds**"). To the extent the Available Funds are insufficient to satisfy such obligations, such obligations will be extinguished. The Beneficiary hereby acknowledges and agrees that the L/C Issuer's obligations hereunder will be solely the corporate obligations of the L/C Issuer and that the Beneficiary shall not have any recourse (in the absence of fraud or willful misconduct) against any of the directors, officers or employees of the L/C Issuer for any claims, losses, damages, liabilities, indemnities or other obligations whatsoever in connection with any transactions contemplated by hereby.

The L/C Issuer hereby consents to the assignment of the proceeds of this Letter of Credit by the Beneficiary to the beneficiary of the MSCS L/C to secure the obligations of the Beneficiary to such beneficiary under the MSCS L/C.

Very truly yours,

ELF SPECIAL FINANCING LTD.

By: MORGAN STANLEY CAPITAL SERVICES INC., as L/C Administrator

By: _____
Name:
Title:

Annex A

[Form of Certificate for Draft]

CERTIFICATE FOR DRAWING

Irrevocable Standby Letter of Credit No. [IPG__ - __]

The undersigned, a duly authorized representative of the undersigned Beneficiary, hereby certifies to ELF Special Financing Ltd. (the "**L/C Issuer**"), with reference to Irrevocable Letter of Credit No. [____] (the "**Letter of Credit**", the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the L/C Issuer in favor of the Beneficiary, as follows:

- (a) The Beneficiary is making a drawing under the Letter of Credit.

- (b) A draft has been presented under our Irrevocable Transferable Standby Letter of Credit No. [____] issued on [____] for the account of The Interpublic Group of Companies, Inc. in an amount equal to £[____] (the "**Sterling Draw Amount**") [which has been paid in full by [wire/SWIFT] transfer to account [____]]¹. The amount of the Draft accompanying this Certificate is \$[____], which is the Sterling Draw Amount multiplied by 1.8544.

¹ Use bracketed payment in full language only if the Beneficiary has paid under the referenced letter of credit before drawing under this letter of credit.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the ___ day of _____, 20[___].

MORGAN STANLEY CAPITAL SERVICES INC., as Beneficiary

By: _____

Name:

Title:

**FORM OF
DOLLAR L/C BACKSTOP LETTER OF CREDIT**

No. []

[]

[BENEFICIARY]
[ADDRESS OF BENEFICIARY]

Ladies and Gentlemen:

We, ELF SPECIAL FINANCING LTD. (the "**L/C Issuer**"), hereby establish, at the request and for the account of THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "**Account Party**"), in your favor, as beneficiary (the "**Beneficiary**"), our Irrevocable Standby Letter of Credit No. [IPG__-__] in the amount equal to the Available Amount (as defined below), effective immediately and expiring at 11:00 a.m. (New York City time) on the Termination Date (as defined below). For the purpose hereof "**Dollars**" and "**\$**" mean the lawful currency of the United States.

This Letter of Credit has been issued in your favor in support of that certain Irrevocable Standby Letter of Credit No. [] that you will issue for the account of the Account Party on the date hereof (the "**Beneficiary L/C**"). The "**Available Amount**" under this Letter of Credit means, at any time, [(a) \$[]] *minus* (b) the amount of any reduction in the Available Amount required pursuant to a notice (an "**Available Amount Reduction Notice**") delivered by the L/C Issuer prior to such time, which reduction shall take effect at [11:00] a.m. (New York City time) on the Available Amount Reduction Date *minus* (c) without duplication of any reduction pursuant to clause (b), the amount of any drawing hereunder prior to such time. "**Available Amount Reduction Date**" means the date specified as the Available Amount Reduction Date in an Available Amount Reduction Notice delivered not later than one Business Day prior to such specified date.²

We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, upon the receipt by Morgan Stanley Capital Services Inc. ("**MSCS**"), as letter of credit administrator (in such capacity, the "**L/C Administrator**"), of (i) your draft, payable at sight and (ii) a certificate, in substantially the form of Annex A attached hereto, which shall be signed by one of your authorized representatives, in each case presented to the L/C

² Delete (b) and (c) if partial draws will not be permitted.

Administrator on a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City or Chicago, Illinois, are authorized or required by law, regulation or executive order to close (a “**Business Day**”)³ on or before the termination hereof. “**Termination Date**” means the earlier of (a) [Not Later Than The Maturity Date] and (b) the Early Termination Date. “**Early Termination Date**” means the Business Day specified as the “Early Termination Date” in a notice of the termination of this Letter of Credit (an “**Early Termination Notice**”) provided to you (to the address and facsimile number specified below) not less than one Business Day prior to such specified date. Any such draft required to be delivered is referred to herein as a “**Draft**” and any such certificate required to be delivered is referred to herein as a “**Certificate**”.

Funds in Dollars under this Letter of Credit are available to you against your Draft and Certificate, each referring thereon to the number of this Letter of Credit, presented to the L/C Administrator at its office located at 1585 Broadway 2nd floor, New York NY 10036, Attention: Structured Credit Products, James J. Hill (Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465), or such other person as shall be notified to you from time to time. If the L/C Administrator receives your Draft and Certificate, all in strict conformity with the terms and conditions of this Letter of Credit, not later than 11:00 a.m. (New York City time), on a Business Day prior to the termination hereof, we will honor the same by 4:00 p.m. (New York City time), on the same day in accordance with the payment instructions set forth below. If the L/C Administrator receives your Draft and Certificate at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after 11:00 a.m. (New York City time) on a Business Day prior to the termination hereof, we will honor the same by 2:00 p.m. (New York City time) on the next succeeding Business Day in accordance with the payment instructions set forth below. [Notwithstanding anything herein to the contrary, if the L/C Issuer shall have delivered an Available Amount Reduction Notice or an Early Termination Notice, the Beneficiary shall be deemed to have delivered, prior to [11:00] a.m. (New York City time) on the Available Amount Reduction Date or the Early Termination Date, as applicable, a Draft strictly complying with the terms and conditions of this Letter of Credit to draw an amount equal to (i) in the case of an Early Termination Notice, the full Available Amount hereof and (ii) in the case of an Available Amount Reduction Notice, the amount of the reduction in Available Amount set forth therein, and in either case any requirement hereunder for the delivery of any Certificate shall be waived.]⁴ Multiple partial drawings under this Letter of Credit are [not] permitted.

³ Modify if necessary to reflect Business Day convention for letters of credit backstopped by this Letter of Credit.

⁴ Delete if automatic drawings will not be permitted.

Payment under this Letter of Credit shall be made by wire transfer of Federal Reserve Bank of New York funds to (i) if such payment is made as a result of an actual delivery of your Draft and Certificate, such account as the beneficiary of the Beneficiary L/C may notify the L/C Issuer from time to time and (ii) if such payment is made as a result of deemed delivery of a Draft, such account of the Account Party as the Account Party and the beneficiary of the Beneficiary L/C may notify the L/C Issuer from time to time; *provided, however*, that if, prior to the date of such payment, the Beneficiary shall have paid (i) in the case of a payment made as a result of an actual delivery of a Draft and Certificate, a corresponding amount under the Beneficiary L/C and (ii) otherwise, the full amount of the Beneficiary L/C, such payment shall be made to an account of the Beneficiary designated by the Beneficiary from time to time.

This Letter of Credit shall terminate at 11:00 a.m. (New York City time) on the Termination Date.

If a demand for payment does not conform to the terms and conditions of the Letter of Credit, the L/C Administrator will notify you thereof by telecommunication, within a reasonable time after such delivery of such demand for payment (not to exceed the time permitted for honor of a conforming demand), and the L/C Administrator shall hold all documents at your disposal or, at your option, return the same to you. Dishonor of your demand shall not prejudice your right to cure and re-present documents or to make a later demand before the termination hereof.

This Letter of Credit shall be governed by the Uniform Customs and Practice For Documentary Credits (1993 Revision) International Chamber of Commerce No. 500 (the "UCP"). As to matters not governed by the UCP, such matters shall be governed by and construed in accordance with the laws of the State of New York.

Telecommunications hereunder shall be made by telecopy or by telephone to the numbers set forth or referred to below, and notices that may be personally delivered or mailed shall be made (a) if to the L/C Administrator or the L/C Issuer, to the L/C Administrator at its address set forth above or otherwise notified to you from time to time with a copy to LaSalle Bank National Association, 181 West Madison Street, 32nd Floor, Chicago, Illinois, 60602, Attention: CDO Trust Services Group - ELF Special Financing Ltd., Telephone: (312) 904-0881, Facsimile No.: (312) 904-0524 and (b) if to the Beneficiary, to it at [____], Attention: [____], Telephone: [____], Facsimile No.: [____] or otherwise notified to you from time to time.

We agree that any action or proceeding relating in any way to this Letter of Credit may be brought and enforced in the courts of the State of New York located in the Borough of Manhattan, or, to the fullest extent permitted under applicable law, of the United States of America for the Southern District of New

York. Legal process may be served in connection with any suit, action or proceeding to the addresses and in the manner set forth herein.

The Beneficiary, by its acceptance hereof, hereby covenants that it will not at any time institute against the L/C Issuer, or join any person in instituting against the L/C Issuer, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or any other similar proceedings under any Cayman Islands, United States federal or state, or other bankruptcy, insolvency or similar law in connection with any obligations of the L/C Issuer relating to this Letter of Credit until at least one year and one day (or any longer preference period under applicable law) has lapsed after the payment in full of all amounts payable in respect of this Letter of Credit; *provided, however*, that nothing in this paragraph shall preclude, or be deemed to estop, the Beneficiary from taking any action prior to the expiration of the aforementioned one year and one day period in any case or proceeding voluntarily filed or commenced by the L/C Issuer or in any involuntary insolvency proceeding filed or commenced against the L/C Issuer by any person other than the Beneficiary.

The obligations of the L/C Issuer hereunder constitute direct, limited recourse obligations of the L/C Issuer, and are payable only to the extent that funds are available from the assets or the proceeds of the assets of the L/C Issuer (the “**Available Funds**”). To the extent the Available Funds are insufficient to satisfy such obligations, such obligations will be extinguished. The Beneficiary hereby acknowledges and agrees that the L/C Issuer’s obligations hereunder will be solely the corporate obligations of the L/C Issuer and that the Beneficiary shall not have any recourse (in the absence of fraud or willful misconduct) against any of the directors, officers or employees of the L/C Issuer for any claims, losses, damages, liabilities, indemnities or other obligations whatsoever in connection with any transactions contemplated by hereby.

[The L/C Issuer hereby consents to the assignment of the proceeds of this Letter of Credit by the Beneficiary to [name of beneficiary of Beneficiary L/C] to secure the obligations of the Beneficiary to [name of beneficiary of Beneficiary L/C] under the Beneficiary L/C.]

Very truly yours,

ELF SPECIAL FINANCING LTD.

By: MORGAN STANLEY CAPITAL SERVICES INC., as L/C Administrator

By: _____
Name:
Title:

Annex A

[Form of Certificate for Draft]

CERTIFICATE FOR DRAWING

Irrevocable Standby Letter of Credit No. [IPG___ - ___]

The undersigned, a duly authorized representative of the undersigned Beneficiary, hereby certifies to ELF Special Financing Ltd. (the "**L/C Issuer**"), with reference to Irrevocable Standby Letter of Credit No. [___] (the "**Letter of Credit**", the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the L/C Issuer in favor of the Beneficiary, as follows:

(a) The Beneficiary is making a drawing under the Letter of Credit.

(b) INSERT APPROPRIATE OPTION:

A draft has been presented under our Irrevocable Standby Letter of Credit No. [___] issued by the Beneficiary in favor of [name of beneficiary under Beneficiary L/C] as beneficiary, in an amount equal to \$[_____] [and which has been paid in full by [wire/SWIFT] transfer to account [____]]⁵. The amount of the Draft accompanying this Certificate is \$[___]⁶.

OR

[Morgan Stanley Capital Services Inc., in its capacity as L/C Administrator in respect of the Letter of Credit, has delivered an Early Termination Notice. The amount of the Draft accompanying this Certificate is equal to \$[___], which equals the Available Amount of \$[___].⁷

OR

⁵ Use bracketed payment in full language only if the Beneficiary has paid under the referenced letter of credit before drawing under this letter of credit.

⁶ The amount of the draft should not be greater than the amount of the drawing referred to in the preceding sentence.

⁷ Delete if such terminations will be automatic.

[Morgan Stanley Capital Services Inc., in its capacity as L/C Administrator in respect of the Letter of Credit, has delivered an Available Amount Reduction Notice which will reduce the Available Amount by \$[___]. The amount of the Draft accompanying this Certificate is equal to \$[___]^{8,9}.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the ___ day of _____, 20[___].

[____], as Beneficiary

By: _____

Name:

Title:

⁸ The amount of the Draft should match the amount of the reduction set forth in the Available Amount Reduction Notice.

⁹ Delete if either such reductions will be automatic or if partial drawings are not permitted.

FORM OF
LETTER OF CREDIT AMENDMENT

Reference is made to the Irrevocable Standby Letter of Credit No. o (the "Letter of Credit", the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by ELF Special Financing Ltd. (the "L/C Issuer"), for the account of The Interpublic Group of Companies, Inc., in favor of [] (the "Beneficiary").

The parties hereto hereby agree that the Available Amount of the Letter of Credit is [increased][decreased] to \$[].

ELF SPECIAL FINANCING LTD.
By: MORGAN STANLEY CAPITAL
SERVICES INC., as L/C Administrator

By: _____
Name:
Title:

[NAME OF BENEFICIARY]

By: _____
Name:
Title:

THE INTERPUBLIC GROUP OF
COMPANIES, INC., as Account Party

By: _____
Name:
Title:

FORM OF 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 _____ or its registered assigns (the "**Lender**") for the account of its Applicable Lending Office on the Maturity Date (each as defined in the Credit Agreement referred to below) the principal sum of U.S.\$[amount of the Initial Lender's Commitment in figures] [or, if less, the aggregate] principal amount of the [Tranche [____]] Advances owed to the Lender by the Borrower pursuant to the 3-Year Credit Agreement dated as of [____], 2006, among the Borrower, ELF Special Financing Ltd., as Initial Lender and L/C Issuer, certain other lenders parties thereto, Morgan Stanley Capital Services Inc. as the agent for the Lender and the other lenders and as L/C Administrator (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 [Tranche [____]] Advance from the date of such [Tranche [____]] 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 [Tranche [____]] Advance are payable in lawful money of the United States of America to the Agent at its account maintained at [____], in same-day funds. Each [Tranche [____]] Advance owing to the Lender by the Borrower pursuant to the Credit Agreement, and all payments made on account of principal thereof, may 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, 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. [The Subordinated Advances evidenced by this Note are subordinated in right of payment in the manner and to the extent specified in the Credit Agreement].

"THIS NOTE AND THE ADVANCES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS

AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS, AND NEITHER THIS NOTE, THE ADVANCES EVIDENCED HEREBY NOR ANY INTEREST OR PARTICIPATION HEREIN OR THEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF REPRESENTS THAT IT IS AN ELIGIBLE ASSIGNEE AS DEFINED IN THE CREDIT AGREEMENT. THE HOLDER OF THIS NOTE AGREES TO OFFER, SELL OR OTHERWISE TRANSFER THIS NOTE AND THE ADVANCES EVIDENCED HEREBY ONLY TO AN ELIGIBLE ASSIGNEE AS DEFINED IN THE CREDIT AGREEMENT. NO SALE OR OTHER TRANSFER OF THE NOTE OR THE ADVANCES WILL BE PERMITTED WHICH WOULD REQUIRE REGISTRATION OF THE NOTES OR THE ADVANCES EVIDENCED HEREBY UNDER THE SECURITIES ACT OR RESULT IN A VIOLATION OF ANY FEDERAL OR STATE SECURITIES LAW OR REGULATION.

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: _____
Name:
Title:

FORM OF NOTICE OF BORROWING

Morgan Stanley Capital Services Inc., as the Agent
for the Lenders party
to the Credit Agreement
referred to below
[_____]

[Date]

Attention: [_____]

Ladies and Gentlemen:

The undersigned, The Interpublic Group of Companies, Inc., refers to the 3-Year Credit Agreement dated as of [_____], 2006 (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, and Morgan Stanley Capital Services Inc., as the Agent for said Lenders and as L/C Administrator, and hereby gives you notice, irrevocably, pursuant to Section 2.02 of the Credit Agreement that the undersigned hereby requests a Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Borrowing (the "**Proposed Borrowing**") as required by Section 2.02 of the Credit Agreement:

- (i) The Business Day of the Proposed Borrowing is _____, 200_.
- (ii) The aggregate amount of the Proposed Borrowing is [\$_____].
- (iii) The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed

Borrowing:

- (A) the representations and warranties contained in subsections (a)(i), (a)(ii), (b)(ii)(A), (d)(ii) and (f) of Section 4.01 of the Credit Agreement are correct, before and after giving effect to the Proposed Borrowing and to the application of the proceeds therefrom, as though made on and as of such date;
- (B) the Termination Date has not occurred; and
- (C) immediately after giving effect to the Proposed Borrowing, the aggregate principal amount of all Advances then

outstanding *plus* the aggregate Available Amount of all Letters of Credit then outstanding shall not exceed the amount of the Commitment on such date.

Very truly yours,

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: _____
Title:

D-1

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (this “**Assignment and Assumption**”) is dated as of the Effective Date set forth below and is entered into by and between [the][each]¹⁰ Assignor identified in item 1 below ([the][each, an] “**Assignor**”) and [the][each]¹¹ Assignee identified in item 2 below ([the][each, an] “**Assignee**”). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees]¹² hereunder are several and not joint.]¹³ Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (the “**Credit Agreement**”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and assumes from [the Assignor][the respective Assignors], subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Agent as contemplated below (i) all of [the Assignor’s][the respective Assignors’] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of [the Assignor][the respective Assignors] under the respective facilities identified below and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations

¹⁰ For bracketed language here and elsewhere in this form relating to the Assignor(s), if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

¹¹ For bracketed language here and elsewhere in this form relating to the Assignee(s), if the assignment is to a single Assignee, choose the first bracketed language. If the assignment is to multiple Assignees, choose the second bracketed language.

¹² Select as appropriate.

¹³ Include bracketed language if there are either multiple Assignors or multiple Assignees.

sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as [the][an] “Assigned Interest”). Each such sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by [the][any] Assignor.

- 1. Assignor[s]: _____

- 2. Assignee[s]: _____

- 3. Borrower(s): _____
- 4. Administrative Agent: Morgan Stanley Capital Services Inc., as the Administrative Agent under the Credit Agreement

5. Credit Agreement: Credit Agreement, dated as of [], 2006, among The Interpublic Group of Companies, Inc., as Borrower, ELF Special Financing LTD., as Initial Lender and L/C Issuer, the other Lenders from time to time party thereto, and Morgan Stanley Capital Services Inc. as Administrative Agent and L/C Administrator.

6. Assigned Interest:

<u>Assignor[s]</u> ¹⁴	<u>Assignee[s]</u> ¹⁵	<u>Facility Assigned</u> ¹⁶	<u>Aggregate Amount of Commitment/Loans for all Lenders</u> ¹⁷	<u>Amount of Commitment/Loans Assigned</u>	<u>Percentage Assigned of Commitment/Loans</u> ¹⁸	<u>CUSIP Number</u>
		_____	\$ _____	\$ _____	_____ %	
		_____	\$ _____	\$ _____	_____ %	

¹⁴ List each Assignor, as appropriate.

¹⁵ List each Assignor, as appropriate.

¹⁶ Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment (e.g., “Revolving Credit Commitment”, “Term A Commitment”, etc.).

¹⁷ Amounts in this column and in the column immediately to the right to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

¹⁸ Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

					_____%	
			\$ _____	\$ _____	_____%	
			\$ _____	\$ _____	_____%	

[7. Trade Date: _____] ¹⁹

Effective Date: _____, 20__ [TO BE INSERTED BY AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF THE TRANSFER IN THE REGISTER THEREFOR.]

[8. It is expressly understood and agreed by the parties hereto that (a) this Assignment and Assumption is executed and delivered on behalf of the Initial Lender by LaSalle Bank National Association ("LaSalle"), not individually or personally but solely as the Notes Issuer Representative of the Initial Lender, in the exercise of the powers and authority conferred and vested in it pursuant to the Indenture, (b) each of the representations, undertakings and agreements herein made on the part of the Initial Lender is made and intended not as personal representations, undertakings and agreements by LaSalle but is made and intended for the purpose of binding only the Notes Issuer, and (c) under no circumstances shall LaSalle be personally liable for the payment of any indebtedness or expenses of the Initial Lender or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Initial Lender under the Credit Agreement or this Assignment and Assumption.] ²⁰

¹⁹ To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

²⁰ To be inserted in assignment to be made by the Initial Lender.

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By:

Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By:

3-YEAR CREDIT AGREEMENT
STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1. Assignor. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it is an Eligible Assignee as defined in the Credit Agreement, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of [the][the relevant] Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by [the] [such] Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire [the][such] Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive such documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, and (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest; and (b) agrees that (i) it will, independently and

without reliance upon the Administrative Agent, [the][any] 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 Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignor for amounts which have accrued to but excluding the Effective Date and to [the][the relevant] Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

**FORM OF OPINION OF
CLEARY GOTTLIEB STEEN & HAMILTON LLP**

[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., a Delaware corporation (the "**Borrower**"), in connection with that certain 3-Year Credit Agreement dated as of [____], 2006 (the "**Credit Agreement**"), among the Borrower, the Lenders and L/C Issuer parties thereto, and Morgan Stanley Capital Services Inc., as Agent for said Lenders and as L/C Administrator. This opinion is furnished to you pursuant to Section 3.01(c)(iv) of the Credit Agreement.

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

- (1) an executed copy of the Credit Agreement;
- (2) a form of Note (as defined in the Credit Agreement); and
- (3) the other documents furnished by the Borrower pursuant to Article 3 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 Borrower and such other instruments and other certificates of public officials, officers and representatives of the Borrower and such other persons, and we have made such investigations of law, as we have deemed appropriate 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 (i) the accuracy as to factual matters of each document we have reviewed (including, without limitation, the accuracy of the representations and warranties of the Borrower in the Credit Agreement) and (ii) that the Notes, as and when issued will conform to the form thereof that we have reviewed.

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

1. The Borrower has corporate power to enter into the Credit Agreement and the Notes and to perform its obligations thereunder.
2. The execution and delivery by the Borrower of the Credit Agreement and the Notes have been duly authorized by all necessary corporate action of the Borrower.
3. The performance by the Borrower of its obligations under the Credit Agreement and the 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 or published rule or regulation or the Delaware General Corporation Law.
4. The Credit Agreement is a valid, binding and enforceable agreement of the Borrower.
5. The Notes, when issued in respect of any Advances in accordance with the provisions of the Credit Agreement, will be valid, binding and enforceable obligations of the Borrower.

Insofar as the foregoing opinions relate to the validity, binding effect or enforceability of any agreement or obligation of the Borrower, (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 Borrower 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 that in our experience normally would be applicable to general business entities with respect to such agreement or obligation) 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 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 designation in Section 8.12(a) of the Credit Agreement of the U.S. federal courts sitting in New York City as the venue for actions or proceedings relating to the Credit Agreement is (notwithstanding the waiver in Section 8.12(b) of the Credit Agreement) subject to the power of such federal court to transfer actions pursuant to 28 U.S.C. §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 8.12(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. §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 general business entities with respect to performance of 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 relied on or furnished to any other Person or 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 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 LLP

By: _____

E-2-1

**FORM OF OPINION OF
IN-HOUSE COUNSEL OF THE BORROWER**

[Effective Date]

To each of the Lenders party
to the below-referenced Credit Agreement

3-Year Credit Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to Section 3.01(c)(iv) of the 3-Year Credit Agreement dated as of [____], 2006 (the "**Credit Agreement**"), among The Interpublic Group of Companies, Inc. (the "**Borrower**"), the Lenders and L/C Issuer parties thereto, and Morgan Stanley Capital Services Inc., as Agent for said Lenders and as L/C Administrator. Terms defined in the Credit Agreement are used herein as therein defined.

I have acted as General Counsel for the Borrower 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 Borrower pursuant to Article 3 of the Credit Agreement.
- (3) A copy of the Restated Certificate of Incorporation of the Borrower and all amendments thereto (the "**Charter**").
- (4) A copy of the bylaws of the Borrower and all amendments thereto (the "**Bylaws**").
- (5) A certificate of the Secretary of State of the State of Delaware, dated _____, 2006, attesting to the continued corporate existence and good standing of the Borrower 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 Borrower, certificates of public officials and of officers of the Borrower 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 Borrower 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 Borrower 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 Borrower of the Credit Agreement and the Notes to be delivered by it, and the consummation of the transactions contemplated thereby, are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) the Charter or the Bylaws or (ii) any material contractual or legal restriction known to me contained in any material document to which the Borrower 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 Borrower.
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 Borrower 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 Borrower 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 Borrower'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 Borrower and its Consolidated 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 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

WARRANT AGREEMENT

dated as of

June 13, 2006

between

THE INTERPUBLIC GROUP OF COMPANIES, INC.

and

LASALLE BANK NATIONAL ASSOCIATION

as Warrant Agent

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WARRANT AGREEMENT

This Warrant Agreement dated as of June 13, 2006, between The Interpublic Group of Companies, Inc., a corporation organized under the laws of Delaware (the “**Company**”), and LaSalle Bank National Association (the “**Warrant Agent**”).

WITNESSETH THAT:

WHEREAS, the Company is authorized to issue warrants exercisable for cash or shares of Common Stock (as defined below) of the Company, or a combination thereof, at the Company’s option, consisting of Capped Warrants and Uncapped Warrants, as provided for herein;

WHEREAS, the Company desires that the Warrant Agent act on behalf of the Company, and the Warrant Agent is willing to act, in connection with the issuance, exchange, transfer, substitution and exercise of Warrants; and

NOW THEREFORE in consideration of the mutual agreements herein contained, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.01. *Certain Definitions.* As used in this Warrant Agreement, the following terms shall have their respective meanings set forth below:

“\$” refer to the lawful currency of the United States of America.

“**Agent Members**” has the meaning set forth in Section 2.06(a).

“**Authentication Order**” has the meaning set forth in Section 2.01(b)(iii).

“**Average Price**” with respect to Common Stock or a Unit of Reference Property has the meaning set forth in Section 3.05(c).

“**Board of Directors**” means the board of directors of the Company or any committee of such board of directors duly authorized to exercise the power of such board of directors with respect to the matters provided for in this Warrant Agreement as to which the board of directors is authorized or required to act.

“**Board Resolution**” means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Warrant Agent.

“**Business Day**” means a day of the week other than a Saturday, a Sunday or a day which shall be in New York, New York, or in the city in which the principal office of the Warrant Agent is located, a legal holiday or a day on which banking institutions are authorized or required by law to close for business.

“**Cap Price**” means, in respect of the Capped Warrants, \$12.36 per Capped Warrant, subject to adjustment pursuant to Article 4 hereof.

“**Capped Exercise Price**” has the meaning set forth in Section 2.01.

“**Capped Warrants**” means warrants of the Company designated as “Capped Warrants” exercisable for shares of Common Stock, cash or a combination thereof, as provided herein, issued pursuant to this Warrant Agreement with the terms, conditions and rights set forth in this Warrant Agreement and the Warrant Certificate relating thereto.

“**Cash Percentage**” has the meaning set forth in Section 3.04.

“**Certificated Warrant**” has the meaning set forth in Section 2.02(b).

“**Closing Date**” means June 13, 2006.

“**Closing Sale Price**” means, in respect of Common Stock or any other security for which a Closing Sale Price must be determined on any date, the closing sale price per share (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions for the principal United States securities exchange on which the Common Stock or such other security is traded or, if the Common Stock or such other security is not listed on a United States national or regional securities exchange, and the Nasdaq National Market is not a United States national securities exchange, as reported by the Nasdaq National Market. If the Common Stock or such other security is not listed for trading on a United States national or regional securities exchange and not reported by the Nasdaq National Market (at a time when the Nasdaq National Market is not a United States national securities exchange) on the relevant date, the Closing Sale Price will be the last quoted bid price for the Common Stock or such other security in the over-the-counter market on the relevant date as reported by the National Quotation Bureau or similar organization. If the Common Stock or such other security is not so quoted, the Closing Sale Price will be the average of the mid-point of the last bid and ask prices for the Common Stock or such other security on the relevant date from each of at least three nationally recognized independent investment banking firms selected by the Company for this purpose. The Closing Sale Price will be determined without reference to extended or after hours trading.

“**Common Stock**” means the common stock, par value \$0.10 per share, of the Company authorized at the date of this Warrant Agreement or as such stock may be constituted from time to time. Subject to the provisions of Section 4.03 and Section 4.04, shares issuable upon exercise of Warrants, to the extent elected by the Company as provided herein, shall include only shares of the class designated as Common Stock of the Company as of the date of this Warrant Agreement or shares of any class or classes resulting from any reclassification or reclassifications or change or changes thereof and that have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, and if at any time there shall be more than one such resulting class, the shares of each such class then so issuable shall be substantially in the proportion that the total number of shares of such class resulting from all such reclassifications or changes bears to the total number of shares of all such classes resulting from such reclassifications or changes.

“**Company Order**” means a written order signed in the name of the Company by any two officers, at least one of whom must be its Chairman, its Chief Executive Officer, its Chief Financial Officer, its Treasurer, an Assistant Treasurer, or its Controller, and delivered to the Warrant Agent.

“**Current Market Price**” on any day means, in respect of the Common Stock or any other security for which a Current Market Price must be determined in connection with an issuance, distribution or dividend, the average of the Closing Sale Prices of the Common Stock over the 5 consecutive Trading Days ending on the earlier of such day and the day before the Ex-Dividend Date with respect to the issuance, distribution, or dividend requiring such computation.

“**Daily Net Cash Amount**” has the meaning set forth in Section 3.02(b).

“**Daily Net Share Amount**” has the meaning set forth in Section 3.03(b).

“**Depository**” or “**DTC**” means The Depository Trust Company, its nominees, and their respective successors.

“**Early Settlement Amount**” has the meaning set forth in Section 3.05(b).

“**Effective Date**” has the meaning set forth in Section 3.05.

“**Ex-Dividend Date**” means, with respect to any dividend, distribution or issuance on the Common Stock, the first date on which the Common Stock trades, regular way, on the Exchange without the right to receive such dividend, distribution or issuance.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

“**Exercise Date**” has the meaning set forth in Section 3.05(i).

“**Exercise Price**” means, for the Capped Warrants, the Capped Exercise Price and, for the Uncapped Warrants, the Uncapped Exercise Price.

“**Expiration Date**” means, for any Warrant, June 15, 2009, regardless of whether such date is a Trading Day.

“**Fundamental Change**” means the consummation of any share exchange, consolidation or merger of the Company pursuant to which the Common Stock will be converted into cash, securities or other property or any sale, lease or other transfer in one transaction or a series of transactions of all or substantially all of the consolidated assets of the Company and its Subsidiaries, taken as a whole, to any Person other than a Subsidiary of the Company; *provided, however*, that a transaction where the holders of more than 50% of all classes of the common equity of the Company immediately prior to the transaction own, directly or indirectly, more than 50% of all classes of common equity of the continuing or surviving corporation or transferee immediately after the event shall not be a Fundamental Change; *provided, further, however*, that a Fundamental Change shall not be deemed to have occurred if at least 90% of the consideration (excluding cash payments for fractional shares and cash payment pursuant to dissenters’ appraisal rights) in the transaction or transactions constituting the Fundamental Change consists of shares of common stock of a United States company with full voting rights traded on a United States national securities exchange or quoted on the Nasdaq National Market (or which shall be so traded or quoted when issued or exchanged in connection with such Fundamental Change) (such securities being referred to as “**Publicly Traded Securities**”).

“**Global Warrant**” has the meaning set forth in Section 2.02(b).

“**Global Warrant Legend**” means the legend set forth in Section 2.03.

“**Global Warrant Underlying Units**” means a permanent Global Warrant in fully registered form delivered to and registered in the name of the Unit Agent.

“**Initial Purchaser**” has the meaning set forth in Section 2.05.

“**Issue Date**” means the date of issuance of any Warrants, which shall be the date of authentication of such Warrants pursuant to this Warrant Agreement.

“**Net Cash Amount**” has the meaning set forth in Section 3.02(a).

“**Net Share Amount**” has the meaning set forth in Section 3.03(a).

“**Offer Expiration Date**” has the meaning set forth in Section 4.01(e).

“Officer’s Certificate” means a certificate signed by any two officers of the Company, at least one of whom must be its Chairman, its Chief Executive Officer, its Chief Financial Officer, its Treasurer, an Assistant Treasurer, or its Controller.

“Opinion of Counsel” means an opinion in writing signed by legal counsel, who may be an employee of or counsel to the Notes Issuer or the Company and who shall otherwise be reasonably satisfactory to the Warrant Agent. “Notes Issuer” has the meaning set forth in the Unit Agreement.

“Person” means an individual, partnership, firm, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.

“Purchase Agreement” means the Purchase Agreement dated as of June 6, 2006 among the Initial Purchasers named therein, the Notes Issuer, Morgan Stanley Capital Services Inc. and the Company relating to the purchase and a resale by the Initial Purchasers of, among other things, the Warrants.

“Purchased Shares” has the meaning set forth in Section 4.01(e).

“Relevant Price” has the meaning set forth in Section 3.02(b).

“Reference Property” has the meaning set forth in Section 4.03(a).

“Resale Restriction Termination Date” means with respect to any Capped Warrant or Uncapped Warrant, as the case may be, the later of (i) the date that is two years after the last original issuance date of the Capped Warrants or the Uncapped Warrants, as applicable, and (ii) the Separation Date, as defined in the Unit Agreement, with respect to such Capped Warrant or Uncapped Warrant.

“Restricted Securities” has the meaning set forth in Section 2.03(b)(i).

“Securities Act” means the United States Securities Act of 1933, as amended.

“Settlement Period” means the period of 30 consecutive Trading Days commencing on, and including, the third scheduled Trading Day immediately following the Expiration Date.

“Stock Price” means in respect of a Fundamental Change (i) if such Fundamental Change is a transaction whereby holders of Common Stock receive only cash, such cash amount paid per share of Common Stock, and (ii) otherwise, the Stock Price will be the average of the Closing Sale Prices of Common Stock on the five Trading Days up to, but excluding, the Effective Date.

“**Subsidiary**” means a corporation more than 50% of the outstanding Voting Stock of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries, or by the Company and one or more other Subsidiaries. For purposes of this definition, “Voting Stock” means stock which ordinary has voting power for the election of directors, whether at all times or only so long as no senior class of stock has such voting power by reason of any contingency.

“**Taxes**” has the meaning set forth in Section 2.05.

“**Trading Day**” means a day during which trading in securities generally occurs on the New York Stock Exchange (or, if the Common Stock is not traded on the New York Stock Exchange, on the principal other market on which the Common Stock is then traded), other than a day on which a material suspension of or limitation on trading is imposed that affects either the New York Stock Exchange (or, if applicable, such other market) in its entirety or the shares of Common Stock (by reason of movements in price exceeding limits permitted by the relevant market on which the shares are traded or otherwise) or on which any event disrupts or impairs the ability of market participants in general to effect transactions or obtain market values on the New York Stock Exchange (or, if applicable, other such market) for Common Stock.

“**Trigger Event**” means a specified event the occurrence of which entitles the holders of rights, options or Warrants to exercise such rights, options or Warrants.

“**Transfer**” means, for the purposes of Section 2.03(b) and Section 2.03(c), any sale, pledge, transfer or other disposition whatsoever of any Restricted Security.

“**Uncapped Exercise Price**” has the meaning set forth in Section 2.01.

“**Uncapped Warrants**” means warrants of the Company designated as “Uncapped Warrants” exercisable for shares of Common Stock or cash, as provided herein, issued pursuant to this Warrant Agreement with the terms, conditions and rights set forth in this Warrant Agreement and the Warrant Certificate relating thereto.

“**Unit**” has the meaning set forth in the Unit Agreement.

“**Unit Agent**” has the meaning set forth in the Unit Agreement.

“**Unit Agreement**” means the Unit Agreement dated as of the date hereof among the Company, the Warrant Agent, the Notes Issuer specified herein, the Indenture Trustee specified therein and the Unit Agent specified therein.

“**Unit of Reference Property**” has the meaning set forth in Section 4.03(a).

“**Unit Value**” has the meaning set forth in Section 4.03(b).

“**Vice President**” means any vice president, whether or not designated by a number or a word or words added before or after the title “vice president” of the Company.

“**VWAP**” means, in respect of Common Stock on any Trading Day, the volume weighted price per share of such Common Stock as displayed on Bloomberg (or any successor service) page IPG <equity>VAP for the period from 9:30 a.m. to 4:00 p.m., New York City time, on such Trading Day; or, if such price is not available, the volume weighted average price per share as determined by a nationally recognized independent investment banking firm selected by the Company for this purpose.

“**Warrant**” means any of the Capped Warrants or Uncapped Warrants issued pursuant to this Warrant Agreement, and “**Warrants**” means the Capped Warrants and the Uncapped Warrants collectively.

“**Warrant Certificate**” has the meaning set forth in Section 2.02(a).

“**Warrant Entitlement**” means, for each Warrant, one share of Common Stock, as adjusted pursuant to Article 4 hereof.

“**Warrant Multiplier**” means, for the Capped Warrants or the Uncapped Warrants, initially one (1), as adjusted pursuant to Article 4 hereof.

“**Warrant Register**” has the meaning set forth in Section 2.04(a).

“**Warrantholder**” means such Person in whose name Warrants are registered in the Warrant Register.

ARTICLE 2

ISSUANCE, EXECUTION AND TRANSFER OF WARRANT CERTIFICATES

Section 2.01. *Issuance of Warrants.* (a) The aggregate number of Warrants that may be issued and authenticated, and outstanding at any time under this Warrant Agreement is limited to 67,898,967 Warrants, consisting of 29,072,092 Capped Warrants and 38,826,875 Uncapped Warrants. Each Warrant shall entitle the Warrantholder to purchase one share of Common Stock (subject to the Company’s right to settle in cash or a combination of cash and Commons Stock as described in Article 3), at an Exercise Price of \$9.89 per Capped Warrant

(the “**Capped Exercise Price**”) and \$11.91 per Uncapped Warrant (the “**Uncapped Exercise Price**”), in each case subject to adjustment. Warrants may only be net exercised and will be settled in cash, Common Stock (and cash in lieu of fractional shares, if any) or in a combination thereof at the Company’s option, as described in Article 3. In the case of the Capped Warrants, the amount of cash paid, or number shares of Common Stock delivered, upon settlement of the Warrants shall be limited by a cap price of \$12.36 per Warrant, subject to adjustment as described in Article 3 (the “**Cap Price**”). All Warrants issued under this Warrant Agreement shall in all respects be equally and ratably entitled to the benefits hereof (other than as to terms specific to the Capped Warrants or Uncapped Warrants as set forth herein), without preference, priority, or distinction on account of the actual time of the issuance and authentication or any other terms thereof.

(b) (i) Warrants shall be executed on behalf of the Company by any of the Chairman, the Executive Vice President, and any Vice President of the Company under its corporate seal reproduced thereon and attested by its Secretary or any one of its Assistant Secretaries. The signature of any of these officers on Warrants may be manual or facsimile. The seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted, or otherwise reproduced on Warrants. Typographical and other minor errors or defects in any such reproduction of the seal or any such signature shall not affect the validity or enforceability of any Warrant that has been duly authenticated and delivered by the Warrant Agent. Unless otherwise provided in the form of Warrant for any series, all Warrants shall be dated as of the Issue Date.

(ii) Warrants bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Warrants or did not hold such offices at the date of such Warrants.

(iii) At any time and from time to time after the execution and delivery of this Warrant Agreement, subject to the aggregate number of Capped and Uncapped Warrants, as applicable, set forth in Section 2.01 above, the Company may deliver Warrants to the Warrant Agent for authentication, together with a Company Order for authentication and delivery (such Company Order, an “**Authentication Order**”) with respect to such Warrants, and the Warrant Agent shall, upon receipt of such Authentication Order, in accordance with procedures acceptable to the Warrant Agent set forth in the Authentication Order, and subject to the provisions hereof, authenticate and deliver such Warrants to such recipients as may be specified from time to time pursuant to such Authentication Order. The terms of such Warrants shall be determinable under this Warrant Agreement. If provided for in such procedures, such

Authentication Order may authorize authentication and delivery of such Warrants pursuant to oral instructions from the Company or its duly authorized agent, which instructions shall be promptly confirmed in writing. No Warrant shall be entitled to any benefit under this Warrant Agreement or be valid or obligatory for any purpose unless there appears on such Warrant a certificate of authentication substantially in the form provided for herein executed by the Warrant Agent by manual or facsimile signature, and such certificate upon any Warrant shall be conclusive evidence, and the only evidence, that such Warrant has been duly authenticated and delivered hereunder.

(iv) The Warrant Agent shall, upon receipt of a Company's Order, authenticate and deliver for original issue on the Closing Date:

(A) with respect to the Capped Warrants, (1) one or more Global Warrants initially evidencing an aggregate of 3,792,092 Capped Warrants, registered in the name of the Depository or its nominee and (2) one or more Global Warrants Underlying Units initially evidencing 25,280,000 Capped Warrants, registered in the name of the Notes Issuer; and

(B) with respect to the Uncapped Warrants, (1) one or more Global Warrants initially evidencing zero Uncapped Warrants, registered in the name of the Depository or its nominee; and (2) one or more Global Warrants Underlying Units initially evidencing 38,826,875 Uncapped Warrants registered in the name of the Notes Issuer.

(v) The Warrant Agent shall, upon receipt of the Global Warrants Underlying Units referred to in clauses (iv)(A)(2) and (iv)(B)(2) above, duly endorsed by the Notes Issuer for transfer of such Global Warrants Underlying Units to the Unit Agent, (A) cancel the Global Warrants Underlying Units referred to in clause (iv)(A)(2) above and authenticate and deliver to the Unit Agent on the Closing Date one or more Global Warrants Underlying Units, initially evidencing 25,280,000 Capped Warrants, registered in the name of the Unit Agent and (B) cancel the Global Warrants Underlying Units referred to in clause (iv)(B)(2) above and authenticate and deliver to the Unit Agent on the Closing Date one or more Global Warrants Underlying Units, initially evidencing 38,826,875 Uncapped Warrants, registered in the name of the Unit Agent. For the avoidance of doubt, (i) the transfer of the Global Warrants Underlying Units referred to in clauses (iv)(A)(2) and (iv)(B)(2) from the Notes Issuer to the Unit Agent referred to in this clause (v) shall not be subject to the transfer restrictions specified in Section 2.03.

(vi) The Warrant Agent shall, in accordance with the Unit Agreement, upon the separation of a Unit into its respective components, or upon the recreation of a Unit from its respective components, appropriately notate each of the Global Warrant and the Global Warrant Underlying Units for the related Capped Warrants or Uncapped Warrants.

Section 2.02. *Form of Warrant Certificates.* (a) Any certificate representing Warrants (each, a “**Warrant Certificate**”) shall have such insertions as are appropriate or required or permitted by this Warrant Agreement and may have such letters, numbers or other marks of identification and such legends and endorsements, stamped, printed, lithographed or engraved thereon. (i) as the Company may deem appropriate and as are not inconsistent with the provisions of this Warrant Agreement, (ii) such as may be required to comply with this Warrant Agreement, any law or any rule of any securities exchange on which Warrants may be listed, (iii) and such as may be necessary to conform to customary usage.

(b) So long as the Warrants are eligible for book-entry settlement with the Depository, any Warrants issued hereunder shall be issued initially in the form of a permanent global Warrant Certificate (the “**Global Warrant**”) in definitive, fully registered form, substantially in the form set forth in Exhibit A hereto, which exhibit is hereby incorporated in and expressly made a part of this Warrant Agreement. Upon issuance, each Global Warrant shall be duly executed by the Company and authenticated by the Warrant Agent as provided herein and deposited with the Unit Agent as custodian for the Depository. Any Warrants represented by Warrant Certificates in definitive, fully registered form issued to beneficial owners of interests in the Global Warrant (each a “**Certificated Warrant**”) pursuant to Section 2.06(d) hereof shall be issued in substantially in the form set forth in Exhibit A hereto, which exhibit is hereby incorporated in and expressly made a part of this Warrant Agreement. Any such Warrant Certificate shall be duly executed by the Company and countersigned by the Warrant Agent and delivered, all as hereinafter provided.

Section 2.03. *Legends; Transfer Restrictions.* (a) Any Global Warrant shall bear the following legend (the “**Global Warrant Legend**”) on the face thereof:

“UNLESS THIS GLOBAL WARRANT FOR [CAPPED/UNCAPPED] WARRANTS IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“**DTC**”), TO THE INTERPUBLIC GROUP OF COMPANIES, INC. (THE “**COMPANY**”), THE CUSTODIAN OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO*. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED

REPRESENTATIVE OF DTC* (AND ANY PAYMENT IS MADE TO CEDE & CO.* OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC*), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO. *, HAS AN INTEREST HEREIN.

TRANSFER OF THIS GLOBAL WARRANT FOR [CAPPED/UNCAPPED] WARRANTS SHALL BE LIMITED TO TRANSFERS IN WHOLE, AND NOT IN PART, TO THE COMPANY, DTC*, THEIR SUCCESSORS AND THEIR RESPECTIVE NOMINEES.”

(b) (i) Every Warrant that bears or is required under this Section 2.03(b) to bear the legend set forth in this Section 2.03(b) (together with any Common Stock issued upon exercise of the Warrants and required to bear the legend set forth in Section 2.03(c), collectively, the “**Restricted Securities**”) shall be subject to the restrictions on Transfer set forth in this Section 2.03(b) (including the legend set forth below), unless such restrictions on Transfer shall be waived by written consent of the Company, and the holder of each such Restricted Security, by such holder’s acceptance thereof, agrees to be bound by all such restrictions on Transfer.

(ii) Until the Resale Restriction Termination Date with respect to any Warrant, any certificate evidencing such Warrant (and all securities issued in exchange therefor or substitution thereof, other than Common Stock, if any, issued upon exercise thereof that shall bear the legend set forth in Section 2.03(c), if applicable) shall bear a legend in substantially the following form (unless otherwise agreed by the Company in writing, with notice thereof to the Warrant Agent):

“THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS, AND NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION.

* Add references to the Unit Agent where indicated if the Global Warrant is a Global Warrant Underlying Units.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) ("QIB"). UNTIL THE RESALE RESTRICTION TERMINATION DATE, AS DEFINED IN THE WARRANT AGREEMENT REFERRED TO HEREIN, THE HOLDER OF THIS SECURITY AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY ONLY (A) TO THE ISSUER OF THIS SECURITY, (B) TO A PERSON IT REASONABLY BELIEVES IS A QIB THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT OR (C) UNLESS THIS SECURITY IS A GLOBAL WARRANT UNDERLYING UNITS, AS DEFINED IN THE WARRANT AGREEMENT, IN ACCORDANCE WITH ANY OTHER EXEMPTION FROM REGISTRATION AND NOT WITH A VIEW TO, OR FOR OFFER OR SALE IN CONNECTION WITH, ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT.

THE HOLDER OF THIS SECURITY UNDERSTANDS THAT THE ISSUER OF THIS SECURITY MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN ITS SECURITIES FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES.

ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO, AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER OF THIS SECURITY, THE WARRANT AGENT OR ANY INTERMEDIARY. IF AT ANY TIME THE ISSUER DETERMINES IN GOOD FAITH OR IS NOTIFIED THAT THE HOLDER OF THIS SECURITY OR A BENEFICIAL INTEREST HEREIN WAS IN BREACH OF ANY OF THE REPRESENTATIONS SET FORTH IN THIS SECURITY, THE ISSUER OR THE WARRANT AGENT MAY DECLARE THE ACQUISITION OF THIS SECURITY OR SUCH INTEREST IN THIS SECURITY VOID, IN THE EVENT OF A BREACH, AT THE TIME GIVEN, AND, IN THE EVENT OF SUCH A DETERMINATION OR NOTICE OF BREACH, AT THE TIME GIVEN OR AT ANY SUBSEQUENT TIME, THE ISSUER OR THE WARRANT AGENT MAY REQUIRE THAT THIS SECURITY OR SUCH INTEREST HEREIN BE TRANSFERRED TO A PERSON DESIGNATED BY IT.

Unless held as a component of a Unit pursuant to the Unit Agreement, any Warrant (or security issued in exchange or substitution therefor) held on or after the Resale Restriction Termination Date may, upon surrender of such Warrant for exchange to the Warrant registrar in accordance with the provisions of this Section 2.03, be exchanged for a new Warrant or Warrants, of like tenor and aggregate principal amount, which shall not bear the restrictive legend required by this Section 2.03.

(iii) Any Warrant that is not held as a component of a Unit and any interest in such Warrant may only be transferred as contemplated in the legend set forth above. Transfers of Warrants held as components of a Unit shall be governed by the Unit Agreement.

(iv) The Company or the Warrant Agent, as applicable may consider the Transfer of any Warrant or any interest therein null and void *ab initio* and refuse to recognize such Transfer if at any time the Company or the Warrant Agent reasonably determines in good faith that the owner of such Warrant or interest was in breach of any representation or covenant contained in the transfer restrictions set forth in Section 2.03(b)(iii). The Company or the Warrant Agent acting at the direction of the Company, as applicable, may require the Transfer of such Warrant or interest to any Person designated by the Company or the Warrant Agent, as applicable, at a price determined in good faith based upon a reasonable estimation of the prevailing price of such Warrants by an independent third party or, if no such independent third party is available or able to determine a price, as determined by the Company in good faith based upon its reasonable estimation of the prevailing price of such Warrants. Each owner of the Warrants, by acceptance of such Warrants, authorizes the Company or the Warrant Agent to take such action. In any such case, none of the Company, the Warrant Agent, the Initial Purchasers or their respective affiliates shall be responsible for any losses that may be incurred as a result of any required Transfer, avoidance of a Transfer or redemption.

(c) Until the Resale Restriction Termination Date, any stock certificate representing Common Stock issued upon exercise of a Warrant shall bear a legend in substantially the following form (unless such Common Stock has been sold pursuant to the exemption from registration provided by Rule 144 under the Securities Act or pursuant to a registration statement that has been declared effective under the Securities Act, and which continues to be effective at the time of such Transfer or unless otherwise agreed by the Company with written notice thereof to the transfer agent for the Common Stock):

“THE SECURITY EVIDENCED BY THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT OF 1933”), OR ANY STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER:

(1) REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933;

(2) AGREES THAT IT WILL NOT, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS TWO YEARS AFTER THE LATER OF JUNE 13, 2006 AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY), RESELL OR OTHERWISE TRANSFER THE SECURITY EVIDENCED HEREBY EXCEPT (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OF 1933, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT OF 1933 (IF AVAILABLE), OR (D) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT OF 1933 AND WHICH CONTINUES TO BE EFFECTIVE AT THE TIME OF SUCH TRANSFER; AND

(3) AGREES THAT IT WILL, PRIOR TO ANY TRANSFER OF THIS SECURITY PURSUANT TO CLAUSE (2)(C) ABOVE BEFORE THE RESALE RESTRICTION TERMINATION DATE FURNISH TO THE ISSUER AND TRANSFER AGENT SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS MAY BE REQUIRED TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

Any such Common Stock as to which such restrictions on Transfer shall have expired in accordance with their terms may, upon surrender of the certificates representing such shares of Common Stock for exchange in accordance with the procedures of the transfer agent for the Common Stock, be exchanged for a new certificate or certificates for a like aggregate number of shares of Common Stock, which shall not bear the restrictive legend required by this Section 2.03(c).

(d) Any Warrant that is purchased or owned by the Company or any Affiliate thereof may not be resold by the Company or such Affiliate unless registered under the Securities Act or resold pursuant to an exemption from the registration requirements of the Securities Act in a transaction that results in such Warrants no longer being "restricted securities" (as defined under Rule 144).

(e) Notwithstanding any provision of this Section 2.03 to the contrary, in the event Rule 144(k) as promulgated under the Securities Act (or any successor rule) is amended to change the two-year period under Rule 144(k) (or the corresponding period under any successor rule), from and after receipt by the Warrant Agent of the Officers' Certificate and Opinion of Counsel provided for in

this Warrant Agreement, (i) the reference in the definition of Resale Restriction Termination Date to two years shall be deemed for all purposes hereof to be references to such changed period, and (ii) all corresponding references in the Warrants and any restrictive legends thereon or on the Common Stock shall be deemed for all purposes hereof to be references to such changed period, *provided* that such changes shall not become effective if they are otherwise prohibited by, or would otherwise cause a violation of, the then-applicable federal securities laws. The provisions of this clause (e) shall not be effective until such time as the Opinion of Counsel and Officers' Certificate have been received by the Warrant Agent hereunder. This clause (e) shall apply to successive amendments to Rule 144(k) (or any successor rule) changing the holding period thereunder.

Section 2.04. *Transfer, Exchange and Substitution.* (a) Warrants shall be issued in registered form only. The Company shall cause to be kept at the office of the Warrant Agent, and the Warrant Agent shall maintain, a register (the "**Warrant Register**") in which, subject to such reasonable regulations as the Company may prescribe, the Company shall provide for the registration of Warrants and transfers, exchanges or substitutions of Warrants as herein provided. All Warrants issued upon any registration of transfer or exchange of or substitution for Warrants shall be valid obligations of the Company, evidencing the same obligations, and entitled to the same benefits under this Warrant Agreement, as Warrants surrendered for such registration of transfer, exchange or substitution.

(b) A Warrantholder may transfer a Warrant only upon surrender of such Warrant for registration of transfer. No such transfer shall be effected until, and the transferee shall succeed to the rights of a Warrantholder only upon, final acceptance and registration of the transfer in the Warrant Register by the Warrant Agent. Prior to the registration of any transfer of a Warrant by a Warrantholder as provided herein, the Company, the Warrant Agent, and any agent of the Company or the Warrant Agent may treat the Person in whose name Warrants are registered as the owner thereof for all purposes and as the Person entitled to exercise the rights represented thereby, any notice to the contrary notwithstanding.

(c) Every Warrant presented or surrendered for registration of transfer or for exchange or substitution shall (if so required by the Company or the Warrant Agent) be duly endorsed, or be accompanied by a duly executed instrument of transfer in form satisfactory to the Company and the Warrant Agent, by the holder thereof or such Warrantholder's attorney duly authorized in writing.

(d) When Warrants are presented to the Warrant Agent with a request to register the transfer of, or to exchange or substitute, such Warrants, the Warrant Agent shall register the transfer or make the exchange or substitution as requested if its requirements for such transactions and any applicable requirements

hereunder are satisfied. To permit registrations of transfers, exchanges and substitutions, the Company shall execute Warrant Certificates at the Warrant Agent's request and the Warrant Agent shall countersign and deliver such Warrant Certificates. No service charge shall be made for any registration of transfer or exchange of or substitution for Warrants, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer of Warrants.

(e) If less than all Warrants represented by a Certificated Warrant are transferred, exchanged or substituted in accordance with this Warrant Agreement, the Warrant Certificate shall be surrendered to the Warrant Agent and a new Warrant Certificate of the same tenor and for the number of Warrants which were not transferred, exchanged or substituted, registered in such name or names as may be directed in writing by the surrendering Warrantholder, shall be executed by the Company and delivered to the Warrant Agent and the Warrant Agent shall countersign such new Warrant Certificate and shall deliver such new Warrant Certificate to the Person or Persons entitled to receive the same.

Section 2.05. *Taxes Imposed Upon Receipt of Warrants.* The Warrants delivered to ELF Special Financing Ltd. and further delivered by ELF Special Financing Ltd. to one or more initial purchaser(s) (each an "**Initial Purchaser**") and by any Initial Purchaser to the initial investors of Units shall be delivered free and clear of and without imposition of any and all present or future taxes, levies, imposts, deductions, charges or withholdings (including any stamp, documentary, transfer or any other excise or property taxes, charges or similar levies), and all liabilities with respect thereto imposed by the United States, or any political subdivision thereof, excluding taxes imposed on the relevant Person's or entity's overall net income and franchise taxes imposed in lieu of net income taxes (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "**Taxes**"). To the extent that such Taxes are imposed, the Company shall promptly pay all such Taxes.

Section 2.06. *The Global Warrant.* (a) So long as a Global Warrant is registered in the name of the Depositary or its nominee, members of, or participants in, the Depositary ("**Agent Members**") shall have no rights under this Warrant Agreement with respect to the Global Warrant held on their behalf by the Depositary or the Warrant Agent as its custodian, and the Depositary may be treated by the Company, the Warrant Agent and any agent of the Company or the Warrant Agent as the absolute owner of such Global Warrant for all purposes. Accordingly, any such owner's beneficial interest in such Global Warrant will be shown only on, and the transfer of such interest shall be effected only through, records maintained by the Depositary or its nominee or its Agent Members, and neither the Company nor the Warrant Agent shall have any responsibility with respect to such records maintained by the Depositary or its nominee or its Agent Members. Notwithstanding the foregoing, nothing herein shall (i) prevent the

Company, the Warrant Agent or any agent of the Company or the Warrant Agent from giving effect to any written certification, proxy or other authorization furnished by the Depository or (ii) impair, as between the Depository and its Agent Members, the operation of customary practices governing the exercise of the rights of a Warrantholder.

(b) Any holder of a Global Warrant registered in the name of the Depository or its nominee shall, by acceptance of such Global Warrant, agree that transfers of beneficial interests in such Global Warrant may be effected only through a book-entry system maintained by the holder of such Global Warrant (or its agent), and that ownership of a beneficial interest in Warrants represented thereby shall be required to be reflected in book-entry form.

(c) Transfers of a Global Warrant registered in the name of the Depository or its nominee shall be limited to transfers in whole, and not in part, to the Company, the Depository, their successors, and their respective nominees. Interests of beneficial owners in a Global Warrant registered in the name of the Depository or its nominee shall be transferred in accordance with the rules and procedures of the Depository.

(d) A Global Warrant registered in the name of the Depository or its nominee shall be exchanged for Certificated Warrants only if (i) the Depository (x) has notified the Company that it is unwilling or unable to continue as or ceases to be a clearing agency registered under Section 17A of the Exchange Act and (y) a successor to the Depository registered as a clearing agency under Section 17A of the Exchange Act is not able to be appointed by the Company within 90 days or (ii) the Depository is at any time unwilling or unable to continue as Depository and a successor to the Depository is not able to be appointed by the Company within 90 days. In any such event, a Global Warrant registered in the name of the Depository or its nominee shall be surrendered to the Warrant Agent for cancellation, and the Company shall execute, and the Warrant Agent shall countersign and deliver, to each beneficial owner identified by the Depository, in exchange for such beneficial owner's beneficial interest in such Global Warrant, Certificated Warrants representing, in the aggregate, the number of Warrants theretofore represented by such Global Warrant with respect to such beneficial owner's respective beneficial interest. Any Certificated Warrant delivered in exchange for an interest in a Global Warrant pursuant to this Section 2.06(d) shall not bear the Global Warrant Legend, but shall bear the legend, required pursuant to Section 2.03, to the extent such Warrants are Restricted Securities. Interests in the Global Warrant may not be exchanged for Certificated Warrants other than as provided in this Section 2.06(d).

(e) Certificated Warrants may be not transferred or exchanged for a beneficial interest in a Global Warrant.

(f) Global Warrants Underlying Units may only be exchanged for Certificated Warrants as described in the Unit Agreement.

(g) The holder of a Global Warrant registered in the name of the Depository or its nominee may grant proxies and otherwise authorize any Person, including Agent Members and Persons that may hold interests through Agent Members, to take any action which a Warrantholder is entitled to take under this Warrant Agreement or the Warrant.

Section 2.07. *Surrender of Warrant Certificates.* Any Warrant Certificate surrendered for registration of transfer, exchange, substitution or exercise of Warrants represented thereby shall, if surrendered to the Company, be delivered to the Warrant Agent, and all Warrant Certificates surrendered or so delivered to the Warrant Agent shall be promptly cancelled by the Warrant Agent and shall not be reissued by the Company and, except as provided in this Article 2 in case of an exchange, transfer or substitution, or Article 3 hereof in case of the exercise of less than all Warrants represented thereby or Section 5.02 hereof in case of mutilation, no Warrant Certificate shall be issued hereunder in lieu thereof. The Warrant Agent shall deliver to the Company from time to time or otherwise dispose of such cancelled Warrant Certificates as the Company may direct.

ARTICLE 3

EXERCISE AND SETTLEMENT OF WARRANTS

Section 3.01. *Exercise on the Expiration Date.* (a) (i) Each Warrant shall entitle the Warrantholder only to exercise Warrants represented thereby in accordance with this Article 3 and upon exercise of such Warrants on the Expiration Date, subject to the provisions of Section 3.05 and Article 4, to receive from the Company, without any payment therefor, for each Warrant represented thereby and so exercised, either (a) a number of shares of Common Stock equal to the Net Share Amount, in respect of such Warrant, which number shall not be less than zero (computed using the formula described below), plus cash in lieu of any fractional shares as described below, (b) cash in an amount equal to the Net Cash Amount in respect of such Warrant at the Company's sole discretion, or (c) a combination thereof as described in Section 3.04. The Company will notify all Warrantholders of its election to deliver the Net Cash Amount, Net Share Amount or any combination thereof in settlement of the Capped and Uncapped Warrants executed on the Expiration Date, which election shall apply to all Warrants of a particular type, by written notice to the Warrantholders (with a copy to the Warrant Agent) and publication of a press release no later than 10 scheduled Trading Days prior to the Expiration Date. The Company may elect to settle the Capped and Uncapped Warrants for different consideration. Notice of any such election will be irrevocable.

(ii) Subject to Section 3.05, no Warrant shall be exercisable prior to the Expiration Date. On the Expiration Date, all issued and outstanding Warrants shall be automatically exercised. Upon exercise of the Warrants, the Company shall pay cash in an amount equal to the Net Cash Amount, as described below, or deliver a number of shares of Common Stock equal to the Net Share Amount (plus cash in lieu of any fractional shares), as described below, or a combination thereof, as described below, at the Company's discretion. In connection with such automatic exercise of Warrants, (A) the Company shall determine the Net Share Amount or Net Cash Amount applicable to each Warrant promptly following the last day of the Settlement Period and (B) the Company shall, or shall cause the Warrant Agent to, deliver to the record owner of such Warrants as of 5:00 p.m. (New York City time) on the Expiration Date the relevant Net Share Amount, Net Cash Amount or a combination thereof, as applicable, no later than the third Business Day following the last day of the Settlement Period.

Section 3.02. *Settlement in Cash.* (a) If the Company elects to settle the Capped Warrants or Uncapped Warrants solely in cash, each Warrantholder shall be entitled to receive from the Company, for each Warrant held by such Warrantholder, a cash payment (the "**Net Cash Amount**") equal to the sum of the Daily Net Cash Amounts for each Trading Day during the Settlement Period.

(b) For purposes of determining the Net Cash Amount, the "**Daily Net Cash Amount**" means, in respect of each Capped Warrant and Uncapped Warrant held by a Warrantholder, and each Trading Day during the Settlement Period, an amount of cash (which will in no event be less than zero) equal to:

$$\frac{WM \times (RP - EP)}{30};$$

where,

- | | | |
|----|---|---|
| WM | = | the "Warrant Multiplier" |
| RP | = | the " Relevant Price " of the Capped Warrants or Uncapped Warrants, as applicable, for such Trading Day, which means: (i) in the case of the Capped Warrants, the lesser of (a) VWAP of the Common Stock on such Trading Day and (b) the Cap Price, and (ii) in the case of the Uncapped Warrants, the VWAP of the Common Stock on such Trading Day; and |
| EP | = | the "Exercise Price." |

Section 3.03. *Settlement in Shares.* (a) If the Company elects to settle the Capped Warrants or the Uncapped Warrants solely in shares of Common Stock, each Warrantholder shall be entitled to receive from the Company, for each Warrant held by such Warrantholder, a “**Net Share Amount**” equal to the sum of the Daily Net Share Amounts for each Trading Day during the Settlement Period, together with cash for any fractional shares (calculated on an aggregate basis) valued at the VWAP on the last day of the Settlement Period.

(b) For purposes of determining the Net Share Amount, the “**Daily Net Share Amount**” means, in respect of each Capped Warrant and Uncapped Warrant held by a Warrantholder, and each Trading Day during the Settlement Period, a number of shares of Common Stock (which will in no event be less than zero) equal to the Daily Net Cash Amount (calculated as described in Section 3.02) for such Trading Day divided by VWAP for such Trading Day.

Section 3.04. *Settlement in Cash and Shares.* If the Company elects to settle the Capped Warrants or the Uncapped Warrants in a combination of cash and shares of Common Stock, at the time the Company gives notice of the settlement method pursuant to Section 3.01(a)(i), the Company will specify a percentage of the Daily Net Share Amount that will be settled in cash (the “**Cash Percentage**”). If the Company makes such an election, the amount of cash that it will deliver in respect of each Trading Day in the Settlement Period will equal the product of the Cash Percentage and the Daily Net Cash Amount for such Trading Day. The number of shares deliverable in respect of each Trading Day in the Settlement Period will be a percentage of the Daily Net Share Amount equal to 100% minus the Cash Percentage.

Section 3.05. *Early Settlement Upon a Fundamental Change.* (a) If a Fundamental Change occurs prior to the Expiration Date, each Warrantholder will have the right to exercise its Warrants at any time on or after the effective date of such Fundamental Change (the “**Effective Date**”) until the 30th Trading Day after the Effective Date. Following such 30th Trading Day, any unexercised Warrants will no longer be exercisable until the Expiration Date. The Company shall, on or prior to such 10th scheduled Trading Day immediately preceding the anticipated Effective Date, issue a press release and notify all Warrantholders (with a copy to the Warrant Agent) of the anticipated Effective Date, their rights to exercise their Warrants as set forth in the Warrant Agreement, and whether the Company will settle Warrants tendered for exercise in cash or shares of its Common Stock, or a combination thereof, as set forth in this Section 3.05. In such press release and notice, the Company shall state that any Warrantholder whose Warrants are represented by Global Units must separate such Global Units into Global Warrants and Global Notes in order to exercise such Warrants in connection with a Fundamental Change. The Company shall deliver the same consideration for all Warrants of a particular type, but may settle the Capped Warrants and the

Uncapped Warrants for different consideration. Any such notice will be irrevocable.

(b) Any Capped Warrants or Uncapped Warrants exercised in connection with a Fundamental Change during the time period set forth in Section 3.05(a) shall be settled by delivery of an amount of cash, shares of Common Stock or any combination thereof (the “**Early Settlement Amount**”), at the Company’s election as set forth in Section 3.05(a). The Early Settlement Amount will be determined by reference to the tables below and will be based on the Effective Date of the Fundamental Change and the Stock Price in respect of such Fundamental Change.

(c) (i) If the Company elects to settle the Capped or the Uncapped Warrants in cash, the Early Settlement Amount for each Warrant shall be the amount determined by reference to the tables below.

(ii) If the Company elects to settle the Capped or the Uncapped Warrants in shares of Common Stock, the Early Settlement Amount for each Warrant will be a number of shares (or, following the Effective Date, a number of Units of Reference Property (as set forth in Section 4.03 below)) equal to the amount determined by reference to the tables below divided by the Average Price for Common Stock or for Unit of Reference Property. If the Company elects to settle Warrants for a combination of cash and shares of Common Stock, the Early Settlement Amount for each Warrant will be (a) an amount of cash equal to the Cash Percentage of the Early Settlement Amount elected by the Company, and (b) a number of shares of Common Stock (or, following the Effective Date, a number of Units of Reference Property) equal to the product of (i) 100% minus the Cash Percentage and (ii) the amount determined by reference to the tables below divided by the Average Price for Common Stock or for Unit of Reference Property. The “**Average Price**” means (i) with respect to the Common Stock, the average of the VWAP for the Common Stock, and (ii) with respect to a Unit of Reference Property, the average of the Unit Values, determined as set forth in Section 4.03, in each case for the 30-Trading Day Period commencing on the first Trading Day immediately following the Effective Date, as determined promptly by the Company following such 30th Trading Day.

(d) The Company will deliver the Early Settlement Amount, whether in the form of cash, Common Stock (and cash in lieu of fractional shares based on the Average Price), or a combination thereof, on the third Business Day following the 30-Trading Day period commencing on the first Trading Day immediately following the Effective Date, as determined promptly by the Company following such 30th Trading Day.

(e) The Stock Prices set forth in the first row of the table below (*i.e.*, the column headers) and the values referred to in Section 3.05(f) will be adjusted as of any date on which the Exercise Price of Warrants is adjusted and in the same manner. The following table sets forth the Early Settlement Amount per Capped Warrant:

Capped Warrants Early Settlement Amount

Effective Date	Stock Price											
	\$8.99	\$10.00	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00	\$20.00	\$25.00	\$30.00	\$40.00	\$50.00
June 6, 2006	\$0.00	\$0.18	\$0.35	\$0.52	\$0.67	\$0.80	\$0.92	\$1.29	\$1.44	\$1.50	\$1.54	\$1.54
June 15, 2007	\$0.14	\$0.36	\$0.59	\$0.80	\$0.99	\$1.15	\$1.29	\$1.68	\$1.80	\$1.83	\$1.85	\$1.85
June 15, 2008	\$0.23	\$0.53	\$0.85	\$1.15	\$1.42	\$1.63	\$1.79	\$2.11	\$2.16	\$2.16	\$2.16	\$2.16
June 15, 2009	\$0.00	\$0.11	\$1.12	\$2.13	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50

(f) The exact Stock Price and Effective Date may not be set forth on the table above, in which case:

(i) if the Stock Price is between two Stock Prices in the table or the Effective Date is between two Effective Dates in such table, the Early Settlement Amount will be determined by a straight-line interpolation between the Early Settlement Amount set forth for the higher and lower Stock Prices and the two Effective Dates, as applicable, based on a 365-day year;

(ii) if the Stock Price is in excess of \$50 per share, subject to adjustment, the Early Settlement Amount shall be the applicable amount under the column for \$50 per share (subject to adjustment) determined by a straight-line interpolation between the relevant Effective Dates if the Effective Date is between two Effective Dates in the table based on a 365-day year; and

(iii) if the Stock Price is less than \$8.99 per share, subject to adjustment, no Early Settlement Amount will be paid.

(g) The Stock Prices set forth in the first row of the table below (*i.e.*, the column headers) and the values referred to in Section 3.05(h) will be adjusted as of any date on which the Exercise Price of Warrants is adjusted and in the same manner. The following table sets forth the Early Settlement Amount per Uncapped Warrant:

Uncapped Warrants Early Settlement Amount

Effective Date	Stock Price											
	\$8.99	\$10.00	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00	\$20.00	\$25.00	\$30.00	\$40.00	\$50.00
June 6, 2006	\$0.00	\$0.58	\$1.29	\$2.10	\$2.99	\$3.92	\$4.89	\$9.85	\$14.87	\$19.89	\$29.93	\$39.96
June 15, 2007	\$0.00	\$0.25	\$0.85	\$1.60	\$2.46	\$3.38	\$4.35	\$9.34	\$14.37	\$19.40	\$29.46	\$39.52
June 15, 2008	\$0.00	\$0.00	\$0.40	\$1.04	\$1.86	\$2.78	\$3.76	\$8.78	\$13.83	\$18.87	\$28.96	\$39.05
June 15, 2009	\$0.00	\$0.00	\$0.00	\$0.09	\$1.10	\$2.11	\$3.12	\$8.18	\$13.24	\$18.29	\$28.41	\$38.52

(h) The exact Stock Price and Effective Date may not be set forth on the table above, in which case:

(i) if the Stock Price is between two Stock Prices in the table or the Effective Date is between two Effective Dates in the table, the Early Settlement Amount will be determined by a straight-line interpolation between the Early Settlement Amount set forth for the higher and lower Stock Prices and the two Effective Dates, as applicable, based on a 365-day year;

(ii) if the Stock Price is in excess of \$50 per share, subject to adjustment, the Early Settlement Amount will be the sum of (A) the applicable amount under the column for \$50 (subject to adjustment), and (B) the product of the Warrant Multiplier and the difference between the Stock Price and \$50 (subject to adjustment) determined by a straight-line interpolation between the relevant Effective Dates if the Effective Date is between two Effective Dates in the table based on a 365-day year; and

(iii) if the Stock Price is less than \$8.99 per share, subject to adjustment, no Early Settlement Amount will be paid.

(i) In connection with a Fundamental Change as set forth above, Warrants may be exercised by (i) in the case of Certificated Warrants, surrendering the Warrant Certificate evidencing such Warrants at the principal office of the Warrant Agent (or successor warrant agent), with the Election to Exercise form set forth on the reverse of the Warrant Certificate duly completed and executed, together with any applicable transfer taxes as set forth in Section 3.06 below or (ii) in the case of Warrants represented by a Global Certificate registered in the name of the Depository or its nominee, complying with appropriate procedures established by the Depository for the exercise of Warrants. The date on which a Warrantholder complies with the foregoing requirements for

exercise is the “**Exercise Date**” hereunder, unless such date is not a Trading Day or the Warrantholder satisfies the foregoing requirements after 5:00 p.m. New York City time on a Trading Day, in which case the Exercise Date shall be the immediately succeeding Trading Day, except that in no event shall an Exercise Date occur following the Expiration Date. A registered Warrantholder may exercise the full number of Warrants represented by a Warrant Certificate or any number of whole Warrants thereof.

If the Company elects to settle payment of the Early Settlement Amount upon exercise of the Warrants as described above in shares of its Common Stock (or Units of Reference Property as described below) and such shares or units are “restricted securities” within the meaning of the Securities Act, the Company shall use its commercially reasonable efforts to register such shares or units to permit the prompt resale of such shares or units by the recipients thereof pursuant to an effective registration statement under the Securities Act. If the Company fails to register such shares or units, no liquidated damages shall be paid or fees assessed.

Section 3.06. *Delivery of Common Stock.* (a) Subject to the provisions of Section 4.07 hereof, if the Company shall have elected to settle Warrants in Common Stock as set forth in Section 3.03 or 3.04 above, the Warrant Agent shall, on or prior to the date required as set forth above, (i) if shares of Common Stock are in book-entry form at the Depository, deliver Common Stock by electronic transfer (with the assistance of the Company and the transfer agent of Common Stock, if necessary) to such Warrantholder’s account, or any other account as the Warrantholder may designate, at the Depository or at an Agent Member, or (ii) if shares of Common Stock are not in book-entry form at the Depository, requisition from the transfer agent of the Common Stock and deliver to or upon the order of such registered Warrantholder a certificate or certificates, in each case with legends thereon as appropriate (as determined by the Company) and for the number of full shares of Common Stock to which such Warrantholder is entitled, registered in such name or names as may be directed by such Warrantholder, in each case together with cash, as provided in Section 3.07 hereof, in respect of any fractional shares, and, if the number of Warrants represented by a Warrant Certificate shall not have been exercised in full, a new Warrant Certificate, countersigned by the Warrant Agent (or successor warrant agent), for the balance of the number of whole Warrants represented by the surrendered Warrant Certificate; *provided, however*, that the Company shall not be required to pay any tax or taxes that may be payable in respect of any transfer in connection with the issue of any Warrant Certificate in a name other than that of the registered holder of the Warrant Certificate surrendered upon the exercise of a Warrant.

(b) If the Company shall elect to settle the Warrants in shares of Common Stock, each Person in whose name any such certificate for shares of

Common Stock is issued shall for all purposes be deemed to have become the holder of record of such shares on the last Trading Day in the period used to determine the Average Price of the Common Stock, in the case of Warrants exercised in connection with a Fundamental Change, or on the last Trading Day of the Settlement Period, in the case of Warrants exercised on the Expiration Date, except that, if either such date is a date when the stock transfer books of the Company are closed, such Person shall be deemed to have become the holder of such shares at the close of business on the next succeeding date on which the stock transfer books are open.

(c) Promptly after the Warrant Agent shall have taken the action required in above or at such later time as may be mutually agreeable to the Company and the Warrant Agent, the Warrant Agent shall account to the Company with respect to any Warrants exercised. The Company shall reimburse the Warrant Agent for any amounts paid by the Warrant Agent in respect of a fractional share upon such exercise in accordance with Section 3.07 hereof.

Section 3.07. *No Fractional Shares to Be Issued.* Notwithstanding anything to the contrary contained in this Warrant Agreement, the Company shall not be required to issue any fraction of a share of Common Stock or to distribute stock certificates that evidence fractional shares of Common Stock or to issue a Warrant Certificate representing a fractional Warrant upon exercise of any Warrants. If more than one Warrant Certificate shall be surrendered for exercise at one time by the same holder, the number of full shares which shall be issuable upon exercise thereof shall be computed on the basis of the aggregate number of Warrants so surrendered. If any fraction of a share of Common Stock would, except for the provisions of this Section 3.07, be issuable on the exercise of any Warrant or Warrants, the Company shall pay the cash amount contemplated in Section 3.02. The Warrant holders, by their acceptance of the Warrant Certificates, expressly waive their right to receive any fraction of a share of Common Stock or a stock certificate representing a fraction of a share of Common Stock or Warrant Certificate representing a fractional Warrant upon exercise of any Warrant.

Section 3.08. *Acquisition of Warrants by the Company; Cancellation of Warrants.* The Company shall have the right, except as limited by law, to purchase or otherwise to acquire Warrants at such times, in such manner and for such consideration as it may deem appropriate and shall have agreed with the holder of such Warrants. The Warrant Agent shall cancel any Warrant Certificate delivered to it for exercise, in whole or in part, or delivered to it for transfer, exchange, substitution or cancellation and no Warrant Certificates shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Warrant Agreement. On request of the Company, the Warrant Agent shall destroy cancelled Warrant Certificates held by it and shall deliver its certificates of destruction to the Company. If the Company shall acquire any of Warrants,

such acquisition shall not operate as a repurchase or termination of the right represented by such Warrants unless and until the Warrant Certificates evidencing such Warrants are surrendered to the Warrant Agent for cancellation.

Section 3.09. *Direction of Warrant Agent.* The Company shall be responsible for performing all calculations required in connection with the exercise and settlement of the Warrants and the delivery of cash and/or Common Stock as described in the Article 3. In connection therewith, the Company shall provide prompt written notice to the Warrant Agent of any amounts necessary for the exercise and settlement of the Warrants, including without limitation, the Net Cash Amount, the Net Share Amount and any Early Settlement Amount. Any cash or Common Stock to be delivered to the Warrantheolders hereunder shall be delivered to the Warrant Agent no later than the Business Day immediately preceding the date such items are required to be delivered to the Warrantheolders. The Warrant Agent shall have no liability for any failure or delay in performing its duties hereunder caused by any failure or delay of the Company in providing such calculations or items to the Warrant Agent. The Warrant Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock or Units of Reference Property which may at any time be issued or delivered upon the exercise of any Warrant, and it makes no representation with respect thereto. The Warrant Agent shall not be responsible for any failure of the Company to make any cash payment or to issue, transfer or deliver any shares of Common Stock or stock certificates or Units of Reference Property, or to comply with any of the covenants of the Company contained in this Article 3.

ARTICLE 4
ADJUSTMENTS

Section 4.01. *Adjustment of Exercise Price.* The Exercise Price and Cap Price for any Warrants shall be subject to adjustment (without duplication) upon the following events:

(a) the issuance of Common Stock as a dividend or distribution on shares of Common Stock, or subdivisions and combinations of Common Stock, in which event the Exercise Price and Cap Price will be adjusted based on the following formula:

$$P_1 = P_0 \times \frac{OS_0}{OS_1}$$

where:

- P_1 = the Exercise Price or Cap Price, as applicable, in effect immediately after the close of business on the Ex-Dividend Date, or the effective date of such share subdivision or share combination, as the case may be;
- P_0 = the Exercise Price or Cap Price, as applicable, in effect immediately prior to the Ex-Dividend Date, or the effective date of such share subdivision or share combination, as the case may be;
- OS_0 = the number of shares of Common Stock outstanding immediately prior to the Ex-Dividend Date, or the effective date of such share subdivision or share combination, as the case may be; and
- OS_1 = the number of shares of Common Stock that would be outstanding immediately after such event.

(b) the issuance to all holders of Common Stock of certain rights or warrants to purchase Common Stock for a period expiring 60 days or less from the date of issuance of such rights or warrants at less than the Current Market Price of Common Stock as of the announcement date for the issuance of such rights or warrants, in which event the Exercise Price and, in the case of the Capped Warrants, the Cap Price, will be adjusted based on the following formula (*provided* that the Exercise Price and Cap Price will be readjusted to the extent that such rights or warrants are not exercised prior to their expiration):

$$P_1 = P_0 \times \frac{OS_0 + Y}{OS_0 + X}$$

where:

- P_1 = the Exercise Price or Cap Price, as applicable, in effect immediately after the close of business on the Ex-Dividend Date;
- P_0 = the Exercise Price or Cap Price, as applicable, in effect immediately prior to the Ex-Dividend Date;
- OS_0 = the number of shares of Common Stock outstanding immediately prior to the Ex-Dividend Date;
- Y = the number of shares of Common Stock equal to the aggregate price payable to exercise such rights divided by the average of the Closing Sale Prices of Common Stock for the 10 consecutive Trading Days prior to the Business Day immediately preceding the announcement of the issuance of such rights or warrants; and
- X = the total number of shares of Common Stock issuable pursuant to such rights or warrants;

provided, however, that if such rights or warrants are exercisable only upon the occurrence of certain Triggering Events, then the Exercise Price and Cap Price will not be adjusted until such Triggering Events occur.

(c) the dividend or other distribution to all holders of Common Stock of shares of the Company's capital stock (other than Common Stock) or evidence of the Company indebtedness, the Company assets or property (excluding (A) any dividend, distribution or issuance covered by clause (a) or (b) above and (B) any dividend or distribution paid exclusively in cash), in which event the Exercise Price and Cap Price will be adjusted based on the following formula:

$$P_1 = P_0 \times \frac{SP_0 - FMV}{SP_0}$$

where:

FMV= fair market value (as determined by the Board of Directors) of the shares of capital stock, evidences of indebtedness, assets or property distributed with respect to each outstanding share of Common Stock on the Ex-Dividend Date for such distribution;

P₁ = the Exercise Price or Cap Price, as applicable, in effect immediately after the close of business on the Ex-Dividend Date;

P₀ = the Exercise Price or Cap Price, as applicable, in effect immediately prior to the Ex-Dividend Date; and

SP₀ = the Current Market Price of Common Stock

With respect to an adjustment pursuant to this clause (c) where there has been a payment of a dividend or other distribution on Common Stock of shares of capital stock of, or similar equity interests in, a Subsidiary or other business unit of the Company, the Exercise Price and Cap Price instead will be adjusted based on the following formula:

$$P_1 = P_0 \times \frac{MF_0}{MF_0 + FMV}$$

where:

P₁ = the Exercise Price or Cap Price, as applicable, in effect immediately after the close of business on the Ex-Dividend Date;

P₀ = the Exercise Price or Cap Price, as applicable, in effect immediately prior to the Ex-Dividend Date;

MP₀ = the average of the Closing Sale Prices of Common Stock over the 10 consecutive Trading Days commencing on and including the fifth Trading Day after the Ex-Dividend Date; and

FMV = the average of the Closing Sale Price of the capital stock or similar equity interest distributed to holders of Common Stock applicable to one share of Common Stock over the 10 consecutive Trading Days commencing on and including the fifth Trading Day after the Ex-Dividend Date.

(d) dividends or other distributions consisting exclusively of cash to all holders of Common Stock, in which event the Exercise Price and Cap Price will be adjusted based on the following formula:

$$P_1 = P_0 \times \frac{SP_0 - C}{SP_0}$$

where:

P₁ = the Exercise Price or Cap Price, as applicable, in effect immediately after the close of business on the Ex-Dividend Date;

P₀ = the Exercise Price or Cap Price, as applicable, in effect immediately prior to the Ex-Dividend Date;

SP₀ = the Current Market Price of Common Stock; and

C = the amount of cash per share the Company pays in such distribution or dividend to holders of Common Stock.

(e) The Company or one or more of its subsidiaries makes purchases of Common Stock pursuant to a tender offer or exchange offer by the Company or one of its subsidiaries for Common Stock to the extent that the cash and value of any other consideration paid per share of Common Stock exceeds the Closing Sale Price per share of Common Stock on the Trading Day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer (the "Offer Expiration Date"), in which event the Exercise Price and Cap Price will be adjusted based on the following formula:

$$P_1 = P_0 \times \frac{OS_0 \times SP_1}{FMV + (OS_1 \times SP_1)}$$

where:

- P_1 = the Exercise Price or Cap Price, as applicable, in effect immediately on the Trading Day next succeeding the Offer Expiration Date;
- P_0 = the Exercise Price or Cap Price, as applicable, in effect on the Offer Expiration Date;
- FMV = the fair market value (as determined by the Board of Directors) of the aggregate value of all cash and any other consideration paid or payable for shares validly tendered or exchanged and not withdrawn as of the Offer Expiration Date (the “**Purchased Shares**”);
- OS_1 = the number of shares of Common Stock outstanding immediately after the Offer Expiration Date less any Purchased Shares;
- SP_1 = the Closing Sale Price of Common Stock on the Trading Day next succeeding the Offer Expiration Date; and
- OS_0 = the number of shares of Common Stock outstanding immediately after the Offer Expiration Date, including any Purchased Shares.

(f) Upon each adjustment of the Exercise Price and Cap Price, as described above, the Warrant Multiplier for each of the Capped Warrants and Uncapped Warrants in effect immediately following effectiveness of such adjustment will be the Warrant Multiplier in effect immediately prior to such adjustment multiplied by a fraction, (i) the numerator of which is the Exercise Price in effect immediately prior to such adjustment and (ii) the denominator of which is the Exercise Price in effect immediately following such adjustment.

(g) To the extent that the Company has a rights plan in effect upon exercise of Warrants for Common Stock, each Warrantholder will receive, in addition to Common Stock (to the extent settled in Common Stock), the rights under the rights plan, unless prior to any exercise, the rights have separated from Common Stock, in which case the Exercise Price and Cap Price will be adjusted at the time of separation as if the Company distributed, to all holders of Common Stock, shares of the Company’s capital stock, evidences of indebtedness or assets as described above, subject to readjustment in the event of the expiration, termination or redemption of such rights.

(h) Except as stated above, the Exercise Price, Cap Price and Warrant Multiplier will not be adjusted for the issuance of Common Stock or any securities convertible into or exchangeable for Common Stock or carrying the right to purchase any of the foregoing.

(i) The Company may from time to time, to the extent permitted by law and subject to applicable rules of The New York Stock Exchange, decrease the Exercise Price (but not the Cap Price), increase the Cap Price (but not the Exercise Price) and/or increase the Warrant Multiplier of the Warrants by any amount. In that case Warrantholders will be given at least 15 days notice of such increase or decrease. The Company may make such decreases to the Exercise Price (but not the Cap Price), in addition to those set forth above, as the Board of Directors deems advisable to avoid or diminish any income tax to holders of Common Stock resulting from any dividend or distribution of stock (or rights to acquire stock) or from any event treated as such for income tax purposes.

(j) None of the Exercise Price, Cap Price or Warrant Multiplier will be adjusted:

(i) upon the issuance of any shares of Common Stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on the Company's securities and the investment of additional optional amounts in shares of Common Stock under any plan;

(ii) upon the issuance of any shares of Common Stock or options or rights or rights to purchase such Common Stock pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by the Company or any of its subsidiaries;

(iii) upon the issuance of any shares of Common Stock pursuant to any option, warrant, right or exercisable, exchangeable or convertible security outstanding as of the Closing Date;

(iv) for a change in par value or no par value of Common Stock; or

(v) for accumulated and unpaid dividends.

(k) If the Company takes a record of the holders of Common Stock for the purpose of entitling them to receive a dividend or other distribution, and thereafter (and before the dividend or distribution has been paid or delivered to stockholders) legally abandons its plan to pay or deliver such dividend or distribution, then thereafter no adjustment in the Exercise Price, Cap Price or Warrant Multiplier then in effect shall be required by reason of the taking of such record.

(l) Whenever the Exercise Price, the Cap Price or the Warrant Multiplier is adjusted, the Company shall (i) compute the Exercise Price, the Cap Price or the Warrant Multiplier in accordance with this Section 4.01 and prepare and transmit to the Warrant Agent an Officer's Certificate setting forth the

Exercise Price, the Cap Price or the Warrant Multiplier, the method of calculation of the Exercise Price, the Cap Price or the Warrant Multiplier in reasonable detail, and the facts requiring such adjustment and upon which such adjustment is based and (ii) as soon as practicable following the occurrence of an event that requires an adjustment to the Exercise Price, the Cap Price or the Warrant Multiplier (or if the Company is not aware of this occurrence, as soon as practicable after becoming so aware), the Company or, at the request and expense of the Company, the Warrant Agent shall provide a written notice to the holders of the occurrence of such event and a statement setting forth in reasonable detail the method by which the adjustment to the Exercise Price, the Cap Price or the Warrant Multiplier was determined and setting forth the adjusted Exercise Price, the Cap Price or the Warrant Multiplier.

Section 4.02. *Adjustment of Warrant Multiplier.* Upon each adjustment of the Exercise Price pursuant to Section 4.01 above, the Warrant Multiplier in effect prior to the effectiveness of such adjustment shall be adjusted to the number of shares of Common Stock, calculated to the nearest one-hundredth of a share, obtained by (i) multiplying the Warrant Multiplier in effect immediately prior to such adjustment by the Exercise Price in effect prior to such adjustment, and (ii) dividing the product so obtained by the Exercise Price in effect immediately after such adjustment of the Exercise Price.

Section 4.03. *Recapitalizations, Reclassifications and Changes of Common Stock.* (a) In the case of any recapitalization, reclassification or change of Common Stock (other than changes resulting from a subdivision or combination), a consolidation, merger or combination involving the Company, a sale, lease or other transfer to a third party of the consolidated assets of the Company and the Company's subsidiaries substantially as an entirety, or any statutory share exchange, in each case as a result of which Common Stock would be converted into, or exchanged for, stock, other securities, other property or assets (including cash or any combination thereof) (the "**Reference Property**"), then, following the effective time of the transaction, (i) the Relevant Price used to determine the Net Cash Amount payable upon exercise of the Warrants on the Expiration Date will be based on the value, determined as set forth below, of the kind and amount of shares or stock, other securities or other property or assets (including cash or any combination thereof) that a holder of one share of Common Stock would have owned or been entitled to receive (such kind and amount of Reference Property per Share of Common Stock, a "**Unit of Reference Property**") upon such transaction and (ii) the Daily Net Share Amount used to determine the Net Share Amount payable if the Company elects to settle Warrants exercised on the Expiration Date in shares shall be, in respect of each Warrant and each Trading Day during the Settlement Period a number of Units of Reference Property (which will in no event be less than zero) equal to the Daily Net Cash Amount (calculated as described above) for such Trading Day divided by the Unit Value for such Trading Day. The Company shall pay cash for any fraction of a

Unit of Reference Property (calculated on an aggregate basis) valued at the Unit Value at the last day of the Settlement Period.

(b) For the purpose of determining the Relevant Price, the value of a Unit of Reference Property (the “Unit Value”) shall be determined as follows: (i) Any shares of common stock of the successor or purchasing corporation or any other corporation that are traded on a national or regional stock exchange or in the Nasdaq National Market included in such Unit of Reference Property shall be valued as if such shares were “Common Stock” using procedures set forth in the definition of “VWAP” in Section 1.01, provided that the Bloomberg page (or successor page) referred to in such definition shall be to the page for such other corporation; and

(ii) Any other property (other than cash) included in such Unit of Reference Property shall be valued in good faith by the Board of Directors or by a New York Stock Exchange member firm selected by the Board of Directors.

(c) In the event holders of Common Stock have the opportunity to elect the form of consideration to be received in such transaction, the Company will make adequate provision whereby the holders of the Warrants shall have a reasonable opportunity to determine the form of consideration into which all of the Warrants, treated as a single class, shall be exercisable from and after the Effective Date of such transaction, subject to the Company’s option to cash settle exercised Warrants. The determination: (i) will be made for all Warrantholders by holders representing a plurality of the Warrants participating in such determination, (ii) will be subject to any limitations to which all of the holders of Common Stock are subject, including, but not limited to, pro rata reductions applicable to any portion of the consideration payable in such transaction, and (iii) will be conducted in such a manner as to be completed by the date which is the earlier of: (a) the deadline for elections to be made by holders of Common Stock, and (b) two Trading Days prior to the anticipated effective date of such transaction. This provision does not limit the rights of holders or the Company’s rights in the event of a Fundamental Change, including the holders’ right to receive the Early Settlement Amount in connection with the exercise of their Warrants

Section 4.04. *Consolidation, Merger and Sale of Assets.* (a) The Company may, without the consent of the Warrantholders, consolidate with, merge into or sell, lease or otherwise transfer in one transaction or a series of related transactions the consolidated assets of the Company and its subsidiaries substantially as an entirety to any corporation, limited liability company, partnership or trust organized under the laws of the United States or any of its political subdivisions provided that:

(i) the successor assumes all the Company's obligations under this Warrant Agreement and the Warrants;

(ii) if as a result of such transaction Warrants become exercisable for common stock or other securities issued by a third party, such third party fully and unconditionally guarantees all obligations of the issuer of Warrants or such successor under the Warrants and this Warrant Agreement; and

(iii) an Officer's Certificate and an Opinion of Counsel, each stating that the consolidation, merger or transfer complies with the provisions of this Warrant Agreement, have been delivered to the Warrant Agent.

(b) In case of any such consolidation, merger, sale or conveyance and upon any such assumption by the successor corporation, such successor corporation shall succeed to and be substituted for the Warrants Issuer with the same effect as if it had been named herein as the Warrants Issuer. Such successor corporation thereupon may cause to be signed, and may issue any or all of the Warrants issuable pursuant to this Agreement which theretofore shall not have been signed by the Warrants Issuer; and, upon the order of such successor corporation, instead of the Warrants Issuer, and subject to all the terms, conditions and limitations in this Warrant Agreement prescribed, the Warrant Agent shall authenticate and deliver, as applicable, any Warrants that previously shall have been signed and delivered by the officers of the Warrants Issuer to the Warrant Agent for authentication, and any Warrants which such successor corporation thereafter shall cause to be signed and delivered to the Warrant Agent for such purpose.

Section 4.05. *Covenant to Reserve Shares for Issuance on Exercise.* (a) The Board of Directors has authorized and will reserve for issuance such number of shares of Common Stock as the Board of Directors believes will be issuable upon the exercise of all outstanding Warrants for shares of Common Stock. The Company covenants that all shares of Common Stock that shall be so issuable shall be duly and validly issued, fully paid and non-assessable. If, at the time any Warrants are exercised, the Company does not have reserved for issuance the full number of shares of Common Stock issuable upon settlement of such Warrants, the Company shall settle such Warrants in cash, notwithstanding any notice by the Company to the contrary.

(b) The Company agrees to authorize and direct its current and future transfer agents for the Common Stock and for any shares of the Company's Common Stock issuable upon the exercise of any of Warrants at all times to reserve for issuance the number of shares of Common Stock specified in Section 4.05(a). The Warrant Agent is hereby authorized to requisition from time to time

from any such transfer agent's stock certificates (or beneficial interests thereof) required to honor outstanding Warrants upon exercise thereof in accordance with the terms of this Warrant Agreement, and the Company agrees to authorize and direct such transfer agents to comply with all such requests of the Warrant Agent and to otherwise comply with the Warrant Agent in connection with the delivery of Common Stock. In connection with any such requisition, the Warrant Agent shall provide such transfer agent with a requisition order in the form of Exhibit C (or as separately agreed between the Warrant Agent and the transfer agent). The Company will supply such transfer agents with duly executed stock certificates for such purposes and will provide or otherwise make available any cash or scrip which may be payable as provided in this Article 4. Promptly after the date of expiration of Warrants, the Warrant Agent shall certify to the Company the aggregate number of Warrants then outstanding, and thereafter no shares shall be required to be reserved in respect of such Warrants.

(c) If permitted or required by the rules of any national securities exchange or over the counter market or other domestic market on which the Common Stock is listed at any time, if any, the Company shall cause to have listed or quoted all shares of Common Stock issued upon exercise of the Capped or Uncapped Warrants on any such exchange or market.

Section 4.06. *Payment of Taxes on Stock Certificates Issued upon Exercise.* The initial issuance of Common Stock upon the exercise of Warrants shall be made without charge to the exercising Warrantholders for any tax in respect of the issuance of such stock certificates, and such stock certificates shall be issued in the respective names of, or in such names as may be directed by, the exercising Warrantholders; *provided, however*, that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such stock certificate, any Warrant Certificates or other securities in a name other than that of the registered holder of the Warrant Certificate surrendered upon exercise of the Warrant, and the Company shall not be required to issue or deliver such certificates or other securities unless and until the Person or Persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

Section 4.07. *Warrant Agent Not Responsible for Adjustments or Validity of Stock.* The Warrant Agent shall not at any time be under any duty or responsibility to any Warrantholder to determine whether any facts exist that may require an adjustment of the Exercise Price or Warrant Entitlement, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental agreement provided to be employed, in making the same. The Company shall be responsible for performing all calculations required under this Article 4 in connection with the (i) adjustment of the Exercise Price, the Cap Price and the Warrant Entitlement and

(ii) the identification of any Reference Property and the determination of the related Unit Values thereof. The Warrant Agent shall have no liability for any failure or delay in performing its duties hereunder caused by any failure or delay of the Company in providing such calculations to the Warrant Agent. The Warrant Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock or of any securities or property which may at any time be issued or delivered upon the exercise of any Warrant or upon any adjustment pursuant to Article 4, and it makes no representation with respect thereto. The Warrant Agent shall not be responsible for any failure of the Company to make any cash payment or to issue, transfer or deliver any shares of Common Stock or stock certificates or other securities or property or scrip upon the surrender of any Warrant for the purpose of exercise or upon any adjustment pursuant to Article 4, or to comply with any of the covenants of the Company contained in this Article 4.

Section 4.08. *Statements on Warrants.* The form of Warrant Certificate need not be changed because of any adjustment made pursuant to this Article 4, and Warrant Certificates issued after such adjustment may state the same Exercise Price and the same number of shares of Common Stock as are stated in the Warrant Certificates initially issued pursuant to this Warrant Agreement. However, the Company may at any time in its sole discretion (which shall be conclusive) make any change in the form of Warrant Certificate that it may deem appropriate and that does not materially adversely affect the interest of the Warrantholders; and any Warrant Certificates thereafter issued or countersigned, whether in exchange or substitution for an outstanding Warrant Certificate or otherwise, may be in the form as so changed.

ARTICLE 5

OTHER PROVISIONS RELATING TO RIGHTS OF WARRANTHOLDERS

Section 5.01. *No Rights as Stockholders.* Holders of Warrants shall not be entitled, by virtue of being such holders, to vote, to consent, to receive dividends, to receive notice as stockholders with respect to any meeting of stockholders for the election of the Company's directors or any other matter, or to exercise any rights whatsoever as the Company's stockholders unless, until and only to the extent such holders become holders of record of shares of Common Stock issued upon settlement of the Warrants.

Section 5.02. *Mutilated or Missing Warrant Certificates.* (a) If any Warrant at any time is mutilated, defaced, lost, destroyed or stolen, then on the terms set forth in this Warrant Agreement, such Warrant may be replaced at the cost of the applicant (including legal fees of the Company) at the office of the Warrant Registrar. The applicant for a new Warrant shall, in the case of any mutilated or defaced Warrant, surrender such Warrant to the Warrant Registrar

and, in the case of any lost, destroyed or stolen Warrant, furnish evidence satisfactory to the Company of such loss, destruction or theft, and, in each case, furnish evidence satisfactory to the Company of the ownership and authenticity of the Warrant together with such indemnity as the Company may require. Any such new Warrant Certificate shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant Certificate shall be at any time enforceable by anyone. An applicant for such a substitute Warrant Certificate shall also comply with such other reasonable regulations and pay such other reasonable charges as the Company or the Warrant Agent may prescribe. All Warrant Certificates shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the substitution for lost, stolen, mutilated or destroyed Warrant Certificates, and shall preclude any and all other rights or remedies notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the substitution for and replacement of negotiable instruments or other securities without their surrender.

(b) Initially, the Warrant Agent will act as the Warrant Registrar and Warrants may be presented for registration of transfer and exchange at the offices of the Warrant Registrar with a written instruction of transfer in form satisfactory to the Warrant Registrar, duly executed by such Warrantholder or by such Warrantholder's attorney, duly authorized in writing. Such Warrantholder will also provide a written certificate (substantially in the form of Exhibit B hereto) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Warrants. The registered holder of a Warrant will be treated as its owner for all purposes. The Warrant Agent shall be entitled to conclusively rely upon any such certification in connection with the transfer of a Warrant hereunder and shall have no responsibility to monitor or verify whether any such transfer complies with the requirements hereunder or otherwise complies with Securities Act.

Section 5.03. *Modification, Waiver and Meetings.* (a) This Warrant Agreement may be modified or amended by the Company and the Warrant Agent, without the consent of the holder of any Warrant, for the purposes of, among other things:

- (i) adding covenants for the benefit of the Warranholders;
- (ii) adding a guarantor or other security for the benefit of the Warranholders;
- (iii) adding additional dates on which Warranholders may exercise Warrants;

(iv) surrendering any right or power conferred upon the Company;

(v) providing for the settlement upon exercise of Warrants if any reclassification or change of Common Stock or any consolidation, merger or sale of the consolidated assets of the Company and its subsidiaries substantially as an entirety occurs;

(vi) providing for the assumption of the Company's obligations in the case of a merger, consolidation, conveyance, sale, transfer or lease;

(vii) decreasing the Exercise Price, increasing the Warrant Multiplier or, if applicable, increasing the Cap Price in the manner described in this Warrant Agreement;

(viii) curing any ambiguity or correcting or supplementing any defective provision contained in this Warrant Agreement; *provided* that such modification or amendment does not, in the good faith opinion of the Board of Directors, adversely affect the interests of the Warrantheolders in any material respect;

(ix) conform any provision contained herein with the "Description of the Warrants" as set forth in the Offering Memorandum dated June 6, 2006; and

(x) adding or modifying any other provisions which the Company may deem necessary or desirable and which will not adversely affect the interests of the Warrantheolders.

(b) Modifications and amendments to this Warrant Agreement or to the terms and conditions of Warrants may also be made by the Company and the Warrant Agent, and noncompliance with any provision of the Warrant Agreement or Warrants may be waived, either:

(i) with the written consent of the holders of at least a majority of Warrants at the time outstanding; or

(ii) by the adoption of a resolution at a meeting of Warrantheolders at which a quorum is present by at least a majority of Warrants represented at such meeting.

(c) However, no such modification, amendment or waiver may, without the written consent or the affirmative vote of each Warrantheolder affected:

(i) change the Expiration Date;

- (ii) increase the Exercise Price, decrease the Warrant Multiplier or, if applicable, decrease the Cap Price;
 - (iii) impair the right to institute suit for the enforcement of any payment or delivery with respect to the settlement of any Warrant;
 - (iv) except as otherwise permitted or contemplated by provisions of this Warrant Agreement concerning specified reclassifications or corporate reorganizations, impair or adversely affect the exercise rights of Warranholders, including any change to the calculation or payment of the Net Share Amount or Net Cash Amount, as applicable;
 - (v) reduce the percentage of Warrants outstanding necessary to modify or amend this Warrant Agreement or to waive any past default; or
 - (vi) reduce the percentage in Warrants outstanding required for any other waiver under this Warrant Agreement.
- (d) The quorum at any meeting called to adopt a resolution will be Persons holding or representing a majority of the Warrants at the time outstanding.

Section 5.04. *Reports.* If, at any time prior to the Resale Restriction Termination Date, the Company is not subject to Section 13 or 15(d) of the Exchange Act, the Company will furnish, or cause to be furnished, promptly upon the request of any Warranholder, information specified in Rule 144A(d)(4)(i) and (ii) under the Securities Act, to such Warranholder, or to a prospective transferee of a Warrant or interest in such Warrant designated by such Warranholder, as the case may be, in connection with the resale pursuant to Rule 144A of such Warrant or such interests by such Warranholder.

ARTICLE 6
CONCERNING THE WARRANT AGENT AND OTHER MATTERS

Section 6.01. *Payment of Certain Taxes.* The Company will from time to time promptly pay all taxes and charges that may be imposed upon the Company or the Warrant Agent in respect of the initial issuance or delivery of shares of Common Stock upon the exercise of Warrants, but the Company shall not be obligated to pay any transfer taxes in respect of Warrants or such shares.

Section 6.02. *Change of Warrant Agent.* (a) The Warrant Agent, or any successor to it hereafter appointed, may resign its duties and be discharged from all further duties and liabilities hereunder after giving 60 days' notice in writing to

the Company, except that such shorter notice may be given as the Company shall, in writing, accept as sufficient. If the office of the Warrant Agent becomes vacant by resignation or incapacity to act or otherwise, the Company shall appoint in writing a successor warrant agent in place of the Warrant Agent. If the Company shall fail to make such appointment within a period of 60 days after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated warrant agent or by any holder of Warrants (who shall, with such notice, submit his Warrant Certificate for inspect by the Company), then the holder of any Warrants may apply to any court of competent jurisdiction for the appointment of a successor warrant agent.

(b) The Warrant Agent may be removed by the Company at any time upon 30 days' written notice to the Warrant Agent; *provided, however*, that the Company shall not remove the Warrant Agent until a successor warrant agent meeting the qualifications hereof shall have been appointed.

(c) Any successor warrant agent, whether appointed by the Company or by such a court, shall be a corporation or banking association organized, in good standing and doing business under the laws of the United States of America or any state thereof or the District of Columbia, and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by Federal or state authority and having a combined capital and surplus of not less than \$50,000,000. The combined capital and surplus of any such successor Warrant Agent shall be deemed to be the combined capital and surplus as set forth in the most recent report of its condition published prior to its appointment, *provided that* such reports are published at least annually pursuant to law or to the requirements of a Federal or state supervising or examining authority. After appointment, any successor warrant agent shall be vested with all the authority, powers, rights, immunities, duties and obligations of its predecessor warrant agent with like effect as if originally named as warrant agent hereunder, without any further act or deed; but if for any reason it becomes necessary or appropriate, the predecessor warrant agent shall execute and deliver, at the expense of the Company, an instrument transferring to such successor warrant agent all the authority, powers and rights of such predecessor warrant agent hereunder; and upon request of any successor warrant agent, the Company shall make, execute, acknowledge and deliver any and all instruments in writing to more fully and effectually vest in and conform to such successor warrant agent all such authority, powers, rights, immunities, duties and obligations. Upon assumption by a successor warrant agent of the duties and responsibilities hereunder, the predecessor warrant agent shall deliver and transfer, at the expense of the Company, to the successor warrant agent any property at the time held by it hereunder. As soon as practicable after such appointment, the Company shall give notice thereof to the predecessor warrant agent, the registered holders to Warrants and each transfer agent for the shares of its Common Stock. Failure to

give such notice, or any defect therein, shall not affect the validity of the appointment of the successor warrant agent.

(d) Any entity into which the Warrant Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Warrant Agent shall be a party, shall be the successor Warrant Agent under this Warrant Agreement without any further act. In case at the time such successor to the Warrant Agent shall succeed to the agency created by this Warrant Agreement, any of the Warrant Certificates shall have been countersigned but not delivered, any such successor to the Warrant Agent may adopt the countersignature of the original Warrant Agent and deliver such Warrant Certificates so countersigned, and in case at that time any of the Warrant Certificates shall not have been countersigned, any successor to the Warrant Agent may countersign such Warrant Certificates either in the name of the predecessor Warrant Agent or in the name of the successor Warrant Agent; and in all such cases Warrant Certificates shall have the full force provided in the in the Warrant Certificates and in this Warrant Agreement.

(e) In case at any time the name of the Warrant Agent shall be changed and at such time any of the Warrant Certificates shall have been countersigned but not delivered, the Warrant Agent may adopt the countersignatures under its prior name and deliver such Warrant Certificates so countersigned; and in case at that time any of the Warrant Certificates shall not have been countersigned, the Warrant Agent may countersign such Warrant Certificates either in its prior name or in its changed name; and in all such cases such Warrant Certificates shall have the full force provided in the Warrant Certificates and in this Warrant Agreement.

Section 6.03. *Compensation; Further Assurances.* The Company agrees (i) that it will pay the Warrant Agent reasonable compensation for its services as Warrant Agent hereunder and, except as otherwise expressly provided, will pay or reimburse the Warrant Agent upon demand for all reasonable expenses, disbursements and advances incurred or made by the Warrant Agent in accordance with any of the provisions of this Warrant Agreement (including the reasonable compensation, expenses and disbursements of its agents and counsel) except any such expense, disbursement or advance as may arise from its or any of their negligence or bad faith; and (ii) that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Warrant Agent for the carrying out or performing of the provisions of this Warrant Agreement.

Section 6.04. *Reliance on Counsel.* The Warrant Agent may consult with legal counsel (who may be legal counsel for the Company), and the written opinion of such counsel or any advice of legal counsel subsequently confirmed by a written opinion of such counsel shall be full and complete authorization and

protection to the Warrant Agent as to any action taken or omitted by it in good faith and in accordance with such written opinion or advice.

Section 6.05. *Proof of Actions Taken.* Whenever in the performance of its duties under this Warrant Agreement the Warrant Agent shall deem it necessary or desirable that any matter be proved or established by the Company prior to taking or suffering or omitting any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Warrant Agent, be deemed to be conclusively proved and established by an Officer's Certificate delivered to the Warrant Agent; and such Officer's Certificate shall, in the absence of bad faith on the part of the Warrant Agent be full warrant to the Warrant Agent for any action taken, suffered or omitted in good faith by it under the provisions of this Warrant Agreement in reliance upon such certificate; but in its discretion the Warrant Agent may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

Section 6.06. *Correctness of Statements.* The Warrant Agent shall not be liable for or by reason of any of the statements of fact or recitals contained in this Warrant Agreement or in the Warrant Certificates (except its countersignature thereof) or be required to verify the same, and all such statements and recitals are and shall be deemed to have been made by the Company only.

Section 6.07. *Validity of Agreement.* The Warrant Agent shall not be under any responsibility in respect of the validity of this Warrant Agreement or the execution and delivery hereof or in respect of the validity or execution of any Warrant Certificates (except its countersignature thereof); nor shall it be responsible for any breach by the Company of any covenant or condition contained in this Warrant Agreement or in any Warrant Certificate; nor shall it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any shares of Common Stock to be issued pursuant to this Warrant Agreement or any Warrants or as to whether any shares of Common Stock will, when issued, be validly issued and fully paid and nonassessable.

Section 6.08. *Use of Agents.* The Warrant Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys or agents and the Warrant Agent shall not be responsible for the misconduct or negligence of any agent or attorney, provided due care had been exercised in the appointment and continued employment thereof.

Section 6.09. *Liability of Warrant Agent.* The Warrant Agent shall incur no liability or responsibility to the Company or to any holder of Warrants for any action taken in reliance on any notice, resolution, waiver, consent, order,

certificate, or other paper, document or instrument believed by it to be genuine and to have been signed, sent or presented by the proper party or parties. The Company agrees to indemnify the Warrant Agent and save it harmless against any and all losses, expenses and liabilities, including judgments, costs and reasonable counsel fees, for anything done or omitted in good faith by the Warrant Agent in the execution of this Warrant Agreement or otherwise arising in connection with this Warrant Agreement, except as a result of the Warrant Agent's negligence or willful misconduct or bad faith.

Section 6.10. *Legal Proceedings.* The Warrant Agent shall be under no obligation to institute any action, suit or legal proceeding or to take any other action likely to involve expense unless the Company or one or more Warrantholders shall furnish the Warrant Agent with reasonable security and indemnity for any costs and expenses which may be incurred, but this provision shall not affect the power of the Warrant Agent to take such action as the Warrant Agent may consider proper, whether with or without any such security or indemnity.

Section 6.11. *Other Transactions in Securities of the Company.* The Warrant Agent in its individual or any other capacity may become the owner of Warrants or other securities of the Company, or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as though it were not Warrant Agent under this Warrant Agreement. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other legal entity.

Section 6.12. *Actions as Agent.* The Warrant Agent shall act hereunder solely as agent and not in a ministerial or fiduciary capacity, and its duties shall be determined solely by the provisions hereof. The duties and obligations of the Warrant Agent shall be determined solely by the express provisions of the Warrant Agreement, and the Warrant Agent shall not be liable except for the performance of such duties and obligations as are specifically set forth in the Warrant Agreement. No implied covenants or obligations shall be read into the Warrant Agreement against the Warrant Agent. No provision of the Warrant Agreement shall require the Warrant Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. The Warrant Agent shall not be liable for anything that it may do or refrain from doing in good faith in connection with this Warrant Agreement except for its own negligence or willful misconduct or bad faith.

Section 6.13. *Appointment and Acceptance of Agency.* The Company hereby appoints the Warrant Agent to act as agent for the Company in accordance with the instructions set forth in this Warrant Agreement, and the Warrant Agent hereby accepts the agency established by this Warrant Agreement and agrees to perform the same upon the terms and conditions herein set forth.

Section 6.14. *Successors and Assigns.* All the covenants and provisions of this Warrant Agreement by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

Section 6.15. *Notices.* Any notice or demand authorized by this Warrant Agreement to be given or made by the Warrant Agent or by the holder of any Warrant to or on the Company shall be sufficiently given or made if sent by mail first-class, postage prepaid, addressed (until another address is filed in writing by the Company with the Warrant Agent), as follows:

The Interpublic Group of Companies, Inc.
1114 Avenue of the Americas
New York, New York 10036

Any notice or demand authorized by this Warrant Agreement to be given or made by the holder of any Warrant or by the Company to or on the Warrant Agent shall be sufficiently given or made if sent by mail first-class, postage prepaid, addressed (until another address is filed in writing by the Warrant Agent with the Company), as follows:

LaSalle Bank National Association
181 West Madison Street, 32nd Floor
Chicago, Illinois 60602
Attention: CDO Trust Services Group – ELF Special Financing Ltd.

Any notice of demand authorized by this Warrant Agreement to be given or made to the holder of any Warrants shall be sufficiently given or made if sent by first-class mail, postage prepaid to the last address of such holder as it shall appear on the Warrant Register.

Section 6.16. *Applicable Law.* The validity, interpretation and performance of this Warrant Agreement and of the Warrant Certificates shall be governed by the law of the State of New York *without giving effect to the principles of conflicts of laws thereof.*

Section 6.17. *Benefits of This Warrant Agreement.* Nothing in this Warrant Agreement expressed and nothing that may be implied from any of the

provisions hereof is intended, or shall be construed, to confer upon, or give to, any Person or corporation other than the parties hereto and the Warranholders any right, remedy or claim under or by reason of this Warrant Agreement or of any covenant, condition, stipulation, promise or agreement hereof, and all covenants, conditions, stipulations, promises and agreements in this Warrant Agreement contained shall be for the sole and exclusive benefit of the parties hereto and their successors and of the Warranholders.

Section 6.18. *Registered Warranholders.* Prior to due presentment for registration of transfer, the Company and the Warrant Agent may deem and treat the Person in whose name any Warrants are registered in the Warrant Register as the absolute owner thereof for all purposes whatever (notwithstanding any notation of ownership or other writing thereon made by anyone other than the Company or the Warrant Agent) and neither the Company nor the Warrant Agent shall be affected by any notice to the contrary or be bound to recognize any equitable or other claim to or interest in any Warrants on the part of any other Person and shall not be liable for any registration of transfer of Warrants that are registered or to be registered in the name of a fiduciary or the nominee of a fiduciary unless made with actual knowledge that a fiduciary or nominee is committing a breach of trust in requesting such registration of transfer or with such knowledge of such facts that its participation therein amounts to bad faith. The terms “**Warranholder**” and holder of any “**Warrants**” and all other similar terms used herein shall mean such Person in whose name Warrants are registered in the Warrant Register.

Section 6.19. *Inspection of Agreement.* A copy of this Warrant Agreement shall be available at all reasonable times for inspection by any registered Warranholder at the principal office of the Warrant Agent (or successor warrant agent). The Warrant Agent may require any such holder to submit his Warrant Certificate for inspection by it before allowing such holder to inspect a copy of this Warrant Agreement.

Section 6.20. *Headings.* The Article and Section headings herein are for convenience only and are not a part of this Warrant Agreement and shall not affect the interpretation thereof.

Section 6.21. *Counterparts.* The Agreement may be executed in any number of counterparts on separate counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, this Warrant Agreement has been duly executed by the parties hereto as of the day and year first above written.

The Interpublic Group of Companies,
Inc.

By: /s/ Nicholas J. Camera
Name: Nicholas J. Camera
Title: Senior Vice President,
General Counsel and
Secretary

LaSalle Bank National Association, as
Warrant Agent

By: /s/ Theresa Lynch
Name: Theresa Lynch
Title: First Vice President

FORM OF [GLOBAL/CERTIFICATED] WARRANT FOR [CAPPED/UNCAPPED] WARRANTS

[FACE]

No. _____

CUSIP No. _____

["UNLESS THIS GLOBAL WARRANT FOR [CAPPED/UNCAPPED] WARRANTS IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"),* TO THE INTERPUBLIC GROUP OF COMPANIES, INC. (THE "COMPANY"), THE CUSTODIAN OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO.* OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC* (AND ANY PAYMENT IS MADE TO CEDE & CO.* OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC*), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO.,* HAS AN INTEREST HEREIN.

TRANSFER OF THIS GLOBAL WARRANT FOR [CAPPED/UNCAPPED] WARRANTS SHALL BE LIMITED TO TRANSFERS IN WHOLE, AND NOT IN PART, TO THE COMPANY, DTC,* THEIR SUCCESSORS AND THEIR RESPECTIVE NOMINEES."**

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS, AND NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS

* Add references to the Unit Agent where indicated if the Global Warrant is a Global Warrant Underlying Units.

** Bracketed language only appears on Global Warrants held in the name of DTC (or nominee thereof) or the Unit Agent.

SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) ("QIB"). UNTIL THE RESALE RESTRICTION TERMINATION DATE, AS DEFINED IN THE WARRANT AGREEMENT REFERRED TO HEREIN, THE HOLDER OF THIS SECURITY AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY ONLY (A) TO THE ISSUER OF THIS SECURITY, (B) TO A PERSON IT REASONABLY BELIEVES IS A QIB THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT OR (C) UNLESS THIS SECURITY IS A GLOBAL WARRANT UNDERLYING UNITS, AS DEFINED IN THE WARRANT AGREEMENT, IN ACCORDANCE WITH ANY OTHER EXEMPTION FROM REGISTRATION AND NOT WITH A VIEW TO, OR FOR OFFER OR SALE IN CONNECTION WITH, ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT.

THE HOLDER OF THIS SECURITY UNDERSTANDS THAT THE ISSUER OF THIS SECURITY MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN ITS SECURITIES FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES.

ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO, AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER OF THIS SECURITY, THE WARRANT AGENT OR ANY INTERMEDIARY. IF AT ANY TIME THE ISSUER DETERMINES IN GOOD FAITH OR IS NOTIFIED THAT THE HOLDER OF THIS SECURITY OR A BENEFICIAL INTEREST HEREIN WAS IN BREACH OF ANY OF THE REPRESENTATIONS SET FORTH IN THIS SECURITY, THE ISSUER OR THE WARRANT AGENT MAY DECLARE THE ACQUISITION OF THIS SECURITY OR SUCH INTEREST IN THIS SECURITY VOID. IN THE EVENT OF A BREACH, AT THE TIME GIVEN, AND, IN THE EVENT OF SUCH A DETERMINATION OR NOTICE OF BREACH, AT THE TIME GIVEN OR AT ANY SUBSEQUENT TIME, THE ISSUER OR THE WARRANT AGENT MAY REQUIRE THAT THIS SECURITY OR SUCH INTEREST HEREIN BE TRANSFERRED TO A PERSON DESIGNATED BY IT.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

[Designation of [Capped/Uncapped] Warrants]

NUMBER OF [CAPPED/UNCAPPED] WARRANTS EVIDENCED BY THIS CERTIFICATE: [UP TO ____].

WARRANT ENTITLEMENT: Initially one share of Common Stock for each Warrant.

WARRANT MULTIPLIER: For the [Capped/Uncapped] Warrants initially one (1).

[CAPPED/UNCAPPED EXERCISE] PRICE PER [CAPPED/UNCAPPED] WARRANT: Initially [\$].

[CAP PRICE PER CAPPED WARRANT]: Initially [\$].

FORM OF PAYMENT OF EXERCISE PRICE: Not Applicable. Warrants are net exercisable only.

FORM OF SETTLEMENT: Each Warrant shall entitle the Warrantholder, without any payment therefor, to receive for each Warrant either (a) cash in an amount equal to the Net Cash Amount, (b) a number of shares of Common Stock equal to the Net Share Amount plus cash in lieu of any fractional shares, or (c) a combination thereof, in each case at the sole discretion of The Interpublic Group of Companies, Inc. (the "**Company**"), as described in the Warrant Agreement.

DATES OF EXERCISE: Warrants may only be exercised on the Expiration Date, or earlier in the event of a Fundamental Change.

EXPIRATION DATE: June 15, 2009.

EARLY EXERCISE UPON FUNDAMENTAL CHANGE: If a Fundamental Change occurs prior to the Expiration Date, each Warrantholder will have the right to exercise its Warrants at any time on or after the Effective Date of such Fundamental Change until the 30th Trading Day after such date. Any Warrants exercised in connection with a Fundamental Change shall be settled by delivery of an amount of cash, shares of Common Stock or any combination thereof, in each case at the Company's election as set forth in the Warrant Agreement. The Early Settlement Amount deliverable by the Company to the Warrantholder shall be determined as specified in the Warrant Agreement. Early Exercise may be accomplished by (i) in the case of Certificated Warrants, surrendering the Warrant Certificate evidencing such Warrants at the principal office of the Warrant Agent

(or successor warrant agent), with the Election to Exercise form set forth on the reverse hereof duly completed and executed, together with any applicable transfer taxes as set forth in the Warrant Agreement, or (ii) in the case of Warrants represented by a Global Certificate, complying with appropriate procedures established by the Depository for the exercise of Warrants.

FUNDAMENTAL CHANGE: As specified in the Warrant Agreement.

ADJUSTMENTS: The Warrant Entitlement, Warrant Multiplier[,] [and] [Capped/Uncapped] Exercise Price [and Cap Price] shall be subject to adjustment as specified in the Warrant Agreement.

This Warrant Certificate for [Capped/Uncapped] Warrants [is a Global Warrant Underlying Units and] certifies that _____, or registered assigns, is the Warrantholder of the number of [Capped/Uncapped] Warrants (the "**Warrants**") specified on Schedule A hereto, which shall not exceed _____. On the Expiration Date, all issued and outstanding Warrants shall be automatically exercised. In connection with such automatic exercise of Warrants, (A) the Company shall determine the Net Cash Amount, Net Share Amount or combination thereof applicable to each Warrant and (B) the Company shall, or shall cause the Warrant Agent to, deliver to the record owner of such Warrants as of 5:00 p.m. (New York City time) on the Expiration Date the relevant Net Cash Amount, Net Share Amount (plus the amount of cash for any fraction shares) or combination thereof, as applicable, no later than the third Business Day following the last day of the Settlement Period.

Warrants will not entitle the Warrantholder to any of the rights of the holders of shares of Common Stock.

Reference is hereby made to the further provisions of this Warrant Certificate set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as though fully set forth in this place.

This Warrant Certificate shall not be valid unless countersigned by the Warrant Agent.

IN WITNESS WHEREOF, The Interpublic Group of Companies, Inc. has caused this instrument to be duly executed.

Dated: _____

THE INTERPUBLIC GROUP OF
COMPANIES

By: _____
Name:
Title:

Attest

By: _____
Secretary

Countersigned as of the date above
written:

LaSalle Bank National Association, as Warrant Agent

By: _____
Authorized Officer

THE INTERPUBLIC GROUP OF COMPANIES, INC.

The [Capped/Uncapped] Warrants evidenced by this Warrant Certificate are part of a duly authorized issue of [Capped/Uncapped] Warrants issued by the Company pursuant to a Warrant Agreement, dated as of June 13, 2006 (the “**Warrant Agreement**”), between the Company and LaSalle Bank National Association (the “**Warrant Agent**”), and are subject to the terms and provisions contained in the Warrant Agreement, to all of which terms and provisions each Warrantholder consents by acceptance of this Warrant Certificate or a beneficial interest therein. Without limiting the foregoing, all capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Warrant Agreement. A copy of the Warrant Agreement is on file at the Warrant Agent’s Office. The [Capped/Uncapped] Warrants constitute a separate series of Warrants under the Warrant Agreement.

The Warrant Agreement and the terms of the [Capped/Uncapped] Warrants are subject to amendment as provided in the Warrant Agreement.

This Warrant Certificate shall be governed by, and interpreted in accordance with, the laws of the State of New York.

[To be attached if Warrant is a Certificated Warrant]

Election to Exercise

LaSalle Bank National Association
181 West Madison Street, 32nd Floor
Chicago, Illinois 60602

Attention: CDO Trust Services Group – ELF Special Financing Ltd.

The undersigned (the “**Registered Holder**”) hereby irrevocably exercises _____ [Capped/Uncapped] Warrants (the “**Exercised Warrants**”) in connection with a Fundamental Change and delivers to you herewith a Warrant Certificate or Certificates, registered in the Registered Holder’s name, representing a number of Warrants at least equal to the number of Exercised Warrants.

The Registered Holder hereby directs the Warrant Agent (a) to deliver the Early Settlement Amount as follows:

and (b) if the number of Exercised Warrants is less than the number of [Capped/Uncapped] Warrants represented by the enclosed Warrant Certificate, to deliver a Warrant Certificate representing the unexercised [Capped/Uncapped] Warrants to:

Dated: _____

(Registered Holder)

By: _____
Authorized Signature
Address:
Telephone:

SCHEDULE A

SCHEDULE OF INCREASES OR DECREASES IN [CAPPED/UNCAPPED] WARRANTS

The initial number of [Capped/Uncapped] Warrants represented by this Global Warrant is _____. In accordance with the Warrant Agreement and the Unit Agreement dated as of June 13, 2006 among the Warrant Issuer, the Notes Issuer and LaSalle Bank National Association, as Unit Agent, as Warrant Agent, as Paying Agent and as Indenture Trustee under the Indenture referred to therein, the following increases or decreases in the number of [Capped/Uncapped] Warrants represented by this certificate have been made:

Date	Amount of increase in number of [Capped/Uncapped] Warrants evidenced by this Global Warrant	Amount of decrease in number of [Capped/Uncapped] Warrants evidenced by this Global Warrant	Number of [Capped/Uncapped] Warrants evidenced by this Global Warrant following such decrease or increase

[To Be Attached if Warrant is a Global or Certificated Warrant]

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned assigns and transfers the [Capped/Uncapped] Warrant(s) represented by this Certificate to:

Name, Address and Zip Code of Assignee

and irrevocably appoints _____
Name of Agent

as its agent to transfer this [Capped/Uncapped] Warrant Certificate on the books of the Warrant Agent.

[Signature page follows]

Date: _____

Name of Transferee

By: _____
Name:
Title:

(Sign exactly as your name appears on the other side of this Certificate)

[Omit the following guarantee for transfers from ELF Special Financing Ltd. to LaSalle Bank National Association as Unit Agent]

[NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.]

FORM OF CERTIFICATE OF COMPLIANCE WITH TRANSFER RESTRICTIONS

In connection with the sale, assignment and transfer of _____ [Capped/Uncapped] Warrants by _____ unto _____ (Please insert social security or other Taxpayer Identification Number of assignee) prior to the expiration of the holding period applicable to sales thereof under Rule 144(k) under the Securities Act (or any successor provision), the undersigned confirms that such Warrants are being transferred:

- To The Interpublic Group of Companies, Inc. (the "Company"); or
- To a "qualified institutional buyer" in compliance with Rule 144A under the Securities Act of 1933, as amended; or
- Pursuant to and in compliance with another available exemption from the registration requirements of the Securities Act of 1933, as amended.

Unless one of the boxes is checked, the Warrant Agent will refuse to register any of the Warrants evidenced by this certificate in the name of any person other than the registered holder thereof.

Date: [_____]

[Insert name of transferee]

By: _____
Name:
Title:

FORM OF COMMON STOCK REQUISITION ORDER

[Date]

Via Facsimile (201) 680-4616

Mr. Glen Chang
Mellon Investor Services LLC
480 Washington Boulevard
Jersey City NJ 07310

Re: DWAC Issuance
Control No. _____

Ladies and Gentlemen:

You are hereby authorized to issue and deliver the shares of Common Stock as indicated below via DWAC. The shares are being issued to cover the exercise of Warrants under the Warrant Agreement, dated as of June 13, 2006, between Interpublic Group of Companies, Inc. and LaSalle Bank National Association, as Warrant Agent (the "Warrant Agreement"). Defined terms used but not defined herein have the meaning assigned to them in the Warrant Agreement.

Number of Shares:

_____ Original Issue or

_____ Transfer from Treasury Account

Broker Name:

Broker's DTC Number:

Contact and Phone:

The Broker will initiate the DWAC transaction on (date).

Sincerely,

LASALLE BANK NATIONAL ASSOCIATION,
as Warrant Agent

By: _____

Name:

Title:

cc: Deborah Bass via facsimile (201-680-4606)
Broker

\$250,000,000

LETTER OF CREDIT AGREEMENT

dated as of

June 13, 2006

between

THE INTERPUBLIC GROUP OF COMPANIES, INC.

and

CITIBANK, N.A.

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LETTER OF CREDIT AGREEMENT

Dated as of June 13, 2006

THE INTERPUBLIC GROUP OF COMPANIES, INC., a Delaware corporation (the “**Company**”), and CITIBANK, N.A. (“**Citibank**”) hereby agree as follows:

ARTICLE 1 DEFINITIONS

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):

“**Adjusted Available Amount**” of any Letter of Credit means, at any time of determination, with respect to:

- (a) any Letter of Credit denominated in Dollars and any Sterling Letter of Credit, the Available Amount of such Letter of Credit at such time; and
- (b) any Letter of Credit (other than a Sterling Letter of Credit) denominated in a Committed L/C Currency other than Dollars, 105% of the Available Amount of such Letter of Credit as of the later of (x) the date of issuance of such Letter of Credit, (y) the most recent date that a Backstop Letter of Credit Adjustment was effected in respect of such Corresponding Backstop Letter of Credit (A) pursuant to Section 2.06(a) hereof upon any amendment of such Letter of Credit or (B) pursuant to Section 2.06(b) or (c) hereof upon demand by Citibank or the Company (as the case may be), and (z) the most recent date that a deposit into any L/C Cash Deposit Account was made in respect of such Letter of Credit pursuant to the second sentence of Section 2.04(c) or Section 2.06(b) hereof.

“**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.

“**Agreement**” means this Letter of Credit Agreement.

“**Applicable Interest Rate**” means 2% *plus* (a) in the case of any Dollar-denominated L/C Disbursement, the Federal Funds Rate, and (b) in the case of any L/C Disbursement denominated in any other Committed L/C Currency, the reasonable and customary cost of such funds to Citibank, to the extent actually incurred, as provided to the Company in writing.

“**Available Amount**” of any Letter of Credit or Backstop Letter of Credit means, at any time of determination, the maximum amount available to be drawn under such Letter of Credit or Backstop 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 as of (i) in the case of any issuance or amendment of such Letter of Credit or Backstop Letter of Credit, the date that notice requesting such issuance or amendment is provided by the Company pursuant to Section 2.02 hereof, and (ii) otherwise, such date of determination.

“**Backstop L/C Issuer**” means MSCS and any other issuer of a Backstop Letter of Credit reasonably agreed to by Citibank; *provided* that, for purposes of Section 3.02 hereof, MSCS shall no longer be considered a Backstop L/C Issuer eligible to issue or increase a Backstop Letter of Credit hereunder in the event that (i) any of the events or circumstances set forth in Section 6.01(e) hereto have occurred with respect to Morgan Stanley and are continuing, or (ii) Morgan Stanley shall have asserted in writing that the Morgan Stanley Guarantee is unenforceable against it.

“**Backstop Letter of Credit**” means any irrevocable standby letter of credit (including, for the avoidance of doubt, the Initial Backstop Letters of Credit), issued in favor of Citibank (on its own behalf and/or on behalf of any of its Affiliates issuing a Letter of Credit hereunder), substantially in the form of Exhibit A hereto or in such other form as shall be reasonably satisfactory to Citibank, by any Backstop L/C Issuer.

“**Backstop Letter of Credit Adjustment**” means any increase or decrease in the Available Amount of any Backstop Letter of Credit pursuant to Section 2.06 hereof.

“**Backstop Letter of Credit Amendment**” means any amendment to a Backstop Letter of Credit, increasing or decreasing the Available Amount thereof.

“**Business Day**” means a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City or Chicago are authorized or required by law, regulation or executive order to close; *provided, however*, that if the applicable Business Day relates to any payment required to be made under a Sterling Letter of Credit or Sterling Backstop Letter of Credit, such day must also be a London Banking Day.

“**Capital Stock**” of any Person means any and all shares, interests, participations or other equivalents however designated of corporate stock or other equity participations, including partnership interests, whether general or limited, of such Person and any rights (other than debt securities convertible or exchangeable into an equity interest), warrants or options to acquire an equity interest in such Person.

“**Committed L/C Currencies**” means Dollars, Sterling, lawful currency of Japan, lawful currency of Canada, lawful currency of Australia, Euro and any other currency requested by the Company and reasonably agreed by Citibank.

“**Commitment Termination Event**” has the meaning specified in Section 6.01.

“**Common Stock**” means the common stock, par value \$0.10 per share, of the Company, or any other class of stock resulting from successive changes or reclassifications of such common stock consisting solely of changes in par value, or from par value to no par value, or as a result of a subdivision, combination, merger, consolidation or similar transaction in which the Company is a constituent corporation.

“**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.

“**Corresponding Backstop Letter of Credit**” means, as to any Letter of Credit, the related Backstop Letter of Credit (if any) which was issued or increased upon issuance of such Letter of Credit.

“**Dollars**” and the “**\$**” sign each mean lawful currency of the United States of America.

“**Early Termination Event**” means, with respect to any Backstop Letter of Credit, the occurrence of an “Early Termination Date” as defined therein, or any other event or circumstance (other than a drawing against a Letter of Credit) provided for therein permitting or requiring any drawing thereunder.

“**Effective Date**” has the meaning specified in Section 3.01.

“**Equivalent**” in Dollars of any Committed L/C Currency (other than Dollars) on any date means the equivalent in Dollars of such currency determined by reference to the closing rate for the exchange of Dollars for such currency displayed on the preceding Business Day on the Bloomberg Composite Currency Monitor (unless otherwise indicated by the terms of this Agreement), and the “Equivalent” in any Committed L/C Currency (other than Dollars) of Dollars means the equivalent in such currency of Dollars determined by reference to the closing rate for the exchange of such currency for Dollars displayed on the preceding Business Day on the Bloomberg Composite Currency Monitor (unless otherwise indicated by the terms of this Agreement); *provided* that the Equivalent on any date of any amount outstanding under any Sterling Letter of Credit or Sterling Backstop Letter of Credit or on deposit in the Sterling L/C Cash Deposit Account shall be determined using the rate of \$1.8544 to £1.000.

“**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.

“**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 European Monetary Union legislation.

“**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 Citibank from three Federal funds brokers of recognized standing reasonably selected by it.

“**Fundamental Change**” means (a) a “person” or “group” within the meaning of Section 13(d) of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) other than the Company, its Subsidiaries or any employee benefit plan of the Company or any of its Subsidiaries, files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that the person or group has become the direct or indirect ultimate “beneficial owner”, as defined in Rule 13d-3 under the Exchange Act, of the common stock of the Company representing more than 50% of the voting power of its common stock; (b) consummation of any share exchange, consolidation or merger of the Company pursuant to which the Common Stock will be converted into cash, securities or other property or any sale, lease or other transfer in one transaction or a series of transactions of all or substantially all of the consolidated assets of the Company and its Subsidiaries, taken as a whole, to any Person other than a Subsidiary of the Company; *provided, however*, that a transaction where the holders of more than 50% of all classes of the common equity of the Company immediately prior to the transaction own, directly or indirectly, more than 50% of all classes of common equity of the continuing or surviving corporation or transferee immediately after the event shall not be a Fundamental Change; or (c) the Company is liquidated or dissolved or holders of its Capital Stock approve any plan or proposal for its liquidation or dissolution.

“**Initial Backstop Letter of Credit**” means each of the Backstop Letters of Credit issued by MSCS on the Effective Date in the forms and with the initial Available Amounts set forth in Exhibits B-1 and B-2 hereto.

“**L/C Cash Deposit Account**” means any of (a) the Sterling L/C Cash Deposit Account, (b) the interest-bearing Dollar-denominated cash deposit account, and (c) with respect to Special Letters of Credit after the 15th day prior to the Maturity Date, any other interest-bearing cash deposit account denominated in any other currency, in each case to be established and maintained by Citibank pursuant to Section 2.04 hereof, over which Citibank shall have sole dominion and control, upon terms as may be satisfactory to Citibank.

“**L/C Disbursement**” means a payment by Citibank in respect of any drawing under a Letter of Credit.

“**Letter of Credit**” has the meaning specified in Section 2.01(a).

“**Letter of Credit Commitment**” means the obligation of Citibank to issue Letters of Credit for the account of the Company hereunder in an aggregate Available Amount of up to \$250,000,000, as the same may be reduced or terminated from time to time pursuant to Section 2.08 hereof, or increased with the written consent of Citibank.

“**London Banking Day**” means a day on which commercial banks are open for business in London.

“**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 Citibank under this Agreement or (c) the ability of the Company to perform its obligations under this Agreement.

“**Maturity Date**” means June 15, 2009.

“**Maximum Amount**” means, as of any date of determination, an amount equal to the sum of (a) the Available Amount of all outstanding Backstop Letters of Credit as of such date and (b) the Dollar Equivalent of the amounts (if any) credited to all L/C Cash Deposit Accounts as of such date.

“**Morgan Stanley Guarantee**” means the guarantee by Morgan Stanley of all obligations of MSCS under the Backstop Letters of Credit, in substantially the form attached hereto as Exhibit C.

“**MSCS**” means Morgan Stanley Capital Services Inc., in its capacity as Backstop L/C Issuer.

“**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.

“**Officer**” means the chairman of the board, the chief executive officer, the president, the chief financial officer, any vice president, the treasurer or the secretary of the Company.

“**Officer’s Certificate**” means a certificate signed by an Officer or attorney-in-fact.

“**Payment Office**” means, with respect to Citibank, the office identified in Section 7.02 hereof or such other office of Citibank as Citibank may from time to time specify to the Company in writing.

“**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.

“**Potential Commitment Termination Event**” means any Commitment Termination Event or any event that would constitute a Commitment Termination Event but for the requirement that notice be given or time elapse or both.

“**SEC**” means the U.S. Securities and Exchange Commission.

“**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.

“**Solvent**” means, with respect to any Person on a particular date, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person’s ability to pay such debts and liabilities as they mature and (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person’s property would constitute an unreasonably small capital. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“**Special Letter of Credit**” has the meaning specified in Section 2.01(c).

“**Sterling**” and “**£**” each mean the lawful currency of the United Kingdom of Great Britain and Northern Ireland.

“**Sterling Available Amount**” of any Sterling Letter of Credit or Sterling Backstop Letter of Credit means, at any time of determination, the maximum Sterling amount available to be drawn under such Letter of Credit or Backstop Letter of Credit at such time (assuming compliance at such time with all conditions to drawing).

“**Sterling Backstop Letter of Credit**” means the Sterling-denominated Backstop Letter of Credit in the form of Exhibit B-2 hereto, issued by MSCS on the Effective Date, and any replacement or other Backstop Letter of Credit denominated in Sterling issued by MSCS or another Backstop L/C Issuer agreed to by Citibank.

“**Sterling L/C Cash Deposit Account**” means an interest-bearing, Sterling-denominated cash deposit account to be established and maintained by Citibank pursuant to Section 2.04 hereof, over which Citibank shall have sole dominion and control, upon terms as may be satisfactory to Citibank.

“**Sterling Letter of Credit**” means any Sterling-denominated Letter of Credit, to the extent designated as a “Sterling Letter of Credit” for purposes of this Agreement pursuant to Section 2.01(b) hereof.

“**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.

“**Termination Date**” means the date of any termination in whole of Citibank’s obligation to issue Letters of Credit hereunder pursuant to Section 6.01 or any termination in whole of the Letter of Credit Commitment pursuant to Section 2.08 hereof.

“**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.

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.” Unless otherwise specified herein, all references to time shall mean New York City time, whether or not so expressed.

Section 1.03. *Construction.* The definition of terms herein (including those incorporated by reference to another document) apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun includes the corresponding masculine, feminine and neuter forms. The words “**include**” and “**including**” shall be deemed to be

followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and permitted assigns, (c) the words “hereof”, “herein”, “hereunder” and words of similar import shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof and (d) article, section, subsection, schedule and exhibit references are to this Agreement unless otherwise specified. The section headings contained in this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation hereof in any respect.

ARTICLE 2
AMOUNT AND TERMS OF THE LETTERS OF CREDIT

Section 2.01. *The Letters of Credit.* (a) *General.* Citibank agrees, on the terms and conditions hereinafter set forth, to issue letters of credit (each, a “**Letter of Credit**”) for the account of the Company, and for the account of any Subsidiary of the Company as the Company may from time to time specify in a notice of issuance hereunder, from time to time on any Business Day during the period from the Effective Date until 30 days before the Maturity Date in an aggregate Available Amount not to exceed the amount of the Letter of Credit Commitment. Each Letter of Credit shall be issued in an Available Amount of not less than \$10,000. No Letter of Credit shall have an expiration date (including all rights of the Company or the beneficiary to require renewal) later than the earlier of (x) 15 days prior to the Maturity Date or (y) the date that is one year after the 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 Citibank has the unconditional right to prevent any such automatic extension from taking place.

(b) *Sterling Letters of Credit.* Certain Letters of Credit denominated in Sterling may from time to time be designated as “Sterling Letters of Credit” for purposes of this Agreement in accordance with the provisions of this Section 2.01(b).

(i) The Company may cause a newly issued Letter of Credit to be designated as a “Sterling Letter of Credit” hereunder by so indicating in the notice of issuance provided to Citibank with respect to such Letter of Credit pursuant to Section 2.02(a).

(ii) The Company may cause an already outstanding Letter of Credit to be designated as a “Sterling Letter of Credit” hereunder at any time by providing a written notice of such designation to Citibank, and such designation shall be effective at the time of receipt thereof by Citibank.

(iii) Each of the Letters of Credit set forth in Schedule 2.01(e) hereto under the heading “Sterling Letters of Credit” shall as of the Effective Date be a “Sterling Letter of Credit” for purposes of this Agreement.

(iv) The aggregate Sterling Available Amount of all Sterling Letters of Credit outstanding at any time shall not exceed the sum of (x) the Sterling Available Amount of all Sterling Backstop Letters of Credit at such time outstanding and (y) the amount in Sterling on deposit in the Sterling L/C Cash Deposit Account at such time.

(v) Any portion of the Sterling Available Amount of a Letter of Credit (rather than the entire Sterling Available Amount thereof) may be designated by the Company as a "Sterling Letter of Credit" pursuant to clauses (i) or (ii) above, if designation of the entire Sterling Available Amount would cause the limits under clause (iv) above to be exceeded. The remaining portion of the Sterling-denominated Available Amount of any such Letter of Credit will not be considered to be a Sterling Letter of Credit hereunder, and will be subject to the provisions of this Agreement applicable to any other Letter of Credit denominated in a Committed L/C Currency other than Dollars (including, for the avoidance of doubt, the requirement that there be a Dollar-denominated Covering Backstop Letter of Credit and/or an amount on deposit in an L/C Cash Deposit Account sufficient to cover the Adjusted Available Amount of that portion of such Letter of Credit).

(c) *Special Letters of Credit.* Notwithstanding anything to the contrary in the this Section 2.01, but subject to Section 2.04(c) hereof, Letters of Credit may have expiration dates as mutually agreed upon by the Company and Citibank (any such Letters of Credit with expiration dates after 15 days prior to the Maturity Date, "**Special Letters of Credit**").

(d) *Issuance by Affiliates.* Citibank may satisfy its obligations to issue any Letter of Credit hereunder by causing any of its Affiliates, as reasonably agreed to by the Company from time to time, to issue such Letter of Credit for the account of the Company. The parties hereby agree that Citibank may fulfill its obligation to issue any Sterling-denominated Letter of Credit hereunder by causing Citibank International plc to issue such Letter of Credit.

(e) *Existing Letters of Credit.* Each letter of credit listed on Schedule 2.01(e) hereto shall on the Effective Date be deemed to constitute a Letter of Credit issued hereunder.

Section 2.02. *Procedures for Issuance or Amendment of Letters of Credit.* (a) *Notice of Issuance or Amendment.* Each Letter of Credit shall be issued (other than on the Effective Date) or amended upon notice given to Citibank by the Company not later than 11:00 a.m. (New York City time) on the fifth Business Day prior to the date of the proposed issuance or amendment of such Letter of Credit (or on such shorter notice as Citibank may agree). Each such notice of issuance or amendment of a Letter of Credit shall be by telephone, confirmed immediately in writing, or facsimile.

(b) *Initial Issuance.* In the case of a request for an initial issuance of a Letter of Credit, such written notice shall specify the requested (i) date of such issuance (which shall be a Business Day), (ii) Committed L/C Currency and Available Amount of such Letter of Credit (expressed in Dollars and, if not Dollar-denominated, in the Committed L/C Currency in which it is to be issued) and, in the case of a Sterling-denominated Letter of Credit, shall specify whether such Letter of Credit or any portion thereof shall be designated a Sterling Letter of Credit for

purposes of this Agreement, (iii) expiration date of such Letter of Credit (which shall comply with the requirements of Sections 2.01(a) and (c) hereof), (iv) name and address of the beneficiary of such Letter of Credit, (v) account party (if other than the Company) of such Letter of Credit and (vi) form of such Letter of Credit.

(c) *Amendment.* In the case of a request for an amendment of any outstanding Letter of Credit, such written notice shall specify the requested (i) Letter of Credit to be amended, (ii) effective date of the proposed amendment thereof (which shall be a Business Day), and (iii) amount of the proposed reduction or increase (if any) in the Available Amount thereof (expressed in Dollars and, if not Dollar-denominated, in the Committed L/C Currency in which such Letter of Credit is denominated) to be effected by such amendment.

(d) *Execution and Delivery.* If the requested form of such Letter of Credit or of such amendment (to the extent different from the form of amendment, if any, provided for under such Letter of Credit) is acceptable to Citibank in its reasonable discretion, Citibank will, upon fulfillment of the applicable conditions set forth in Article 3 hereof (if applicable), make such Letter of Credit available to the Company at its office referred to in Section 7.02 or as otherwise agreed with the Company in connection with such issuance or, subject to the prior written consent of the beneficiary of such Letter of Credit, enter into such amendment, as the case may be.

Section 2.03. *Fees.* (a) *Commitment Fees.* The Company shall pay to Citibank a fee in Dollars on the average daily amount of the Letter of Credit Commitment during each calendar quarter ending on the last day of each March, June, September and December (but (i) commencing with the period beginning on and including the Effective Date and ending on but excluding September 30, 2006, and (ii) ending with the period beginning on and including March 31, 2009 and ending on but excluding the Maturity Date), at a rate per annum equal to 0.15%, payable in arrears on the third Business Day after an invoice of Citibank in respect thereof has been received by the Company.

(b) *Special Letter of Credit Fees.* The Company shall pay to Citibank a fee in Dollars on the average daily aggregate Available Amount of all Special Letters of Credit issued by Citibank at the request of the Company hereunder and outstanding from time to time during each calendar quarter ending on the last day of each March, June, September and December (but (i) commencing with the period beginning on and including the Maturity Date and ending on but excluding September 30, 2009, and (ii) ending with the period beginning on and including the last day of the immediately preceding period and ending on but excluding the date that all Special Letters of Credit have expired or been terminated), at a rate per annum equal to 0.15%, payable in arrears on the third Business Day after an invoice of Citibank in respect thereof has been received by the Company.

Section 2.04. *L/C Cash Deposit Account.* (a) *Establishment.* As promptly as practicable after the Effective Date, and in no event later than 30 days thereafter, Citibank shall establish a Dollar-denominated L/C Cash Deposit Account and the Sterling L/C Cash Deposit Account and shall notify the Company thereof.

(b) *Deposit at the Option of the Company.* The Company may at any time, at its option, pay to Citibank for deposit in any L/C Cash Deposit Account additional funds (i) in connection with the issuance or amendment of a Letter of Credit hereunder, in order to satisfy the conditions precedent for such issuance or amendment or (ii) at any time, in order to provide coverage for outstanding Letters of Credit.

(c) *Mandatory Deposit by the Company.* The Company shall, on the day that is 15 days prior to the Maturity Date, pay to Citibank for deposit in the Dollar-denominated L/C Cash Deposit Account an amount equal to 100% of the aggregate Adjusted Available Amount of all Special Letters of Credit then outstanding. From time to time thereafter, the Company shall make payments to Citibank for deposit to one or more L/C Cash Deposit Accounts in such amount, such currency and at such office of Citibank or an Affiliate of Citibank as Citibank may from time to time reasonably request in order to protect against currency fluctuation.

(d) *Deposit by Citibank upon Drawing under a Backstop Letter of Credit.* In the event of any full or partial drawing by Citibank under any Backstop Letter of Credit for any reason, Citibank shall deposit the full amount of such drawing, less any amounts payable directly to Citibank for its own account pursuant to Section 2.05(e) hereof, into an L/C Cash Deposit Account denominated in the currency in which such drawing shall have been paid by the relevant Backstop L/C Issuer. Citibank shall, as promptly as practicable, notify the Company of (i) its receipt of any notice of the occurrence of any Early Termination Event under any Backstop Letter of Credit and (ii) the making by Citibank of, and/or the receipt of funds by Citibank in respect of, any full or partial drawing under any Backstop Letter of Credit.

(e) *Release of Funds to the Company.* If at any time, for any reason:

(i) the aggregate Adjusted Available Amount of all outstanding Letters of Credit (other than Sterling Letters of Credit) is less than the sum of (x) all amounts on deposit in the L/C Cash Deposit Accounts (other than the Sterling L/C Cash Deposit Account) at such time and (y) the aggregate Available Amount of all Backstop Letters of Credit (other than the Sterling Backstop Letters of Credit) at such time outstanding, by an amount at least equal to \$500,000, then funds in an aggregate amount equal to such excess shall promptly be paid to the Company from one or more L/C Cash Deposit Accounts (other than the Sterling L/C Cash Deposit Account), as selected by the Company; or

(ii) the aggregate Sterling Available Amount of all outstanding Sterling Letters of Credit is less than the sum of (x) all amounts on deposit in the Sterling L/C Cash Deposit Account at such time and (y) the aggregate Sterling Available Amount of the Sterling Backstop Letters of Credit at such time outstanding, by an amount at least equal to £500,000, funds in an aggregate amount equal to such excess shall promptly be paid to the Company from the Sterling L/C Cash Deposit Account.

Section 2.05. *L/C Disbursements by Citibank.* (a) *Notice to the Company.* Citibank shall, as promptly as practicable, notify the Company of its receipt of any demand from

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beneficiary for payment under a Letter of Credit and whether it will make an L/C Disbursement pursuant thereto.

(b) *Optional Reimbursement by the Company for Non-Sterling Letters of Credit.* Upon receipt by the Company of any such notice from Citibank of a demand for payment under any Letter of Credit, except to the extent relating to a Sterling Letter of Credit (or any portion of such Letter of Credit that is considered a Sterling Letter of Credit hereunder), the Company may, at its option, notify Citibank that it intends to pay directly to Citibank the full amount of such L/C Disbursement not later than the next Business Day, specifying in such notice the amount of such intended payment and the currency (which currency may be, at the Company's option, the Committed L/C Currency in which such Letter of Credit is denominated or Dollars). In the event that the Company provides such notice, the Company shall make such payment to Citibank at its Payment Office not later than 5:00 p.m., New York City time, on the date specified in such notice.

(c) *Mandatory Reimbursement by the Company for Sterling Letters of Credit.* Upon receipt by the Company from Citibank of any such notice of a demand for payment under any Sterling Letter of Credit and payment by Citibank of such L/C Disbursement, Citibank shall be entitled to withdraw funds in an amount up to the amount of such L/C Disbursement from the Sterling L/C Cash Deposit Account, and, in the event such funds are insufficient, shall provide notice thereof to the Company, whereupon the Company shall, not later than 5:00 p.m., New York City time on the fifth Business Day after receipt of such notice from Citibank, make payment in the full amount of such unreimbursed L/C Disbursement (in Sterling or, at the Company's option, in Dollars) to Citibank at its Payment Office.

(d) *Reimbursement by Withdrawal from L/C Cash Deposit Accounts.* In the event that, with respect to a drawing upon a Letter of Credit (other than a Sterling Letter of Credit), Citibank has not received a notice from the Company pursuant to paragraph (b) above or has not received any payment required to be made pursuant to paragraph (b) above within the time required, Citibank shall be entitled to withdraw funds in an amount up to the Dollar Equivalent amount of such L/C Disbursement, to the extent any such funds are available, from any L/C Cash Deposit Account (other than the Sterling L/C Cash Deposit Account).

(e) *Reimbursement by Drawing of Backstop Letters of Credit.* In the event that Citibank has not been reimbursed in the full amount of any L/C Disbursement upon payment by the Company and/or upon withdrawal by Citibank of all funds on deposit in the relevant L/C Cash Deposit Accounts to the maximum extent permitted by the preceding paragraphs, Citibank shall be entitled, in each case to the extent permitted by and in accordance with the terms of the relevant Backstop Letter of Credit, (i) in the case of an L/C Disbursement in respect of a Letter of Credit other than a Sterling Letter of Credit, to draw against the Corresponding Backstop Letter of Credit (if any) outstanding in respect of such Letter of Credit in an amount equal to the remaining unreimbursed Dollar Equivalent amount of such L/C Disbursement, and (ii) in the case of any L/C Disbursement in respect of a Sterling Letter of Credit, to draw against the Sterling Backstop Letter of Credit in an amount equal to the remaining unreimbursed Sterling amount of such L/C Disbursement (or, to the extent a partial drawing in respect of the Sterling Backstop Letter of Credit is not permitted, in full).

(f) *Overnight Interest upon Unreimbursed Amounts.* The Company shall pay, within three Business Days of receipt by the Company of written demand therefor by Citibank, interest on unreimbursed L/C Disbursements made by Citibank (other than in respect of any Sterling Letter of Credit), at an annual interest rate on the amount of such L/C Disbursement equal to the Applicable Interest Rate with respect thereto: (i) from, and including, the date that is last day on which the Letter of Credit in respect of which such L/C Disbursement was made would, in accordance with its terms, have permitted such L/C Disbursement to be made (regardless of whether such L/C Disbursement was, in fact, made on an earlier day), and (ii) to, but excluding, the earlier of (x) payment in full by the Backstop L/C Issuer of the Corresponding Backstop Letter of Credit with respect to such Letter of Credit and (y) two Business Days after the date such L/C Disbursement was paid by Citibank.

(g) *Mandatory Reimbursement by the Company upon Non-Payment by Backstop L/C Issuers.* In the event that Citibank shall make any L/C Disbursement under any Letter of Credit (other than any Sterling Letter of Credit) and, to the extent not reimbursed pursuant to paragraphs (b) through (e) above, shall have demanded payment in full of an amount corresponding to such unreimbursed L/C Disbursement in accordance with the terms of, and shall not have received within the time required under, the relevant Corresponding Backstop Letter of Credit and any guarantee thereof (including without limitation the Morgan Stanley Guarantee) and any security agreement or similar instrument (if any) securing the obligations of the relevant Backstop L/C Issuer or any such guarantor, the Company shall, not later than five Business Days after receipt by the Company of written demand therefor from Citibank, reimburse Citibank in the amount of such unreimbursed L/C Disbursement. Upon payment in full to Citibank of such unreimbursed amount by the Company, the Company shall be subrogated to all of Citibank's rights against such Backstop L/C Issuer and any such guarantor in respect of such Backstop Letter of Credit and any related rights, including without limitation Citibank's rights under the relevant Backstop Letter of Credit, the Morgan Stanley Guarantee or any similar guarantee, and any security agreement or other documentation granting a security interest in any asset or property of such Backstop L/C Issuer or guarantor securing its obligations thereunder.

(h) *Currency Conversion Costs.* The Company shall, in connection with any payment at its option in Dollars of an amount denominated in any Committed L/C Currency other than Dollars as provided for in this Section 2.05, promptly upon written demand reimburse Citibank for reasonable and customary costs actually incurred by Citibank in converting such Dollar amount into the relevant Committed L/C Currency.

(i) *Obligations Absolute.* The obligations of the Company to reimburse Citibank for the amount of any L/C Disbursement as required by paragraph (g) above shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms hereof, under all circumstances whatsoever, including without limitation the following circumstances:

- (i) any lack of validity or enforceability of this Agreement or any Letter of Credit;

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

(iii) the existence of any claim, setoff, defense or other right which the Company may have at any time against any beneficiary or any transferee of any Letter of Credit (or any Person or entity for whom any such beneficiary or any such transferee may be acting), Citibank, or any other Person, whether in connection with this Agreement, any Letter of Credit or any unrelated transaction;

(iv) any statement or any other document presented under any 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 Citibank 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 the Company in respect of this Agreement or any Letter of Credit; 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 2.05(i), constitute a legal or equitable discharge of the Company's obligations under Section 2.05(g) hereof.

Section 2.06. *Backstop Letter of Credit Adjustments.* (a) *Increase of Backstop Letter of Credit upon Issuance of or Increase of Available Amount of Letter of Credit.* In connection with any issuance of or increase in the Available Amount of any Letter of Credit pursuant to Section 2.02 hereof, the Company may cause a Backstop L/C Issuer to increase the Available Amount of any outstanding Backstop Letter of Credit by causing the relevant Backstop L/C Issuer to deliver to Citibank an executed Backstop Letter of Credit Amendment in respect of such Backstop Letter of Credit, increasing the Available Amount thereof in an amount equal to the Adjusted Available Amount of the Letter of Credit being issued or amended as of such date, and Citibank shall, to the extent the conditions to issuance of such Letter of Credit are otherwise fulfilled, execute and deliver to the Backstop L/C Issuer such Backstop Letter of Credit Amendment or otherwise consent in writing to such amendment, in accordance with the terms of such Backstop Letter of Credit.

(b) *Mandatory Increase of Backstop Letter of Credit.* At any time that the aggregate Available Amount of any one or more Letters of Credit (other than any Sterling Letter of Credit) exceeds the Available Amount of the Corresponding Backstop Letter of Credit outstanding in respect thereof, Citibank may require the Company to request that the Backstop L/C Issuer deliver to Citibank a Backstop Letter of Credit Amendment increasing the Available Amount of such Backstop Letter of Credit in an amount sufficient to cause the Available Amount thereof to equal the aggregate Adjusted Available Amount of such Letters of Credit as of such date (and

Citibank shall, upon receipt thereof from the Backstop L/C Issuer, execute and deliver such Backstop Letter of Credit Amendment to the Backstop L/C Issuer or otherwise consent in writing to such amendment in accordance with the terms of such Backstop Letter of Credit). Notwithstanding the foregoing, the Company shall not be required to provide any such Backstop Letter of Credit Amendment to the extent that there are amounts on deposit in any L/C Cash Deposit Account (other than the Sterling L/C Cash Deposit Account) such that the sum of (i) all amounts on deposit in all L/C Cash Deposit Accounts (other than the Sterling L/C Cash Deposit Account) and (ii) the aggregate Available Amount of all Backstop Letters of Credit (other than any Sterling Backstop Letter of Credit) at such time outstanding, would equal or exceed the aggregate Adjusted Available Amount (calculated, with respect to the Letter or Letters of Credit pertaining to such Corresponding Backstop Letter of Credit, as if each such Letter of Credit had been issued on such date) of all Letters of Credit (other than Sterling Letters of Credit) at such time outstanding. The Company may, at its option, make payment to Citibank for deposit in any L/C Cash Deposit Account (other than the Sterling L/C Cash Deposit Account) in an amount sufficient to cause the condition set forth in the preceding sentence to be true, and thereby to avoid an obligation to deliver a Backstop Letter of Credit Amendment hereunder. In the event that, within 7 Business Days after such request has been communicated to the Company, such Backstop Letter of Credit Amendment shall not have been delivered to Citibank or such deposit to the appropriate L/C Cash Deposit Account shall not have been made, Citibank may, in accordance with and to the extent permitted under the terms of such Backstop Letter of Credit, draw the full Available Amount thereunder for deposit into the appropriate L/C Cash Deposit Account.

(c) *Decrease of Backstop Letter of Credit at the Company's Option.* At any time that the aggregate Adjusted Available Amount of all Letters of Credit covered by any single Corresponding Backstop Letter of Credit (calculated, for purposes of this Section 2.06(c), as if each such Letter of Credit had been issued on such date of determination) is less than the Available Amount of such Corresponding Backstop Letter of Credit by an amount at least equal to \$500,000 or the Equivalent thereof in other currencies, the Company may request that the relevant Backstop L/C Issuer deliver to Citibank an executed Backstop Letter of Credit Amendment decreasing the Available Amount of such Backstop Letter of Credit in an amount sufficient to cause the Available Amount thereof to equal the aggregate Adjusted Available Amount of such Letters of Credit as of the date of such Backstop Letter of Credit Amendment, and upon receipt thereof Citibank shall execute and deliver to the Backstop L/C Issuer such Backstop Letter of Credit Amendment or other written consent to such amendment in accordance with the terms of such Backstop Letter of Credit.

(d) *Issuance of or Increase in Backstop Letter of Credit at the Company's Option.* Notwithstanding anything to the contrary in this Agreement, the Company may, at any time and from time to time at its option (whether in order to replace an outstanding Backstop Letter of Credit with another Backstop Letter of Credit issued by a different Backstop L/C Issuer, or to cause amounts on deposit in any L/C Cash Deposit Account to become available under Section 2.04(e) hereof, or otherwise), cause a Backstop L/C Issuer to issue a new Backstop Letter of Credit and/or to increase the Available Amount under any one or more outstanding Backstop Letters of Credit by delivering to Citibank an executed Backstop Letter of Credit Amendment in respect thereof, and Citibank shall upon receipt of any such Backstop Letter of Credit

Amendment execute and deliver the same to the Backstop L/C Issuer or otherwise consent in writing to such amendment in accordance with the terms of such Backstop Letter of Credit; *provided* that Citibank shall not be required to (but may in its discretion) accept Backstop Letters of Credit with an Available Amount exceeding, in the aggregate, the Letter of Credit Commitment.

Section 2.07. *Payments and Computations.* (a) Except as otherwise expressly provided in this Agreement, the Company shall make each payment hereunder not later than 12:00 noon (New York City time) on the day when due in Dollars to Citibank at its Payment Office in same day funds and without deduction, set off or counterclaim.

(b) All computations of Letter of Credit fees shall be made 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 fees are payable.

(c) Whenever any payment hereunder 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.

Section 2.08. *Optional Termination or Reduction of Commitment.* The Company shall have the right, upon at least three Business Days' notice to Citibank, permanently to terminate in whole or to reduce in part the unused portion of the Letter of Credit Commitment.

ARTICLE 3 CONDITIONS TO EFFECTIVENESS AND ISSUANCE

Section 3.01. *Conditions Precedent to Effectiveness of Agreement.* This Agreement shall become effective on the first date (the "**Effective Date**") on which the following conditions have been satisfied or waived:

(a) Citibank shall have received counterparts of this Agreement executed by the Company.

(b) Citibank shall have received the executed Initial Backstop Letters of Credit and the Morgan Stanley Guarantee, in the forms of Exhibits B-1 and B-2 hereto, and Exhibit C hereto, respectively.

(c) The Company shall have paid all invoiced accrued fees and expenses of Citibank (including the invoiced accrued fees and expenses of counsel to Citibank) payable on or prior to the Effective Date by the Company hereunder.

(d) On the Effective Date, the following statements shall be true and Citibank shall have received 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 Potential Commitment Termination Event.

(e) Citibank shall have received on or before the Effective Date the following, each dated the Effective Date, in form and substance satisfactory to Citibank:

(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.

(ii) 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 on or prior to the Effective Date.

(iii) Favorable opinions of Nicholas J. Camera, General Counsel of the Company, and of Cleary Gottlieb Steen & Hamilton LLP, counsel for the Company, substantially in the form of Exhibits D-2 and D-1 hereto, respectively.

(f) Simultaneously with the effectiveness of this Agreement on the Effective Date, the Company shall terminate the commitments, and pay in full all indebtedness, interest, fees and other amounts outstanding under the Credit Agreement, dated as of May 10, 2004 and amended and restated on September 27, 2005 (as amended from time to time thereafter, the "**Existing Credit Agreement**"), among the Company, the lenders and issuing banks parties thereto and Citibank, as administrative agent and issuing bank.

Section 3.02. *Conditions Precedent to Each Issuance.* The obligation of Citibank to issue any Letter of Credit, or to amend any Letter of Credit in order to increase the Available Amount thereof, shall be subject to the conditions precedent that the Effective Date shall have occurred and that each of the following conditions shall have been satisfied or waived on the date of such issuance:

(a) The following statements shall be true (and the giving of the applicable notice of issuance or amendment shall constitute a representation and warranty by the Company that on the date of such issuance or amendment such statements are true):

(i) The representations and warranties contained in Section 4.01 (other than Section 4.01(e)(i)) are correct on and as of such date, before and after giving effect to such issuance or amendment, as though made on and as of such date;

(ii) no Potential Commitment Termination Event has occurred and is continuing, or would result from such issuance or amendment, and

(iii) the Termination Date has not occurred.

(b) Immediately prior to the issuance or amendment of such Letter of Credit, the Company shall have:

- (i) caused a Corresponding Backstop Letter of Credit in respect of such Letter of Credit to be issued and delivered to Citibank pursuant to Section 2.06(d) hereof,
 - (ii) caused a Backstop Letter of Credit Adjustment to be effected in respect of an existing Backstop Letter of Credit pursuant to Section 2.06(a) hereof,
- or
- (iii) deposited an amount into an L/C Cash Deposit Account pursuant to Section 2.04(b) hereof,

in each case to the extent necessary such that immediately after giving effect to the issuance of such Letter of Credit, the aggregate Adjusted Available Amount of all Letters of Credit then outstanding shall not exceed the lesser of (x) the Maximum Amount and (y) the Letter of Credit Commitment at such time in effect.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

Section 4.01. *Representations and Warranties of the Company.* The Company represents and warrants as of the Effective Date and, except with respect to clause (e)(i) below, on the date of any issuance of, or increase in the Available Amount of, any Letter of Credit, as follows:

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

(b) The execution, delivery and performance by the Company of this Agreement 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 material 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.

(d) This Agreement has been duly executed and delivered by the Company and 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.

(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) except as disclosed in the Company's reports filed with the SEC prior to the Effective Date, would have a Material Adverse Effect, or (ii) purports to affect the legality, validity or enforceability of this Agreement or the consummation of the transactions contemplated hereby.

(f) 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).

(g) 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.

(h) The Company, together with its Consolidated Subsidiaries taken as a whole, is Solvent.

(i) To the knowledge of the treasurer of the Company: (i) the most recent Consolidated year-end balance sheet of the Company and its Consolidated Subsidiaries filed with the Securities and Exchange Commission (or, if not required so to be filed, delivered to Citibank pursuant to Section 5.10 hereof), 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 or other independent public accountants of nationally recognized standing, and (ii) the most recent subsequent Consolidated interim balance sheet of the Company and its Consolidated Subsidiaries filed with the Securities and Exchange Commission (or, if not required so to be filed, delivered to Citibank pursuant to Section 5.10 hereof), and the related Consolidated statements of operations and cash flows of the Company and its Consolidated Subsidiaries for the period then ended, in each case, in the form most recently so filed or delivered, fairly present in all material respects (subject, in the case of said interim balance sheet and related statements of operations and cash flows for the period then ended, to year-end audit adjustments) the Consolidated financial condition of the Company and its Consolidated Subsidiaries as at the date(s) of such balance sheet(s) and the Consolidated results of the operations and cash flows of the Company and its Consolidated Subsidiaries for the period(s) ended on such date, all in accordance with generally accepted accounting principles consistently applied.

ARTICLE 5 COVENANTS

So long as Citibank shall have any Letter of Credit Commitment hereunder, the Company:

Section 5.01. *Preservation of Existence, Etc.* Will 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 may consummate any merger or consolidation permitted under Section 5.02; and *provided further* that the Company shall not be required to preserve any right or franchise if the Board of Directors of the Company shall determine that the preservation thereof is no longer desirable in the normal conduct of the business of the Company and that the loss thereof is not material to the Company.

Section 5.02. *Mergers, Etc.* Will not (a) consolidate with or merge with or into any Person, (b) sell, convey, lease, transfer, or otherwise dispose of all or substantially all of its assets as an entirety or substantially an entirety, in one transaction or a series of related transactions, to any Person or (c) permit any Person to merge with or into the Company unless:

(i) either (x) the Company is the continuing Person or (y) the resulting, surviving or transferee Person is a corporation organized and validly existing under the laws of the United States of America or any jurisdiction thereof and expressly assumes in a manner satisfactory to Citibank all of the obligations of the Company under this Agreement; and

(ii) the Company delivers to Citibank an Officer's Certificate and an opinion of counsel, each in form and substance reasonably satisfactory to Citibank, stating that the consolidation, merger or transfer and the assumption referred to above (if any) comply with this Agreement.

Upon the consummation of any transaction effected in accordance with this Section 5.02, if the Company is not the continuing Person, the resulting, surviving or transferee Person will succeed to, and be substituted for, and may exercise every right and power of, the Company under this Agreement with the same effect as if such successor Person had been named as the Company in this Agreement. Nothing in the foregoing shall prejudice any rights of Citibank hereunder to the extent any such transaction permitted by this Section 5.02 shall constitute a Fundamental Change.

Section 5.03. *Compliance with Laws.* Will 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, except where the necessity of compliance is being contested in good faith or where failure to comply would not have a Material Adverse Effect.

Section 5.04. *Payment of Taxes.* Will pay and discharge, and cause each of its Consolidated Subsidiaries to pay and discharge, before the same shall become delinquent, all taxes, assessments and governmental charges or levies imposed upon it or upon its property, except where failure to do so would not have a Material Adverse Effect.

Section 5.05. *Maintenance of Insurance.* Will 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 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 operates and to the extent consistent with prudent business practice); except where failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 5.06. *Visitation Rights.* Will, at any reasonable time and from time to time, permit Citibank 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.

Section 5.07. *Keeping of Books.* Will 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 in accordance with sound business practices and applicable statutory requirements so as to permit the preparation of the Consolidated financial statements of the Company in accordance with generally accepted accounting principles in effect from time to time.

Section 5.08. *Maintenance of Properties.* Will 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.

Section 5.09. *Notice of Materially Adverse Proceedings.* Will furnish to Citibank notice of all actions and proceedings before any court, governmental agency or arbitrator affecting the Company or any of its Consolidated Subsidiaries in which there is a significant probability of an adverse decision that (a) would have a Material Adverse Effect or (b) purports to affect the legality, validity or enforceability of this Agreement or the consummation of the transactions contemplated hereby.

Section 5.10. *Delivery of Financial Information.* Will, at any time that the Company is not subject to Section 13 or Section 15(d) of the Exchange Act, deliver to Citibank (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, prepared in accordance with generally accepted accounting principles, and (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 fiscal 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.

ARTICLE 6
COMMITMENT TERMINATION EVENTS

Section 6.01. *Commitment Termination Events.* If any of the following events (each, a “**Commitment Termination Event**”) shall occur and be continuing:

- (a) The Company shall fail to make any payment of fees or other amounts payable under this Agreement within 5 Business Days after the same becomes due and payable;
- (b) Any representation or warranty made by the Company in this Agreement shall prove to have been incorrect in any material respect when made;
- (c) The Company shall fail to perform or observe any term, covenant or agreement contained in this Agreement 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 Citibank; or
- (d) The Company or any of its Consolidated Subsidiaries shall fail to pay any principal of or premium or interest on any debt for borrowed money (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 executive officer, chief 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 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 failures, actions, conditions or events set forth above in this subsection (d) shall be taken in respect of, or occur with respect to, a Consolidated Subsidiary, such failure, action, condition or event shall not be the basis for or give rise to a Commitment Termination Event under this subsection (d) unless such failure, action, condition or event is not cured or such amount has not been repaid within five Business Days after the chief executive officer, chief financial officer or principal accounting officer of the Company knows or has reason to know of the occurrence of such action or event;

(e) The Company shall generally not pay its debts as such debts become due, or shall admit in writing in a judicial, regulatory or administrative proceeding or filing 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 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 shall have a resolution passed to authorize any of the actions set forth above in this subsection (e);

(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 judgments or orders or (ii) there shall be any period of 60 consecutive days during which a stay of enforcement of such judgments or orders, by reason of a pending appeal or otherwise, shall not be in effect;

(g) 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

(h) A Fundamental Change shall have occurred;

then Citibank may deliver notice of such Commitment Termination Event to the Company, whereupon Citibank's obligation to issue Letters of Credit hereunder shall forthwith terminate. Each notice by Citibank pursuant to this Section 6.01 shall be delivered by mail to 1114 Avenue of the Americas, New York, New York 10036, (i) Attention: Nicholas J. Camera, Senior Vice President and General Counsel, by email to Nick.Camera@interpublic.com and by telephone to (212) 704-1343 and (ii) Attention: Ellen Johnson, Senior Vice President and Treasurer, by email

to Ellen.Johnson@interpublic.com and by telephone to (212) 704-1220 (but shall be deemed to have been received by the Company upon the first such notice to be received by Company).

ARTICLE 7
MISCELLANEOUS

Section 7.01. *Amendments, Etc.* No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Company therefrom, shall in any event be effective unless the same shall be in writing and signed by Citibank and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 7.02. *Notices.* All notices and other communications provided for hereunder shall be in writing (including facsimile communications) and mailed or telecopied or delivered:

if to the Company,
The Interpublic Group of Companies
1114 Avenue of the Americas
New York, New York 10036
Attention: Senior Vice President and Treasurer
Telephone: (212) 704-1220
Fax: (212) 704-2229

if to Citibank,

Citibank, N.A.
Two Penns Way, Suite 200
New Castle, Delaware 19720
Attention: Valerie Burrows
Telephone: (302) 894-6065
Fax: (212) 994-0961

with a copy to:

Citibank, N.A.
388 Greenwich Street
New York, NY 10013
Attention: Julio Ojea Quintana
Telephone: (212) 816-8497
Fax: (649) 291-1783

(or as to each such person at such other address as shall be designated by such person in a written notice to the other such person). All such notices and communications shall, when mailed or telecopied be effective when deposited in the mails or telecopied, respectively, except that notices and communications to Citibank pursuant to Article 2 or 3 shall not be effective until received by Citibank.

Section 7.03. *No Waiver; Remedies.* No failure on the part of Citibank 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 7.04. *Costs and Expenses.* (a) The Company agrees to pay on written demand all reasonable out-of-pocket expenses of Citibank in connection with the preparation, execution, delivery, administration, modification and amendment of this Agreement and the other documents to be delivered hereunder, including, without limitation, the reasonable fees and expenses of counsel for Citibank with respect thereto and with respect to advising Citibank as to its rights and responsibilities under this Agreement. The Company further agrees to pay on written demand all costs and expenses of Citibank, 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 and the other documents to be delivered hereunder, including, without limitation, reasonable fees and expenses of counsel for Citibank in connection with the enforcement of rights under this Section 7.04.

(b) The Company agrees to indemnify and hold harmless Citibank and each of its Affiliates and their officers, directors, employees, agents and advisors (each, an **"Indemnified Party"**) from and against any and all third party claims and all related 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) this Agreement or any of the transactions contemplated herein, 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 7.04(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 Citibank or any of its Affiliates or directors, officers, employees, attorneys and agents, on any theory of liability, arising out of or otherwise relating to this Agreement or any of the transactions contemplated herein.

Section 7.05. *Right of Set-Off.* At any time that notice of an L/C Disbursement is given to the Company pursuant to Section 2.05(a) hereof, and the Company shall not make payment of the amount specified in such notice within one Business Day, Citibank 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 it or such Affiliate to or for the credit or the account of the Company against any and all of the obligations of the Company now or hereafter existing under this Agreement, whether or not Citibank shall have made any demand under this Agreement and although such obligations may be unmaturred. Citibank agrees

promptly to notify the Company 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 Citibank under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) that it may have.

Section 7.06. *Binding Effect; Successors and Assigns.* This Agreement shall be binding upon and inure to the benefit of the Company and Citibank and their respective successors and permitted assigns. Neither the Company nor Citibank shall have the right to assign its rights or duties hereunder or any interest herein without the prior written consent of the other party.

Section 7.07. *Confidentiality.* Citibank may not disclose to any Person any confidential, proprietary or non-public information of the Company furnished to Citibank by the Company (such information being referred to collectively herein as the “**Confidential Information**”), except that Citibank may disclose Confidential Information (i) to its Affiliates’ employees, officers, directors, agents and advisors who need to know the Confidential 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 Confidential Information and instructed to keep such Confidential 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 7.07, to any assignee or prospective assignee, (vii) to the extent such Confidential 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 7.07 by Citibank, or (B) is or becomes available to Citibank on a nonconfidential basis from a source other than the Company that, to the knowledge of Citibank, 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, Citibank 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 Citibank relating to such U.S. tax treatment and tax structure.

Section 7.08. *Governing Law.* This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Section 7.09. *Execution in Counterparts.* This Agreement may be executed in any number of counterparts and by the 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 7.10. *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 Citibank 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 on which banks are not required or authorized by law, regulation or executive order to close in London, United Kingdom (a "**London 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 L/C Currency other than Dollars 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 Citibank could purchase such Committed L/C Currency with Dollars at Citibank's principal office in London at 11:00 A.M. (London time) on the London Business Day preceding that on which final judgment is given.

(c) The obligation of the Company in respect of any sum due from it in any currency (the "**Primary Currency**") to Citibank hereunder shall, notwithstanding any judgment in any other currency, be discharged only to the extent that on the Business Day following receipt by Citibank, of any sum adjudged to be so due in such other currency, Citibank 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 Citibank in the applicable Primary Currency, the Company agrees, as a separate obligation and notwithstanding any such judgment, to indemnify Citibank against such loss, and if the amount of the applicable Primary Currency so purchased exceeds such sum due to Citibank in the applicable Primary Currency, Citibank agrees to remit to the Company such excess.

Section 7.11. *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 the Borough of Manhattan, New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any Letter of Credit, 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 hereby further irrevocably consents 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 7.02. 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 any Letter of Credit 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 any Letter of Credit 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 7.12. *Substitution of Currency.* If a change in any Committed L/C Currency occurs pursuant to any applicable law, rule or regulation of any governmental, monetary or multi-national authority, this Agreement will be amended to the extent determined by Citibank (acting reasonably and in consultation with the Company) to be necessary to reflect the change in currency and to put the Company in the same position, so far as possible, in which it would have been if no change in such Committed L/C Currency had occurred.

Section 7.13. *No Liability Regarding Letters of Credit.* None of Citibank, nor any of its Affiliates, or the respective directors, officers, employees, agents and advisors of Citibank 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 Citibank; *provided, however,* that the foregoing shall not be construed to excuse Citibank from liability to the Company to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Company to the extent permitted by applicable law) suffered by the Company that are caused by Citibank'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 Citibank is, under applicable law, required to honor it. The parties hereto expressly agree that, as long as Citibank has not acted with gross negligence or willful misconduct, Citibank 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, Citibank 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 7.14. *PATRIOT Act Notification.* Citibank hereby notifies the Company that pursuant to the requirements of Section 326 of the USA PATRIOT Act (Title III of Pub.L. 107-56 (signed into law October 26, 2001)) and the promulgated regulations thereto (the "**PATRIOT Act**"), it is or may be required to obtain, verify and record information that identifies the Company, which information includes the name and address of the Company and other information that will allow Citibank, as applicable, to identify the Company in accordance with the PATRIOT Act. The Company shall provide, to the extent commercially reasonable, such information and take such actions as are reasonably requested by Citibank in order to assist Citibank in maintaining compliance with the PATRIOT Act.

Section 7.15. *WAIVER OF JURY TRIAL.* EACH OF THE COMPANY AND CITIBANK HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT,

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

CITIBANK, N.A.

By: /s/ Eileen L. Casson
Name: Eileen L. Casson
Title: Vice President

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Ellen Johnson
Name: Ellen Johnson
Title: Senior Vice President and Treasurer

EXISTING LETTERS OF CREDIT

<u>Issuing Bank</u>	<u>Beneficiary</u>	<u>L/C Number</u>	<u>Expiration</u>	<u>Total Amount in USD</u>
Citibank	Atlantic Mutual Companies	61634684	2/28/07	662,000
Citibank	Atlantic Mutual Companies	61634784	2/28/07	1,132,000
Citibank	W/9 ONS Real Estate Limited Partnership	61637584	3/31/07	600,000
Citibank	Lumbersmen Mutual Casualty Company et al.	61627884	12/31/06	76,000
Citibank	National Fire Insurance Company of Pittsburg, PA et al.	61627883	12/31/06	1,976,600
Citibank	375 Wilton Associates, LLC	61622264	11/4/06	300,000
Citibank	Catalpa Capital, LLC	61635744	1/31/07	200,000
Citibank	National Union Fire Insurance Company et al.	61636764	1/31/07	1,790,000
Citibank	Georgia Lottery Corporation	61643782	6/30/06	100,000
Citibank	Manmall, LLC	61645688	10/31/06	5,000,000
Citibank	American Contractors Indemnity Company and U.S. Specialty Insurance Company	61646158	11/30/06	1,453,814
Citibank	American International Underwriters Ltd. and/or American Reinsurance Company	61646498	12/30/06	36,000
Citibank	Matrix Realty, Inc.	61647629	9/30/07	190,000
Citibank	Citibank San Jose Branch, Costa Rica	61644004	12/31/06	137,984
Citibank	Citibank Sydney Branch, Australia	61619785	9/30/06	6,412,245
Citibank	Citibank International PLC Madrid Branch, Spain	61648557	3/20/07	2,816,278
Citibank	Citibank International PLC Madrid Branch, Spain	61648552	3/20/07	28,573,149
Citibank	National Union Fire Insurance Company of Pittsburg, PA et al.	61648584	1/31/07	1,600,000
Citibank International PLC Madrid Branch, Spain	Banco Nacional de Mexico, S.A.	3541	6/30/07	876,885
Citibank International PLC Madrid Branch, Spain	Banco Nacional de Mexico, S.A.	3540	6/30/07	745,353
Citibank	Westchester Fire Insurance Company	61650240	6/30/07	250,000

STERLING LETTERS OF CREDIT

<u>Issuing Bank</u>	<u>Beneficiary</u>	<u>L/C Number</u>	<u>Expiration</u>	<u>Total Amount in USD</u>
Citibank	GM TV Ltd.	61641819	4/29/07	3,152,480
Citibank	Channel Four Television Corp.	61641817	4/29/07	44,134,720
Citibank	ITV Plc. and its Subsidiaries	61641816	4/29/07	103,475,520

[FORM OF BACKSTOP LETTER OF CREDIT]

No. []

[]

[NAME OF BENEFICIARY]
[ADDRESS OF BENEFICIARY]

Attention: []

Ladies and Gentlemen:

We, MORGAN STANLEY CAPITAL SERVICES INC. (the "L/C Issuer"), hereby establish, at the request and for the account of THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Account Party"), in your favor, as beneficiary (the "Beneficiary"), our Irrevocable Standby Letter of Credit No. [IPG_-_] in an amount equal to the Available Amount (as defined below), effective immediately and expiring at 10:00 a.m. (New York City time) on the Termination Date (as defined below). For the purpose hereof, "Dollar" and "\$" mean the lawful currency of the United States.

This Letter of Credit has been issued in your favor in support of certain letters of credit that you or your affiliates may issue for the account of the Account Party from time to time (the "Beneficiary L/Cs"). The "Available Amount" under this Letter of Credit means, at any time, (a) \$[] minus (b) the amount of any reduction in the Available Amount required pursuant to a notice (the "Available Amount Reduction Notice") delivered by the L/C Issuer prior to such time, which reduction shall take effect at 10:00 a.m. (New York City time) on the Available Amount Reduction Date minus (c) without duplication of any reduction pursuant to clause (b), the amount of any drawing hereunder prior to such time. "Available Amount Reduction Date" means the date specified as the Available Amount Reduction Date in an Available Amount Reduction Notice delivered not later than one Business Day prior to such specified date.

We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, upon the receipt by us of (a) your draft, payable at sight and (b) a certificate, in substantially the form of Annex A attached hereto, which shall be signed by one of your authorized representatives, in each case presented to the L/C Issuer on a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City or Chicago, Illinois are authorized or required by law, regulation or executive order to close (a "Business Day") on or before the termination hereof. "Termination Date" means the earlier of (a) [Not Later Than the Maturity Date] (the "Stated Expiration Date") and (b) the Early Termination Date. "Early Termination Date" means the Business Day specified as the "Early Termination Date" in a notice of the termination of this Letter of Credit (an "Early Termination Notice") provided to you (to the address and facsimile number specified below) not less than one Business Day prior to such specified date. Any such draft required to be delivered is referred to



herein as a “**Draft**” and any such certificate required to be delivered is referred to herein as a “**Certificate**”.

Funds in Dollars under this Letter of Credit are available to you against your Draft and Certificate, each referring thereon to the number of this Letter of Credit, presented to the L/C Issuer at its office located at 1585 Broadway 2nd floor, New York NY 10036, Attention: Structured Credit Products, James J. Hill (Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465), or such other person as shall be notified to you from time to time. If the L/C Issuer receives your Draft and Certificate, all in strict conformity with the terms and conditions of this Letter of Credit, not later than 10:00 a.m. (New York City time), on a Business Day prior to the termination hereof, we will honor the same by 5:00 p.m. (New York City time), on the same day in accordance with your payment instructions. If the L/C Issuer receives your Draft and Certificate at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after 10:00 a.m. (New York City time) on a Business Day prior to the termination hereof, we will honor the same by 3:00 p.m. (New York City time) on the next succeeding Business Day in accordance with your payment instructions. Notwithstanding anything herein to the contrary, if the L/C Issuer shall have delivered an Available Amount Reduction Notice or an Early Termination Notice, the Beneficiary shall be deemed to have delivered, prior to 10:00 a.m. (New York City time), on the Available Amount Reduction Date or Early Termination Date, as applicable, a Draft strictly complying with the terms and conditions of this Letter of Credit to draw an amount equal to (a) in the case of an Early Termination Notice, the full Available Amount hereof and (b) in the case of an Available Amount Reduction Notice, the amount of the reduction in Available Amount set forth therein, and in either case any requirement hereunder for the delivery of any Certificate shall be waived. Multiple partial drawings under this Letter of Credit are permitted.

Payment under this Letter of Credit shall be made by wire transfer of Federal Reserve Bank of New York funds to (a) if such payment is made as a result of an actual delivery of your Draft and Certificate under this Letter of Credit, such account of the Beneficiary as the Beneficiary may notify to the L/C Issuer in writing from time to time, and (b) if such payment is made as a result of a deemed delivery of a Draft, [account information].

Payments made to you under the Backstop Letter of Credit (defined below) shall be deemed to constitute satisfaction of the L/C Issuer’s obligation to make payment hereunder to the extent of the amount so paid.

This Letter of Credit shall terminate at 10:00 a.m. (New York City time) on the Termination Date.

If a demand for payment does not conform to the terms and conditions of this Letter of Credit, the L/C Issuer will notify you thereof by telecommunication, within a reasonable time after such delivery of such demand for payment (not to exceed the time permitted for honor of a conforming demand), and the L/C Issuer shall hold all documents at your disposal or, at your option, return the same to you. Dishonor of your demand shall not prejudice your right to cure and re-present documents or to make a later demand before the termination hereof.

This Letter of Credit shall be governed by the Uniform Customs and Practice For Documentary Credits (1993 Revision) International Chamber of Commerce No. 500 (the "UCP"). As to matters not governed by the UCP, such matters shall be governed by and construed in accordance with the laws of the State of New York.

Telecommunications hereunder shall be made by telecopy or by telephone to the numbers set forth or referred to below, and notices that may be personally delivered or mailed shall be made (a) if to the L/C Issuer, to it at the address set forth above or otherwise notified to you from time to time and (b) if to the Beneficiary, to it at [NAME AND ADDRESS OF BENEFICIARY], Attn.: [____], Telephone: [____], Facsimile No.: [_____].

We agree that any action or proceeding relating in any way to this Letter of Credit may be brought and enforced in the courts of the State of New York located in the Borough of Manhattan, or, to the fullest extent permitted under applicable law, of the United States of America for the Southern District of New York. Legal process may be served in connection with any suit, action or proceeding to the addresses and in the manner set forth herein.

In order to secure payment and performance of all its obligations hereunder (the "**Secured Obligations**"), the L/C Issuer hereby grants to the Beneficiary a continuing security interest in, and assigns its rights to all proceeds of, that certain Irrevocable Standby Letter of Credit No. [] issued on [] to the L/C Issuer for the account of the Account Party by ELF Special Financing Ltd. (the "**Backstop Letter of Credit**") (it being understood and agreed that such assignment shall be limited to an assignment of the "proceeds of a letter of credit" as defined in Section 5-114 of the Uniform Commercial Code as in effect from time to time in the State of New York (the "**UCC**")) and all proceeds thereof (collectively, the "**Collateral**"). Upon a default by the L/C Issuer in the payment or performance of any Secured Obligation, the Beneficiary may exercise any remedy available to it as a secured party under the UCC or other applicable law with respect to the Collateral.

Very truly yours,

MORGAN STANLEY CAPITAL SERVICES INC., as L/C Issuer

By:

Name:

Title:

Annex A

[Form of Certificate for Draft]

CERTIFICATE FOR DRAWING

Irrevocable Letter of Credit No. [IPG__-__]

The undersigned, a duly authorized representative of the undersigned Beneficiary, hereby certifies to Morgan Stanley Capital Services Inc. (the "L/C Issuer"), with reference to Irrevocable Standby Letter of Credit No. [____] (the "Letter of Credit", the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the L/C Issuer in favor of the Beneficiary, as follows:

(a) The Beneficiary is making a drawing under the Letter of Credit.

(b) INSERT APPROPRIATE OPTION:

(1) [A drawing has been made under Beneficiary L/C No. [____] issued by the Beneficiary or one of its affiliates on [____] to [____]; the dollar equivalent of which is \$[____]. The amount of the Draft accompanying this Certificate is equal to \$[____]¹, which does not exceed the Available Amount of \$[____].]

OR

(2) [The Draft and this Certificate are being delivered to you after the day that is three Business Days prior to the Stated Expiration Date because no other substitute arrangement has been made to support Beneficiary L/C No. [____] issued by the Beneficiary or one of its affiliates on [____] to [____]. The amount of the Draft accompanying this Certificate is equal to \$[____], which does not exceed the Available Amount of \$[____].]

OR

(3) [We have determined that the dollar equivalent of the [face amount] of the letters of credit supported by the Letter of Credit exceed the Available Amount of the Letter of Credit. The Account Party and/or the L/C Issuer has notified us that the Available Amount of the Letter of Credit will not be increased by an amount sufficient to eliminate such excess, and sufficient deposits to cash deposit accounts

¹ The amount of the draft should not be greater than the dollar equivalent of the amount of the drawing referred to in the preceding sentence.

maintained by the Account Party with us to support such letters of credit have not been made within the time period required. The amount of the Draft accompanying this Certificate is equal to \$[___], which does not exceed the Available Amount of \$[___].

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the ___ day of _____, 20[___].

By:

Name:
Title:

[INITIAL DOLLAR BACKSTOP LETTER OF CREDIT]

DOLLAR LETTER OF CREDIT

No. 109

June 13, 2006

Citibank, N.A.
388 Greenwich Street – 21st floor
New York, NY 10013

Attention: Julio Ojea Quintana

Ladies and Gentlemen:

We, MORGAN STANLEY CAPITAL SERVICES INC. (the “**L/C Issuer**”), hereby establish, at the request and for the account of THE INTERPUBLIC GROUP OF COMPANIES, INC. (the “**Account Party**”), in your favor, as beneficiary (the “**Beneficiary**”), our Irrevocable Standby Letter of Credit No. 109 in an amount equal to the Available Amount (as defined below), effective immediately and expiring at 10:00 a.m. (New York City time) on the Termination Date (as defined below). For the purpose hereof, “**Dollar**” and “**\$**” mean the lawful currency of the United States.

This Letter of Credit has been issued in your favor in support of certain letters of credit that you or your affiliates may issue for the account of the Account Party from time to time (the “**Beneficiary L/Cs**”). The “**Available Amount**” under this Letter of Credit means, at any time, (a) \$56,900,000 *minus* (b) the amount of any reduction in the Available Amount required pursuant to a notice (the “**Available Amount Reduction Notice**”) delivered by the L/C Issuer prior to such time, which reduction shall take effect at 10:00 a.m. (New York City time) on the Available Amount Reduction Date *minus* (c) without duplication of any reduction pursuant to clause (b), the amount of any drawing hereunder prior to such time. “**Available Amount Reduction Date**” means the date specified as the Available Amount Reduction Date in an Available Amount Reduction Notice delivered not later than one Business Day prior to such specified date.

We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, upon the receipt by us of (a) your draft, payable at sight and (b) a certificate, in substantially the form of Annex A attached hereto, which shall be signed by one of your authorized representatives, in each case presented to the L/C Issuer on a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City or Chicago, Illinois are authorized or required by law, regulation or executive order to close (a “**Business Day**”) on or before the termination hereof. “**Termination Date**” means the earlier of (a) June 1, 2009 (the “**Stated Expiration Date**”) and (b) the Early Termination Date. “**Early**

B-1-1

Termination Date” means the Business Day specified as the “Early Termination Date” in a notice of the termination of this Letter of Credit (an “**Early Termination Notice**”) provided to you (to the address and facsimile number specified below) not less than one Business Day prior to such specified date. Any such draft required to be delivered is referred to herein as a “**Draft**” and any such certificate required to be delivered is referred to herein as a “**Certificate**”.

Funds in Dollars under this Letter of Credit are available to you against your Draft and Certificate, each referring thereon to the number of this Letter of Credit, presented to the L/C Issuer at its office located at 1585 Broadway 2nd floor, New York NY 10036, Attention: Structured Credit Products, James J. Hill (Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465), or such other person as shall be notified to you from time to time. If the L/C Issuer receives your Draft and Certificate, all in strict conformity with the terms and conditions of this Letter of Credit, not later than 10:00 a.m. (New York City time), on a Business Day prior to the termination hereof, we will honor the same by 5:00 p.m. (New York City time), on the same day in accordance with your payment instructions. If the L/C Issuer receives your Draft and Certificate at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after 10:00 a.m. (New York City time) on a Business Day prior to the termination hereof, we will honor the same by 3:00 p.m. (New York City time) on the next succeeding Business Day in accordance with your payment instructions. Notwithstanding anything herein to the contrary, if the L/C Issuer shall have delivered an Available Amount Reduction Notice or an Early Termination Notice, the Beneficiary shall be deemed to have delivered, prior to 10:00 a.m. (New York City time), on the Available Amount Reduction Date or Early Termination Date, as applicable, a Draft strictly complying with the terms and conditions of this Letter of Credit to draw an amount equal to (a) in the case of an Early Termination Notice, the full Available Amount hereof and (b) in the case of an Available Amount Reduction Notice, the amount of the reduction in Available Amount set forth therein, and in either case any requirement hereunder for the delivery of any Certificate shall be waived. Multiple partial drawings under this Letter of Credit are permitted.

Payment under this Letter of Credit shall be made by wire transfer of Federal Reserve Bank of New York funds to (a) if such payment is made as a result of an actual delivery of your Draft and Certificate under this Letter of Credit, such account of the Beneficiary as the Beneficiary may notify to the L/C Issuer in writing from time to time, and (b) if such payment is made as a result of a deemed delivery of a Draft, to Account No. 30635795 Citi/Interpublic Citibank f/a/o Interpublic Group of Companies Inc.

Payments made to you under the Backstop Letter of Credit (defined below) shall be deemed to constitute satisfaction of the L/C Issuer’s obligation to make payment hereunder to the extent of the amount so paid.

This Letter of Credit shall terminate at 10:00 a.m. (New York City time) on the Termination Date.

If a demand for payment does not conform to the terms and conditions of this Letter of Credit, the L/C Issuer will notify you thereof by telecommunication, within a reasonable time

after such delivery of such demand for payment (not to exceed the time permitted for honor of a conforming demand), and the L/C Issuer shall hold all documents at your disposal or, at your option, return the same to you. Dishonor of your demand shall not prejudice your right to cure and re-present documents or to make a later demand before the termination hereof.

This Letter of Credit shall be governed by the Uniform Customs and Practice For Documentary Credits (1993 Revision) International Chamber of Commerce No. 500 (the "UCP"). As to matters not governed by the UCP, such matters shall be governed by and construed in accordance with the laws of the State of New York.

Telecommunications hereunder shall be made by telecopy or by telephone to the numbers set forth or referred to below, and notices that may be personally delivered or mailed shall be made (a) if to the L/C Issuer, to it at the address set forth above or otherwise notified to you from time to time and (b) if to the Beneficiary, to it at Citibank, N.A., 388 Greenwich Street – 21st floor, Attn.: Julio Ojea Quintana, Telephone: 212-816-8497, Facsimile: 649-291-1783.

We agree that any action or proceeding relating in any way to this Letter of Credit may be brought and enforced in the courts of the State of New York located in the Borough of Manhattan, or, to the fullest extent permitted under applicable law, of the United States of America for the Southern District of New York. Legal process may be served in connection with any suit, action or proceeding to the addresses and in the manner set forth herein.

In order to secure payment and performance of all its obligations hereunder (the "**Secured Obligations**"), the L/C Issuer hereby grants to the Beneficiary a continuing security interest in, and assigns its rights to all proceeds of, that certain Irrevocable Standby Letter of Credit No. 1 issued on June 13, 2006 to the L/C Issuer for the account of the Account Party by ELF Special Financing Ltd. (the "**Backstop Letter of Credit**") (it being understood and agreed that such assignment shall be limited to an assignment of the "proceeds of a letter of credit" as defined in Section 5-114 of the Uniform Commercial Code as in effect from time to time in the State of New York (the "**UCC**")) and all proceeds thereof (collectively, the "**Collateral**"). Upon a default by the L/C Issuer in the payment or performance of any Secured Obligation, the Beneficiary may exercise any remedy available to it as a secured party under the UCC or other applicable law with respect to the Collateral.

Very truly yours,

MORGAN STANLEY CAPITAL SERVICES INC., as L/C Issuer

By:

Name:

Title:

Annex A

[Form of Certificate for Draft]

CERTIFICATE FOR DRAWING

Irrevocable Letter of Credit No. 109

The undersigned, a duly authorized representative of the undersigned Beneficiary, hereby certifies to Morgan Stanley Capital Services Inc. (the "L/C Issuer"), with reference to Irrevocable Standby Letter of Credit No. 109 (the "Letter of Credit", the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the L/C Issuer in favor of the Beneficiary, as follows:

(c) The Beneficiary is making a drawing under the Letter of Credit.

(d) INSERT APPROPRIATE OPTION:

(1) [A drawing has been made under Beneficiary L/C No. [] issued by the Beneficiary or one of its affiliates on [] to []; the dollar equivalent of which is \$[]. The amount of the Draft accompanying this Certificate is equal to \$[]², which does not exceed the Available Amount of \$[].]

OR

(2) [The Draft and this Certificate are being delivered to you after the day that is three Business Days prior to the Stated Expiration Date because no other substitute arrangement has been made to support Beneficiary L/C No. [] issued by the Beneficiary or one of its affiliates on [] to []. The amount of the Draft accompanying this Certificate is equal to \$[], which does not exceed the Available Amount of \$[].]

OR

(3) [We have determined that the dollar equivalent of the [face amount] of the letters of credit supported by the Letter of Credit exceed the Available Amount of the Letter of Credit. The Account Party and/or the L/C Issuer has notified us that the Available Amount of the Letter of Credit will not be increased by an amount sufficient to eliminate such excess, and sufficient deposits to cash deposit accounts

² The amount of the draft should not be greater than the dollar equivalent of the amount of the drawing referred to in the preceding sentence.

maintained by the Account Party with us to support such letters of credit have not been made within the time period required. The amount of the Draft accompanying this Certificate is equal to \$[___], which does not exceed the Available Amount of \$[___].

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the ___ day of _____, 20[___].

By: _____
Name:
Title:

STERLING LETTER OF CREDIT

No. 110

June 13, 2006

Citibank, N.A.
388 Greenwich Street – 21st floor
New York, NY 10013

Attention: Julio Ojea Quintana

Ladies and Gentlemen:

We, MORGAN STANLEY CAPITAL SERVICES INC. (the “**L/C Issuer**”), hereby establish, at the request and for the account of THE INTERPUBLIC GROUP OF COMPANIES, INC. (the “**Account Party**”), in your favor, as beneficiary (the “**Beneficiary**”), our Irrevocable Transferable Standby Letter of Credit No. 110 in the amount of £81,400,000 (the “**Stated Amount**”), that is available, effective immediately and expiring at 9:00 a.m. (New York City time) on the Termination Date (as defined below). For the purpose hereof “**Sterling**” and “**£**” mean the lawful currency of the United Kingdom.

This Letter of Credit has been issued in your favor in support of certain Sterling-denominated letters of credit that you or your affiliates may issue for the account of the Account Party from time to time (the “**Beneficiary L/Cs**”). We hereby irrevocably authorize you to draw on us, in a single drawing in the full amount of the Stated Amount and otherwise in accordance with the terms and conditions hereof, upon the receipt by us of (i) your draft, payable at sight and (ii) a certificate, in substantially the form of Annex A attached hereto, which shall be signed by one of your authorized representatives, in each case presented to the L/C Issuer on a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City, Chicago, Illinois, or London, England, are authorized or required by law, regulation or executive order to close (a “**Business Day**”) on or before the termination hereof. “**Termination Date**” means the earliest of (a) June 1, 2009, (b) the Early Termination Date and (c) the date upon which any drawing (or deemed drawing) is fully funded hereunder (immediately after giving effect to such funding). “**Early Termination Date**” means the Business Day specified as the “**Early Termination Date**” in a notice of the termination of this Letter of Credit (an “**Early Termination Notice**”) provided to you (to the address and facsimile number specified below) not less than one Business Day prior to such specified date. Any such draft required to be delivered is referred to herein as a “**Draft**” and any such certificate required to be delivered is referred to herein as a “**Certificate**”.

Funds in Sterling under this Letter of Credit are available to you against your Draft and Certificate, each referring thereon to the number of this Letter of Credit, presented to the L/C

Issuer at its office located at 1585 Broadway 2nd floor, New York NY 10036, Attention: Structured Credit Products, James J. Hill (Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465), or such other person as shall be notified to you from time to time. If the L/C Issuer receives your Draft and Certificate, all in strict conformity with the terms and conditions of this Letter of Credit, not later than 9:00 a.m. (New York City time), on a Business Day prior to the termination hereof, we will honor the same by 5:00 p.m. (New York City time), on the same day in accordance with your payment instructions. If the L/C Issuer receives your Draft and Certificate at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after 9:00 a.m. (New York City time) on a Business Day prior to the termination hereof, we will honor the same by 3:00 p.m. (New York City time) on the next succeeding Business Day in accordance with your payment instructions. Notwithstanding anything herein to the contrary, if the L/C Issuer shall have delivered an Early Termination Notice, the Beneficiary shall be deemed to have delivered, prior to 9:00 a.m. (New York City time) on the Early Termination Date, a Draft strictly complying with the terms and conditions of this Letter of Credit to draw an amount equal to the full Stated Amount hereof and any requirement hereunder for the delivery of any Certificate in connection therewith shall be waived. Multiple partial drawings under this Letter of Credit are not permitted.

Payment under this Letter of Credit shall be made by wire transfer of same-day funds to (a) if such payment is made as a result of an actual delivery of your Draft and Certificate under this Letter of Credit, such account of the Beneficiary as the Beneficiary may notify to the L/C Issuer in writing from time to time, and (b) if such payment is made as a result of a deemed delivery of a Draft, to such account of the Account Party maintained at the Beneficiary as the Beneficiary and the Account Party shall jointly notify to the L/C Issuer in writing after the date hereof.

This Letter of Credit shall terminate at 9:00 a.m. (New York City time) on the Termination Date.

If a demand for payment does not conform to the terms and conditions of this Letter of Credit, the L/C Issuer will notify you thereof by telecommunication, within a reasonable time after such delivery of such demand for payment (not to exceed the time permitted for honor of a conforming demand), and the L/C Issuer shall hold all documents at your disposal or, at your option, return the same to you. Dishonor of your demand shall not prejudice your right to cure and re-present documents or to make a later demand before the termination hereof.

This Letter of Credit shall be governed by the Uniform Customs and Practice For Documentary Credits (1993 Revision) International Chamber of Commerce No. 500 (the "UCP"). As to matters not governed by the UCP, such matters shall be governed by and construed in accordance with the laws of the State of New York.

Telecommunications hereunder shall be made by teletype or by telephone to the numbers set forth or referred to below, and notices that may be personally delivered or mailed shall be made (a) if to the L/C Issuer, to it at the address set forth above or otherwise notified to you from time to time and (b) if to the Beneficiary, to it at Citibank, N.A., 388 Greenwich Street – 21st floor, Attn.: Julio Ojea Quintana, Telephone: 212-816-8497, Facsimile: 649-291-1783.

We agree that any action or proceeding relating in any way to this Letter of Credit may be brought and enforced in the courts of the State of New York located in the Borough of Manhattan, or, to the fullest extent permitted under applicable law, of the United States of America for the Southern District of New York. Legal process may be served in connection with any suit, action or proceeding to the addresses and in the manner set forth herein.

This Letter of Credit may be transferred in its entirety, but not in part, and such transferred Letter of Credit may be successively transferred, in each case subject to the prior written consent of the L/C Issuer.

In order to secure payment and performance of all of its obligations hereunder (the "**Secured Obligations**"), the L/C Issuer hereby (i) grants to the Beneficiary a continuing security interest in, and assigns its rights to all proceeds of, that certain Irrevocable Standby Letter of Credit No. 2 issued on June 13, 2006 to the L/C Issuer for the account of the Account Party by ELF Special Financing Ltd. (the "**Backstop Letter of Credit**") (it being understood and agreed that such assignment shall be limited to an assignment of the "proceeds of a letter of credit" as defined in Section 5-114 of the Uniform Commercial Code as in effect from time to time in the State of New York (the "**UCC**")) and all proceeds thereof and (ii) grants to the Beneficiary a continuing security interest in the Cash Collateral Account (as defined in the Backstop Letter of Credit) and any funds deposited therein from time to time and all proceeds thereof (the property in which a security interest is granted pursuant to the foregoing clauses (i) and (ii) the "**Collateral**"). Upon a default by the L/C Issuer in the payment or performance of any Secured Obligation, the Beneficiary may exercise any remedy available to it as a secured party under the UCC or other applicable law with respect to the Collateral. Upon (i) payment by the L/C Issuer of the amount of a drawing hereunder in accordance with the terms hereof or (ii) the termination or expiration of this Letter of Credit without a valid drawing having been made or deemed made hereunder, cash and other assets held in the Cash Collateral Account may be withdrawn by the L/C Issuer (and upon such withdrawal shall be automatically released from the security interest granted by this paragraph), and the Beneficiary agrees to pay over to the L/C Issuer all amounts then held in the Cash Collateral Account. Except as set forth in the preceding sentence, the L/C Issuer may not withdraw cash or other amounts held in the Cash Collateral Account from time to time.

Very truly yours,

MORGAN STANLEY CAPITAL SERVICES INC., as L/C Issuer

By: _____
Name:
Title:

Acknowledged and agreed to by:

CITIBANK, N.A., as Beneficiary

By: _____

Name:

Title:

B-2-4

Annex A

[Form of Certificate for Draft]

CERTIFICATE FOR DRAWING

Irrevocable Transferable Letter of Credit No. 110

The undersigned, a duly authorized representative of the undersigned Beneficiary, hereby certifies to Morgan Stanley Capital Services Inc. (the "L/C Issuer"), with reference to Irrevocable Standby Letter of Credit No. 110 (the "Letter of Credit", the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the L/C Issuer in favor of the Beneficiary, as follows:

(e) The Beneficiary is making a drawing under the Letter of Credit.

(f) INSERT APPROPRIATE OPTION:

[A "Bankruptcy" (as defined in the 2003 ISDA Credit Derivative Definitions) has occurred with respect to The Interpublic Group of Companies, Inc. The amount of the Draft accompanying this Certificate is £[___], which equals the Stated Amount.]

OR

[1. [We have] [Our affiliate, [____]] has funded a drawing under the Irrevocable Standby Letter of Credit No. [___] issued on [___] to the beneficiary thereunder in an amount equal to £[___] (the "Beneficiary L/C Drawing Amount").

2. The Account Party is obligated, and has failed to reimburse [us] [____] for the Beneficiary L/C Drawing Amount within any applicable grace period (after the satisfaction of any conditions precedent to the commencement of such grace period or, if no grace period is specified, within three Grace Period Business Days (as defined in the 2003 ISDA Credit Derivative Definitions)) of the date when due.

3. The U.S. dollar equivalent of the Beneficiary L/C Drawing Amount, determined at the time of such failure to pay, exceeds US\$1,000,000.

4. The amount of the Draft accompanying this Certificate is £[___], which equals the Stated Amount.]

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the ___ day of _____, 20[___].

[NAME OF BENEFICIARY]

By:

Name:
Title:

B-2-6

[FORM OF MORGAN STANLEY GUARANTEE]

June 13, 2006

To: Citibank, N.A. ("Citibank")

Ladies and Gentlemen:

In consideration of Citibank's agreement to issue letters of credit for the account of The Interpublic Group of Companies, Inc. subject to the receipt of certain letters of credit issued by Morgan Stanley Capital Services, Inc. (hereinafter "MSCS"), Morgan Stanley, a Delaware corporation (hereinafter "MS"), hereby irrevocably and unconditionally guarantees to Citibank, with effect from the date hereof, the due and punctual payment of all amounts payable by MSCS under the Letters of Credit No. 109 and 110, each dated June 13, 2006, (each, as amended from time to time, a "Letter of Credit") when the same shall become due and payable in accordance with the terms of such Letter of Credit and giving effect to any applicable grace period. Upon failure of MSCS punctually to pay any such amounts, and upon written demand by Citibank to MS at its address set forth in the signature block of this Guarantee (or to such other address as MS may specify in writing), MS agrees to pay or cause to be paid such amounts in the same currency and at the same payment office as provided in the applicable Letter of Credit; provided that delay by Citibank in giving such demand shall in no event affect MS's obligations under this Guarantee.

MS hereby agrees that its obligations hereunder with respect to each Letter of Credit shall be unconditional and will not be discharged except by complete payment of the amounts payable under such Letter of Credit, irrespective of any claim as to such Letter of Credit's validity, regularity or enforceability or the lack of authority of MSCS to execute or deliver such Letter of Credit; or any change in or amendment to such Letter of Credit; or any waiver or consent by Citibank with respect to any provisions thereof; or the absence of any action to enforce such Letter of Credit, or the recovery of any judgment against MSCS or of any action to enforce a judgment against MSCS under the Letter of Credit; any similar circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor generally.

MS hereby waives diligence, presentment, demand on MSCS for payment or otherwise (except as provided hereinabove), filing of claims, requirement of a prior proceeding against MSCS and protest or notice, except as provided for in any Letter of Credit with respect to amounts payable by MSCS thereunder. If at any time payment under any Letter of Credit is rescinded or must be otherwise restored or returned by Citibank upon the insolvency, bankruptcy or reorganization of MSCS or MS or otherwise, MS's obligations hereunder with respect to such payment shall be reinstated upon such restoration or return being made by Citibank.

MS represents to Citibank as of the date hereof:

1. it is duly organized and validly existing under the laws of the jurisdiction of its incorporation and has full power and legal right to execute and deliver this Guarantee and to perform the provisions of this Guarantee on its part to be performed;
2. its execution, delivery and performance of this Guarantee have been and remain duly authorized by all necessary corporate action and do not contravene any provision of its certificate of incorporation or by-laws or any law, regulation or contractual restriction binding on it or its assets;
3. all consents, authorizations, approvals and clearances (including, without limitation, any necessary exchange control approval) and notifications, reports and registrations requisite for its due execution, delivery and performance of this Guarantee have been obtained from or, as the case may be, filed with the relevant governmental authorities having jurisdiction and remain in full force and effect and all conditions thereof have been duly complied with and no other action by, and no notice to or filing with, any governmental authority having jurisdiction is required for such execution, delivery or performance; and
4. this Guarantee is its legal, valid and binding obligation enforceable against it in accordance with its terms except as enforcement hereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' right or by general equity principles.

By accepting this Guarantee, Citibank agrees that MS shall be subrogated to all rights of Citibank against MSCS in respect of any amounts paid by MS pursuant to this Guarantee with respect to any Letter of Credit, provided that MS shall be entitled to enforce or to receive any payment arising out of or based upon such right of subrogation only to the extent that it has paid all amounts payable by MSCS under such Letter of Credit.

This Guarantee shall expire on June 1, 2009. Such expiration or termination shall not, however, affect or reduce MS's obligation hereunder for any liability of MSCS incurred with respect to any Letter of Credit prior to such expiration or termination.

This Guarantee shall be governed by and construed in accordance with the laws of the State of New York. All capitalized terms not otherwise defined herein shall have the respective meanings assigned to them in the Letter of Credit.

MORGAN STANLEY

By: _____
Name:
Title:
Address: 1585 Broadway
New York, NY 10036

[FORM OF OPINION OF
CLEARY GOTTlieb STEEN & HAMILTON LLP]

[Effective Date]

Citibank, N.A.
Two Penns Way, Suite 200
New Castle, Delaware 19720

Ladies and Gentlemen:

We have acted as special counsel to The Interpublic Group of Companies, Inc., a Delaware corporation (the “**Company**”), in connection with that certain Letter of Credit Agreement dated as of [____], 2006 (the “**Agreement**”), between the Company and Citibank, N.A. This opinion is furnished to you pursuant to Section 3.01(e)(iii) of the Agreement.

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

- (1) an executed copy of the Agreement; and
- (2) the other documents furnished by the Company pursuant to Article 3 of the 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 appropriate 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 Agreement).

Based on 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 Agreement and to perform its obligations thereunder.
-

2. The execution and delivery by the Company of the Agreement have been duly authorized by all necessary corporate action of the Company.
3. The performance by the Company of its obligations under the Agreement (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 or published rule or regulation or the Delaware General Corporation Law.
4. The Agreement is a valid, binding and enforceable agreement 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 that in our experience normally would be applicable to general business entities with respect to such agreement or obligation) 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 enforceability of Section 7.10 of the Agreement relating to currency indemnity.

We note that by statute New York provides that a judgment or decree rendered in a currency other than Dollars shall be converted into Dollars at the rate of exchange prevailing on the date of entry of the judgment or decree. There is no corresponding federal statute and no controlling federal court decision on this issue. Accordingly, we express no opinion as to whether a federal court would award a judgment in a currency other than Dollars or, if it did so, whether it would order conversion of the judgment into Dollars.

We note that the designation in Section 7.11(a) of the Agreement of the U.S. federal courts sitting in New York City as the venue for actions or proceedings relating to the Agreement is (notwithstanding the waiver in Section 7.11(b) of the Agreement) subject to the power of such federal court to transfer actions pursuant to 28 U.S.C. §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 7.11(a) of the Agreement, we express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any action relating to the Agreement where jurisdiction based on diversity of citizenship under 28 U.S.C. §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 general business entities with respect to performance of transactions of the type referred to in the 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 Agreement. This opinion letter is not to be relied on or furnished to any other person or used, circulated, quoted or otherwise referred to for any other purpose. Notwithstanding the foregoing, you may show this opinion to any governmental authority pursuant to requirements of applicable law or regulations. The opinions expressed herein are rendered on and as of the date hereof, and we assume no obligation to advise you or any 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 LLP

By: _____

**[FORM OF OPINION OF
IN-HOUSE COUNSEL OF THE COMPANY]**

[Effective Date]

Citibank, N.A.
Two Penns Way, Suite 200
New Castle, Delaware 19720

Letter of Credit Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to Section 3.01(e)(iii) of the Letter of Credit Agreement dated as of [____], 2006 (the "**Agreement**"), between The Interpublic Group of Companies, Inc. (the "**Company**") and Citibank, N.A.. Terms defined in the 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 Agreement.

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

- (1) An executed copy of the Agreement.
- (2) The documents furnished by the Company pursuant to Article 3 of the Agreement.
- (3) A copy of the Restated Certificate of Incorporation of the Company and all amendments thereto (the "**Charter**").
- (4) A copy of the bylaws of the Company and all amendments thereto (the "**Bylaws**").
- (5) A certificate of the Secretary of State of the State of Delaware, dated _____, 2006, 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 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 Agreement, 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 Bylaws 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 Agreement has 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 Agreement.
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 Agreement 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 any 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 Agreement. This opinion letter is not to be used, circulated, quoted or otherwise referred to for any other purpose. Notwithstanding the foregoing, you 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 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

D-2-3

L/C ISSUANCE AGREEMENT

Dated as of

June 13, 2006

Between

THE INTERPUBLIC GROUP OF COMPANIES, INC.
as Account Party,

and

MORGAN STANLEY CAPITAL SERVICES INC.
as L/C Issuer

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L/C ISSUANCE AGREEMENT

Dated as of June 13, 2006

THE INTERPUBLIC GROUP OF COMPANIES, INC., a Delaware corporation (the “**Account Party**”) and MORGAN STANLEY CAPITAL SERVICES INC. (the “**L/C Issuer**”) agree as follows:

ARTICLE 1 DEFINITIONS AND ACCOUNTING TERMS

Section 1.01. *Certain Defined Terms.* As used in this Agreement, the following terms shall have the following meanings:

“**Account Party**” has the meaning specified in the introductory paragraph of this Agreement.

“**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.

“**Agreement**” means this L/C Issuance Agreement dated as of June 13, 2006 between the Account Party and the L/C Issuer.

“**Available Amount**” of any Letter of Credit or Backstop Letter of Credit means, at any time, the maximum amount available to be drawn under such Letter of Credit or Backstop Letter of Credit at such time (assuming compliance at such time with all conditions to drawing).

“**Available Amount Reduction Date**” means, for any Letter of Credit, in connection with any Available Amount Reduction Notice delivered with respect to such Letter of Credit (a) on account of the delivery of an L/C Termination Notice pursuant to Section 2.16 of the Credit Agreement, the Fundamental Change Commitment Reduction Date (as defined in the Credit Agreement) and (b) otherwise, the fifth Business Day following the receipt by the Beneficiary of an Available Amount Reduction Notice.

“**Available Amount Reduction Notice**” means a notice of reduction in the Available Amount of any Letter of Credit delivered by the L/C Issuer to the applicable Beneficiary pursuant to Section 2.04(c).

“**Backstop L/C Issuer**” means ELF Special Financing Ltd., a Cayman Islands limited liability company.

“**Backstop L/C Administrator**” means Morgan Stanley Capital Services Inc., in its capacity as letter of credit administrator for the Backstop L/C Issuer.

“**Backstop Letter of Credit**” means the Sterling L/C Backstop Letter of Credit and each Dollar L/C Backstop Letter of Credit.

“**Beneficiary**” means (a) with respect to the Sterling Letter of Credit, Citibank, N.A. and its permitted transferees, each in its capacity as beneficiary thereunder and (b) with respect to any Dollar Letter of Credit, the beneficiary specified in such Dollar Letter of Credit.

“**Business Day**” means a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City or Chicago, Illinois are authorized or required by law, regulation or executive order to close; *provided, however*, that if the applicable Business Day relates to any payment required to be made under the Sterling Letter of Credit, such day must also be a London Banking Day.

“**Cash Collateral Account**” means an account maintained by the L/C Issuer at Citibank, N.A. (or such other bank as shall be agreed in writing by the L/C Issuer and the Beneficiary from time to time) to which payments are required to be made under the Sterling L/C Backstop Letter of Credit in accordance with Section 2.03.

“**Credit Agreement**” means the Credit Agreement dated as of the date hereof among The Interpublic Group of Companies, Inc., as borrower, ELF Special Financing Ltd., as initial lender and letter of credit issuer, and Morgan Stanley Capital Services Inc., as administrative agent and letter of credit administrator.

“**Corresponding Backstop Letter of Credit**” means, (i) with respect to the Sterling Letter of Credit, the Sterling L/C Backstop Letter of Credit and (ii) with respect to any Dollar Letter of Credit, the Dollar L/C Backstop Letter of Credit issued or amended concurrently with, and for the purpose of backstopping, such Dollar Letter of Credit.

“**Corresponding Letter of Credit**” means (i) with respect to the Sterling L/C Backstop Letter of Credit, the Sterling Letter of Credit and (ii) with respect to

any Dollar L/C Backstop Letter of Credit, the Dollar Letter of Credit in support of which such Dollar L/C Backstop Letter of Credit was issued.

“**Dollar L/C Backstop Letter of Credit**” means an irrevocable standby letter of credit denominated in Dollars issued by the Backstop L/C Issuer for the benefit of the L/C Issuer, in substantially the form of Exhibit B-2 hereto.

“**Dollar Letter of Credit**” means each irrevocable standby letter of credit denominated in Dollars issued by the L/C Issuer pursuant to this Agreement, in substantially the form of Exhibit A-2 and guaranteed by Morgan Stanley pursuant to a guarantee substantially in the form of Exhibit D hereto and includes the Effective Date Dollar Letter of Credit.

“**Dollars**” or “**\$**” means the lawful currency of the United States.

“**Early Termination Date**” means, for any Letter of Credit (a) in connection with any Early Termination Notice delivered with respect to such Letter of Credit following delivery of an L/C Termination Notice pursuant to Section 2.05 or Section 6.02(b) of the Credit Agreement, the Termination Date (as defined in the Credit Agreement), (b) in connection with an Early Termination Notice delivered with respect to such Letter of Credit following delivery of an L/C Termination Notice pursuant to Section 2.16 of the Credit Agreement, the Fundamental Change Commitment Reduction Date and (c) otherwise in connection with any Early Termination Notice delivered with respect to such Letter of Credit, the fifth Business Day following the receipt by the Beneficiary of such Early Termination Notice.

“**Early Termination Notice**” means a notice of termination of any Letter of Credit delivered by the L/C Issuer to the applicable Beneficiary pursuant to Section 2.04(a) or 2.04(b).

“**Effective Date**” has the meaning specified in Section 3.01.

“**Effective Date Dollar Equivalent**” of any amount denominated in Sterling means such amount *multiplied* by 1.8544.

“**Effective Date Dollar L/C Initial Available Amount**” means \$56,900,000.

“**Effective Date Dollar Letter of Credit**” means the irrevocable standby letter of credit denominated in Dollars and issued by the L/C Issuer on the Effective Date, in substantially the form of Exhibit A-1 and guaranteed by Morgan Stanley pursuant to a guarantee substantially in the form of Exhibit D hereto.

“**First Lien Security Agreement**” means the Security Agreement dated as of the date hereof among ELF Special Financing Ltd., as lien grantor, and Morgan Stanley Capital Services Inc., as collateral agent.

“**Letter of Credit**” means the Sterling Letter of Credit and each Dollar Letter of Credit.

“**L/C Availability Period**” means the period commencing on the Effective Date and ending on the day that is the earlier of (i) 15 days prior to the Maturity Date and (ii) the date of effectiveness of a termination in whole of the Backstop L/C Issuer’s obligation to issue letters of credit under the Credit Agreement.

“**L/C Issuer**” has the meaning specified in the introductory paragraph of this Agreement.

“**L/C Termination Notice**” has the meaning specified in the Credit Agreement.

“**London Banking Day**” means a day on which commercial banks are open for business in London.

“**Maturity Date**” means June 1, 2009.

“**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.

“**Sterling**” and “**£**” means the lawful currency of the United Kingdom.

“**Sterling L/C Backstop Letter of Credit**” means the irrevocable standby letter of credit denominated in Dollars issued by the Backstop L/C Issuer on the Effective Date for the benefit of the L/C Issuer, in substantially the form of Exhibit B-1 hereto.

“**Sterling L/C Initial Available Amount**” means £81,400,000.

“**Sterling Letter of Credit**” means the irrevocable transferable standby letter of credit denominated in Sterling and issued by the L/C Issuer on the Effective Date, in substantially the form of Exhibit A-1 and guaranteed by Morgan Stanley pursuant to a guarantee substantially in form of Exhibit D hereto.

“**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.

Section 1.02. *Construction.* The definition of terms herein (including those incorporated by reference to another document) apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun includes the corresponding masculine, feminine and neuter forms. The words “**include**” and “**including**” shall be deemed to be followed by the phrase “**without limitation**”. The word “**will**” shall be construed to have the same meaning and effect as the word “**shall**”. Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and permitted assigns, (c) the words “**hereof**”, “**herein**”, “**hereunder**” and words of similar import shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof and (d) article, section, subsection, schedule and exhibit references are to this Agreement unless otherwise specified. The section headings contained in this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation hereof in any respect.

ARTICLE 2

AMOUNTS AND TERMS OF LETTERS OF CREDIT

Section 2.01. *The Letters of Credit.* (a) *The Sterling Letter of Credit.* The L/C Issuer agrees, on the terms and conditions hereinafter set forth, to (i) issue on the Effective Date for the account of the Account Party the Sterling Letter of Credit in an initial Available Amount equal to the Sterling L/C Initial Available Amount and expiring on the Maturity Date and (ii) at the request of the Account Party and subject to the prior written consent of the Beneficiary, amend the Sterling Letter of Credit for the purpose of increasing or reducing the Available Amount thereof, from time to time on any Business Day during the L/C Availability Period; *provided, however*, that after giving effect to any such amendment, the Available Amount of the Sterling Letter of Credit shall not exceed the Sterling L/C Initial Available Amount.

(b) *Effective Date Dollar Letter of Credit.* The L/C Issuer agrees, on the terms and conditions hereinafter set forth, to issue on the Effective Date for the account of the Account Party, the Effective Date Dollar Letter of Credit in an initial Available Amount equal to the Effective Date Dollar L/C Initial Available Amount and expiring on the Maturity Date.

(c) *Dollar Letters of Credit*. The L/C Issuer agrees, from time to time on any Business Day during the L/C Availability Period on the terms and conditions hereinafter set forth, to (i) issue for the account of the Account Party one or more Dollar Letters of Credit and (ii) at the request of the Account Party and subject to the prior written consent of the applicable Beneficiary, amend one or more Dollar Letters of Credit previously issued by it for the purpose of increasing or reducing the Available Amount thereof; *provided, however*, that (i) there shall be no more than four Dollar Letters of Credit outstanding at any time and (ii) no Dollar Letter of Credit shall have an expiration date (including all rights of the Account Party or the applicable Beneficiary to require renewal) later than the Maturity Date.

Section 2.02. *Procedures for Issuance and Amendment of Letters of Credit*. (a) *Issuance of Dollar Letters of Credit*. Each Dollar Letter of Credit (other than the Effective Date Dollar Letter of Credit) shall be issued, as contemplated by Section 2.01(c), upon notice by the Account Party to the L/C Issuer, 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 Dollar Letter of Credit (or such shorter notice as the L/C Issuer may agree). Each such notice of issuance of a Dollar Letter of Credit shall be by telephone, confirmed immediately in writing or by facsimile, specifying therein the requested (i) date of issuance (which shall be a Business Day) of such Dollar Letter of Credit, (ii) Available Amount of such Dollar Letter of Credit and (iii) expiration date of such Dollar Letter of Credit (which shall comply with the requirements of Section 2.01(c)). If the requested form of such Dollar Letter of Credit (to the extent different from the form of Dollar Letter of Credit attached as Exhibit A-2 hereto) is acceptable to the L/C Issuer in its reasonable discretion, the L/C Issuer will, upon the satisfaction of the applicable conditions set forth in Article 3, make such Dollar Letter of Credit available at its offices referred to in Section 5.02 or as otherwise agreed with the Account Party in connection with such issuance.

(b) *Amendments to Letters of Credit*. Each Letter of Credit shall be amended, in each case as contemplated by Section 2.01, upon notice by the Account Party to the L/C Issuer, given not later than 11:00 a.m. (New York City time) on the fifth Business Day prior to the proposed effective date of such amendment (or such shorter notice as the L/C Issuer may agree). Each such notice of amendment to a Letter of Credit shall be by telephone, confirmed immediately in writing or by facsimile, specifying therein the requested (i) Letter of Credit to be amended, (ii) effective date of the amendment thereof (which shall be a Business Day), and (iii) amount of the reduction or increase (as applicable) in the Available Amount of such Letter of Credit. If the requested form of such amendment (to the extent different from Exhibit C hereto) is acceptable to the L/C Issuer in its reasonable discretion, the L/C Issuer will, upon the satisfaction of the applicable conditions set forth in Article 3, subject to the prior written consent of the applicable Beneficiary, enter into such amendment.

Section 2.03. *Payment of Funds by Backstop L/C Issuer; Return of Certain Funds to Account Party.* The proceeds of any drawing under the Sterling L/C Backstop Letter of Credit shall be deposited directly into the Cash Collateral Account referred to in the Sterling L/C Backstop Letter of Credit. The L/C Issuer agrees for the benefit of the Account Party and the relevant Beneficiary that all amounts held in the Cash Collateral Account shall thereafter be applied as contemplated by the Sterling Letter of Credit. If the Sterling Letter of Credit expires undrawn and the funds held in the Cash Collateral Account are returned to the L/C Issuer as required by the terms of the Sterling Letter of Credit, the L/C Issuer shall pay to the Account Party, within two Business Days of the date of the L/C Issuer's receipt of such funds, an amount equal to the funds so received by the L/C Issuer. The proceeds of any drawing under a Dollar L/C Backstop Letter of Credit shall be deposited directly into an account identified by the Beneficiary of the Corresponding Dollar Letter of Credit. Each such payment shall be deemed to constitute satisfaction of the L/C Issuer's obligation to make payment under such Corresponding Dollar Letter of Credit to the extent of the amount so paid. As promptly as practicable after the Effective Date the L/C Issuer shall establish the Cash Collateral Account and shall notify the Account Party thereof.

Section 2.04. *Early Termination or Reduction of Letters of Credit.* (a) *Termination of Dollar Letters of Credit.* If, and only if, the L/C Issuer receives an L/C Termination Notice from the Backstop L/C Administrator on behalf of the Backstop L/C Issuer that purports to terminate any Dollar L/C Backstop Letter of Credit, the L/C Issuer shall promptly deliver an Early Termination Notice to the Beneficiary of the Corresponding Letter of Credit stating that the Corresponding Letter of Credit will be terminated with effect from the applicable Early Termination Date (which date shall be specified in such notice), and such Corresponding Letter of Credit shall automatically terminate with effect from such Early Termination Date, all in accordance with the terms of such Corresponding Letter of Credit.

(b) *Termination of Sterling Letter of Credit.* If, and only if, (i) the L/C Issuer receives an L/C Termination Notice from the Backstop L/C Administrator on behalf of the Backstop L/C Issuer that purports to terminate the Sterling L/C Backstop Letter of Credit as a result of the occurrence of a Credit Event (as defined in the Credit Agreement) or (ii) a Credit Event shall occur at any time after the L/C Issuer shall have received an L/C Termination Notice from the Backstop L/C Administrator that fully terminated the Sterling L/C Backstop Letter of Credit, the L/C Issuer shall promptly deliver an Early Termination Notice to the Beneficiary stating that the Sterling Letter of Credit will be terminated with effect from the applicable Early Termination Date (which date shall be specified in such notice), and the Sterling Letter of Credit shall automatically terminate with effect from such Early Termination Date, all in accordance with the terms of the Sterling Letter of Credit.

(c) *Reduction of Dollar Letter of Credit.* If, and only if, the L/C Issuer receives an L/C Termination Notice from the Backstop L/C Administrator on behalf of the Backstop L/C Issuer that purports to reduce the Available Amount of any Dollar L/C Backstop Letter of Credit by a particular amount, the L/C Issuer shall promptly deliver an Available Amount Reduction Notice to the Beneficiary of the Corresponding Letter of Credit stating that the Available Amount of the Corresponding Letter of Credit will be reduced by an equal amount with effect from the applicable Available Amount Reduction Date (which date shall be specified in such notice), and the Available Amount of such Corresponding Letter of Credit shall automatically be reduced by such amount with effect from the such Available Amount Reduction Date all in accordance with the terms of such Corresponding Letter of Credit.

Section 2.05. *Amendment to Backstop Letters of Credit.* The L/C Issuer agrees, on the terms and conditions hereinafter set forth at the request of the Account Party but subject to the prior written consent of the Backstop L/C Issuer (or the Backstop L/C Administrator on behalf of the Backstop L/C Issuer), to consent to any amendment of any Backstop Letter of Credit previously issued to it for the purpose of increasing or reducing the aggregate Available Amount thereof. A request for any such amendment to a Backstop Letter of Credit shall be given by the Account Party to the L/C Issuer not later than 11:00 a.m. (New York City time) on the fifth Business Day prior to the proposed effective date of such proposed amendment to such Backstop Letter of Credit (or such shorter notice as the L/C Issuer may agree). Each such request for an amendment to a Backstop Letter of Credit shall be by telephone, confirmed immediately in writing or by facsimile specifying the requested (i) Backstop Letter of Credit to be amended, (ii) date of the amendment thereof (which shall be a Business Day) and (iii) amount of the increase or reduction in the Available Amount of such Backstop Letter of Credit. If the requested form of such amendment (to the extent different from Exhibit C hereto) is acceptable to the L/C Issuer in its reasonable discretion, the L/C Issuer will, upon satisfaction of the applicable conditions set forth in Article 3, consent to the applicable amendment.

Section 2.06. *Increased Costs.* 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) compliance with any guideline or request issued after the date hereof by any governmental authority (whether or not having the force of law), there shall be any increase in the cost to the L/C Issuer of agreeing to issue or of issuing or maintaining any Letter of Credit (excluding changes in the basis of taxation of the overall net income or overall gross income by the United States or any political subdivision thereof), then the Account Party shall, from time to time, upon demand by the L/C Issuer, pay to the L/C Issuer additional amounts sufficient to compensate the L/C Issuer for such increased cost. A certificate as to the amount of such increased cost, submitted to the Account Party by the L/C Issuer, shall constitute prima facie evidence of such amounts.

Section 2.07. *Transfer of Sterling Letter of Credit.* The Sterling Letter of Credit may be transferred in its entirety, but not in part, and such transferred Sterling Letter of Credit may be successively transferred, in each case subject to the prior written consent of the L/C Issuer, not to be unreasonably withheld or delayed. The parties hereto agree to enter into such amendment or modification of this Agreement, the Sterling Letter of Credit and the Sterling L/C Backstop Letter of Credit as shall be necessary to give effect to any such transfer, subject to the satisfaction, if applicable in the case of any contemporaneous change in the Available Amount, of the conditions set forth in Article 3.

Section 2.08. *Reimbursement Obligations.* (a) *Reimbursement Obligations under Letters of Credit.* In the event that

(i) the L/C Issuer shall have made any payment in respect of a drawing under any Letter of Credit (an “**L/C Disbursement**”);

(ii) the L/C Issuer shall have presented a demand for payment under the Corresponding Backstop Letter of Credit (the “**L/C Reimbursement Demand**”) in an amount equal to (x) in the case of any L/C Disbursement under a Dollar Letter of Credit, the amount of such L/C Disbursement and (y) in the case of any L/C Disbursement under the Sterling Letter of Credit, the aggregate Available Amount of the Sterling Backstop Letter of Credit;

(iii) the L/C Issuer shall not have received payment from the Backstop L/C Issuer under such Corresponding Backstop Letter of Credit in an amount equal to the amount of such L/C Reimbursement Demand by the time required in such Corresponding Backstop Letter of Credit; and

(iv) there is a reasonable likelihood that the L/C Issuer will not recover such amount from the Backstop L/C Issuer (including, without limitation, pursuant to foreclosure on its security interest in any asset of the L/C Issuer),

then the Account Party shall be obligated (such obligation the “**Reimbursement Obligation**”) to reimburse the L/C Issuer in an amount equal to (A) in the case of an L/C Disbursement under a Dollar Letter of Credit, the amount of the L/C Disbursement *minus* the amount, if any, received in respect of such L/C Reimbursement Demand and (B) in the case of an L/C Disbursement under the Sterling Letter of Credit, the Effective Date Dollar Equivalent of such L/C Disbursement *minus* the amount, if any, received in respect of such L/C Reimbursement Demand *minus*, any amount then held in the Cash Collateral Account. Such Reimbursement Obligation shall be payable, subject to paragraph (b) below, within 3 Business Days of receipt by the Account Party of a written demand therefor from the L/C Issuer.

(b) *Deferred Reimbursement Obligations.* Notwithstanding anything to the contrary herein, in the event that any failure by the Backstop L/C Issuer to make any payment in connection with an L/C Reimbursement Demand within the time specified in the applicable Backstop Letter of Credit occurs as a result of the negligence or willful misconduct of the L/C Issuer or any of its Affiliates, then the Reimbursement Obligation (i) shall bear interest, for each day from and including the day on which such L/C Disbursement is made to but excluding the day on which the Account Party satisfies such Reimbursement Obligation in full, at the rate per annum applicable from time to time to Advances (as defined in the Credit Agreement) (or, if there shall be more than one Tranche (as defined in the Credit Agreement) of Advances, at a rate per annum equal to the weighted average Applicable Margin for all Tranches of Advances (as defined in the Credit Agreement)) and (ii) shall otherwise have terms (including as to maturity) identical to an Advance made to the Account Party, as borrower, under the Credit Agreement, assuming such Advance was made on the date of the applicable L/C Disbursement and in the amount of the applicable Reimbursement Obligation.

(c) *Subrogation.* Upon payment in full to the L/C Issuer of any Reimbursement Obligation, the Account Party shall be subrogated to all of the L/C Issuer's rights against the Backstop L/C Issuer in respect of the Backstop Letter of Credit, including without limitation the L/C Issuer's rights under the Credit Agreement, the Backstop Letter of Credit and the First Lien Security Agreement. If the L/C Issuer shall, following payment in full of the Reimbursement Obligations, receive any payment from the Backstop L/C Issuer with respect to any L/C Reimbursement Demand, the L/C Issuer agrees to turn over any such payment to the Account Party within two Business Days of receipt.

(d) *Obligations Absolute.* The obligations of the Account Party to reimburse the L/C Issuer for the amount of each L/C Disbursement as required by this Section 2.08 shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms hereof, under all circumstances whatsoever, including without limitation the following circumstances:

(i) any lack of validity or enforceability of this Agreement or any Letter of Credit;

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

(iii) the existence of any claim, setoff, defense or other right which the Account Party may have at any time against any Beneficiary or any transferee of any Letter of Credit (or any Person or entity for whom any such Beneficiary or any such transferee may be acting), the L/C Issuer, or any other Person, whether in connection with this Agreement, any Letter of Credit or any unrelated transaction;

(iv) any statement or any other document presented under any 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 the L/C Issuer 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 the Account Party in respect of this Agreement or any Letter of Credit; 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 Account Party's obligations under this Section 2.08.

ARTICLE 3 CONDITIONS

Section 3.01. *Conditions Precedent to Effectiveness.* This Agreement shall become effective on the first date (the "**Effective Date**") on which the following conditions have been satisfied:

(a) The L/C Issuer shall have received a counterpart of this Agreement executed by the Account Party.

(b) The representations and warranties contained in Section 4.01 shall be true and correct on and as of the Effective Date.

(c) The Account Party shall have paid to the L/C Issuer such fees with respect to this Agreement as shall have been agreed between the Account Party and the L/C Issuer prior to the date hereof.

(d) The Sterling L/C Backstop Letter of Credit shall have been issued to the L/C Issuer and shall have an Available Amount of not less than the Effective Date Dollar Equivalent of the Sterling L/C Initial Available Amount and an expiration date not earlier than the expiration date of the Sterling Letter of Credit.

(e) The Corresponding Dollar L/C Backstop Letter of Credit in respect of the Effective Date Dollar Letter of Credit shall have been issued to the L/C Issuer and shall have an Available Amount of not less than the Effective Date

Dollar L/C Initial Available Amount and an expiration date not earlier than the expiration of the Effective Date Dollar Letter of Credit.

Section 3.02. *Conditions Precedent to Issuances or Amendments to the Available Amount of the Letters of Credit.* The obligation of the L/C Issuer to (i) issue any Letter of Credit, (ii) amend any existing Letters of Credit to increase the Available Amount thereof, or (iii) amend any Backstop Letter of Credit to reduce the Available Amount thereof shall be subject to the conditions precedent that (and the delivery of any notice from the Account Party requesting any such issuance or amendment shall constitute a representation and warranty by the Account Party that on the date of such issuance or amendment such conditions shall have been satisfied, to the extent applicable):

- (a) The Effective Date shall have occurred.
- (b) The L/C Availability Period shall not have ended.

(c) The representations and warranties contained in subsections (a)(i), (a)(ii), (b)(ii)(A), (d)(ii) and (f) of Section 4.01 are correct on and as of the date of such issuance or amendment (other than an amendment reducing the available amount of an any Letter of Credit), before and after giving effect to such issuance or amendment, as though made on and as of such date.

(d) In the case of the issuance of any Dollar Letter of Credit after the Effective Date, the L/C Issuer shall have received, on or before the date of such issuance, a new Dollar L/C Backstop Letter of Credit, having an initial Available Amount of not less than the initial Available Amount of such Dollar Letter of Credit and an expiration date not earlier than the stated expiration date of such Dollar Letter of Credit.

(e) In the case of any amendment increasing the Available Amount of any Letter of Credit:

(i) in the case of any Dollar Letter of Credit, immediately after giving effect to such amendment, the Available Amount of such Dollar Letter of Credit shall not exceed the Available Amount of the Corresponding Backstop Letter of Credit; and

(ii) in the case of the Sterling Letter of Credit, immediately after giving effect to such amendment, (x) the Effective Date Dollar Equivalent of the Available Amount of the Sterling Letter of Credit shall not exceed the Available Amount of the Sterling L/C Backstop Letter of Credit and (y) the Available Amount of the Sterling Letter of Credit shall not exceed the Sterling L/C Initial Available Amount.

(f) In the case of any amendment reducing the Available Amount of any Backstop Letter of Credit:

(i) in the case of any Dollar L/C Backstop Letter of Credit, immediately after giving effect to such amendment, the Available Amount of such Dollar L/C Backstop Letter of Credit will not be less than the Available Amount of the Corresponding Letter of Credit; and

(ii) in the case of the Sterling L/C Backstop Letter of Credit, immediately after giving effect to such amendment, the Available Amount of the Sterling L/C Backstop Letter of Credit will not be less than the Effective Date Dollar Equivalent of the Available Amount of the Sterling Letter of Credit.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

Section 4.01. *Representations and Warranties of the Account Party.* The Account Party represents and warrants, as of the Effective Date and as of the date on which such representation or warranty is deemed to have been made pursuant to Section 3.02(c), if applicable, as follows:

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

(b) The execution, delivery and performance by the Account Party of this Agreement and the consummation of the transactions contemplated hereby, (i) are within the Account Party's corporate powers, have been duly authorized by all necessary corporate action, (ii) do not contravene, or constitute a default under, any provision of (A) applicable law or regulation or of the certificate of incorporation of the Account Party or (B) of any judgment, injunction, order, decree, material agreement or other material instrument binding upon the Account Party and (iii) do not result in the creation or imposition of any lien on any asset of the Account Party.

(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 Account Party of this Agreement.

(d) This Agreement (i) has been duly executed and delivered by the Account Party and (ii) is the legal, valid and binding obligation of the Account Party enforceable against the Account Party 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.

(e) Except as disclosed in the Account Party's reports filed with the U.S. Securities and Exchange Commission prior to the Effective Date, there is no action, suit, investigation, litigation or proceeding pending against, or to the knowledge of the Account Party, threatened against the Account Party before any court or arbitrator or any governmental body, agency or official in which there is a significant probability of an adverse decision that purports to affect the legality, validity or enforceability of this Agreement or the consummation of the transactions contemplated hereby.

(f) The Account Party 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.

ARTICLE 5 MISCELLANEOUS

Section 5.01. *Amendments, Etc.* No amendment to any provision of this Agreement shall be effective unless the same shall be in writing and signed by the parties hereto. No waiver of any provision of this Agreement, nor consent to any departure by the Account Party therefrom, shall in any event be effective unless the same shall be in writing and signed by the L/C Issuer, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 5.02. *Notices, Etc.* Except as otherwise provided herein, all notices and other communications provided for hereunder shall be in writing (including facsimile communication) and mailed, telecopied or delivered, if to the Account Party, to it at its address at 1114 Avenue of the Americas, New York, New York 10036, Attention: Senior Vice President and Treasurer, Facsimile No.: 212-704-2229 (with a copy at the same address to the Senior Vice President and General Counsel); and if to the L/C Issuer, to it at its address at 1585 Broadway, 2nd Floor, New York, New York 10036, Attention: Structured Credit Products Group, Facsimile No.: (212) 507-8465. All such notices and communications shall, (a) when mailed or delivered, be effective when delivered and (b) when telecopied, be effective when telecopied.

Section 5.03. *No Waiver; Remedies.* No failure on the part of the L/C Issuer 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 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 5.04. *Binding Effect.* This Agreement shall be binding upon and inure to the benefit of the Account Party and the L/C Issuer and their respective successors and permitted assigns, except that the Account Party shall not have the right to assign its rights or duties hereunder or any interest herein without the prior written consent of the L/C Issuer.

Section 5.05. *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 5.06. *Severability.* If any provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction then, to the fullest extent permitted by law, (i) such provision shall, as to such jurisdiction, be ineffective to the extent (but only to the extent) of such invalidity, illegality or unenforceability, (ii) the other provisions of this Agreement shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the parties thereto as nearly as may be possible and (iii) the invalidity, illegality or unenforceability of any such provision in any jurisdiction shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

Section 5.07. *Governing Law.* This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Section 5.08. *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 the Borough of Manhattan, New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, if any, 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 Account Party hereby further irrevocably consents to the service of process in any action or proceeding in such courts by the mailing

thereof by any party hereto by registered or certified mail, postage prepaid, to the Account Party at its address specified pursuant to Section 5.02. 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 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 in any New York State or federal court referred to in Section 5.08(a) above. 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 5.09. *Indemnification.* The Account Party agrees to indemnify and hold harmless the L/C Issuer, its 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) this Agreement or any Letter of Credit and any of the transactions contemplated herein, 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; *provided, however*, that the indemnity provided in this Section 5.09 shall in no event (i) entitle an Indemnified Party to payment in respect of claims, damages, losses, liabilities or expenses of any kind that are governed by other provisions of this Agreement in excess of amounts (if any) to which such Indemnified Party is entitled pursuant to such provisions or (ii) apply to any claims, damages, losses, liabilities or expenses to the extent arising out of or relating to any hedging transactions entered into in connection with this Agreement or the Letters of Credit. In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 5.09 applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by the Account Party, its directors, shareholders or creditors or an Indemnified Party or any other Person or any Indemnified Party is otherwise a party thereto. The Account Party also agrees not to assert any claim for special, indirect, consequential or punitive damages against the L/C Issuer or any of its Affiliates, or any of their respective directors, officers, employees, attorneys and agents, on any theory of liability, arising out of or otherwise relating

to this Agreement, any Letter of Credit and any of the transactions contemplated herein.

Section 5.10. *No Liability Regarding Letters of Credit.* None of the L/C Issuer nor any of its Affiliates, or the respective directors, officers, employees, agents and advisors of the L/C Issuer or such Affiliates, 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 L/C Issuer; *provided, however*, that the foregoing shall not be construed to excuse the L/C Issuer from liability to the Account Party to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Account Party to the extent permitted by applicable law) suffered by the Account Party that are caused by the L/C Issuer'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 the L/C Issuer is, under applicable law, required to honor it. The parties hereto expressly agree that, as long as the L/C Issuer has not acted with gross negligence or willful misconduct, the L/C Issuer 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, the L/C Issuer may, in its sole discretion, either (i) accept and make payment upon such documents without responsibility for further investigation or (ii) refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of any Letter of Credit.

Section 5.11. *WAIVER OF JURY TRIAL.* EACH OF THE ACCOUNT PARTY AND THE L/C ISSUER 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 ANY LETTER OF CREDIT OR BACKSTOP LETTER OF CREDIT OR THE ACTIONS OF THE L/C ISSUER IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT HEREOF OR 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., as Account Party

By: /s/ Ellen Johnson
Name: Ellen Johnson
Title: Senior Vice Pres. & Treasurer

MORGAN STANLEY CAPITAL SERVICES INC., as L/C Issuer

By: /s/ Madhu Philips
Name: Madhu Philips
Title: Vice President

FORM OF
STERLING LETTER OF CREDIT

No. []

June 13, 2006

Citibank, N.A.
388 Greenwich Street – 21st floor
New York, NY 10013

Attention: Julio Ojea Quintana

Ladies and Gentlemen:

We, MORGAN STANLEY CAPITAL SERVICES INC. (the “**L/C Issuer**”), hereby establish, at the request and for the account of THE INTERPUBLIC GROUP OF COMPANIES, INC. (the “**Account Party**”), in your favor, as beneficiary (the “**Beneficiary**”), our Irrevocable Transferable Standby Letter of Credit No. [IPG__-__] in the amount of £ [] (the “**Stated Amount**”), that is available, effective immediately and expiring at 9:00 a.m. (New York City time) on the Termination Date (as defined below). For the purpose hereof “**Sterling**” and “**£**” mean the lawful currency of the United Kingdom.

This Letter of Credit has been issued in your favor in support of certain Sterling-denominated letters of credit that you or your affiliates may issue for the account of the Account Party from time to time (the “**Beneficiary L/Cs**”). We hereby irrevocably authorize you to draw on us, in a single drawing in the full amount of the Stated Amount and otherwise in accordance with the terms and conditions hereof, upon the receipt by us of (i) your draft, payable at sight and (ii) a certificate, in substantially the form of Annex A attached hereto, which shall be signed by one of your authorized representatives, in each case presented to the L/C Issuer on a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City, Chicago, Illinois, or London, England, are authorized or required by law, regulation or executive order to close (a “**Business Day**”) on or before the termination hereof. “**Termination Date**” means the earliest of (a) June 1, 2009, (b) the Early Termination Date and (c) the date upon which any drawing (or deemed drawing) is fully funded hereunder (immediately after giving effect to such funding). “**Early Termination Date**” means the Business Day specified as the “Early Termination Date” in a notice of the termination of this Letter of Credit (an “**Early Termination Notice**”) provided to you (to the address and facsimile number specified below) not less than one Business Day prior to such specified date. Any such draft required to be

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delivered is referred to herein as a “**Draft**” and any such certificate required to be delivered is referred to herein as a “**Certificate**”.

Funds in Sterling under this Letter of Credit are available to you against your Draft and Certificate, each referring thereon to the number of this Letter of Credit, presented to the L/C Issuer at its office located at 1585 Broadway 2nd floor, New York NY 10036, Attention: Structured Credit Products, James J. Hill (Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465), or such other person as shall be notified to you from time to time. If the L/C Issuer receives your Draft and Certificate, all in strict conformity with the terms and conditions of this Letter of Credit, not later than 9:00 a.m. (New York City time), on a Business Day prior to the termination hereof, we will honor the same by 5:00 p.m. (New York City time), on the same day in accordance with your payment instructions. If the L/C Issuer receives your Draft and Certificate at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after 9:00 a.m. (New York City time) on a Business Day prior to the termination hereof, we will honor the same by 3:00 p.m. (New York City time) on the next succeeding Business Day in accordance with your payment instructions. Notwithstanding anything herein to the contrary, if the L/C Issuer shall have delivered an Early Termination Notice, the Beneficiary shall be deemed to have delivered, prior to 9:00 a.m. (New York City time) on the Early Termination Date, a Draft strictly complying with the terms and conditions of this Letter of Credit to draw an amount equal to the full Stated Amount hereof and any requirement hereunder for the delivery of any Certificate in connection therewith shall be waived. Multiple partial drawings under this Letter of Credit are not permitted.

Payment under this Letter of Credit shall be made by wire transfer of same-day funds to such account of the Beneficiary as the Beneficiary may notify to the L/C Issuer in writing from time to time.

This Letter of Credit shall terminate at 9:00 a.m. (New York City time) on the Termination Date.

If a demand for payment does not conform to the terms and conditions of this Letter of Credit, the L/C Issuer will notify you thereof by telecommunication, within a reasonable time after such delivery of such demand for payment (not to exceed the time permitted for honor of a conforming demand), and the L/C Issuer shall hold all documents at your disposal or, at your option, return the same to you. Dishonor of your demand shall not prejudice your right to cure and re-present documents or to make a later demand before the termination hereof.

This Letter of Credit shall be governed by the Uniform Customs and Practice For Documentary Credits (1993 Revision) International Chamber of Commerce No. 500 (the “**UCP**”). As to matters not governed by the UCP, such

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

Telecommunications hereunder shall be made by telecopy or by telephone to the numbers set forth or referred to below, and notices that may be personally delivered or mailed shall be made (a) if to the L/C Issuer, to it at the address set forth above or otherwise notified to you from time to time and (b) if to the Beneficiary, to it at Citibank, N.A., 388 Greenwich Street – 21st floor, Attn.: Julio Ojea Quintana, Telephone: 212-816-8497, Facsimile: 649-291-1783.

We agree that any action or proceeding relating in any way to this Letter of Credit may be brought and enforced in the courts of the State of New York located in the Borough of Manhattan, or, to the fullest extent permitted under applicable law, of the United States of America for the Southern District of New York. Legal process may be served in connection with any suit, action or proceeding to the addresses and in the manner set forth herein.

This Letter of Credit may be transferred in its entirety, but not in part, and such transferred Letter of Credit may be successively transferred, in each case subject to the prior written consent of the L/C Issuer.

In order to secure payment and performance of all of its obligations hereunder (the “**Secured Obligations**”), the L/C Issuer hereby (i) grants to the Beneficiary a continuing security interest in, and assigns its rights to all proceeds of, that certain Irrevocable Standby Letter of Credit No. [] issued on [] to the L/C Issuer for the account of the Account Party by ELF Special Financing Ltd. (the “**Backstop Letter of Credit**”) (it being understood and agreed that such assignment shall be limited to an assignment of the “proceeds of a letter of credit” as defined in Section 5-114 of the Uniform Commercial Code as in effect from time to time in the State of New York (the “**UCC**”)) and all proceeds thereof and (ii) grants to the Beneficiary a continuing security interest in the Cash Collateral Account (as defined in the Backstop Letter of Credit) and any funds deposited therein from time to time and all proceeds thereof (the property in which a security interest is granted pursuant to the foregoing clauses (i) and (ii) the “**Collateral**”). Upon a default by the L/C Issuer in the payment or performance of any Secured Obligation, the Beneficiary may exercise any remedy available to it as a secured party under the UCC or other applicable law with respect to the Collateral. Upon (i) payment by the L/C Issuer of the amount of a drawing hereunder in accordance with the terms hereof or (ii) the termination or expiration of this Letter of Credit without a valid drawing having been made or deemed made hereunder, cash and other assets held in the Cash Collateral Account may be withdrawn by the L/C Issuer (and upon such withdrawal shall be automatically released from the security interest granted by this paragraph), and the Beneficiary agrees to pay over to the L/C Issuer all amounts then held in the Cash Collateral Account. Except as set forth in the preceding sentence, the L/C Issuer may not

withdraw cash or other amounts held in the Cash Collateral Account from time to time.

Very truly yours,

MORGAN STANLEY CAPITAL SERVICES INC., as L/C Issuer

By:

Name:

Title:

A-1-4

Acknowledged and agreed to by:

CITIBANK, N.A., as Beneficiary

By: _____
Name:
Title:

Annex A

[Form of Certificate for Draft]

CERTIFICATE FOR DRAWING

Irrevocable Transferable Letter of Credit No. [IPG____-__]

The undersigned, a duly authorized representative of the undersigned Beneficiary, hereby certifies to Morgan Stanley Capital Services Inc. (the “**L/C Issuer**”), with reference to Irrevocable Standby Letter of Credit No. [____] (the “**Letter of Credit**”, the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the L/C Issuer in favor of the Beneficiary, as follows:

(a) The Beneficiary is making a drawing under the Letter of Credit.

(b) INSERT APPROPRIATE OPTION:

[A “Bankruptcy” (as defined in the 2003 ISDA Credit Derivative Definitions) has occurred with respect to The Interpublic Group of Companies, Inc. The amount of the Draft accompanying this Certificate is £[____], which equals the Stated Amount.]

OR

[1. [We have] [Our affiliate, [_____] has] funded a drawing under the Irrevocable Standby Letter of Credit No. [____] issued on [____] to the beneficiary thereunder in an amount equal to £[____] (the “**Beneficiary L/C Drawing Amount**”).

2. The Account Party is obligated, and has failed to reimburse [us] [_____] for the Beneficiary L/C Drawing Amount within any applicable grace period (after the satisfaction of any conditions precedent to the commencement of such grace period or, if no grace period is specified, within three Grace Period Business Days (as defined in the 2003 ISDA Credit Derivative Definitions)) of the date when due.

3. The U.S. dollar equivalent of the Beneficiary L/C Drawing Amount, determined at the time of such failure to pay, exceeds US\$1,000,000.

4. The amount of the Draft accompanying this Certificate is £[____], which equals the Stated Amount.]

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the ___ day of _____, 20[___].

[NAME OF BENEFICIARY]

By:

Name:

Title:

A-1-7

FORM OF
DOLLAR LETTER OF CREDIT

No. []

[]

[NAME OF BENEFICIARY]
[ADDRESS OF BENEFICIARY]

Attention: []

Ladies and Gentlemen:

We, MORGAN STANLEY CAPITAL SERVICES INC. (the "L/C Issuer"), hereby establish, at the request and for the account of THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "Account Party"), in your favor, as beneficiary (the "Beneficiary"), our Irrevocable Standby Letter of Credit No. [IPG__-__] in an amount equal to the Available Amount (as defined below), effective immediately and expiring at 10:00 a.m. (New York City time) on the Termination Date (as defined below). For the purpose hereof, "Dollar" and "\$" mean the lawful currency of the United States.

This Letter of Credit has been issued in your favor in support of certain letters of credit that you or your affiliates may issue for the account of the Account Party from time to time (the "Beneficiary L/Cs"). The "Available Amount" under this Letter of Credit means, at any time, (a) \$[] minus (b) the amount of any reduction in the Available Amount required pursuant to a notice (the "Available Amount Reduction Notice") delivered by the L/C Issuer prior to such time, which reduction shall take effect at 10:00 a.m. (New York City time) on the Available Amount Reduction Date minus (c) without duplication of any reduction pursuant to clause (b), the amount of any drawing hereunder prior to such time. "Available Amount Reduction Date" means the date specified as the Available Amount Reduction Date in an Available Amount Reduction Notice delivered not later than one Business Day prior to such specified date.

We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, upon the receipt by us of (a) your draft, payable at sight and (b) a certificate, in substantially the form of Annex A attached hereto, which shall be signed by one of your authorized representatives, in each case presented to the L/C Issuer on a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City or Chicago, Illinois are authorized or required by law, regulation or executive order to close (a "Business



Day) on or before the termination hereof. **“Termination Date”** means the earlier of (a) [*Not Later Than the Maturity Date*] (the **“Stated Expiration Date”**) and (b) the Early Termination Date. **“Early Termination Date”** means the Business Day specified as the “Early Termination Date” in a notice of the termination of this Letter of Credit (an **“Early Termination Notice”**) provided to you (to the address and facsimile number specified below) not less than one Business Day prior to such specified date. Any such draft required to be delivered is referred to herein as a **“Draft”** and any such certificate required to be delivered is referred to herein as a **“Certificate”**.

Funds in Dollars under this Letter of Credit are available to you against your Draft and Certificate, each referring thereon to the number of this Letter of Credit, presented to the L/C Issuer at its office located at 1585 Broadway 2nd floor, New York NY 10036, Attention: Structured Credit Products, James J. Hill (Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465), or such other person as shall be notified to you from time to time. If the L/C Issuer receives your Draft and Certificate, all in strict conformity with the terms and conditions of this Letter of Credit, not later than 10:00 a.m. (New York City time), on a Business Day prior to the termination hereof, we will honor the same by 5:00 p.m. (New York City time), on the same day in accordance with your payment instructions. If the L/C Issuer receives your Draft and Certificate at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after 10:00 a.m. (New York City time) on a Business Day prior to the termination hereof, we will honor the same by 3:00 p.m. (New York City time) on the next succeeding Business Day in accordance with your payment instructions. Notwithstanding anything herein to the contrary, if the L/C Issuer shall have delivered an Available Amount Reduction Notice or an Early Termination Notice, the Beneficiary shall be deemed to have delivered, prior to 10:00 a.m. (New York City time), on the Available Amount Reduction Date or Early Termination Date, as applicable, a Draft strictly complying with the terms and conditions of this Letter of Credit to draw an amount equal to (a) in the case of an Early Termination Notice, the full Available Amount hereof and (b) in the case of an Available Amount Reduction Notice, the amount of the reduction in Available Amount set forth therein, and in either case any requirement hereunder for the delivery of any Certificate shall be waived. Multiple partial drawings under this Letter of Credit are permitted.

Payment under this Letter of Credit shall be made by wire transfer of Federal Reserve Bank of New York funds to (a) if such payment is made as a result of an actual delivery of your Draft and Certificate under this Letter of Credit, such account of the Beneficiary as the Beneficiary may notify to the L/C Issuer in writing from time to time, and (b) if such payment is made as a result of a deemed delivery of a Draft, such account of the Account Party as the Account Party may notify to the L/C Issuer in writing from time to time.

Payments made to you under the Backstop Letter of Credit (defined below) shall be deemed to constitute satisfaction of the L/C Issuer's obligation to make payment hereunder to the extent of the amount so paid.

This Letter of Credit shall terminate at 10:00 a.m. (New York City time) on the Termination Date.

If a demand for payment does not conform to the terms and conditions of this Letter of Credit, the L/C Issuer will notify you thereof by telecommunication, within a reasonable time after such delivery of such demand for payment (not to exceed the time permitted for honor of a conforming demand), and the L/C Issuer shall hold all documents at your disposal or, at your option, return the same to you. Dishonor of your demand shall not prejudice your right to cure and re-present documents or to make a later demand before the termination hereof.

This Letter of Credit shall be governed by the Uniform Customs and Practice For Documentary Credits (1993 Revision) International Chamber of Commerce No. 500 (the "UCP"). As to matters not governed by the UCP, such matters shall be governed by and construed in accordance with the laws of the State of New York.

Telecommunications hereunder shall be made by telecopy or by telephone to the numbers set forth or referred to below, and notices that may be personally delivered or mailed shall be made (a) if to the L/C Issuer, to it at the address set forth above or otherwise notified to you from time to time and (b) if to the Beneficiary, to it at [NAME AND ADDRESS OF BENEFICIARY], Attn.: [____], Telephone: [____], Facsimile No.: [____].

We agree that any action or proceeding relating in any way to this Letter of Credit may be brought and enforced in the courts of the State of New York located in the Borough of Manhattan, or, to the fullest extent permitted under applicable law, of the United States of America for the Southern District of New York. Legal process may be served in connection with any suit, action or proceeding to the addresses and in the manner set forth herein.

In order to secure payment and performance of all its obligations hereunder (the "Secured Obligations"), the L/C Issuer hereby grants to the Beneficiary a continuing security interest in, and assigns its rights to all proceeds of, that certain Irrevocable Standby Letter of Credit No. [] issued on [] to the L/C Issuer for the account of the Account Party by ELF Special Financing Ltd. (the "Backstop Letter of Credit") (it being understood and agreed that such assignment shall be limited to an assignment of the "proceeds of a letter of credit" as defined in Section 5-114 of the Uniform Commercial Code as in effect from time to time in the State of New York (the "UCC")) and all proceeds thereof

(collectively, the "Collateral"). Upon a default by the L/C Issuer in the payment or performance of any Secured Obligation, the Beneficiary may exercise any remedy available to it as a secured party under the UCC or other applicable law with respect to the Collateral.

Very truly yours,

MORGAN STANLEY CAPITAL SERVICES INC., as L/C Issuer

By:

Name:
Title:

Annex A

[Form of Certificate for Draft]

CERTIFICATE FOR DRAWING

Irrevocable Letter of Credit No. [IPG__-__]

The undersigned, a duly authorized representative of the undersigned Beneficiary, hereby certifies to Morgan Stanley Capital Services Inc. (the "**L/C Issuer**"), with reference to Irrevocable Standby Letter of Credit No. [____] (the "**Letter of Credit**", the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the L/C Issuer in favor of the Beneficiary, as follows:

(a) The Beneficiary is making a drawing under the Letter of Credit.

(b) INSERT APPROPRIATE OPTION:

(1) [A drawing has been made under Beneficiary L/C No. [____] issued by the Beneficiary or one of its affiliates on [____] to [____]; the dollar equivalent of which is \$[____]. The amount of the Draft accompanying this Certificate is equal to \$[____]¹, which does not exceed the Available Amount of \$[____].]

OR

(2) [The Draft and this Certificate are being delivered to you after the day that is three Business Days prior to the Stated Expiration Date because no other substitute arrangement has been made to support Beneficiary L/C No. [____] issued by the Beneficiary or one of its affiliates on [____] to [____]. The amount of the Draft accompanying this Certificate is equal to \$[____], which does not exceed the Available Amount of \$[____].]

OR

(3) [We have determined that the dollar equivalent of the [face amount] of the letters of credit supported by the Letter of Credit exceed the Available

¹ The amount of the draft should not be greater than the dollar equivalent of the amount of the drawing referred to in the preceding sentence.

Amount of the Letter of Credit. The Account Party and/or the L/C Issuer has notified us that the Available Amount of the Letter of Credit will not be increased by an amount sufficient to eliminate such excess, and sufficient deposits to cash deposit accounts maintained by the Account Party with us to support such letters of credit have not been made within the time period required. The amount of the Draft accompanying this Certificate is equal to \$[___], which does not exceed the Available Amount of \$[___].

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the ___ day of _____, 20[___].

By:

Name:

Title:

FORM OF
STERLING L/C BACKSTOP LETTER OF CREDIT

No. []

June 13, 2006

MORGAN STANLEY CAPITAL
SERVICES INC.
1585 Broadway, 2nd Floor
New York, New York 10036
Attention: James Hill

Ladies and Gentlemen:

We, ELF SPECIAL FINANCING LTD. (the "**L/C Issuer**"), hereby establish, at the request and for the account of THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "**Account Party**"), in your favor, as beneficiary (the "**Beneficiary**"), our Irrevocable Standby Letter of Credit No. [IPG__-__] in the amount equal to the Available Amount (as defined below), effective immediately and expiring at 11:00 a.m. (New York City time) on the Termination Date (as defined below). For the purpose hereof, "**Dollars**" and "**\$**" mean the lawful currency of the United States.

This Letter of Credit has been issued in your favor in support of that certain Irrevocable Transferable Standby Letter of Credit No. [] that you will issue for the account of the Account Party on the date hereof (the "**MSCS L/C**"). The "**Available Amount**" under this Letter of Credit means, at any time, (a) \$[] *minus* (b) the amount of any reduction in the Available Amount required pursuant to a notice (an "**Available Amount Reduction Notice**") delivered by the L/C Issuer prior to such time, which reduction shall take effect at 11:00 a.m. (New York City time) on the Available Amount Reduction Date *minus* (c) without duplication of any reduction pursuant to clause (b), the amount of any drawing hereunder prior to such time. "**Available Amount Reduction Date**" means the date specified as the Available Amount Reduction Date in an Available Amount Reduction Notice delivered not later than one Business Day prior to such specified date.

We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, upon the receipt by Morgan Stanley Capital Services Inc. ("**MSCS**"), as letter of credit administrator (in such capacity, the "**L/C Administrator**"), of (a) your draft, payable at sight and (b) a certificate, in

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substantially the form of Annex A attached hereto, which shall be signed by one of your authorized representatives, in each case presented to the L/C Administrator on a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City or Chicago, Illinois are authorized or required by law, regulation or executive order to close (a **"Business Day"**) on or before the termination hereof. **"Termination Date"** means the earlier of (a) June 1, 2009 and (b) the Early Termination Date. **"Early Termination Date"** means the Business Day specified as the "Early Termination Date" in a notice of the termination of this Letter of Credit (an **"Early Termination Notice"**) provided to you (to the address and facsimile number specified below) not less than one Business Day prior to such specified date. Any such draft required to be delivered is referred to herein as a **"Draft"** and any such certificate required to be delivered is referred to herein as a **"Certificate"**.

Funds in U.S. dollars under this Letter of Credit are available to you against your Draft and Certificate, each referring thereon to the number of this Letter of Credit, presented to the L/C Administrator at its office located at 1585 Broadway 2nd floor, New York NY 10036, Attention: Structured Credit Products, James J. Hill (Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465), or such other person as shall be notified to you from time to time. If the L/C Administrator receives your Draft and Certificate, all in strict conformity with the terms and conditions of this Letter of Credit, not later than 11:00 a.m. (New York City time), on a Business Day prior to the termination hereof, we will honor the same by 4:00 p.m. (New York City time), on the same day in accordance with the payment instructions set forth below. If the L/C Administrator receives your Draft and Certificate at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after 11:00 a.m. (New York City time) on a Business Day prior to the termination hereof, we will honor the same by 2:00 p.m. (New York City time) on the next succeeding Business Day in accordance with the payment instructions set forth below. Notwithstanding anything herein to the contrary, if the L/C Issuer shall have delivered an Available Amount Reduction Notice or an Early Termination Notice, the Beneficiary shall be deemed to have delivered, prior to 11:00 a.m. (New York City time) on the Available Amount Reduction Date or the Early Termination Date, as applicable, a Draft strictly complying with the terms and conditions of this Letter of Credit to draw an amount equal to (i) in the case of an Early Termination Notice, the full Available Amount hereof and (ii) in the case of an Available Amount Reduction Notice, the amount of the reduction in Available Amount set forth therein, and in either case any requirement hereunder for the delivery of any Certificate shall be waived. Multiple partial drawings under this Letter of Credit are permitted.

Payment under this Letter of Credit shall be made by wire transfer of same day funds to an account in the name of MSCS maintained at Citibank, N.A. (or such other bank as shall be agreed in writing by the Beneficiary and the beneficiary of the MSCS L/C from time to time), which account is pledged to the

beneficiary of the MSCS L/C (the "**Cash Collateral Account**"); *provided, however*, that if, prior to the date of such payment, the Beneficiary shall have paid the full amount of the MSCS L/C in accordance with the terms thereof, such payment shall be made to an account of the Beneficiary designated by the Beneficiary from time to time. Whenever the beneficiary of the MSCS L/C sends you and us notice identifying the MSCS account maintained at Citibank, N.A. (or such other bank as shall be agreed in writing by the Beneficiary and the beneficiary of the MSCS L/C from time to time) into which payment under this Letter of Credit is to be made, such identification shall be incorporated by reference as though fully set forth herein.

This Letter of Credit shall terminate at 11:00 a.m. (New York City time) on the Termination Date.

If a demand for payment does not conform to the terms and conditions of this Letter of Credit, the L/C Administrator will notify you thereof by telecommunication, within a reasonable time after such delivery of such demand for payment (not to exceed the time permitted for honor of a conforming demand), and the L/C Administrator shall hold all documents at your disposal or, at your option, return the same to you. Dishonor of your demand shall not prejudice your right to cure and re-present documents or to make a later demand on or before the termination hereof.

This Letter of Credit shall be governed by the Uniform Customs and Practice For Documentary Credits (1993 Revision) International Chamber of Commerce No. 500 (the "UCP"). As to matters not governed by the UCP, such matters shall be governed by and construed in accordance with the laws of the State of New York.

Telecommunications hereunder shall be made by telecopy or by telephone to the numbers set forth or referred to below, and notices that may be personally delivered or mailed shall be made (a) if to the L/C Administrator or the L/C Issuer, to the L/C Administrator at the address set forth above or otherwise notified to you from time to time with a copy to LaSalle Bank National Association, 181 West Madison Street, 32nd Floor, Chicago, Illinois, 60602, Attention: CDO Trust Services Group - ELF Special Financing Ltd., Telephone: (312) 904-0881, Facsimile No.: (312) 904-0524 and (b) if to the Beneficiary, to it at Morgan Stanley Capital Services Inc., 1585 Broadway, 2nd Floor, New York, New York 10036, Attn.: Structured Credit Products, Attention: James Hill, Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465, or otherwise notified to you from time to time.

We agree that any action or proceeding relating in any way to this Letter of Credit may be brought and enforced in the courts of the State of New York located in the Borough of Manhattan, or, to the fullest extent permitted under

applicable law, of the United States of America for the Southern District of New York. Legal process may be served in connection with any suit, action or proceeding to the addresses and in the manner set forth herein.

The Beneficiary, by its acceptance hereof, hereby covenants that it will not at any time institute against the L/C Issuer, or join any person in instituting against the L/C Issuer, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or any other similar proceedings under any Cayman Islands, United States federal or state, or other bankruptcy, insolvency or similar law in connection with any obligations of the L/C Issuer relating to this Letter of Credit until at least one year and one day (or any longer preference period under applicable law) has lapsed after the payment in full of all amounts payable in respect of this Letter of Credit; *provided, however*, that nothing in this paragraph shall preclude, or be deemed to estop, the Beneficiary from taking any action prior to the expiration of the aforementioned one year and one day period in any case or proceeding voluntarily filed or commenced by the L/C Issuer or in any involuntary insolvency proceeding filed or commenced against the L/C Issuer by any person other than the Beneficiary.

The obligations of the L/C Issuer hereunder constitute direct, limited recourse obligations of the L/C Issuer, and are payable only to the extent that funds are available from the assets or the proceeds of the assets of the L/C Issuer (the "**Available Funds**"). To the extent the Available Funds are insufficient to satisfy such obligations, such obligations will be extinguished. The Beneficiary hereby acknowledges and agrees that the L/C Issuer's obligations hereunder will be solely the corporate obligations of the L/C Issuer and that the Beneficiary shall not have any recourse (in the absence of fraud or willful misconduct) against any of the directors, officers or employees of the L/C Issuer for any claims, losses, damages, liabilities, indemnities or other obligations whatsoever in connection with any transactions contemplated by hereby.

The L/C Issuer hereby consents to the assignment of the proceeds of this Letter of Credit by the Beneficiary to the beneficiary of the MSCS L/C to secure the obligations of the Beneficiary to such beneficiary under the MSCS L/C.

Very truly yours,

ELF SPECIAL FINANCING LTD.

By: MORGAN STANLEY CAPITAL SERVICES INC., as L/C Administrator

By:

Name:

Title:

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Annex A

[Form of Certificate for Draft]

CERTIFICATE FOR DRAWING

Irrevocable Standby Letter of Credit No. [IPG__-__]

The undersigned, a duly authorized representative of the undersigned Beneficiary, hereby certifies to ELF Special Financing Ltd. (the "**L/C Issuer**"), with reference to Irrevocable Letter of Credit No. [____] (the "**Letter of Credit**", the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the L/C Issuer in favor of the Beneficiary, as follows:

- (a) The Beneficiary is making a drawing under the Letter of Credit.

- (b) A draft has been presented under our Irrevocable Transferable Standby Letter of Credit No. [____] issued on [____] for the account of The Interpublic Group of Companies, Inc. in an amount equal to £[____] (the "**Sterling Draw Amount**") [which has been paid in full by [wire/SWIFT] transfer to account [____]]². The amount of the Draft accompanying this Certificate is \$[____], which is the Sterling Draw Amount multiplied by 1.8544.

² Use bracketed payment in full language only if the Beneficiary has paid under the referenced letter of credit before drawing under this letter of credit.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the ___ day of _____, 20[___].

MORGAN STANLEY CAPITAL SERVICES INC., as Beneficiary

By:

Name:
Title:

B-1-7

**FORM OF
DOLLAR L/C BACKSTOP LETTER OF CREDIT**

No. []

[]

MORGAN STANLEY CAPITAL
SERVICES INC.
1585 Broadway, 2nd Floor
New York, New York 10036
Attention: James Hill

Ladies and Gentlemen:

We, ELF SPECIAL FINANCING LTD. (the "**L/C Issuer**"), hereby establish, at the request and for the account of THE INTERPUBLIC GROUP OF COMPANIES, INC. (the "**Account Party**"), in your favor, as beneficiary (the "**Beneficiary**"), our Irrevocable Standby Letter of Credit No. [IPG__-__] in the amount equal to the Available Amount (as defined below), effective immediately and expiring at 11:00 a.m. (New York City time) on the Termination Date (as defined below). For the purpose hereof "**Dollars**" and "**\$**" mean the lawful currency of the United States.

This Letter of Credit has been issued in your favor in support of that certain Irrevocable Standby Letter of Credit No. [] that you will issue for the account of the Account Party on the date hereof (the "**MSCS L/C**"). The "**Available Amount**" under this Letter of Credit means, at any time, (a) \$[] *minus* (b) the amount of any reduction in the Available Amount required pursuant to a notice (an "**Available Amount Reduction Notice**") delivered by the L/C Issuer prior to such time, which reduction shall take effect at 11:00 a.m. (New York City time) on the Available Amount Reduction Date *minus* (c) without duplication of any reduction pursuant to clause (b), the amount of any drawing hereunder prior to such time. "**Available Amount Reduction Date**" means the date specified as the Available Amount Reduction Date in an Available Amount Reduction Notice delivered not later than one Business Day prior to such specified date.

We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, upon the receipt by Morgan Stanley Capital Services Inc. ("**MSCS**"), as letter of credit administrator (in such capacity, the "**L/C Administrator**"), of (i) your draft, payable at sight and (ii) a certificate, in

substantially the form of Annex A attached hereto, which shall be signed by one of your authorized representatives, in each case presented to the L/C Administrator on a day of the year other than a Saturday or a Sunday or a day on which banking institutions in New York City or Chicago, Illinois, are authorized or required by law, regulation or executive order to close (a "Business Day") on or before the termination hereof. "Termination Date" means the earlier of (a) [Not Later Than The Maturity Date] and (b) the Early Termination Date. "Early Termination Date" means the Business Day specified as the "Early Termination Date" in a notice of the termination of this Letter of Credit (an "Early Termination Notice") provided to you (to the address and facsimile number specified below) not less than one Business Day prior to such specified date. Any such draft required to be delivered is referred to herein as a "Draft" and any such certificate required to be delivered is referred to herein as a "Certificate".

Funds in Dollars under this Letter of Credit are available to you against your Draft and Certificate, each referring thereon to the number of this Letter of Credit, presented to the L/C Administrator at its office located at 1585 Broadway 2nd floor, New York NY 10036, Attention: Structured Credit Products, James J. Hill (Telephone: (212) 761-2514, Facsimile No.: (212) 507-8465), or such other person as shall be notified to you from time to time. If the L/C Administrator receives your Draft and Certificate, all in strict conformity with the terms and conditions of this Letter of Credit, not later than 11:00 a.m. (New York City time), on a Business Day prior to the termination hereof, we will honor the same by 4:00 p.m. (New York City time), on the same day in accordance with the payment instructions set forth below. If the L/C Administrator receives your Draft and Certificate at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after 11:00 a.m. (New York City time) on a Business Day prior to the termination hereof, we will honor the same by 2:00 p.m. (New York City time) on the next succeeding Business Day in accordance with the payment instructions set forth below. Notwithstanding anything herein to the contrary, if the L/C Issuer shall have delivered an Available Amount Reduction Notice or an Early Termination Notice, the Beneficiary shall be deemed to have delivered, prior to 11:00 a.m. (New York City time) on the Available Amount Reduction Date or the Early Termination Date, as applicable, a Draft strictly complying with the terms and conditions of this Letter of Credit to draw an amount equal to (i) in the case of an Early Termination Notice, the full Available Amount hereof and (ii) in the case of an Available Amount Reduction Notice, the amount of the reduction in Available Amount set forth therein, and in either case any requirement hereunder for the delivery of any Certificate shall be waived. Multiple partial drawings under this Letter of Credit are permitted.

Payment under this Letter of Credit shall be made by wire transfer of Federal Reserve Bank of New York funds to (i) if such payment is made as a result of an actual delivery of your Draft and Certificate, such account as the beneficiary of the MSCS L/C may notify the L/C Issuer from time to time and (ii)

if such payment is made as a result of deemed delivery of a Draft, such account of the Account Party as the Account Party and the beneficiary of the MSCS L/C may notify the L/C Issuer from time to time; *provided, however*, that if, prior to the date of such payment, the Beneficiary shall have paid (i) in the case of a payment made as a result of an actual delivery of a Draft and Certificate, a corresponding amount under the MSCS L/C and (ii) otherwise, the full amount of the MSCS L/C, such payment shall be made to an account of the Beneficiary designated by the Beneficiary from time to time.

This Letter of Credit shall terminate at 11:00 a.m. (New York City time) on the Termination Date.

If a demand for payment does not conform to the terms and conditions of the Letter of Credit, the L/C Administrator will notify you thereof by telecommunication, within a reasonable time after such delivery of such demand for payment (not to exceed the time permitted for honor of a conforming demand), and the L/C Administrator shall hold all documents at your disposal or, at your option, return the same to you. Dishonor of your demand shall not prejudice your right to cure and re-present documents or to make a later demand before the termination hereof.

This Letter of Credit shall be governed by the Uniform Customs and Practice For Documentary Credits (1993 Revision) International Chamber of Commerce No. 500 (the "UCP"). As to matters not governed by the UCP, such matters shall be governed by and construed in accordance with the laws of the State of New York.

Telecommunications hereunder shall be made by telecopy or by telephone to the numbers set forth or referred to below, and notices that may be personally delivered or mailed shall be made (a) if to the L/C Administrator or the L/C Issuer, to the L/C Administrator at its address set forth above or otherwise notified to you from time to time with a copy to LaSalle Bank National Association, 181 West Madison Street, 32nd Floor, Chicago, Illinois, 60602, Attention: CDO Trust Services Group - ELF Special Financing Ltd., Telephone: (312) 904-0881, Facsimile No.: (312) 904-0524 and (b) if to the Beneficiary, to it at Morgan Stanley Capital Services Inc., 1585 Broadway, 2nd Floor, New York, New York 10036, Attn: Structured Credit Products, Attention: James Hill, Telephone: (212) 761-2514, Facsimile: (212) 507-8465 or otherwise notified to you from time to time.

We agree that any action or proceeding relating in any way to this Letter of Credit may be brought and enforced in the courts of the State of New York located in the Borough of Manhattan, or, to the fullest extent permitted under applicable law, of the United States of America for the Southern District of New York. Legal process may be served in connection with any suit, action or proceeding to the addresses and in the manner set forth herein.

The Beneficiary, by its acceptance hereof, hereby covenants that it will not at any time institute against the L/C Issuer, or join any person in instituting against the L/C Issuer, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or any other similar proceedings under any Cayman Islands, United States federal or state, or other bankruptcy, insolvency or similar law in connection with any obligations of the L/C Issuer relating to this Letter of Credit until at least one year and one day (or any longer preference period under applicable law) has lapsed after the payment in full of all amounts payable in respect of this Letter of Credit; *provided, however*, that nothing in this paragraph shall preclude, or be deemed to estop, the Beneficiary from taking any action prior to the expiration of the aforementioned one year and one day period in any case or proceeding voluntarily filed or commenced by the L/C Issuer or in any involuntary insolvency proceeding filed or commenced against the L/C Issuer by any person other than the Beneficiary.

The obligations of the L/C Issuer hereunder constitute direct, limited recourse obligations of the L/C Issuer, and are payable only to the extent that funds are available from the assets or the proceeds of the assets of the L/C Issuer (the "**Available Funds**"). To the extent the Available Funds are insufficient to satisfy such obligations, such obligations will be extinguished. The Beneficiary hereby acknowledges and agrees that the L/C Issuer's obligations hereunder will be solely the corporate obligations of the L/C Issuer and that the Beneficiary shall not have any recourse (in the absence of fraud or willful misconduct) against any of the directors, officers or employees of the L/C Issuer for any claims, losses, damages, liabilities, indemnities or other obligations whatsoever in connection with any transactions contemplated by hereby.

The L/C Issuer hereby consents to the assignment of the proceeds of this Letter of Credit by the Beneficiary to [name of beneficiary of MSCS L/C] to secure the obligations of the Beneficiary to [name of beneficiary of MSCS L/C] under the MSCS L/C.

Very truly yours,

ELF SPECIAL FINANCING LTD.

By: MORGAN STANLEY CAPITAL SERVICES INC., as L/C Administrator

By:

Name:
Title:

Annex A

[Form of Certificate for Draft]

CERTIFICATE FOR DRAWING

Irrevocable Standby Letter of Credit No. [IPG___-__]

The undersigned, a duly authorized representative of the undersigned Beneficiary, hereby certifies to ELF Special Financing Ltd. (the "**L/C Issuer**"), with reference to Irrevocable Standby Letter of Credit No. [___] (the "**Letter of Credit**", the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the L/C Issuer in favor of the Beneficiary, as follows:

(a) The Beneficiary is making a drawing under the Letter of Credit.

(b) INSERT APPROPRIATE OPTION:

A draft has been presented under our Irrevocable Standby Letter of Credit No. [___] issued by the Beneficiary in favor of [name of beneficiary under MSCS L/C] as beneficiary, in an amount equal to \$[_____] [and which has been paid in full by [wire/SWIFT] transfer to account [____]]³. The amount of the Draft accompanying this Certificate is \$[___]⁴.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the ___ day of _____, 20[___].

MORGAN STANLEY CAPITAL SERVICES INC., as Beneficiary

By:

Name:

Title:

³ Use bracketed payment in full language only if the Beneficiary has paid under the referenced letter of credit before drawing under this letter of credit.

⁴ The amount of the draft should not be greater than the amount of the drawing referred to in the preceding sentence.

FORM OF

LETTER OF CREDIT AMENDMENT

Reference is made to the Irrevocable Standby Letter of Credit No. o (the “**Letter of Credit**”, the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by Morgan Stanley Capital Services Inc. (the “**L/C Issuer**”), for the account of The Interpublic Group of Companies, Inc., in favor of [] (the “**Beneficiary**”).

The parties hereto hereby agree that the [dollar figure] [Sterling figure] in clause (a) of the definition of Available Amount][Stated Amount] of the Letter of Credit is [increased][decreased] to [].

MORGAN STANLEY CAPITAL SERVICES INC.

By: _____
Name:
Title:

[NAME OF BENEFICIARY]

By: _____
Name:
Title:

THE INTERPUBLIC GROUP OF COMPANIES, INC., as Account Party

By: _____
Name:
Title:

**FORM OF
GUARANTEE**

[__], 2006

To: [__] ("Beneficiary")

Ladies and Gentlemen: In consideration of Beneficiary's agreement to issue letters of credit for the account of The Interpublic Group of Companies, Inc. subject to the receipt of certain letters of credit issued by Morgan Stanley Capital Services, Inc. (hereinafter "MSCS"), Morgan Stanley, a Delaware corporation (hereinafter "MS"), hereby irrevocably and unconditionally guarantees to Beneficiary, with effect from the date hereof, the due and punctual payment of all amounts payable by MSCS under Letter of Credit No. [__] dated [__], (as amended from time to time, the "Letter of Credit") when the same shall become due and payable in accordance with the terms of such Letter of Credit and giving effect to any applicable grace period. Upon failure of MSCS punctually to pay any such amounts, and upon written demand by Beneficiary to MS at its address set forth in the signature block of this Guarantee (or to such other address as MS may specify in writing), MS agrees to pay or cause to be paid such amounts in the same currency and the same payment office as provided in the applicable Letter of Credit; provided that delay by Beneficiary in giving such demand shall in no event affect MS's obligations under this Guarantee.

MS hereby agrees that its obligations hereunder with respect to each Letter of Credit shall be unconditional and will not be discharged except by complete payment of the amounts payable under such Letter of Credit, irrespective of any claim as to such Letter of Credit's validity, regularity or enforceability or the lack of authority of MSCS to execute or deliver such Letter of Credit; or any change in or amendment to such Letter of Credit; or any waiver or consent by Beneficiary with respect to any provisions thereof; or the absence of any action to enforce such Letter of Credit, or the recovery of any judgment against MSCS or of any action to enforce a judgment against MSCS under the Letter of Credit; any similar circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor generally.

MS hereby waives diligence, presentment, demand on MSCS for payment or otherwise (except as provided hereinabove), filing of claims, requirement of a

prior proceeding against MSCS and protest or notice, except as provided for in any Letter of Credit with respect to amounts payable by MSCS thereunder. If at any time payment under any Letter of Credit is rescinded or must be otherwise restored or returned by Beneficiary upon the insolvency, bankruptcy or reorganization of MSCS or MS or otherwise, MS's obligations hereunder with respect to such payment shall be reinstated upon such restoration or return being made by Beneficiary.

MS represents to Beneficiary as of the date hereof:

1. it is duly organized and validly existing under the laws of the jurisdiction of its incorporation and has full power and legal right to execute and deliver this Guarantee and to perform the provisions of this Guarantee on its part to be performed;
2. its execution, delivery and performance of this Guarantee have been and remain duly authorized by all necessary corporate action and do not contravene any provision of its certificate of incorporation or by-laws or any law, regulation or contractual restriction binding on it or its assets;
3. all consents, authorizations, approvals and clearances (including, without limitation, any necessary exchange control approval) and notifications, reports and registrations requisite for its due execution, delivery and performance of this Guarantee have been obtained from or, as the case may be, filed with the relevant governmental authorities having jurisdiction and remain in full force and effect and all conditions thereof have been duly complied with and no other action by, and no notice to or filing with, any governmental authority having jurisdiction is required for such execution, delivery or performance; and
4. this Guarantee is its legal, valid and binding obligation enforceable against it in accordance with its terms except as enforcement hereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' right or by general equity principles.

By accepting this Guarantee, Beneficiary agrees that MS shall be subrogated to all rights of Beneficiary against MSCS in respect of any amounts paid by MS pursuant to this Guarantee with respect to any Letter of Credit, provided that MS shall be entitled to enforce or to receive any payment arising out of or based upon such right of subrogation only to the extent that it has paid all amounts payable by MSCS under such Letter of Credit.

This Guarantee shall expire on the *[earlier of the Maturity Date and the termination date of the applicable letter of credit]*. Such expiration or termination shall not, however, affect or reduce MS's obligation hereunder for any liability of

MSCS incurred with respect to transactions entered into by MSCS prior to such expiration or termination.

This Guarantee shall be governed by and construed in accordance with the laws of the State of New York. All capitalized terms not otherwise defined herein shall have the respective meanings assigned to them in the Letter of Credit.

MORGAN STANLEY

By: _____
Name:
Title:
Address: 1585 Broadway
New York, NY 10036

