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

Form 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2007
- or
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 1-6686

THE INTERPUBLIC GROUP OF COMPANIES, INC.

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

13-1024020
*(I.R.S. Employer
Identification No.)*

1114 Avenue of the Americas, New York, New York 10036
(Address of principal executive offices) (Zip Code)

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

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of the registrant's common stock outstanding as of October 15, 2007 was 471,380,833.

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INFORMATION REGARDING FORWARD-LOOKING DISCLOSURE

This quarterly report on Form 10-Q contains forward-looking statements. Statements in this report that are not historical facts, including statements about management's beliefs and expectations, constitute forward-looking statements. These statements are based on current plans, estimates and projections, and are subject to change based on a number of factors, including those outlined under Item 1A, Risk Factors, in our most recent annual report on Form 10-K, and any updated risk factors we include in our quarterly reports on Form 10-Q and other filings with the SEC. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to, the following:

- risks arising from material weaknesses in our internal control over financial reporting, including material weaknesses in our control environment;
- our ability to attract new clients and retain existing clients;
- our ability to retain and attract key employees;
- risks associated with assumptions we make in connection with our critical accounting estimates;
- potential adverse effects if we are required to recognize impairment charges or other adverse accounting-related developments;
- potential adverse developments in connection with the ongoing Securities and Exchange Commission ("SEC") investigation;
- potential downgrades in the credit ratings of our securities;
- risks associated with the effects of global, national and regional economic and political conditions, including fluctuations in economic growth rates, interest rates and currency exchange rates; and
- developments from changes in the regulatory and legal environment for advertising and marketing and communications services companies around the world.

Investors should carefully consider these factors and the additional risk factors outlined in more detail under Item 1A, Risk Factors, in our 2006 Annual Report on Form 10-K and other filings with the SEC.

Part I — FINANCIAL INFORMATION

Item 1. *Financial Statements*

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
REVENUE	\$ 1,559.9	\$ 1,453.8	\$ 4,571.7	\$ 4,313.7
OPERATING EXPENSES:				
Salaries and related expenses	1,034.7	960.7	3,033.2	2,856.5
Office and general expenses	468.9	466.0	1,466.6	1,506.1
Restructuring and other reorganization-related charges (reversals)	5.2	6.2	(0.6)	12.9
Total operating expenses	<u>1,508.8</u>	<u>1,432.9</u>	<u>4,499.2</u>	<u>4,375.5</u>
OPERATING INCOME (LOSS)	<u>51.1</u>	<u>20.9</u>	<u>72.5</u>	<u>(61.8)</u>
EXPENSES AND OTHER INCOME:				
Interest expense	(60.1)	(57.0)	(172.0)	(155.1)
Interest income	30.2	25.1	86.8	77.4
Other (expense) income	(4.8)	22.6	1.7	47.5
Total (expenses) and other income	<u>(34.7)</u>	<u>(9.3)</u>	<u>(83.5)</u>	<u>(30.2)</u>
Income (loss) from continuing operations before income taxes	16.4	11.6	(11.0)	(92.0)
Provision for (benefit of) income taxes	35.8	10.5	(1.3)	6.7
(Loss) income from continuing operations of consolidated companies	<u>(19.4)</u>	<u>1.1</u>	<u>(9.7)</u>	<u>(98.7)</u>
Income applicable to minority interests, net of tax	(3.7)	(3.8)	(5.7)	(9.8)
Equity in net income of unconsolidated affiliates, net of tax	1.2	1.4	4.6	2.7
Loss from continuing operations	<u>(21.9)</u>	<u>(1.3)</u>	<u>(10.8)</u>	<u>(105.8)</u>
Income from discontinued operations, net of tax	—	5.0	—	5.0
NET (LOSS) INCOME	<u>(21.9)</u>	<u>3.7</u>	<u>(10.8)</u>	<u>(100.8)</u>
Dividends on preferred stock	6.9	11.9	20.7	35.7
NET LOSS APPLICABLE TO COMMON STOCKHOLDERS	<u>\$ (28.8)</u>	<u>\$ (8.2)</u>	<u>\$ (31.5)</u>	<u>\$ (136.5)</u>
Loss per share of common stock — basic and diluted				
Continuing operations	\$ (0.06)	\$ (0.03)	\$ (0.07)	\$ (0.33)
Discontinued operations	—	0.01	—	0.01
Total	<u>\$ (0.06)</u>	<u>\$ (0.02)</u>	<u>\$ (0.07)</u>	<u>\$ (0.32)</u>
Weighted-average number of common shares outstanding — basic and diluted	458.6	427.2	457.3	426.6

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

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(Amounts in Millions)
(Unaudited)

	<u>September 30,</u> <u>2007</u>	<u>December 31,</u> <u>2006</u>
ASSETS:		
Cash and cash equivalents	\$ 1,430.1	\$ 1,955.7
Marketable securities	103.8	1.4
Accounts receivable, net of allowance of \$80.6 and \$81.3	3,679.8	3,934.9
Expenditures billable to clients	1,325.1	1,021.4
Other current assets	331.2	295.4
Total current assets	<u>6,870.0</u>	<u>7,208.8</u>
Furniture, equipment and leasehold improvements, net of accumulated depreciation of \$1,106.7 and \$1,017.0	615.6	624.0
Deferred income taxes	508.7	476.5
Goodwill	3,196.0	3,067.8
Other assets	475.4	487.0
TOTAL ASSETS	<u>\$ 11,665.7</u>	<u>\$ 11,864.1</u>
LIABILITIES:		
Accounts payable	\$ 3,866.6	\$ 4,124.1
Accrued liabilities	2,431.8	2,426.7
Short-term debt	475.4	82.9
Total current liabilities	<u>6,773.8</u>	<u>6,633.7</u>
Long-term debt	1,841.2	2,248.6
Deferred compensation and employee benefits	598.1	606.3
Other non-current liabilities	398.3	434.9
TOTAL LIABILITIES	<u>9,611.4</u>	<u>9,923.5</u>
Commitments and contingencies (Note 10)		
TOTAL STOCKHOLDERS' EQUITY	<u>2,054.3</u>	<u>1,940.6</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 11,665.7</u>	<u>\$ 11,864.1</u>

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

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(Amounts in Millions)
(Unaudited)

	Nine Months Ended September 30,	
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (10.8)	\$ (100.8)
Income from discontinued operations, net of tax	—	(5.0)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization of fixed assets and intangible assets	127.6	127.0
Provision for bad debt	7.1	9.0
Amortization of restricted stock and other non-cash compensation	55.3	37.1
Amortization of bond discounts and deferred financing costs	23.4	22.2
Deferred income tax benefit	(36.7)	(81.9)
Losses (gains) on sales of businesses and investments	15.4	(35.5)
Income applicable to minority interests, net of tax	5.7	9.8
Other	(8.6)	13.0
Change in assets and liabilities, net of acquisitions and dispositions:		
Accounts receivable	409.3	690.8
Expenditures billable to clients	(242.7)	(134.2)
Prepaid expenses and other current assets	4.6	(6.7)
Accounts payable	(424.3)	(886.3)
Accrued liabilities	(140.7)	(244.4)
Other non-current assets and liabilities	(4.4)	—
Net change in assets and liabilities related to discontinued operations	—	5.0
Net cash used in operating activities	<u>(219.8)</u>	<u>(580.9)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions, including deferred payments, net of cash acquired	(122.5)	(13.9)
Capital expenditures	(96.4)	(69.8)
Maturities of short-term marketable securities	622.1	749.7
Purchases of short-term marketable securities	(715.6)	(841.2)
Proceeds from sales of businesses and investments, net of cash sold	28.6	87.6
Purchases of investments	(16.9)	(34.1)
Other investing activities	4.3	1.0
Net cash used in investing activities	<u>(296.4)</u>	<u>(120.7)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net (decrease) increase in short-term bank borrowings	(9.3)	14.3
Issuance costs and consent fees	—	(41.8)
Call spread transactions in connection with ELF Financing	—	(29.2)
Distributions to minority interests	(14.2)	(21.1)
Preferred stock dividends	(20.7)	(35.1)
Other financing activities	1.3	(2.5)
Net cash used in financing activities	<u>(42.9)</u>	<u>(115.4)</u>
Effect of exchange rate changes on cash and cash equivalents	33.5	4.6
Net decrease in cash and cash equivalents	(525.6)	(812.4)
Cash and cash equivalents at beginning of year	1,955.7	2,075.9
Cash and cash equivalents at end of period	<u>\$ 1,430.1</u>	<u>\$ 1,263.5</u>

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

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income (Loss)
(Amounts in Millions)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2007	2006	2007	2006
NET (LOSS) INCOME	\$ (21.9)	\$ 3.7	\$ (10.8)	\$ (100.8)
Foreign currency translation adjustment	54.8	(7.1)	93.5	9.2
Reclassification of investment gain to net earnings	—	(17.0)	—	(17.0)
Adjustments to pension and other postretirement plans, net of tax	7.8	—	9.0	—
Net adjustment for minimum pension liability	—	(0.1)	—	0.1
Unrealized holding gains (losses) on securities, net of tax:				
Unrealized holding gains	0.8	2.3	3.0	8.8
Unrealized holding losses	—	—	—	(8.1)
Reclassification of gain to net earnings	(0.5)	—	(1.8)	(8.7)
Net unrealized holding gains (losses) on securities, net of tax	0.3	2.3	1.2	(8.0)
TOTAL COMPREHENSIVE INCOME (LOSS)	<u>\$ 41.0</u>	<u>\$ (18.2)</u>	<u>\$ 92.9</u>	<u>\$ (116.5)</u>

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

Notes to Consolidated Financial Statements
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

Note 1: Basis of Presentation

The unaudited consolidated financial statements have been prepared by The Interpublic Group of Companies, Inc. (together with its subsidiaries, the “Company”, “Interpublic”, “we”, “us” or “our”) in accordance with accounting principles generally accepted in the United States of America and pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC” or the “Commission”) and, in the opinion of management, include all adjustments of a normal and recurring nature necessary for a fair statement of the information for each period contained therein. Certain reclassifications have been made to prior periods to conform to the current period presentation. The consolidated results for interim periods are not necessarily indicative of results for the full year, as historically our consolidated revenue is higher in the second half of the year than in the first half. These financial results should be read in conjunction with our 2006 Annual Report on Form 10-K.

Starting with the first quarter of 2007 we have included our \$400.0 4.50% Convertible Senior Notes due 2023 in short-term debt because holders of this debt may require us to repurchase these Notes on March 15, 2008 for cash at par.

Note 2: Restructuring and Other Reorganization-Related Charges (Reversals)

The components of restructuring and other reorganization-related charges (reversals) are as follows:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Restructuring charges (reversals):				
Lease termination and other exit costs	\$ (0.3)	\$ 1.2	\$ (5.3)	\$ 1.6
Severance and termination costs	<u>4.8</u>	<u>0.1</u>	<u>4.2</u>	<u>0.1</u>
	4.5	1.3	(1.1)	1.7
Other reorganization-related charges	<u>0.7</u>	<u>4.9</u>	<u>0.5</u>	<u>11.2</u>
Total	<u>\$ 5.2</u>	<u>\$ 6.2</u>	<u>\$ (0.6)</u>	<u>\$ 12.9</u>

Restructuring Charges (Reversals)

Restructuring charges (reversals) relate to the 2003 and 2001 restructuring programs and a restructuring program entered into at Lowe Worldwide (“Lowe”) during the third quarter of 2007. Due to changes in the business environment that have occurred during the year, we committed to and began implementing a restructuring program to realign resources with our strategic business objectives within Lowe. This plan includes reducing and restructuring Lowe’s workforce both domestically and internationally, and terminating certain lease agreements. We recognized expenses related to severance and termination costs of \$4.8 during the third quarter of 2007 and expect to incur additional charges related to severance and termination costs of approximately \$6.0 and lease termination and other exit costs of approximately \$7.0 over the next two to three quarters. Cash payments are expected to be made through December 31, 2008.

In addition, included in the restructuring reversals for the nine months ended September 30, 2007 are net reversals for the 2003 and 2001 restructuring programs primarily consisting of reversals due to the utilization of previously vacated property by an agency at Draftfcb and adjustments to estimates primarily relating to our severance and lease termination costs.

Notes to Consolidated Financial Statements — (Continued)
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

Net restructuring charges for the three months ended September 30, 2007 was comprised of net charges of \$5.1 at Integrated Agency Networks (“IAN”) partially offset by net reversals of \$0.6 at Constituency Management Group (“CMG”). For the nine months ended September 30, 2007, net restructuring reversals was comprised of net reversals of \$1.3 at CMG partially offset by net charges of \$0.2 at IAN.

A rollforward of the remaining liability for the restructuring programs is as follows:

	<u>2007</u> <u>Program</u>	<u>2003</u> <u>Program</u>	<u>2001</u> <u>Program</u>	<u>Total</u>
Liability at December 31, 2006	\$ —	\$ 12.6	\$ 19.2	\$ 31.8
Net charges (reversals) and adjustments	4.8	(0.6)	(5.3)	(1.1)
Payments and other	(1.6)	(1.9)	(4.2)	(7.7)
Liability at September 30, 2007	<u>\$ 3.2</u>	<u>\$ 10.1</u>	<u>\$ 9.7</u>	<u>\$ 23.0</u>

As of September 30, 2007 the current portion of the restructuring liability is \$15.3.

Other Reorganization-Related Charges

Other reorganization-related charges primarily represent severance charges directly associated with two significant strategic business decisions in 2006 that are substantially complete: the merger of Draft Worldwide and Foote, Cone and Belding Worldwide to create a global integrated marketing organization called Draftfcb; and our realignment of our media business, involving our two global media operations.

Note 3: Acquisitions

During the nine months ended September 30, 2007, we made six acquisitions, of which the most significant were: a) a full-service advertising agency in Latin America, b) Reprise Media, which is a full-service search engine marketing firm in North America, and c) the remaining interests in two full-service advertising agencies in India in which we previously held 49% and 51% interests. Total cash consideration for the six acquisitions was \$112.8. There is a contingent purchase obligation for the remaining equity interest in Reprise Media, which is based on future financial performance. If the contingent obligation is met and consideration for this interest is determinable and distributable, we will record the fair value of this consideration as additional goodwill.

For companies acquired during the first nine months of 2007, we made estimates of the fair values of the assets and liabilities for consolidation. The purchase price in excess of the estimated fair value of the tangible net assets acquired was allocated to goodwill and identifiable intangible assets. These acquisitions do not have significant amounts of tangible assets, therefore a substantial portion of the total consideration has been allocated to goodwill and identifiable intangible assets (approximately \$99.0). The purchase price allocations for our acquisitions are substantially complete, however certain of these allocations are based on estimates and assumptions and are subject to change. All acquisitions during the first nine months of 2007 are included in the IAN operating segment. Pro forma information related to these acquisitions is not presented because the impact of these acquisitions, either individually or in the aggregate, on the Company’s consolidated results of operations is not significant.

During the three months ended September 30, 2006, we made payments in the form of our common stock related to acquisitions initiated in prior years of \$6.0. During the nine months ended September 30, 2007 and 2006, we made payments in the form of our common stock related to acquisitions initiated in prior years of \$0.3 and \$11.0, respectively.

Notes to Consolidated Financial Statements — (Continued)
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

Details of cash paid for current and prior years' acquisitions are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Cash paid for current year acquisitions	\$ 32.5	\$ —	\$ 112.8	\$ —
Cash paid for prior year acquisitions:				
Cost of investment	1.6	3.7	13.5	13.9
Compensation expense — related payments	—	0.4	1.4	6.4
Less: cash acquired	(0.1)	—	(3.8)	—
Total cash paid for acquisitions	<u>\$ 34.0</u>	<u>\$ 4.1</u>	<u>\$ 123.9</u>	<u>\$ 20.3</u>

In addition, for the nine months ended September 30, 2007, we acquired \$8.1 of marketable securities held by one of our current year acquisitions.

Note 4: Supplementary Data

Accrued Liabilities

	September 30,	December 31,
	2007	2006
Media and production expenses	\$ 1,801.1	\$ 1,690.7
Salaries, benefits and related expenses	392.1	460.6
Office and related expenses	81.6	99.2
Professional fees	28.7	46.1
Restructuring and other reorganization-related	15.3	18.0
Interest	26.1	30.0
Taxes	6.6	7.3
Other	80.3	74.8
Total	<u>\$ 2,431.8</u>	<u>\$ 2,426.7</u>

2004 Restatement Liabilities

As part of the restatement set forth in our 2004 Annual Report on Form 10-K filed in September 2005 (the "2004 Restatement"), we recognized liabilities related to vendor discounts and credits where we had a contractual or legal obligation to rebate such amounts to our clients or vendors. Reductions to these liabilities are primarily achieved through settlements with clients and vendors, but also may occur if the applicable statute of limitations has lapsed. For the nine months ended September 30, 2007, we satisfied \$19.6 of these liabilities through cash payments of \$7.8 and reductions of certain client receivables of \$11.8. Also, as part of the 2004 Restatement, we recognized liabilities related to internal investigations and international compensation arrangements. Liabilities related to international compensation arrangements primarily decreased during the third quarter as a result of changes in the tax codes in certain jurisdictions. A summary of these

Notes to Consolidated Financial Statements — (Continued)
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

and the vendor discounts and credits liabilities, which are primarily included in accounts payable, is as follows:

	September 30, 2007	December 31, 2006
Vendor discounts and credits	\$ 188.7	\$ 211.2
Internal investigations (includes asset reserves)	15.8	19.5
International compensation arrangements	21.6	32.3
Total	<u>\$ 226.1</u>	<u>\$ 263.0</u>

Other (Expense) Income

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
(Losses) gains on sales of businesses and investments	\$ (7.1)	\$ 15.2	\$ (15.4)	\$ 35.5
Vendor discounts and credit adjustments	3.5	5.4	11.5	9.3
Other income	(1.2)	2.0	5.6	2.7
Total	<u>\$ (4.8)</u>	<u>\$ 22.6</u>	<u>\$ 1.7</u>	<u>\$ 47.5</u>

Sale of businesses and investments — During the three months ended September 30, 2007, included in the loss of \$7.1, we had charges of \$8.1 as a result of the realization of cumulative translation adjustment balances from the liquidation of several businesses, as well as charges from the partial disposition of a business in South Africa at Lowe. In addition to the third quarter charges, during the first nine months of 2007, we sold several businesses within Draftfcb and Lowe for a loss of approximately \$10.0, partially offset by the sale of our remaining ownership interests in two agencies for a gain of \$2.8.

During the three months ended September 30, 2006, we sold our interest in a German advertising agency and accordingly recognized the related remaining cumulative translation adjustment balance. This resulted in a non-cash benefit of \$17.0. In addition, during the first nine months of 2006, we sold an investment located in Asia Pacific for a gain of \$18.4 and sold our remaining ownership interest in an agency within Lowe for a gain of \$2.5.

Vendor discounts and credit adjustments — We are in the process of settling our liabilities related to vendor discounts and credits primarily established as part of the 2004 Restatement. These adjustments reflect the reversal of certain liabilities as a result of settlements with clients and vendors or where the statute of limitations has lapsed.

Note 5: Loss Per Share

Loss per basic common share equals net loss applicable to common stockholders divided by the weighted average number of common shares outstanding for the applicable period.

Notes to Consolidated Financial Statements — (Continued)
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

The following sets forth basic and diluted loss per common share applicable to common stock:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Loss from continuing operations	\$ (21.9)	\$ (1.3)	\$ (10.8)	\$ (105.8)
Preferred stock dividends	6.9	11.9	20.7	35.7
	(28.8)	(13.2)	(31.5)	(141.5)
Income from discontinued operations, net of tax	—	5.0	—	5.0
Net loss applicable to common stockholders	\$ (28.8)	\$ (8.2)	\$ (31.5)	\$ (136.5)
Weighted-average number of common shares outstanding — basic and diluted	458.6	427.2	457.3	426.6
Loss per share from continuing operations	\$ (0.06)	\$ (0.03)	\$ (0.07)	\$ (0.33)
Earnings per share from discontinued operations	—	0.01	—	0.01
Loss per share — basic and diluted	\$ (0.06)	\$ (0.02)	\$ (0.07)	\$ (0.32)

Basic and diluted shares outstanding and loss per share are equal for the three and nine months ended September 30, 2007 and 2006 because our potentially dilutive securities are antidilutive as a result of the net loss applicable to common stockholders in each period presented.

The following table presents the potential shares excluded from diluted loss per share because the effect of including these potential shares would be antidilutive:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Stock Options and Non-vested Restricted Stock Awards	7.0	5.5	6.6	4.7
Capped Warrants	2.5	—	4.9	—
4.25% Convertible Senior Notes	32.2	—	32.2	—
4.50% Convertible Senior Notes	32.2	64.4	32.2	64.4
Series A Mandatory Convertible Preferred Stock	—	27.7	—	27.7
Series B Cumulative Convertible Perpetual Preferred Stock	38.4	38.4	38.4	38.4
Total	112.3	136.0	114.3	135.2
Securities excluded from the diluted loss per share calculation because the exercise price was greater than the average market price:				
Stock Options(1)	23.0	32.7	20.4	31.8
Warrants(2)	38.8	67.9	38.8	27.1

(1) These options are outstanding at the end of the respective periods. In any period in which the exercise price is less than the average market price, these options have the potential to be dilutive and application of the treasury stock method would reduce this amount.

(2) The potential dilutive impact of the warrants is based upon the difference between the market price of one share of our common stock and the stated exercise prices of the warrants.

Notes to Consolidated Financial Statements — (Continued)
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

There were an additional 5.7 and 8.1 of outstanding stock options to purchase common shares for the three and nine months ended September 30, 2007, respectively, with exercise prices less than the average market price for the respective period. However, these options are not included in the table above presenting the potential shares excluded from diluted loss per share due to the application of the treasury stock method and the rules related to stock-based compensation arrangements.

Note 6: Taxes

For the three and nine months ended September 30, 2007, the difference between the effective tax rate and the statutory rate of 35% is primarily due to state and local taxes, losses incurred in non-U.S. jurisdictions that receive no corresponding tax benefit, the revaluation of deferred tax assets due to tax law changes and other adjustments. During the third quarter of 2007, there were tax law changes enacted in the United Kingdom, Germany and the state of Michigan. The impact of these changes to the deferred tax assets was a reduction of \$9.1. In addition, for the nine months ended September 30, 2007, the difference between the effective tax rate and the statutory rate of 35% is also due to the recognition of previously unrecognized tax benefits, which is the primary reason for the improvement in the effective tax rate as compared to the nine months ended September 30, 2006.

We adopted the provisions of Financial Accounting Standards Board ("FASB") Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, ("FIN 48") on January 1, 2007. As a result of the implementation of FIN 48, we recorded a \$9.5 increase in the net liability for unrecognized tax positions, which was recorded as an adjustment to retained earnings effective January 1, 2007. The total amount of unrecognized tax benefits at January 1, 2007 was \$271.8, including \$242.6 of tax benefits that, if recognized, would impact the effective tax rate and \$29.2 of tax benefits that, if recognized, would result in adjustments to other tax accounts, primarily deferred taxes. The total amount of accrued interest and penalties at January 1, 2007 was \$30.2. In accordance with our accounting policy, interest and penalties accrued on unrecognized tax benefits are classified as income taxes in the statement of operations. We have not elected to change this classification with the adoption of FIN 48.

The total unrecognized tax benefits at September 30, 2007 were \$190.6, including \$143.0 of tax benefits that, if recognized, would impact the effective tax rate. The gross amount of increases in unrecognized tax benefits during the three and nine months ended September 30, 2007 was \$21.2 and \$39.4, respectively. The gross amount of decreases in unrecognized tax benefits during the three and nine months ended September 30, 2007 was \$16.0 and \$120.6, respectively.

With respect to all tax years open to examination by U.S. federal and various state, local, and non-U.S. tax authorities, we currently anticipate that the total unrecognized tax benefits will decrease by an amount between \$80.0 and \$90.0 in the next twelve months, a portion of which will affect the effective tax rate, primarily as a result of the settlement of tax examinations and the lapsing of statutes of limitation. This net decrease is related to various items of income and expense, including transfer pricing adjustments, restatement adjustments and thin capitalization adjustments. In 2006, the IRS completed its field audit of the years 1997 through 2002 and has proposed additions to our taxable income. We have appealed a number of these proposed additions and expect to complete our discussions with the IRS in the next twelve months.

On May 1, 2007, the IRS completed its examination of our 2003 and 2004 income tax returns and proposed a number of adjustments to our taxable income. We have appealed a number of these items. In addition, during the second quarter of 2007, there were net reversals of tax reserves, primarily related to previously unrecognized tax benefits related to various items of income and expense, including approximately \$80.0 for certain worthless securities deductions associated with investments in consolidated subsidiaries, which was a result of the completion of a tax examination.

Notes to Consolidated Financial Statements — (Continued)
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

With limited exceptions, we are no longer subject to U.S. income tax audits for years prior to 1997, state and local income tax audits for years prior to 1999, or non-U.S. income tax audits for years prior to 2000.

Note 7: Employee Benefits

The components of net periodic cost for the domestic pension plans, the principal foreign pension plans and the postretirement benefit plans are as follows:

	Domestic Pension Plans		Foreign Pension Plans		Postretirement Benefit Plans	
	2007	2006	2007	2006	2007	2006
Three Months Ended September 30,						
Service cost	\$ —	\$ 0.2	\$ 4.0	\$ 4.0	\$ 0.1	\$ 0.1
Interest cost	2.0	2.2	6.4	5.8	0.9	0.6
Expected return on plan assets	(2.6)	(2.5)	(6.2)	(4.6)	—	—
Amortization of:						
Transition obligation	—	—	0.1	0.1	0.1	—
Prior service cost (credit)	—	0.1	0.1	0.1	(0.1)	—
Unrecognized actuarial losses	1.7	1.9	0.8	1.7	0.2	—
Net periodic cost	<u>\$ 1.1</u>	<u>\$ 1.9</u>	<u>\$ 5.2</u>	<u>\$ 7.1</u>	<u>\$ 1.2</u>	<u>\$ 0.7</u>

	Domestic Pension Plans		Foreign Pension Plans		Postretirement Benefit Plans	
	2007	2006	2007	2006	2007	2006
Nine Months Ended September 30,						
Service cost	\$ —	\$ 0.6	\$ 12.1	\$ 12.4	\$ 0.4	\$ 0.4
Interest cost	6.1	6.6	18.4	16.7	2.7	2.6
Expected return on plan assets	(7.7)	(7.0)	(18.2)	(13.3)	—	—
Amortization of:						
Transition obligation	—	—	0.1	0.2	0.1	0.1
Prior service cost (credit)	—	0.1	0.4	0.1	(0.1)	(0.1)
Unrecognized actuarial losses	5.1	5.0	2.4	4.8	0.6	0.5
Net periodic cost	<u>\$ 3.5</u>	<u>\$ 5.3</u>	<u>\$ 15.2</u>	<u>\$ 20.9</u>	<u>\$ 3.7</u>	<u>\$ 3.5</u>

During the three and nine months ended September 30, 2007, we made contributions of \$4.7 and \$21.3, respectively, to our foreign pension plans. During the fourth quarter of 2007, we expect to contribute approximately \$8.0 to our foreign pension plans. We do not anticipate making contributions to our domestic pension plans.

Notes to Consolidated Financial Statements — (Continued)
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

Note 8: Stock-Based Compensation

During the nine months ended September 30, 2007 we granted the following stock-based compensation awards under our 2006 performance incentive plan:

	Nine Months Ended September 30, 2007	
	Awards	Weighted-Average Grant-Date Fair Value (Per Award)
Stock Options	2.5	\$ 4.90
Stock-Settled Awards	4.8	\$ 11.78
Cash-Settled Awards	0.9	\$ 11.61
Performance-Based Awards	2.9	\$ 11.71

Stock-settled awards include restricted stock and restricted stock units ("RSUs") expected to be settled in stock. Cash-settled awards include RSUs expected to be settled in cash. As of December 31, 2006, all of our RSUs granted were expected to be settled in cash. During the nine months ended September 30, 2007, we granted RSUs that we expect to settle in stock in addition to RSUs that we expect to settle in cash. We adjust our fair value measurement for RSUs that are expected to be settled in cash quarterly based on our share price and we amortize stock-based compensation expense related to these awards over the vesting period based upon the quarterly-adjusted fair value. RSUs that are expected to be settled in stock and restricted stock are amortized over the vesting period based on the grant date fair value of the awards.

See Note 14 to the consolidated financial statements in our 2006 Annual Report on Form 10-K for additional information regarding general terms and methods of valuation for stock options, restricted stock awards, performance-based awards, and restricted stock units.

The Interpublic Group of Companies Employee Stock Purchase Plan (2006) (the "2006 Plan") became active April 1, 2007. Under the 2006 Plan, eligible employees may purchase our common stock through payroll deductions not exceeding 10% of their base compensation or 900 (actual number) shares each offering period. The price an employee pays for a share of common stock under the 2006 Plan is 90% of the lesser of the average market price of a share on the first business day of the offering period or the average market price of a share on the last business day of the offering period of three months. An aggregate of 15.0 shares are reserved for issuance under the 2006 Plan, of which 0.2 shares were issued for the nine months ended September 30, 2007. Total compensation expense associated with the issued shares was \$0.4 for the nine months ended September 30, 2007.

Notes to Consolidated Financial Statements — (Continued)
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

Note 9: Segment Information

We have two reportable segments: IAN, which is comprised of Draftfb, Lowe, McCann Worldgroup, our media services and our fully integrated independent agencies, and CMG, which is comprised of the bulk of our specialist marketing service offerings. We also report results for the Corporate and other group. Segment information is presented consistently with the basis described in our 2006 Annual Report on Form 10-K. Summarized financial information concerning our reportable segments is shown in the following table:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Revenue:				
IAN	\$ 1,311.7	\$ 1,226.6	\$ 3,822.3	\$ 3,630.5
CMG	248.2	227.2	749.4	683.2
Total	<u>\$ 1,559.9</u>	<u>\$ 1,453.8</u>	<u>\$ 4,571.7</u>	<u>\$ 4,313.7</u>
Segment operating income (loss):				
IAN	\$ 97.4	\$ 75.1	\$ 200.9	\$ 121.8
CMG	12.6	10.8	29.8	27.4
Corporate and other	(53.7)	(58.8)	(158.8)	(198.1)
Total	<u>56.3</u>	<u>27.1</u>	<u>71.9</u>	<u>(48.9)</u>
Restructuring and other reorganization-related (charges) reversals	(5.2)	(6.2)	0.6	(12.9)
Interest expense	(60.1)	(57.0)	(172.0)	(155.1)
Interest income	30.2	25.1	86.8	77.4
Other (expense) income	(4.8)	22.6	1.7	47.5
Income (loss) from continuing operations before income taxes	<u>\$ 16.4</u>	<u>\$ 11.6</u>	<u>\$ (11.0)</u>	<u>\$ (92.0)</u>
Depreciation and amortization of fixed assets and intangible assets:				
IAN	\$ 32.6	\$ 30.5	\$ 93.7	\$ 92.2
CMG	4.4	4.3	13.6	14.0
Corporate and other	6.7	7.1	20.3	20.8
Total	<u>\$ 43.7</u>	<u>\$ 41.9</u>	<u>\$ 127.6</u>	<u>\$ 127.0</u>
Capital expenditures:				
IAN	\$ 25.6	\$ 18.3	\$ 79.2	\$ 47.4
CMG	2.4	2.8	6.2	6.9
Corporate and other	1.9	8.2	11.0	15.5
Total	<u>\$ 29.9</u>	<u>\$ 29.3</u>	<u>\$ 96.4</u>	<u>\$ 69.8</u>

Notes to Consolidated Financial Statements — (Continued)
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

	September 30, 2007	December 31, 2006
Total assets:		
IAN	\$ 9,716.9	\$ 9,359.5
CMG	945.2	908.3
Corporate and other	1,003.6	1,596.3
Total	<u>\$ 11,665.7</u>	<u>\$ 11,864.1</u>

Note 10: Commitments and Contingencies

SEC Investigation

Since January 2003, the SEC has been conducting a formal investigation in response to the restatement we first announced in August 2002, and in 2005 the investigation expanded to encompass the 2004 Restatement. We have also responded to inquiries from the SEC staff (the "Staff") concerning the restatement of the first three quarters of 2005 that we made in our 2005 Annual Report on Form 10-K. We continue to cooperate with the investigation. We expect that the investigation will result in monetary liability, but as settlement discussions have not yet commenced, we cannot reasonably estimate the amount, range of amounts or timing of a resolution. Accordingly, we have not yet established any provision relating to these matters.

The Staff has informed us that it intends to seek approval from the Commission to enter into settlement discussions with us and, failing a settlement, to commence an action charging the Company with various violations of the federal securities laws. In that connection, and as previously disclosed by the Company in a current report on Form 8-K filed June 14, 2007, the Staff has sent the Company a "Wells notice," which invites us to make a responsive submission before the Staff makes a final determination concerning its recommendation to the Commission. We expect to discuss settlement with the Staff once the Commission authorizes the Staff to engage in such discussions. We cannot at this time predict what the Commission will authorize or the outcome of any settlement negotiations.

Other Legal Matters

We are or have been involved in other legal and administrative proceedings of various types. While any litigation contains an element of uncertainty, we do not believe that the outcome of such proceedings or claims will have a material adverse effect on our financial condition.

Guarantees

As discussed in our 2006 Annual Report on Form 10-K, we have contingent obligations under guarantees of certain obligations of our subsidiaries relating principally to credit facilities, guarantees of certain media payables and operating leases of certain subsidiaries. As of September 30, 2007 there have been no material changes to these guarantees.

Note 11: Recent Accounting Standards

In June 2007, the EITF ratified EITF Issue No. 06-11, *Accounting for Income Tax Benefits of Dividends on Share-Based Payment Awards* ("EITF 06-11"). Under EITF 06-11 a realized tax benefit from dividends or dividend equivalents that are charged to retained earnings and paid to employees for equity classified non-vested equity shares, non-vested equity share units, and outstanding share options should be recognized as an increase to additional paid-in-capital. EITF 06-11 is effective, prospectively, for fiscal years beginning after

Notes to Consolidated Financial Statements — (Continued)
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

December 15, 2007. We do not expect the adoption of EITF 06-11 to have a material impact on our Consolidated Financial Statements.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* (“SFAS No. 159”), which permits an entity to measure certain financial assets and financial liabilities at fair value. Under SFAS No. 159, entities that elect the fair value option will report unrealized gains and losses in earnings at each subsequent reporting date. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. We are currently evaluating the potential impact of SFAS No. 159 on our Consolidated Financial Statements.

In January 2007 we adopted FIN 48. See Note 6 for further information.

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements* (“SFAS No. 157”), which defines fair value, establishes a framework for measuring fair value in U.S. GAAP, and expands disclosures about fair value measurements. Under the standard, fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the market in which the reporting entity transacts. The standard clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability. In support of this principle, the standard establishes a fair value hierarchy that prioritizes the information used to develop those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data, for example, the reporting entity’s own data. Under the standard, fair value measurements would be separately disclosed by level within the fair value hierarchy. SFAS No. 157 is effective for fiscal years beginning after November 15, 2007. We are currently evaluating the potential impact of SFAS No. 157 on our Consolidated Financial Statements.

The adoption of the following accounting pronouncements during 2007 did not have a material impact on our Consolidated Financial Statements:

- SFAS No. 155, *Accounting for Certain Hybrid Financial Instruments*
- EITF Issue No. 05-1, *Accounting for the Conversion of an Instrument That Becomes Convertible Upon the Issuer’s Exercise of a Call Option*
- EITF Issue No. 06-3, *How Taxes Collected from Customers and Remitted to Governmental Authorities Should be Presented in the Income Statement (That is, Gross versus Net Presentation)*
- EITF Issue No. 06-5, *Accounting for Purchases of Life Insurance — Determining the Amount That Could Be Realized in Accordance with FASB Technical Bulletin No. 85-4, Accounting for Purchases of Life Insurance*
- EITF Issue No. 06-6, *Debtor’s Accounting for a Modification (or Exchange) of Convertible Debt Instruments*

**Management's Discussion and Analysis of Financial Condition
and Results of Operations**
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help you understand The Interpublic Group of Companies, Inc. and subsidiaries (the "Company", "Interpublic", "we", "us" or "our"). MD&A should be read in conjunction with our financial statements and the accompanying notes. Our MD&A includes the following sections:

EXECUTIVE SUMMARY provides an overview of our results of operations.

RESULTS OF OPERATIONS provides an analysis of the consolidated and segment results of operations for the periods presented.

LIQUIDITY AND CAPITAL RESOURCES provides an overview of our cash flows and financing activities.

INTERNAL CONTROL OVER FINANCIAL REPORTING, by reference to our 2006 Annual Report on Form 10-K, provides a description of the status of our compliance with Section 404 of the Sarbanes-Oxley Act of 2002.

CRITICAL ACCOUNTING ESTIMATES provides an update to the discussion of our accounting policies that require critical judgment, assumptions and estimates in our 2006 Annual Report on Form 10-K.

RECENT ACCOUNTING STANDARDS, by reference to Note 11 to the unaudited Consolidated Financial Statements, provides a discussion of accounting standards that we have not yet been required to implement, but which may affect us in the future, as well as those accounting standards that have been adopted during 2007.

EXECUTIVE SUMMARY

We are one of the world's largest advertising and marketing services companies, comprised of communication agencies around the world that deliver custom marketing solutions on behalf of our clients. Major global brands include Draftfcb, FutureBrand, GolinHarris International, Initiative, Jack Morton Worldwide, Lowe Worldwide, MAGNA Global, McCann Erickson, Momentum, MRM, Octagon, Universal McCann and Weber Shandwick. Leading domestic brands include Campbell-Ewald, Carmichael Lynch, Deutsch, Hill Holliday, Mullen, The Martin Agency and R/GA. These agencies cover the spectrum of marketing disciplines and specialties, from traditional services such as consumer advertising and direct marketing, to emerging services such as mobile and search engine marketing. To meet the challenge of an increasingly complex consumer culture, we create customized marketing solutions for each of our clients. These solutions vary from project-based work between one agency and its client to long-term, fully-integrated campaigns involving several of our companies working on behalf of a client. Furthermore, our agencies cover all major markets geographically and can operate in a single region or align work globally across many markets.

Our strategy is focused on improving our organic revenue growth and operating income. We are working to achieve significant improvements in our organic revenue growth and operating margins, with our ultimate objective to be fully competitive with our industry peer group on both measures. We analyze period-to-period changes in our operating performance by determining the portion of the change that is attributable to foreign currency rates and the change attributable to the net effect of acquisitions and divestitures, with the remainder considered the organic change. For purposes of analyzing this change, acquisitions and divestitures are treated as if they occurred on the first day of the quarter during which the transaction occurred.

**Management's Discussion and Analysis of Financial Condition
and Results of Operations — (Continued)**
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

We have strategically realigned a number of our capabilities to promote revenue growth. For example, we have combined accountable marketing and consumer advertising and implemented a differentiated approach to media. We continue to develop our capacity in strategically critical areas, notably digital, marketing services and media, that we expect will drive future revenue growth. The digital component of our business is evolving and, in order to grow with our clients, we have accelerated professional and technological development in this area. The resulting costs have been partially offset by headcount reductions in slower growth areas.

To further improve our operating margin we focus on the following areas:

- Actively managing staff costs in non-revenue supporting roles.
- Improving financial systems and back-office processing.
- Reducing organizational complexity and rationalizing our portfolio by divesting non-core and underperforming businesses.
- Improving our real estate utilization.

Although the U.S. Dollar is our reporting currency, a substantial portion of our revenues is generated in foreign currencies. Therefore, our reported results are affected by fluctuations in the currencies in which we conduct our international businesses. During the three and nine months ended September 30, 2007, the U.S. Dollar was generally weaker against the Euro and Pound Sterling as compared to the respective periods in 2006. The third quarter impact was also due to the strength of the Canadian Dollar and Brazilian Real as compared to the respective period in 2006. As a result, the net effect of foreign currency changes from the comparable prior-year periods was an increase in revenues and operating expenses in 2007.

As discussed in more detail in this MD&A:

- Total revenue increased 7.3% and 6.0% for the three and nine months ended September 30, 2007, respectively.
- Organic revenue increase was 5.7% and 4.8% for the three and nine months ended September 30, 2007, respectively.
- Operating margin was 3.3% and 1.6% for the three and nine months ended September 30, 2007, compared to 1.4% and (1.4%) for the three and nine months ended September 30, 2006. Salaries and related expenses as a percentage of revenue was 66.3% for the three and nine months ended September 30, 2007, compared with 66.1% and 66.2% for the three and nine months ended September 30, 2006. Office and general expenses as a percentage of revenue was 30.1% and 32.1% for the three and nine months ended September 30, 2007, compared with 32.1% and 34.9% for the three and nine months ended September 30, 2006.
- Operating expenses increased by \$75.9 and \$123.7 for the three and nine months ended September 30, 2007.
- Total salaries and related expenses increased 7.7% and 6.2% for the three and nine months ended September 30, 2007. The organic increase was 5.5% and 4.6% for the three and nine months ended September 30, 2007.
- Total office and general expenses increased 0.6% and decreased (2.6%) for the three and nine months ended September 30, 2007. The organic increase was 0.1% and the organic decrease was (2.9%) for the three and nine months ended September 30, 2007.

**Management's Discussion and Analysis of Financial Condition
and Results of Operations — (Continued)**
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

RESULTS OF OPERATIONS

Consolidated Results of Operations — Three and Nine Months Ended September 30, 2007 compared to Three and Nine Months Ended September 30, 2006

REVENUE

The components of the change in consolidated revenue for the third quarter of 2007 were as follows:

	Three Months Ended September 30, 2006	Components of Change			Three Months Ended September 30, 2007	Change	
		Foreign Currency	Net Acquisitions/ (Divestitures)	Organic		Organic	Total
Consolidated	\$ 1,453.8	43.4	(19.8)	82.5	\$ 1,559.9	5.7%	7.3%
Domestic	832.1	—	(2.7)	56.9	886.3	6.8%	6.5%
International	621.7	43.4	(17.1)	25.6	673.6	4.1%	8.3%
United Kingdom	139.5	11.1	(11.6)	(6.7)	132.3	(4.8)%	(5.2)%
Continental Europe	215.3	16.6	(4.7)	(2.8)	224.4	(1.3)%	4.2%
Latin America	74.4	5.3	(4.9)	9.4	84.2	12.6%	13.2%
Asia Pacific	126.9	7.5	5.0	8.3	147.7	6.5%	16.4%
Other	65.6	2.9	(0.9)	17.4	85.0	26.5%	29.6%

During the third quarter of 2007, revenue increased \$106.1, or \$82.5 on an organic basis, due to domestic organic revenue growth and changes in foreign currency exchange rates at both the Integrated Agency Networks ("IAN") and Constituency Management Group ("CMG") segments and international organic revenue growth at IAN. Domestic organic growth was primarily driven by expanding business with existing clients, winning new business in advertising and public relations, and the completion of several projects within the events marketing business. The international organic increase at IAN was primarily driven by higher revenue from existing clients, predominantly in Latin America. The increase in other international revenue was primarily due to higher revenues in South Africa and the Middle East.

The components of the change in consolidated revenue for the first nine months of 2007 were as follows:

	Nine Months Ended September 30, 2006	Components of Change			Nine Months Ended September 30, 2007	Change	
		Foreign Currency	Net Acquisitions/ (Divestitures)	Organic		Organic	Total
Consolidated	\$ 4,313.7	115.7	(62.8)	205.1	\$ 4,571.7	4.8%	6.0%
Domestic	2,475.0	—	(7.9)	182.0	2,649.1	7.4%	7.0%
International	1,838.7	115.7	(54.9)	23.1	1,922.6	1.3%	4.6%
United Kingdom	403.8	38.4	(32.0)	(0.6)	409.6	(0.1)%	1.4%
Continental Europe	680.3	54.3	(15.5)	(25.0)	694.1	(3.7)%	2.0%
Latin America	200.7	9.9	(6.7)	9.8	213.7	4.9%	6.5%
Asia Pacific	347.2	14.2	1.5	19.9	382.8	5.7%	10.3%
Other	206.7	(1.1)	(2.2)	19.0	222.4	9.2%	7.6%

During the first nine months of 2007, revenue increased \$258.0, or \$205.1 on an organic basis, due to domestic organic revenue growth and changes in foreign currency exchange rates at both IAN and CMG, partially offset by net divestitures, primarily at IAN. Domestic organic growth was driven by factors similar to those noted above for the third quarter of 2007. The international organic increase was driven by greater

**Management's Discussion and Analysis of Financial Condition
and Results of Operations — (Continued)**
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

revenue from existing clients, primarily in the Asia Pacific region at IAN and CMG, partially offset by decreases primarily related to lower revenue from existing clients in Continental Europe at IAN, primarily France, and CMG. Other international revenue increased due to factors similar to those noted above for the third quarter of 2007.

Refer to the segment discussion later in this MD&A for more detailed information on changes in revenue by segment.

OPERATING EXPENSES

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2007		2006		2007		2006	
	\$	% of Revenue	\$	% of Revenue	\$	% of Revenue	\$	% of Revenue
Salaries and related expenses	\$ 1,034.7	66.3%	\$ 960.7	66.1%	\$ 3,033.2	66.3%	\$ 2,856.5	66.2%
Office and general expenses	468.9	30.1%	466.0	32.1%	1,466.6	32.1%	1,506.1	34.9%
Restructuring and other reorganization-related charges (reversals)	5.2		6.2		(0.6)		12.9	
Total operating expenses	<u>\$ 1,508.8</u>		<u>\$ 1,432.9</u>		<u>\$ 4,499.2</u>		<u>\$ 4,375.5</u>	

Salaries and Related Expenses

	Components of Change						
	2006	Net			2007	Change	
		Foreign Currency	Acquisitions/ (Divestitures)	Organic		Organic	Total
Three months ended September 30,	\$ 960.7	27.0	(6.0)	53.0	\$ 1,034.7	5.5%	7.7%
Nine months ended September 30,	2,856.5	76.7	(31.5)	131.5	3,033.2	4.6%	6.2%

The following table details our salary and related expenses as a percentage of consolidated revenue.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
	Base salaries, benefits and tax	54.5%	54.9%	55.3%
Incentive expense	4.5%	3.6%	3.6%	2.8%
Severance expense	1.3%	0.7%	1.0%	0.9%
Temporary help	3.6%	3.8%	3.7%	3.7%
All other salaries and related expenses	2.4%	3.1%	2.7%	2.9%

During the third quarter of 2007, salaries and related expenses increased \$74.0, or \$53.0 on an organic basis, primarily due to an increase in base salaries, benefits and temporary help of \$52.3, cash bonus accruals and long-term incentive stock compensation expense of \$17.8 and severance expense of \$10.4. Changes in foreign currency rates affect our base salaries and benefits since a large portion of our workforce is located outside of the United States. Excluding the effect of foreign currency and net divestitures, base salaries, benefits and temporary help grew on an organic basis by \$33.9 primarily to support growth in certain of our businesses, predominantly at McCann Worldgroup. Cash bonus accruals and long-term incentive stock expense increased primarily due to improved operating performance versus financial targets at certain operating units

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in 2007 and timing as compared to 2006. Long-term incentive awards are tied to our financial performance generally for three year periods beginning with the grant year with the achievement of performance targets required for these awards. Changes can occur in both short-term and long-term compensation awards based on projected results and could affect trends between various periods in the future. Severance expense increased mainly due to reductions in staff, including overhead positions and those related to lost business and shifting of business to other agencies.

During the first nine months of 2007, salaries and related expenses increased \$176.7, or \$131.5 on an organic basis, mostly for the same reasons as noted above for the third quarter. Base salaries, benefits and temporary help increased by \$124.8 and cash bonus accruals and long-term incentive stock compensation expense increased by \$43.6. Excluding the effect of foreign currency and net divestitures, base salaries, benefits and temporary help grew on an organic basis by \$85.8. Long-term stock compensation incentive expense also increased due to the effect of equity-based awards granted in June 2006 and a higher accrual related to a one-time performance-based equity award granted in 2006 to certain executives.

Office and General Expenses

	Components of Change						
	2006	Net			2007	Change	
		Foreign Currency	Acquisitions/ (Divestitures)	Organic		Organic	Total
Three months ended September 30,	\$ 466.0	15.1	(12.7)	0.5	\$ 468.9	0.1%	0.6%
Nine months ended September 30,	1,506.1	42.4	(37.9)	(44.0)	1,466.6	(2.9)%	(2.6)%

The following table details our office and general expenses as a percentage of consolidated revenue. All other office and general expenses includes production expenses, depreciation and amortization, bad debt expense, foreign currency gains (losses) and other expenses.

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2007	2006	2007	2006
Professional fees	2.0%	2.6%	2.6%	4.1%
Occupancy expense (excluding depreciation and amortization)	8.4%	8.7%	8.5%	9.0%
Travel & entertainment, office supplies and telecom	4.6%	4.8%	4.8%	5.0%
All other office and general expenses	15.1%	16.0%	16.2%	16.8%

Office and general expenses for the third quarter of 2007 increased slightly primarily due to the net effect of foreign currency changes and an increase in production expenses, partially offset by net divestitures and continued reductions in professional fees. The increase in production expenses primarily related to the pass-through costs involved in the completion of several projects at IAN and CMG. The decrease in professional fees was mainly attributable to reduced costs associated with projects related to internal control compliance, primarily at Corporate.

Office and general expenses for the first nine months of 2007 decreased primarily due to continued reductions in professional fees and net divestitures, partially offset by the net effect of foreign currency changes and an increase in production expenses primarily due to the events marketing business at CMG completing several projects during the quarter. We expect professional fees to continue to decrease in 2008.

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Restructuring and Other Reorganization-Related Charges (Reversals)

Restructuring charges (reversals) relate to the 2003 and 2001 restructuring programs and a restructuring program entered into at Lowe Worldwide ("Lowe") during the third quarter of 2007. Due to changes in the business environment that have occurred during the year, we committed to and began implementing a restructuring program to realign resources with our strategic business objectives within Lowe. This plan includes reducing and restructuring Lowe's workforce both domestically and internationally, and terminating certain lease agreements. We recognized expenses related to severance and termination costs of \$4.8 during the third quarter of 2007 and expect to incur additional charges related to severance and termination costs of approximately \$6.0 and lease termination and other exit costs of approximately \$7.0 over the next two to three quarters. Cash payments are expected to be made through December 31, 2008.

In addition, included in the restructuring reversals for the nine months ended September 30, 2007 are net reversals for the 2003 and 2001 restructuring programs primarily consisting of reversals due to the utilization of previously vacated property by an agency at Draftfcb and adjustments to estimates primarily relating to our severance and lease termination costs.

EXPENSES AND OTHER INCOME

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Interest expense	\$ (60.1)	\$ (57.0)	\$ (172.0)	\$ (155.1)
Interest income	30.2	25.1	86.8	77.4
Net interest expense	(29.9)	(31.9)	(85.2)	(77.7)
Other (expense) income	(4.8)	22.6	1.7	47.5
Total	<u>\$ (34.7)</u>	<u>\$ (9.3)</u>	<u>\$ (83.5)</u>	<u>\$ (30.2)</u>

The decrease in net interest expense during the third quarter of 2007 is largely due to higher interest income. The increase in net interest expense during the first nine months of 2007 is primarily attributable to higher interest expense on increased short-term debt, partially offset by interest income on higher cash balances. Additionally, the change in non-cash interest expense from prior year was minimal due to higher amortization of issuance costs and deferred warrants costs from the ELF Financing transaction, impacting the first six months of 2007, offset by the amortization of the loss on extinguishment of \$400.0 of our 4.50% Convertible Senior Notes.

Other (Expense) Income

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
(Losses) gains on sales of businesses and investments	\$ (7.1)	\$ 15.2	\$ (15.4)	\$ 35.5
Vendor discounts and credit adjustments	3.5	5.4	11.5	9.3
Other income	(1.2)	2.0	5.6	2.7
Total	<u>\$ (4.8)</u>	<u>\$ 22.6</u>	<u>\$ 1.7</u>	<u>\$ 47.5</u>

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Sale of businesses and investments — During the three months ended September 30, 2007, included in the loss of \$7.1, we had charges of \$8.1 as a result of the realization of cumulative translation adjustment balances from the liquidation of several businesses, as well as charges from the partial disposition of a business in South Africa at Lowe. In addition to the third quarter charges, during the first nine months of 2007, we sold several businesses within Draftfcb and Lowe for a loss of approximately \$10.0, partially offset by the sale of our remaining ownership interests in two agencies for a gain of \$2.8.

During the three months ended September 30, 2006, we sold our interest in a German advertising agency and accordingly recognized the related remaining cumulative translation adjustment balance. This resulted in a non-cash benefit of \$17.0. In addition, during the first nine months of 2006, we sold an investment located in Asia Pacific for a gain of \$18.4 and sold our remaining ownership interest in an agency within Lowe for a gain of \$2.5.

Vendor discounts and credit adjustments — We are in the process of settling our liabilities related to vendor discounts and credits primarily established as part of the 2004 Restatement. These adjustments reflect the reversal of certain liabilities as a result of settlements with clients and vendors or where the statute of limitations has lapsed. In addition to these adjustments, for the nine months ended September 30, 2007, we satisfied approximately \$20.0 of these liabilities through cash payments of approximately \$8.0 and reductions of certain client receivables of approximately \$12.0.

INCOME TAXES

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Income (loss) from continuing operations before income taxes	\$ 16.4	\$ 11.6	\$ (11.0)	\$ (92.0)
Provision for (benefit of) income taxes — continuing operations	35.8	10.5	(1.3)	6.7
Benefit of income taxes — discontinued operations	—	(5.0)	—	(5.0)
Total provision for (benefit of) income taxes	<u>\$ 35.8</u>	<u>\$ 5.5</u>	<u>\$ (1.3)</u>	<u>\$ 1.7</u>

For the three and nine months ended September 30, 2007, the difference between the effective tax rate and the statutory rate of 35% is primarily due to state and local taxes, losses incurred in non-U.S. jurisdictions that receive no corresponding tax benefit, the revaluation of deferred tax assets due to tax law changes in certain U.S. states and non-U.S. jurisdictions and other adjustments. The impact of these changes to the deferred tax assets was a reduction of \$9.1. In addition, for the nine months ended September 30, 2007, the difference between the effective tax rate and the statutory rate of 35% is also due to the recognition of previously unrecognized tax benefits of approximately \$80.0, which is the primary reason for the improvement in the effective tax rate as compared to the nine months ended September 30, 2006.

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Segment Results of Operations — Three and Nine Months Ended September 30, 2007 compared to Three and Nine Months Ended September 30, 2006

As discussed in Note 9 to the unaudited Consolidated Financial Statements, we have two reportable segments as of September 30, 2007: IAN and CMG. We also report results for the Corporate and other group.

IAN

REVENUE

	Three Months Ended September 30, 2006	Components of Change			Three Months Ended September 30, 2007	Change	
		Foreign Currency	Net Acquisitions/ (Divestitures)	Organic		Organic	Total
Consolidated	\$ 1,226.6	37.2	(11.9)	59.8	\$ 1,311.7	4.9%	6.9%
Domestic	692.1	—	(2.7)	33.2	722.6	4.8%	4.4%
International	534.5	37.2	(9.2)	26.6	589.1	5.0%	10.2%

The revenue increase in the third quarter of 2007 was a result of organic increases and net changes in foreign currency exchange rates, partially offset by net divestitures, primarily from the sale of several non-strategic businesses at Draftfcb and Lowe in the current and prior year. The domestic increase was a result of higher revenue from existing clients and net client wins, primarily at McCann Worldgroup, Draftfcb, Initiative and Hill Holliday, one of our independent agencies, partially offset by net client losses and decreased revenue from existing clients at Lowe. International revenues increased as the third quarter of 2007 primarily benefited from the favorable effect of changes in foreign currency exchange rates and an organic increase due to higher revenue from existing clients and net client wins at McCann Worldgroup across most international regions. This increase was partially offset by net divestitures of non-strategic businesses, primarily at Draftfcb and Lowe, and decreases at Lowe due to net client losses and decreased spending by existing clients in the Asia Pacific region and in Continental Europe.

	Nine Months Ended September 30, 2006	Components of Change			Nine Months Ended September 30, 2007	Change	
		Foreign Currency	Net Acquisitions/ (Divestitures)	Organic		Organic	Total
Consolidated	\$ 3,630.5	97.1	(43.0)	137.7	\$ 3,822.3	3.8%	5.3%
Domestic	2,043.2	—	(7.9)	115.6	2,150.9	5.7%	5.3%
International	1,587.3	97.1	(35.1)	22.1	1,671.4	1.4%	5.3%

The revenue increase in the first nine months of 2007 was a result of organic increases and changes in foreign currency exchange rates, partially offset by net divestitures, primarily from the sale of several non-strategic businesses at Draftfcb and Lowe in the current and prior year. The domestic increase was driven by factors similar to those noted above for the third quarter of 2007. International revenues increased as the first nine months of 2007 primarily benefited from the favorable effect of changes in foreign currency exchange rates and increased spending from existing clients in the Asia Pacific region and Continental Europe at McCann Worldgroup. This was partially offset by net divestitures of non-strategic businesses at Draftfcb and Lowe as well as lower client spending at Lowe, primarily in Continental Europe.

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SEGMENT OPERATING INCOME

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2007	2006	Change	2007	2006	Change
Segment operating income	\$ 97.4	\$ 75.1	29.7%	\$ 200.9	\$ 121.8	64.9%
Operating margin	7.4%	6.1%		5.3%	3.4%	

Operating income increased during the third quarter of 2007 due to an increase in revenue of \$85.1, partially offset by increases in salaries and related expenses and office and general expenses. Higher salaries and related expenses were primarily due to the impact of changes in foreign currency exchange rates, increased base salaries, benefits and temporary help to support growth, increases in cash bonus awards due to improved operating performance in 2007 compared to 2006, and increased severance expense mainly due to reductions in staff, including overhead positions and those related to lost business and shifting of business to other agencies. This was partially offset by net divestitures primarily from the sale of several non-strategic businesses at Draftfcb and Lowe in the current and prior year.

Operating income increased during the first nine months of 2007 due to an increase in revenue of \$191.8 and a decrease in office and general expenses, partially offset by an increase in salaries and related expenses. Salaries and related expenses increased due to factors similar to those noted above for the third quarter.

CMG

REVENUE

	Three Months Ended September 30, 2006	Components of Change			Three Months Ended September 30, 2007	Change	
		Foreign Currency	Net Acquisitions/ (Divestitures)	Organic		Organic	Total
Consolidated	\$ 227.2	6.2	(7.9)	22.7	\$ 248.2	10.0%	9.2%
Domestic	140.0	—	—	23.7	163.7	16.9%	16.9%
International	87.2	6.2	(7.9)	(1.0)	84.5	(1.1)%	(3.1)%

Revenue growth in the third quarter of 2007 was primarily a result of higher domestic revenue in the events marketing and public relations businesses. The domestic organic revenue increase was primarily due to the events marketing business completing several projects with existing clients during the quarter, and client wins in the public relations business. Revenues in the events marketing business can fluctuate due to the timing of completing projects, as revenue is typically recognized when the project is complete. Furthermore, we generally act as principal for these projects and as such record the gross amount billed to the client as revenue and the related costs incurred as pass-through costs in office and general expenses. International revenues decreased primarily due to a divestiture of a sports marketing business in 2006 and a decrease in client spending in Europe primarily due to project-based events in 2006 that did not recur in the third quarter of 2007. This was partially offset by increased client spending in the Asia Pacific region, primarily in the events marketing and the public relations businesses, and favorable changes in foreign currency exchange rates.

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	Nine Months Ended September 30, 2006	Components of Change			Nine Months Ended September 30, 2007	Change		
		Foreign Currency	Net			Organic	Organic	Total
			Acquisitions/ (Divestitures)	Organic				
Consolidated	\$ 683.2	18.6	(19.8)	67.4	\$ 749.4	9.9%	9.7%	
Domestic	431.8	—	—	66.4	498.2	15.4%	15.4%	
International	251.4	18.6	(19.8)	1.0	251.2	0.4%	(0.1%)	

Revenue growth in the first nine months of 2007 was primarily a result of higher domestic revenue in the public relations, events marketing and sports marketing businesses. The domestic organic revenue increase was driven by factors similar to those noted above for the third quarter as well as expanding business with existing clients in the public relations and sports marketing businesses. International revenues decreased slightly primarily due to a divestiture of a sports marketing business in 2006 and a decrease in client spending due to project-based events in 2006 that did not recur in the first nine months of 2007. This was partially offset by favorable foreign currency exchange rate changes and increased revenue from existing clients in the public relations businesses in Europe and the Asia Pacific region.

SEGMENT OPERATING INCOME

	Three Months Ended			Nine Months Ended		
	September 30,		Change	September 30,		Change
	2007	2006		2007	2006	
Segment operating income	\$ 12.6	\$ 10.8	16.7%	\$ 29.8	\$ 27.4	8.8%
Operating margin	5.1%	4.8%		4.0%	4.0%	

Operating income for the third quarter of 2007 increased as a result of an increase in revenues of \$21.0, partially offset by increases in office and general expenses and salaries and related expenses. Higher salaries and related expenses primarily related to the hiring of additional staff in the public relations businesses to support their revenue growth. Office and general expenses increased primarily due to production expenses related to the completion of several projects in the events marketing and sports marketing businesses.

Operating income for the first nine months of 2007 increased as a result of an increase in revenues of \$66.2, partially offset by increases in office and general expenses and salaries and related expenses. Salaries and related expenses and office and general expenses increased due to factors similar to those noted above for the third quarter.

CORPORATE AND OTHER

Corporate and other expenses includes corporate office expenses and shared service center expenses, as well as certain other centrally managed expenses that are not fully allocated to operating divisions. Salaries and related expenses include salaries, pension, bonus and medical and dental insurance expenses for corporate office employees. Office and general expenses primarily includes professional fees related to internal control compliance, financial statement audits, legal, information technology and other consulting services, which are engaged and managed through the corporate office. In addition, office and general expenses also includes rental expense and depreciation of leasehold improvements for properties occupied by corporate office employees. We allocate amounts to operating divisions based on a formula that uses the revenues of the operating unit. Amounts allocated also include specific charges for information technology-related projects, which are allocated based on utilization.

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Corporate and other expenses decreased by \$5.1 and \$39.3 to \$53.7 and \$158.8 for the three and nine months ended September 30, 2007, respectively. Expenses for the third quarter of 2007 decreased compared to the prior year primarily due to reduced professional fees attributable to reduced costs associated with projects related to internal control compliance and external audit fees. Expenses for the first nine months of 2007 decreased compared to the prior year primarily due to reduced professional fees of \$51.7 attributable to reduced costs associated with projects related to financial and compliance matters, including internal control compliance, legal consultation and certain accounting projects.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOW OVERVIEW

Cash, cash equivalents and marketable securities decreased by \$423.2 to \$1,533.9 during the first nine months of 2007 primarily due to working capital usage and acquisitions. Of this change, marketable securities increased by \$102.4, primarily as a result of our net purchases of auction rate securities in the first nine months of 2007. A summary of our cash flow activities is as follows:

	Nine Months Ended September 30,	
	2007	2006
Net cash used in operating activities	\$ (219.8)	\$ (580.9)
Net cash used in investing activities	(296.4)	(120.7)
Net cash used in financing activities	(42.9)	(115.4)

Operating Activities

During the first nine months of 2007, we used working capital of \$393.8, a significant improvement compared to working capital usage of \$580.8 in the prior year period. Working capital reflects changes in accounts receivable, expenditures billable to clients, prepaid expenses and other current assets, accounts payable and accrued liabilities. During the first nine months of 2007, reductions in accounts payable of \$424.3 and increases in expenditures billable to clients of \$242.7 were partially offset by a reduction in accounts receivable of \$409.3. Accounts payable decreased primarily due to the timing of vendor payments and expenditures billable to clients increased due to higher pass-through costs, primarily as a result of new client wins, and unbilled fees to clients. Accounts receivable decreased primarily due to higher cash collections.

The timing of media buying on behalf of our clients affects our working capital and operating cash flow. In most of our businesses, we collect funds from our clients that we use, on their behalf, to pay production costs and media costs. The amounts involved substantially exceed our revenues, and primarily affect the level of accounts receivable, expenditures billable to clients, accounts payable and accrued media and production liabilities. Our assets include both cash received and accounts receivable from clients for these pass-through arrangements, while our liabilities include amounts owed on behalf of clients to media and production suppliers. Generally, we pay production and media charges after we have received funds from our clients, and our risk from client nonpayment has historically not been significant.

The net loss of \$10.8 during the first nine months of 2007 includes non-cash items that are not expected to generate cash or require the use of cash. Net non-cash expense items of \$189.2 primarily include depreciation of fixed assets, amortization of intangible assets, restricted stock awards, non-cash compensation, bond discounts and deferred financing costs and the deferred income tax benefit.

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Investing Activities

Cash used in investing activities during the first nine months of 2007 primarily reflects net purchases of short-term marketable securities, acquisitions and capital expenditures. Net purchases of marketable securities were from purchases of auction rate securities, which are classified as short-term marketable securities based upon our evaluation of the maturity dates associated with the underlying bonds. The cash flows attributable to short-term marketable securities vary from one period to another because of changes in the maturity profile of our treasury investments.

Payments for acquisitions relate to purchases of agencies and deferred payments on prior acquisitions. During the nine months ended September 30, 2007, we made six acquisitions, of which the most significant were: a) a full-service advertising agency in Latin America, b) Reprise Media, which is a full-service search engine marketing firm in North America, and c) the remaining interests in two full-service advertising agencies in India in which we previously held 49% and 51% interests. Total cash consideration for the six acquisitions was \$112.8. Subsequent to September 30, 2007, we acquired a professional healthcare services business in the United Kingdom and a branded entertainment business in the United States for total cash consideration of approximately \$28.0.

Capital expenditures of \$96.4 primarily related to leasehold improvements and computer hardware.

Financing Activities

Cash used in financing activities during the first nine months of 2007 primarily reflects dividend payments of \$20.7 on our Series B Preferred Stock, distributions to minority interests and a decrease in short-term borrowings.

LIQUIDITY OUTLOOK

We expect our cash and cash equivalents and marketable securities to be sufficient to meet our anticipated operating requirements at a minimum for the next twelve months.

We believe that a conservative approach to liquidity is appropriate for our Company, in view of the cash requirements resulting from, among other things, high professional fees, liabilities to our clients for vendor discounts and credits, any potential penalties or fines that may have to be paid in connection with the ongoing SEC investigation, the normal cash variability inherent in our operations and other unanticipated requirements. In addition, until our margins consistently improve in connection with our turnaround, cash generation from operations could be challenged in certain periods.

A reduction in our liquidity in future periods as a result of the above items or other business objectives could lead us to seek new or additional sources of liquidity to fund our working capital needs. From time to time we evaluate market conditions and financing alternatives for opportunities to raise additional financing or otherwise improve our liquidity profile and enhance our financial flexibility. There can be no guarantee that we would be able to access new sources of liquidity on commercially reasonable terms, or at all.

Funding Requirements

Our most significant funding requirements include: our operations, non-cancelable operating lease obligations, capital expenditures, payments related to vendor discounts and credits, debt service, preferred stock dividends, contributions to pension and postretirement plans, acquisitions and taxes.

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On March 15, 2008 holders of our \$400.0 4.50% Convertible Senior Notes due 2023 may require us to repurchase these Notes for cash at par. The remainder of our debt profile is primarily long-term, with maturities scheduled from 2009 to 2023.

Of the liabilities recognized as part of the 2004 Restatement, we estimate that we will pay approximately \$75.0 related to vendor discounts and credits, internal investigations and international compensation arrangements over the next 12 months.

We continue to evaluate strategic opportunities to grow the business and increase our ownership interests in current investments, particularly to develop the digital and marketing services components of our business and to expand our presence in faster growing markets, including Brazil, Russia, India and China.

We have various tax years under examination in various countries in which we have significant business operations. We do not know whether these examinations will, in the aggregate, result in our paying additional income taxes, which we believe are adequately reserved for.

FINANCING AND SOURCES OF FUNDS

Substantially all of our operating cash flow is generated by our agencies. Our liquid assets are held primarily at the holding company level, and to a lesser extent at our largest subsidiaries.

In recent years, we have obtained long-term financing in the capital markets by issuing debt securities, convertible debt securities and convertible preferred stock. In connection with the ELF Financing, we issued two series of equity warrants and have entered into call spread transactions in connection with one of the series of equity warrants.

Credit Facilities

Our principal credit facility is our \$750.0 Three-Year Credit Agreement (the "Credit Agreement"), which we can utilize for cash advances and for letters of credit up to \$600.0. This is a revolving facility under which amounts borrowed may be repaid and borrowed again, and the aggregate available amount of letters of credit may decrease or increase, subject to the overall limit of \$750.0 and the \$600.0 limit on letters of credit. We have not drawn on the Credit Agreement or our previous committed credit agreements since late 2003.

In addition to the Credit Agreement, we have uncommitted credit facilities with various banks that permit borrowings at variable interest rates. We use our uncommitted credit lines for working capital needs at some of our operations outside the United States and the amount outstanding as of September 30, 2007 was \$72.8. If we lose access to these credit lines we would have to provide funding directly to some overseas operations. The weighted-average interest rate on this outstanding balance was approximately 6%.

Letters of Credit

We are required from time to time to post letters of credit, primarily to support our commitments, or those of our subsidiaries, to purchase media placements, mostly in locations outside the United States, or to satisfy other obligations. These letters of credit are generally backed by letters of credit issued under the Credit Agreement. As of September 30, 2007, the aggregate amount of outstanding letters of credit issued for our account under the Credit Agreement was \$222.9. These letters of credit have historically not been drawn upon.

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Cash Pooling

We aggregate our net domestic cash position on a daily basis. Outside the United States, we use cash pooling arrangements with banks to help manage our liquidity requirements. In these pooling arrangements, several Interpublic agencies agree with a single bank that the cash balances of any of the agencies with the bank will be subject to a full right of setoff against amounts the other agencies owe the bank, and the bank provides overdrafts as long as the net balance for all the agencies does not exceed an agreed-upon level. Typically each agency pays interest on outstanding overdrafts and receives interest on cash balances. Our consolidated balance sheets reflect cash net of overdrafts for each pooling arrangement. As of September 30, 2007 a gross amount of \$1,162.9 in cash was netted against an equal gross amount of overdrafts under pooling arrangements.

CREDIT AGENCY RATINGS

Our long-term debt credit ratings as of September 30, 2007 were Ba3 with stable outlook, B with positive outlook and BB- with stable outlook, as reported by Moody's Investors Service, Standard & Poor's and Fitch Ratings, respectively. A downgrade in our credit ratings could adversely affect our ability to access capital and could result in more stringent covenants and higher interest rates under the terms of any new indebtedness.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Our internal control over financial reporting is described in detail in Management's Assessment of Internal Control Over Financial Reporting located in Item 8, Financial Statements and Supplementary Data, and in Item 9A, Controls and Procedures, in our 2006 Annual Report on Form 10-K.

CRITICAL ACCOUNTING ESTIMATES

Our significant accounting policies are described in Note 1 to the Consolidated Financial Statements for the year ended December 31, 2006 included in our 2006 Annual Report on Form 10-K. As summarized in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in our 2006 Annual Report on Form 10-K, we believe that certain of these policies are critical because they are important to the presentation of our financial condition and results of operations and they require management's most difficult, subjective or complex judgments, often as a result of the need to estimate the effect of matters that are inherently uncertain. We base our estimates on historical experience and on other factors that we consider reasonable under the circumstances. Estimation methodologies are applied consistently from year to year, and there have been no significant changes in the application of critical accounting estimates since December 31, 2006 except as noted below in regards to income taxes. Actual results may differ from these estimates under different assumptions or conditions.

On January 1, 2007 we adopted FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, ("FIN 48") which prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position that an entity takes or expects to take in a tax return. Additionally, FIN 48 provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The assessment of recognition and measurement requires critical estimates and the use of complex judgments. We evaluate our tax positions using a "more likely than not" recognition threshold and then we apply a measurement assessment to those positions that meet the recognition threshold. We have established tax reserves that we believe to be adequate in relation to the potential for additional assessments in each of the jurisdictions in which we are subject to taxation. We regularly assess the likelihood of additional tax assessments in those jurisdictions and adjust our reserves as additional information or events require.

**Management's Discussion and Analysis of Financial Condition
and Results of Operations — (Continued)**
(Amounts in Millions, Except Per Share Amounts)
(Unaudited)

RECENT ACCOUNTING STANDARDS

Please refer to Note 11 to our unaudited Consolidated Financial Statements for a discussion of recent accounting standards that we have not yet been required to implement, but which may affect us in the future, as well as those accounting standards that have been adopted during 2007.

Item 3. *Quantitative and Qualitative Disclosures about Market Risk*

There has been no significant change in our exposure to market risk during the nine months ended September 30, 2007. For a discussion of our exposure to market risk, refer to Item 7A, Quantitative and Qualitative Disclosures About Market Risk, in our 2006 Annual Report on Form 10-K.

Item 4. *Controls and Procedures*

Disclosure Controls and Procedures

We have carried out an evaluation under the supervision of, and with the participation of, our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2007. We continue to have numerous material weaknesses in our internal control over financial reporting as noted in Management's Assessment of Internal Control over Financial Reporting located in Item 8, Financial Statements and Supplementary Data, in our 2006 Annual Report on Form 10-K. Based on an evaluation of these material weaknesses, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are not effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time periods specified in the applicable rules and forms, and that it is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

Changes in internal control over financial reporting

There has been no change in internal control over financial reporting in the quarter ended September 30, 2007 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. We are continuing to implement the remedial actions outlined in Ongoing Remediation of Material Weaknesses in Internal Control over Financial Reporting as of December 31, 2006 located in Item 8, Financial Statements and Supplementary Data, in our 2006 Annual Report on Form 10-K.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

Information about our legal proceedings is set forth in Note 10 to the unaudited consolidated financial statements included in this report.

Item 1A. Risk Factors

In the third quarter of 2007, there have been no material changes in the risk factors we have previously disclosed. See Item 1A, Risk Factors, in our 2006 Annual Report on Form 10-K and Item 1A, Risk Factors, in Part II of our Quarterly Report on Form 10-Q for the period ended June 30, 2007.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(c) The following table provides information regarding our purchases of our equity securities during the period from July 1, 2007 to September 30, 2007:

	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit) ⁽²⁾	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
July 1-31	6,543 shares	\$ 11.42	—	—
August 1-31	19,239 shares	\$ 10.51	—	—
September 1-30	16,528 shares	\$ 10.57	—	—
Total ⁽¹⁾	42,310 shares	\$ 10.67	—	—

(1) Consists of restricted shares of our common stock, par value \$.10 per share, withheld under the terms of grants under employee stock-based compensation plans to offset tax withholding obligations that occurred upon vesting and release of restricted shares during each month of the third quarter of 2007 (the "Withheld Shares").

(2) The average price per month of the Withheld Shares was calculated by dividing the aggregate value of the tax withholding obligations for each month by the aggregate number of shares of common stock withheld each month.

(d) The terms of our outstanding series of preferred stock do not permit us to pay dividends on our common stock unless all accumulated and unpaid dividends on our preferred stock have been or contemporaneously are declared and paid or provision for the payment thereof has been made.

Item 6. Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10(iii)(A)(1)	The Interpublic Senior Executive Retirement Income Plan ("SERIP"), Amended and Restated, Effective January 1, 2007.
10(iii)(A)(2)	Form of The Interpublic SERIP Restated Participation Agreement.
10(iii)(A)(3)	Form of The Interpublic SERIP Participation Agreement (Form For New Participants).
10(iii)(A)(4)	The Interpublic Capital Accumulation Plan ("CAP"), Amended and Restated, Effective January 1, 2007.
10(iii)(A)(5)	Form of The Interpublic CAP Restated Participation Agreement.
10(iii)(A)(6)	Form of The Interpublic CAP Participation Agreement (Form For New Participants).
10(iii)(A)(7)	Amendment, made as of September 12, 2007, to an Employment Agreement, made as of July 13, 2004, between The Interpublic Group of Companies, Inc. ("Interpublic") and Michael Roth.
10(iii)(A)(8)	Executive Change of Control Agreement, dated as of September 12, 2007, by and between Interpublic and Michael Roth.
10(iii)(A)(9)	Amendment, made as of September 12, 2007, to an Employment Agreement, made as of July 18, 2005, between Interpublic and Frank Mergenthaler.
10(iii)(A)(10)	Executive Change of Control Agreement, dated as of September 12, 2007, by and between Interpublic and Frank Mergenthaler.
10(iii)(A)(11)	Executive Change of Control Agreement, dated as of September 12, 2007, by and between Interpublic and John J. Dooner.
10(iii)(A)(12)	Executive Change of Control Agreement, dated as of September 30, 2007, by and between Interpublic and Steve Gatfield.
10(iii)(A)(13)	Amendment, made as of September 12, 2007, to an Employment Agreement, made as of January 1, 2006, between Interpublic and Philippe Krakowsky.
10(iii)(A)(14)	Executive Change of Control Agreement, dated as of September 12, 2007, by and between Interpublic and Philippe Krakowsky.
10(iii)(A)(15)	Amendment, dated September 12, 2007, to an Executive Special Benefit Agreement, dated February 1, 2002, between Interpublic and Philippe Krakowsky.
10(iii)(A)(16)	Amendment, made as of September 12, 2007, to an Employment Agreement, made as of July 6, 2004, between Interpublic and Timothy A. Sompolski.
10(iii)(A)(17)	Executive Change of Control Agreement, dated as of September 12, 2007, by and between Interpublic and Timothy A. Sompolski.
12.1	Computation of Ratios of Earnings to Fixed Charges.
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.
32	Certification of the Chief Executive Officer and the Chief Financial Officer furnished pursuant to 18 U.S.C. Section 1350 and Rule 13a-14(b) under the Securities Exchange Act of 1934, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By /s/ Michael I. Roth
Michael I. Roth
Chairman and Chief Executive Officer

Date: November 1, 2007

By /s/ Christopher F. Carroll
Christopher F. Carroll
Senior Vice President, Controller
and Chief Accounting Officer
(Principal Accounting Officer)

Date: November 1, 2007

INDEX TO EXHIBITS

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**[INTER
PUBLIC
GROUP]**

**THE INTERPUBLIC SENIOR EXECUTIVE
RETIREMENT INCOME PLAN**

Amended and Restated
Effective January 1, 2007

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As required by Treasury Department Circular 230, we inform you that (1) any statement regarding federal tax law contained in this pamphlet is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed on you by the Internal Revenue Service, (2) any such statement was written to support the promotion or marketing of the Plan, and (3) you should seek tax advice based on your individual circumstances from an independent tax advisor.

INTRODUCTION AND PLAN HIGHLIGHTS

This pamphlet sets forth the basic terms of The Interpublic Senior Executive Retirement Income Plan, as amended and restated effective January 1, 2007. Capitalized terms used in this pamphlet are defined in the Glossary of Key Terms, at the end of the pamphlet.

The Plan is sponsored by Interpublic and has been in effect since August 2003. Your rights and responsibilities under the Plan are also governed by your Participation Agreement with Interpublic. Your Participation Agreement incorporates this pamphlet by reference—which means that this pamphlet is part of your Participation Agreement.

The Plan is unfunded and is designed primarily to provide deferred compensation for a select group of senior management employees of Interpublic and its Subsidiaries. The Plan is excepted from most of the requirements of ERISA.

The benefits provided under the Plan are offered to secure your goodwill, loyalty, and achievement, as well as to attract and retain other executives of outstanding competence. The Plan does not, however, give you the right to continue in the employ of Interpublic or its Subsidiaries, or to receive annual compensation of any particular amount.

Key features of the Plan include the following:

- Eligibility to participate in the Plan must be approved by the Compensation Committee. (See “Eligibility and Effective Date of Participation Agreement.”)
- The amount of your benefit under the Plan, expressed as an annual benefit starting at age 60 and continuing for 15 years, is set forth in your Participation Agreement. (See “Your Benefit.”) However, your Participation Agreement may provide for payment for 10 years, and special rules apply after a Change of Control. (See “Form of Payment” and “Change of Control.”)
- You may forfeit (or lose) any part of your benefit under the Plan that is not vested when you terminate employment. Subject to special rules that apply after a Change of Control, your benefit under the Plan generally vests over ten years, and any increase in your benefit generally vests over seven years from the effective date of the increase. However, even after your benefit becomes vested, you will forfeit your benefit if you violate the non-competition or non-solicitation provisions of your Participation Agreement. (See “Vesting.”)
- In general, Interpublic will begin to pay your vested benefit under the Plan during the first month that starts on or after the later of (1) the second anniversary of your Termination of Employment or (2) your 55th birthday. If payments start before you reach age 60, the amount of your monthly benefit will be reduced by 5% for each year by which your age is less than 60 when payments start. (See “When Payments Start.”)

Special rules apply (a) if you die before payments start and (b) in the event of a Change of Control. (See "Death Benefits" and "Change of Control.")

- The Plan is not funded. This means that the promise to pay benefits under the Plan is not backed up by a trust fund or by any other dedicated assets and that, as a Plan participant, you are a general unsecured creditor of Interpublic. Although special rules apply in the event of a Change of Control, those rules do not change your status as a general unsecured creditor. (See "Change of Control" and "Nature of Your Plan Benefit and Plan Assets.")
- Your benefits under the Plan are in addition to, and independent of, any benefits to which you may be entitled under other benefit plans sponsored by Interpublic.

ELIGIBILITY AND EFFECTIVE DATE OF PARTICIPATION AGREEMENT

The Plan is designed to benefit the most senior U.S.-based management of Interpublic and its Subsidiaries. You are eligible to participate in the Plan only if your participation is approved by the Compensation Committee.

If you are eligible to participate in the Plan, you will become a participant after you execute your Participation Agreement. Your Participation Agreement and any amendment to your Participation Agreement will become effective on the date prescribed below:

- If you have not participated in the Plan or any other Executive Defined Benefit Arrangement:
 - Ø If you return your signed Participation Agreement to Interpublic within 30 days after your participation in the Plan is approved by the Compensation Committee, your participation will be effective as of the first day of the first month that starts after you return your signed Participation Agreement.
 - Ø If you return your signed Participation Agreement to Interpublic more than 30 days after your participation in the Plan is approved by the Compensation Committee, your participation will be effective as of January 1st of the first calendar year that starts after you return your signed Participation Agreement.
- If you have participated in the Plan or any other Executive Defined Benefit Arrangement, your Participation Agreement (or any amendment to your Participation Agreement) will be effective as of January 1st of the first calendar year that starts after you return your signed Participation Agreement (or amendment) to Interpublic. *For example*, if you have participated in the Plan since 2005, you are informed on August 15, 2008, that you are eligible to receive a benefit increase, and you sign and return an amended Participation Agreement on August 27, 2008, the effective date for the benefit increase will be January 1, 2009.

YOUR BENEFIT

Your benefit under the Plan is expressed as an annual benefit, payable for 15 years starting at age 60 or older. Your Participation Agreement sets forth the benefit amount. However, as explained under “Reduction for Starting Payments Before Age 60,” below, the amount of your annual benefit will be reduced if payment starts before you reach age 60.

Your annual benefit is subject to forfeiture until it becomes fully vested. The vesting rules are described under “Vesting,” below. Also, special rules apply after a Change of Control. (See “Change of Control,” below.)

BENEFIT INCREASES

The amount of your benefit may be increased from time to time. Any increase in your benefit will be set forth in an amendment to your Participation Agreement or in a new Participation Agreement.

Any increase in your benefit will be prospective and will be subject to special vesting rules (described under “Vesting,” below). If it becomes fully vested, your annual benefit under the Plan will be the sum of —

- the benefit stated in your initial Participation Agreement; plus
- each subsequent increase.

Each benefit increase vests separately. For more information, see “Vesting,” below.

REHIRE

If you leave Interpublic and its Subsidiaries, and later return to a senior management position that is approved for participation in the Plan, you will be treated as a new hire. You will not receive credit for your prior participation in the Plan.

VESTING**GENERAL RULE**

You will forfeit (or lose) any portion of your benefit that is not vested upon your Termination of Employment (determined as if you continued working through your Severance Completion Date). In general, your benefit under the Plan will begin to vest after you participate in the Plan for three years, and will become fully vested after you have participated in the Plan for ten years. However, special rules apply after a Change of Control. (See “Change of Control,” below.)

In general, benefits under the Plan will vest according to the following schedule:

	Years of Participation Since Effective Date of First Participation Agreement	Portion of Benefit that is Vested
Fewer than 3		0%
At least 3, but fewer than 4		30%
At least 4, but fewer than 5		40%
At least 5, but fewer than 6		50%
At least 6, but fewer than 7		60%
At least 7, but fewer than 8		70%
At least 8, but fewer than 9		80%
At least 9, but fewer than 10		90%
10 or more		100%

- If you had an ESBA, up to three years of participation in your ESBA will count as years of participation in the Plan.
- If (a) your employment with Interpublic and its Subsidiaries is terminated involuntarily without Cause or (b) you resign from employment with Interpublic and its Subsidiaries for Good Reason, the vested portion of your benefit will be the portion that would have become vested if you had continued working for Interpublic through your Severance Completion Date.

VESTING OF BENEFIT INCREASES

If your benefit is increased (as described above), the change in your benefit (the increase) will generally vest over seven years after the effective date of the increase. Subject to special rules that apply after a Change of Control, each increase in your benefit will vest according to the following schedule:

	Years of Participation Since Effective Date of Increase	Vested Portion of Increase
At least 1, but fewer than 2		10%
At least 2, but fewer than 3		20%
At least 3, but fewer than 4		30%
At least 4, but fewer than 5		40%
At least 5, but fewer than 6		50%
At least 6, but fewer than 7		75%
7 or more		100%

- Vesting of each increase in your benefit begins on January 1st of the first calendar year that starts *after* you return your signed amendment or new Participation Agreement to Interpublic. Participation in an ESBA and prior participation in the Plan *do not* count toward the vesting of any benefit increase.
- If (a) your employment with Interpublic and its Subsidiaries is terminated involuntarily without Cause or (b) you resign from employment with Interpublic and its Subsidiaries for Good Reason, the vested portion of your benefit increase will be the portion that would have become vested if you had continued working for Interpublic through your Severance Completion Date.

EXAMPLE. Suppose you sign a Participation Agreement, effective September 1, 2007, specifying an annual benefit of \$275,000. On September 1, 2010, you sign a new Participation Agreement, increasing your annual benefit by \$20,000 (to \$295,000), and return the signed amendment to Interpublic. On September 30, 2015, Interpublic terminates your employment without Cause, and you are eligible to receive Severance Pay in installments for 12 months after your Termination of Employment. The amount of your annual vested benefit (if paid for 15 years, starting at age 60) would be \$257,500 per year, calculated as follows:

- Your Severance Completion Date would be on or about September 30, 2016. Accordingly, the vested portion of your benefit and benefit increase will be the portion that would have become vested if you had continued working for Interpublic through September 30, 2016.
- As of September 30, 2016, you would have participated in the Plan for more than 9 years but less than 10 years. So your benefit under your original Participation Agreement would be 90% vested. The annual vested benefit would be \$247,500 (90% of \$275,000).
- The benefit increase from your September 1, 2010, Participation Agreement would be effective January 1, 2011. As of September 30, 2016, you would have participated in the Plan for more than 5 years, but less than 6 years, since the increase became effective. So the increase would be 50% vested. The annual vested benefit would be \$10,000 (50% of \$20,000).
- Your total annual vested benefit would be \$257,500 (\$247,500 + \$10,000) per year.

The amount of your benefit will be reduced if payments start before you reach age 60. Also, if your Participation Agreement provides for payment in installments for 10 years (rather than 15 years), the amount of your vested benefit will be adjusted accordingly. (See "Reduction for Starting Payments Before Age 60" and "Form of Payment," below.)

FORFEITURE

You will forfeit any portion of your benefit that is not vested upon your Termination of Employment (determined as if you had continued working for Interpublic through your Severance Completion Date). Any unvested benefit and years of participation that accrued before your Termination of Employment will not be reinstated, even if you are rehired. ***In addition, you will forfeit your vested benefit if you violate the non-competition or non-solicitation provisions of your Participation Agreement.***

PAYMENTS UNDER THE PLAN

WHEN PAYMENTS START

Subject to special rules that apply after a Change of Control (see "Change of Control," below), Interpublic will start paying your vested benefit during the first month that starts on or after the later of —

- the second anniversary of your Termination of Employment or
- your 55th birthday.

For example, if your employment with Interpublic and its Subsidiaries terminates on June 15, 2015, at age 56, Interpublic would make the first payment in July 2017.

REDUCTION FOR STARTING PAYMENTS BEFORE AGE 60

If Interpublic starts paying your vested benefit before you reach age 60, your vested benefit will be reduced by $\frac{5}{12}\%$ for each full calendar month (5% per year) by which the date as of which payments start precedes your 60th birthday. For purposes of this rule, the date as of which payments start is the first day of the month in which the first payment is due.

EXAMPLE. Suppose you terminate employment with Interpublic and its Subsidiaries on June 19, 2010, your 57th birthday, and your annual vested benefit, payable for 15 years, is \$175,000 per year. Assuming you comply with the non-competition and non-solicitation provisions of your Participation Agreement, Interpublic would start paying your benefit in July 2012, as of July 1, 2012, which is 11 full months before your 60th birthday. Accordingly, your vested benefit would be reduced by 4.5833% ($\frac{5}{12}\%$ per month *times* 11 months).

Amount of Reduction:	4.5833% of \$175,000	=	\$8,020.83
Annual Benefit After Reduction:	\$175,000 – \$8,020.83	=	\$166,979.17
Monthly Benefit After Reduction:	\$166,979.17/12	=	\$13,914.93

If your Participation Agreement provides for payment in installments for 10 years, the amount of your vested benefit will be adjusted accordingly. (See "Form of Payment," below.)

FORM OF PAYMENT

Subject to special rules that apply after a Change of Control (see "Change of Control," below), the vested portion of your benefit under the Plan will be paid in one of the following forms, as set forth in your Participation Agreement:

- Monthly installments for 15 years or
- Monthly installments for 10 years.

If you receive your benefit in installments for 10 years, your annual vested benefit will generally be larger than if you receive your benefit in installments for 15 years, but the total amount of your vested benefit will be discounted to reflect the value of accelerating payment. The amount of the discount will be calculated using the Plan Interest Rate.

The amount of each monthly installment will be $\frac{1}{12}$ th of your vested annual benefit.

EXAMPLE. Suppose your Participation Agreement provides that, if vested and paid in monthly installments starting on or after your 60th birthday, your annual benefit would be \$150,000 per year (or \$12,500 per month), and that the benefit will be distributed in monthly payments for 10 years. If the Plan Interest Rate is 5%, the amount of each monthly payment would be \$16,481.30, calculated as follows:

- Based on the interest rate of 5% per year, the present value of \$12,500 per month for 15 years would be \$1,675,311.16.
- The amount of the monthly payment for 10 years that results in a present value of \$1,675,311.16 would be \$16,481.30 per month.

[Example to be reviewed by Aon.]

After you return your executed Participation Agreement, the Plan does not allow you to change the form in which your vested benefit will be paid.

DISABILITY

If you become disabled while employed, you will continue to accumulate years of Plan participation until your Termination of Employment. Payments will start after your Termination of Employment in accordance with the payment timing rules described in this pamphlet. (See "Payments Under the Plan," above.)

The date of your Termination of Employment will be determined in accordance with the Plan's definition of "Termination of Employment."

DEATH BENEFITS

AMOUNT, FORM, AND TIME OF DEATH BENEFIT

If you die before your vested benefit is paid in full, a beneficiary (or beneficiaries) whom you select will be entitled to receive the remainder (if any) of your vested benefit in a lump sum. The amount of the lump-sum payment will be the present value of the portion of your vested benefit

that has not yet been paid, determined using the Plan Interest Rate. Interpublic will pay the lump sum within 90 days after your death.

DESIGNATING YOUR BENEFICIARY

You may designate one or more primary beneficiaries to receive any unpaid portion of your vested benefit after your death. You may also designate one or more contingent beneficiaries, who would receive any remaining payments if all of your primary beneficiaries die before all payments have been made. You may change your beneficiaries at any time before your death by filing a new beneficiary designation form with Interpublic's Human Resources Department.

If you are married on the date of your death, your beneficiary will be your spouse, unless you specify a different beneficiary. You may not designate a beneficiary other than your spouse, however, without your spouse's written consent.

In the absence of an effective beneficiary designation (or if none of your primary or contingent beneficiaries are living), the remainder of the vested portion of your benefit (if any) will be distributed, in the form set forth above, to the first of the following to survive you:

- Your spouse;
- Your children (to be divided equally);
- Your parents;
- Your brothers and sisters (to be divided equally); or
- The executors or administrators of your will.

The form for making your initial beneficiary designation is attached to your Participation Agreement. You may obtain new beneficiary designation forms from Interpublic's Human Resources Department.

CHANGE OF CONTROL**SPECIAL VESTING AND PAYMENT RULES**

The Plan has special rules that apply if your employment with Interpublic and its Subsidiaries terminates within two years after Change of Control.

Special Vesting Rule

The Plan's special vesting rule applies only if:

- As of December 31st of the year in which the Change of Control occurs:

- Ø You will be age 55 or older *and*
- Ø Your benefit under the Plan will be within two years of full vesting (*i.e.*, your benefit will become fully vested by December 31st of the second calendar year that starts after the Change of Control), *and*
- Within two years after a Change of Control, (a) your employment with Interpublic and its Subsidiaries is terminated involuntarily without Cause or (b) you resign from employment with Interpublic and its Subsidiaries for Good Reason.

If you meet the conditions described above, then upon your Termination of Employment, your benefit under the Plan will immediately be fully vested.

If you do not meet both of the conditions above, but (a) your employment is terminated involuntarily without Cause or (b) you resign for Good Reason, the vested portion of your benefit under the Plan will be the portion of your benefit that would have become vested if you had continued working for Interpublic through your Severance Completion Date.

Special Payment Rules

After a Change of Control, the time and form in which your benefit will be paid (regardless of the reason for your Termination of Employment) will depend on when your Termination of Employment occurs, as follows:

If Your Termination of Employment Occurs On or Before the Second Anniversary of the Change of Control	If Your Termination of Employment Occurs After the Second Anniversary of the Change of Control
Subject to the "Delay of Payment to Top-50 Employees" (described below), Interpublic will pay your unreduced (age 60) benefit in a lump sum within 30 days after your Termination of Employment.	Interpublic will pay your unreduced (age 60) benefit at the time and in the form set forth in your Participation Agreement.

If your benefit is paid in a lump sum (because your Termination of Employment occurs within two years after the Change of Control), the amount of the lump sum will be determined as follows:

- If your benefit under the Plan is fully vested (including vesting under the special vesting rule described above), the amount of the lump-sum payment will be the then-present value of your unreduced benefit, if paid in monthly installments over 15 years, starting on the first day of the first month that starts on or after the later of (a) the second anniversary of your Termination of Employment or (b) your 60th birthday.
- If your benefit under the Plan is not fully vested, the amount of the lump-sum payment will be the then-present value of the vested portion of your benefit if paid in monthly installments over 15 years, starting on the first day of the first month that starts on or after

the later of (a) the second anniversary of your Termination of Employment or (b) your 55th birthday.

The interest rate for this calculation will be the Plan Interest Rate.

Delay of Payment to Top-50 Employees

If Interpublic determines that you are a Top-50 Employee, payment of your vested benefit will be delayed until the earlier of (a) the first day of the seventh month that starts after your Termination of Employment or (b) the first day of the first month that starts after your death (the "Delayed Payment Date"). Any amount that was scheduled to be paid to you before the Delayed Payment Date will be paid to you on the Delayed Payment Date. (If no payments are scheduled to be made until after the Delayed Payment Date, this paragraph will not apply.)

DEFERRED COMPENSATION TRUST

Before a Change of Control, Interpublic must contribute to a Deferred Compensation Trust an amount equal to the then-present value of the sum of all benefits that would become payable under the Plan if Interpublic terminated all participants' employment without Cause immediately after the Change of Control. The amount to be contributed will be determined by an Outside Auditor engaged by Interpublic at Interpublic's expense.

For purposes of calculating the amount to be contributed to a Deferred Compensation Trust, the Outside Auditor will make the following assumptions:

- The assumed annual rate of interest and discount rate will be the rate of interest to be credited to accounts (as described under "Your Benefit," above) for the year in which the Change of Control occurs, and
- Payment of the benefits described above will be due within 30 days after the Change of Control.

Assets that Interpublic or any Subsidiary contributes to the Deferred Compensation Trust are subject to the claims of the creditors of Interpublic or the Subsidiary (as the case may be) in the event of its bankruptcy or insolvency. The Deferred Compensation Trust will not change your status as a general unsecured creditor of Interpublic.

REDUCTION OF BENEFITS AFTER A CHANGE OF CONTROL

It is possible that some or all of the benefit you receive after a Change of Control will be treated as an "excess parachute payment" that is subject to a 20% excise tax under Section 4999 of the Tax Code. If an Outside Auditor determines that any amount payable to you under the Plan is reasonably likely to trigger the 20% excise tax, your benefit under the Plan will be whichever of the following amounts results in a larger net benefit to you, after taxes (as determined by the Outside Auditor):

- Your full benefit under the Plan, all or part of which might be subject to a 20% excise tax, or
- Your benefit under the Plan, reduced to the extent the Outside Auditor determines is necessary to avoid triggering the 20% excise tax.

Interpublic will engage and pay the fees for the Outside Auditor to perform these calculations.

MISCELLANEOUS

PLAN ADMINISTRATION AND REVIEW OF DECISIONS

The Plan's administrator is the MHRC. Before a Change of Control, the Plan's administrator has complete and exclusive discretionary authority and responsibility to administer and interpret the Plan's governing documents (including the authority to make findings of fact and to resolve ambiguities and inconsistencies in the Plan's language, and to correct any inadvertent omissions). All decisions of the Plan's administrator are considered to be final and controlling. Review by a court of any decision of the Plan's administrator will be subject to the following standard of review:

- Before a Change of Control, the standard of review will be the "arbitrary and capricious" standard, which means that the court will defer to the MHRC's decision (or the decision of any successor to the MHRC), and will not overturn that decision unless the court concludes that the decision cannot be supported by the relevant facts and applicable law.
- After a Change of Control, the standard of review will be "*de novo*," which means that the court may overturn the MHRC's decision (or the decision of any successor to the MHRC) if it disagrees with the decision.

The MHRC has authority to delegate any of its duties and responsibilities under the Plan as it deems appropriate. In addition, the MHRC may engage one or more persons to render advice with regard to any of its administration responsibilities. Any final decision by a delegate of the MHRC will be treated for purposes of the Plan as a decision of the MHRC.

PARTICIPATION AGREEMENT, AMENDMENT, AND TERMINATION

Your Participation Agreement sets forth specific terms relating to your benefit under the Plan. Your Participation Agreement, including any amendment to your Participation Agreement, is valid only if it is executed on behalf of Interpublic by Interpublic's Executive Vice President, Chief Human Resources Officer or his designee.

Although Interpublic intends to continue the Plan indefinitely, Interpublic reserves the right to amend or terminate the Plan at any time, and from time to time, either retroactively or prospectively, without your consent. However, unless necessitated by a change in applicable law, an amendment or termination may not —

- reduce the amount of your vested benefit as of the later of (a) the effective date of the amendment or termination or (b) the date the resolution to amend or terminate the Plan is adopted; or
- result in a change to the form or time for paying your benefit under the Plan, unless Interpublic determines, based on the advice of outside counsel, that a change in the form or time of payment will not trigger adverse tax consequences.

In addition, any resolution to amend or terminate the Plan that is adopted or becomes effective during the three years following a Change of Control may not take away any of your rights, or relieve Interpublic of any of its obligations under the Plan, including those set forth in the section entitled "Change of Control," above.

Subject to the restrictions set forth above, any amendment or termination of the Plan may be adopted by resolution of the Compensation Committee. In addition, the MHRC —

- may make any amendment required to comply with federal or state law (including any tax law that could result in adverse tax consequences), or that is desirable to improve the administration of the Plan, if the amendment does not materially affect the level of benefits provided under the Plan to or on behalf of any participant; and
- has discretion to accelerate payment to the extent that Interpublic or the MHRC determines, with the advice of outside counsel, is permitted without violating the requirements of Section 409A of the Tax Code.

SUCCESSORS TO INTERPUBLIC

Interpublic shall require any successor to its business or its assets to assume the Plan expressly, absolutely, and unconditionally, and to administer the Plan in accordance with its terms. After a Change of Control, all references to Interpublic and its Subsidiaries shall be deemed to refer to Interpublic's successor and its Subsidiaries.

COORDINATION WITH OTHER BENEFITS

Your benefit under the Plan is designed to be in addition to any benefits you earn under other benefit plans sponsored by Interpublic and its Subsidiaries. Except as expressly provided in another plan or in this Plan, your right to a benefit under the Plan will not affect the benefits under any other plan.

NATURE OF YOUR PLAN BENEFIT AND PLAN ASSETS

The obligation to pay your vested benefit under the Plan is a liability of Interpublic. Benefits under the Plan are not insured by the Pension Benefit Guaranty Corporation, and any assets that Interpublic or a Subsidiary sets aside to fund your vested benefit under the Plan, whether in a Deferred Compensation Trust or otherwise, will remain available to creditors of Interpublic or the Subsidiary (as the case may be) in the event of its bankruptcy or insolvency.

ASSIGNMENT AND ALIENATION

In general, your right to a benefit under the Plan (and the corresponding rights of your beneficiaries) may not be assigned, transferred, alienated, encumbered, or otherwise subject to lien. However, the Plan will comply with domestic relations orders that are determined to be "qualified domestic relations orders" under ERISA.

WITHHOLDING AND OTHER TAX CONSEQUENCES

Interpublic may deduct from amounts paid or due to a participant under the Plan any income, employment, excise and other taxes that it reasonably determines are required to be withheld by any government or government agency, including any taxes on income that is currently subject to tax even though it is not currently paid or payable to you. You (or your beneficiaries) are responsible for satisfying any remaining tax obligations, to the extent that amounts withheld (if any) are insufficient.

AUTHORITY TO DETERMINE PAYMENT DATE

To the extent that any payment under the Plan may be made within a specified number of days on or after any date or the occurrence of any event, the date of payment shall be determined by Interpublic in its sole discretion, and not by any participant, beneficiary, or other individual.

COMPLIANCE WITH TAX CODE § 409A

Your benefit under the Plan is subject to Section 409A of the Tax Code, which became effective January 1, 2005, and imposes restrictions on deferred compensation arrangements like the Plan. Interpublic intends to operate, administer, and interpret the Plan in accordance with Section 409A. If the Compensation Committee or the MHRC determines in good faith that (a) any aspect of the Plan is inconsistent with the restrictions imposed by Section 409A (including guidance interpreting Section 409A) and (b) an amendment to the Plan could reduce or eliminate adverse tax consequences under Section 409A, the Compensation Committee or the MHRC may amend the Plan without your consent to the extent that it determines, based on the advice of outside counsel, the amendment is necessary to reduce or eliminate such adverse tax consequences.

Although the Plan has been subject to Section 409A since January 1, 2005, the plan documents in effect before January 1, 2007, were not amended to reflect the requirements of Section 409A. For the period from January 1, 2005 through December 31, 2006, Interpublic and the MHRC have discretion to override the terms of the Plan to the extent that either Interpublic or the MHRC determines is necessary or appropriate to comply with the requirements of Section 409A.

MAILING ADDRESS

After you terminate employment with Interpublic and its Subsidiaries, you will receive periodic correspondence related to your benefit (if any) under the Plan. It is your responsibility to notify

Interpublic's Human Resources Department of any changes in your mailing address or in the mailing address of any of your beneficiaries (or contingent beneficiaries). Failure to update your address could delay payment of your vested benefit.

OVERPAYMENTS

If an overpayment of benefits is made under the Plan, the amount of the overpayment may be set off against future payments under the Plan until the overpayment has been recovered. If no future payments are scheduled, you will be required to return the overpaid amount, and Interpublic may pursue any legal or equitable avenue to effectuate recovery.

INCAPACITY AND MINOR STATUS

If any individual entitled to a payment under the Plan is a minor, or is physically or mentally unable to care for his or her affairs, and another person or institution is maintaining custody over the individual entitled to receive the payment, payments under the Plan may be made, for the benefit of the individual entitled to payment, to the custodial person or institution, as applicable. If a court has appointed a guardian or representative of the individual entitled to payment, payment will be made to the guardian or representative. Any such payment will discharge the Plan's liability, as if the payment were made to the individual entitled to payment.

CONTINUED EMPLOYMENT

Nothing in the Plan gives you the right to continue in the employment or service of Interpublic or its Subsidiaries, or to receive annual compensation in any particular amount. Conversely, nothing in the Plan gives Interpublic or any Subsidiary the right to require you to remain in its employ.

LIABILITY LIMITED

Except as and to the extent otherwise provided by applicable law, no liability will attach to or be incurred by the shareholders, directors, officers, or employees of Interpublic and its Subsidiaries under or by reason of any of the terms and conditions of the Plan.

TITLES AND HEADINGS NOT TO CONTROL

The titles and headings of sections of the Plan are for convenience of reference only. In the event of any conflict, the text of the Plan, rather than the titles or headings, will control.

SEVERABILITY

If any provision of the Plan is held illegal or invalid for any reason, other provisions will be unaffected. The Plan will be construed as if any illegal or invalid provision were never inserted.

VARIATIONS IN PLAN TERMS

Your individual Participation Agreement may contain provisions that conflict with or are otherwise inconsistent with the terms set forth in this plan document. If so, the terms of your Participation Agreement will control.

COMPLETE STATEMENT OF THE PLAN

This pamphlet and your Participation Agreement are a complete statement of your rights under the Plan. Any question regarding your rights under the Plan must be resolved by applying the terms of the Plan document and your Participation Agreement. External evidence of intent or meaning will not be relevant.

CLAIMS AND APPEALS

The Plan has specific procedures for making a claim for benefits. You must exhaust this claim and appeal process before you can file a lawsuit in court. The claim and appeal process has two levels: (1) the initial claim and (2) review on appeal. They operate as follows:

INITIAL CLAIMS

1. Any benefit claim must be in writing and should be mailed to the MHRC, at the following address:
IPG Management Human Resources Committee
1114 Avenue of the Americas, 19th Floor
New York, NY 10036
Attn: Executive Vice President, Chief Human Resources Officer
2. The MHRC will generally review and decide each claim within 90 days after the claim is received. If the MHRC needs more time to decide your claim, the MHRC will notify you, and may extend the review period by up to an additional 90 days.
 - Ø The time period within which the MHRC must decide your claim starts on the date the MHRC receives your claim, even if you do not submit all of the information needed to resolve your claim. However, if the MHRC needs more information to resolve your claim, you and the MHRC may agree to extend the period for making the decision. If you do not provide any requested information by the deadline that the MHRC sets, the MHRC will decide your claim based on the information it has as of the deadline. This might result in your claim being denied.
 - Ø If your claim is not resolved within the time periods described above, you may consider your claim to have been denied. You may (a) contact the MHRC to

determine whether your claim has, in fact, been denied, (b) file an appeal with the MHRC (following the procedures set forth in the "Appeals" section, below), or (c) bring a lawsuit under Section 502(a) of ERISA.

3. If your claim is wholly or partially denied, the MHRC will issue a written decision. The decision will include —
- Ø the specific reason or reasons for denial of your claim;
 - Ø references to the specific Plan provisions upon which the denial is based;
 - Ø a description of any additional material or information necessary to perfect your claim, and an explanation of why the material or information is necessary;
 - Ø an explanation of the appeal procedures and the applicable time limits; and
 - Ø a statement of your right to file a lawsuit under Section 502(a) of ERISA if your claim is denied after the MHRC reviews its initial decision.

APPEALS

1. Within 60 days after you receive a written notice of denial of your claim (or the end of the time period for deciding your claim), you may file a written request with the MHRC, at the address shown above, for a full and fair review of its initial decision (an "appeal").
2. In connection with a request for review, you may —
 - Ø submit written comments, documents, records and other information relating to your claim; and
 - Ø receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information that the MHRC determines is relevant to your claim.
3. The review on appeal will take into account all comments, documents, records and other information that you submit, regardless of whether the information was considered in the initial benefit determination. The MHRC will generally decide your appeal within 60 days after your request for review is received. If the MHRC needs more time, the MHRC will notify you, and the MHRC may extend the review period by up to an additional 60 days.
 - Ø If the MHRC needs more information to decide your appeal, the period within which the MHRC must decide your appeal will automatically be extended. The length of the extension will be equal to the number of days from when the MHRC sends you a request for additional information until the earlier of (a) the date the MHRC receives the requested information or (b) the due date that the MHRC establishes for providing that information.

- Ø If your appeal is not resolved within the time periods described above, you may consider your appeal to have been denied. You may (a) contact the MHRC to determine whether your appeal has, in fact, been denied and/or (b) bring a lawsuit under Section 502(a) of ERISA.
4. If your appeal is wholly or partially denied, the MHRC will render a written decision. The decision will include —
- Ø the specific reason or reasons for the decision;
 - Ø references to the specific Plan provisions upon which the decision is based;
 - Ø an explanation of your right to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information that the MHRC determines is relevant to your claim for benefits; and
 - Ø a statement of your right to bring a civil action under Section 502(a) of ERISA.

OTHER RULES AND RIGHTS REGARDING CLAIMS AND APPEALS

- You may authorize a representative to pursue any claim or appeal on your behalf. The MHRC may establish reasonable procedures for verifying that any representative has in fact been authorized to act on your behalf.
- The Plan will be interpreted and enforced in accordance with the applicable provisions of ERISA and federal tax laws that apply to nonqualified deferred compensation. To the extent that state-law issues arise, New York law (exclusive of choice of law provisions) will govern.

GLOSSARY OF KEY TERMS

Cause	<p>Cause for your employer to terminate your employment with Interpublic and its Subsidiaries, which will exist if —</p> <ul style="list-style-type: none">• you materially breach a provision in an employment agreement between you and Interpublic or a Subsidiary, and you do not cure that breach within 15 days after you receive written notice from your employer of the breach;• without written approval from Interpublic’s Board of Directors or the person to whom you report directly, you (a) misappropriate funds or property of Interpublic or a Subsidiary or (b) attempt to secure any personal profit related to the business of Interpublic or a Subsidiary;• you engage in conduct that Interpublic determines constitutes fraud, material dishonesty, gross negligence, gross malfeasance, insubordination, or willful misconduct in the performance of your duties as an employee of Interpublic or a Subsidiary, or you willfully fail to follow Interpublic’s code of conduct, unless your actions (or failure to act) are taken in good faith and do not cause material harm to Interpublic or a Subsidiary;• you refuse or fail to attempt in good faith (a) to perform your duties as an employee of Interpublic or a Subsidiary or (b) to follow a reasonable good-faith direction of Interpublic’s Board of Directors or the person to whom you report directly, and you do not cure the refusal or failure within 15 days after you receive written notice from your employer of the refusal or failure;• you commit, or are formally charged or indicted for allegedly committing, a felony or a crime involving dishonesty, fraud, or moral turpitude; or• you engage in activities that are clearly prohibited by Interpublic’s policy prohibiting discrimination or harassment based on age, gender, race, religion, disability, national origin or any other protected category.
Change of Control	<p>A change in (a) the ownership or effective control of Interpublic or (b) the ownership of a substantial portion of Interpublic’s assets, each as defined in rules and regulations under Section 409A of the Tax Code. Subject to certain limited exceptions, a Change of Control of Interpublic would generally occur if —</p> <ul style="list-style-type: none">• a person or group acquires more than 50% of the total fair market value or voting power of Interpublic’s stock;• during a 12-month period, a person or group acquires 30% or more of the total voting power of Interpublic’s stock;• during a 12-month period, a person or group acquires 40% or more of

Interpublic's assets (determined based on gross fair market value); or

- during a 12-month period, a majority of Interpublic's Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board before the appointment or election.

Compensation Committee	The Compensation Committee of Interpublic's Board of Directors.
Deferred Compensation Trust	The Trust Agreement Between The Interpublic Group of Companies, Inc., Lintas: Campbell-Ewald Company, McCann-Erickson USA, Inc., McCann-Erickson Marketing, Inc., and Lintas, Inc. and Manufacturers Hanover Trust Company, originally effective June 1, 1990 (commonly referred to as the "Interpublic Rabbi Trust") and/or any other trust agreement to which Interpublic is a party that is established to fund benefits under the Plan. The terms of any Deferred Compensation Trust are subject to the restrictions set forth in Section 409A of the Tax Code, and assets that Interpublic or a Subsidiary sets aside in any Deferred Compensation Trust will be subject to the claims of creditors of Interpublic or the Subsidiary (as the case may be) in the event of its bankruptcy or insolvency.
ERISA	The Employee Retirement Income Security Act of 1974, as amended.
ESBA	An Executive Special Benefit Agreement with Interpublic.
Executive Defined Benefit Arrangement	An arrangement sponsored by Interpublic or a Subsidiary that is treated under Section 409A of the Tax Code as a "nonaccount balance plan." In general, this includes any non-tax-qualified deferred compensation arrangement under which your benefit is not the balance credited to an account in your name. An ESBA is another Executive Defined Benefit Arrangement.
Good Reason	<ul style="list-style-type: none"> • You will be considered to have resigned for Good Reason only if: <ul style="list-style-type: none"> Ø You notify Interpublic in writing that one or more of the "triggering circumstances" listed below has occurred within 90 days after the circumstance(s) first occurs; Ø The triggering circumstance(s) is (are) not remedied within 30 days after Interpublic receives the notice; and Ø Your Termination of Employment is effective within two years after triggering circumstance(s) first occurs. • The following are the "triggering circumstances": <ul style="list-style-type: none"> Ø Interpublic or a Subsidiary materially reduces your rate of base salary; Ø An action by Interpublic or a Subsidiary results in your authority, duties, or, responsibilities, being materially diminished; Ø An action by Interpublic or a Subsidiary results in the authority,

duties, or responsibilities of your supervisor being materially diminished, including a requirement that you report to a corporate officer or employee instead of the Board of Directors of Interpublic;

Ø Interpublic or a Subsidiary materially diminishes the budget over which you retain authority;

Ø Your principal place of work is moved more than 50 miles outside the city in which you are principally based, unless (a) you make the relocation decision or (b) you are notified in writing that Interpublic or your employer is seriously considering such a relocation and do not object in writing within 10 days after you receive the written notice; or

Ø Interpublic or a Subsidiary materially breaches any employment agreement between you and your employer.

Interpublic	The Interpublic Group of Companies, Inc., and any successor to The Interpublic Group of Companies, Inc.
MHRC	Interpublic's Management Human Resources Committee.
Outside Auditor	<p>Either of the following firms:</p> <ul style="list-style-type: none"> • The outside auditing firm retained by Interpublic in the last fiscal year that ends before a Change of Control, or • A national auditing firm acceptable to at least 75% of the Plan participants who are actively working for Interpublic or a Subsidiary immediately before a Change of Control.
Participation Agreement	The written agreement between you and Interpublic that documents the terms of your participation in the Plan.
Plan	The Interpublic Senior Executive Retirement Income Plan, as set forth in this pamphlet and your Participation Agreement, as either or both may be amended from time to time.
Plan Interest Rate	The average of the 10-year and 20-year U.S. Treasury yield curve annual rates (also known as "constant maturity rates") as of the last business day of the immediately preceding calendar year, as published by the U.S. Department of Treasury's Office of Debt Management.
Severance Completion Date	The last day of the calendar month that includes the end of the payroll period for which your last Severance Payment (if any) is paid. If you are not eligible to receive Severance Pay, or you receive Severance Pay in a lump sum, your Severance Completion Date is the date of your Termination of Employment.
Severance Pay	A payment or payments made under a severance plan or policy or an agreement with Interpublic or a Subsidiary upon or after your Termination of Employment as compensation for (a) terminating your employment involuntarily without Cause or (b) your resignation for

Good Reason.

Subsidiary	Any corporation or other entity that is required to be combined with Interpublic as a single employer under Section 414(b) or (c) of the Tax Code. In general, this means Interpublic and all other entities of which Interpublic directly or indirectly owns 80 percent or more of the combined voting power or total value of shares.
Tax Code	The Internal Revenue Code of 1986, as amended.
Termination of Employment	<p>The date your employment with Interpublic and its Subsidiaries ends, including the date on which you die, retire, quit, or are discharged. Subject to the next sentence, if you are on leave of absence, your Termination of Employment will occur on the later of (a) the first day that is more than six months after your leave started or (b) the first day after all statutory and contractual rights to reemployment with Interpublic or a Subsidiary expire. If the reason for your leave of absence is a medically determinable physical or mental condition that can be expected to last for six consecutive months or longer, and the condition causes you to be unable to perform the duties of your position or a substantially similar position, the six-month period described in clause (a) of the preceding sentence will be extended to 29 months.</p> <p>A sale of assets by Interpublic or a Subsidiary to an unrelated buyer that results in your working for the buyer (or one of its affiliates) will not, by itself, constitute a Termination of Employment unless Interpublic (with the buyer's written consent) so provides in writing 60 or fewer days before the closing of the sale.</p>
Top-50 Employee	A "specified employee" under Section 409A of the Tax Code, determined in accordance with Treas. Reg. § 1.409A-1(i). In general, as long as Interpublic is a public company (or, if Interpublic is acquired, the parent company is a public company), you will be a "specified employee" under Section 409A of the Tax Code if you are one of the 50 highest-paid officers of Interpublic (or, if Interpublic is acquired, the corporate parent) and its Subsidiaries.

**The Interpublic Senior Executive Retirement Income Plan
Restated Participation Agreement**

WHEREAS, _____ (the "Participant") and The Interpublic Group of Companies, Inc. ("Interpublic") are parties to a Participation Agreement under The Interpublic Senior Executive Retirement Income Plan ("SERIP"), dated _____ (the "Participation Agreement"); and

WHEREAS, the Participant's benefit under SERIP is governed by the terms of *[his] [her]* Participation Agreement and by the terms of the pamphlet entitled "The Interpublic Senior Executive Retirement Income Plan," as amended and restated effective January 1, 2007, and as amended from time to time thereafter (the "Plan Document"); and

WHEREAS, the Participant and Interpublic wish to amend and restate the Participation Agreement to comply with Section 409A of the Internal Revenue Code and the guidance issued by the Internal Revenue Service thereunder, and to make clear that the provisions set forth in the Plan Document that are triggered by a Change of Control (as defined in the Plan Document) apply to the Participant's benefit under SERIP;

NOW, THEREFORE, the Participation Agreement is hereby amended and restated in its entirety as follows:

1. **Effective Date.** This amended and restated Participation Agreement shall be effective as of January 1, 2007.
 2. **Benefit and Vesting.** The Participant's benefit under SERIP is \$ ___ per year, if paid in monthly installments for 15 years starting on or after the Participant's 60th birthday and after the benefit has become fully vested. Subject to paragraph 3, below, and the provisions of the Plan Document that are triggered by a Change of Control (as defined in the Plan Document), this benefit is scheduled to become fully vested on ___ (assuming the Participant continues in the employment of Interpublic and its subsidiaries until this date). As set forth in the Plan Document, the amount of the Participant's benefit will be reduced if payment starts before the Participant's 60th birthday.
 3. **Non-Competition and Non-Solicitation.** For a period of two (2) years following the termination of the Participant's employment for any reason, the Participant shall not: (a) accept employment with or serve as a consultant, advisor or in any other capacity to an employer that is in competition with the business unit or units of Interpublic by which the Participant is employed (the "Business Unit"); (b) directly or indirectly, either on the Participant's own behalf or on behalf of any other person, firm or corporation, solicit or perform services for any account that is a client of the Business Unit at the time of the Participant's termination of employment with the Business Unit or that was a client of the Business Unit at any time within one year prior to the date of the Participant's termination of employment; or (c) directly or indirectly employ or attempt to employ or assist anyone else to employ any person who is at such time or who was within the six-month period immediately prior to such time in the employ of the Business Unit. If the Participant breaches any provision of this paragraph 3, *[he] [she]* shall forfeit *[his] [her]* vested benefit and return any payments received pursuant to SERIP.
-

The Participant acknowledges that these provisions are reasonable and necessary to protect Interpublic's legitimate business interests, and that these provisions do not prevent the Participant from earning a living. If at the time of enforcement of any provision of this Agreement, a court shall hold that the duration, scope, or area restriction of any provision hereof is unreasonable under circumstances now or then existing, the parties hereto agree that the maximum duration, scope, or area reasonable under the circumstances shall be substituted by the court for the stated duration, scope, or area.

4. Form of Payment.

- a. Subject to the special rules set forth in the Plan Document that apply following a Change of Control (as defined in the Plan Document), and the remaining provisions of this paragraph 4, the Participant's vested benefit under SERIP (if any) shall be distributed in monthly payments *[check one]*:

___ for 15 years.

___ for 10 years, with the amount of the Participant's vested benefit being adjusted to reflect the value of the accelerated payout, as provided in the Plan Document.

The Participant may not change the form in which [his] [her] benefit under SERIP will be paid, except to the extent (if at all) that the Plan Document permits the Participant to make such a change.

- b. The form of payment specified by subparagraph a, above, shall be effective only if payment of the Participant's vested benefit begins on or after January 1, 2008. If payment of the Participant's vested benefit begins before January 1, 2008, the Participant's vested benefit under SERIP shall be paid in the form specified by SERIP and the Participation Agreement as in effect on December 31, 2006.

5. Benefit Commencement Date. Interpublic shall begin payment of the Participant's vested benefit under SERIP at the time prescribed by the Plan Document. However, the following transition rule shall apply in 2007:

- a. If, under the terms of SERIP and the Participation Agreement in effect on December 31, 2006, payment of the Participant's benefit was scheduled to begin before January 1, 2008, payment of the Participant's benefit shall begin at the time prescribed by the terms of SERIP and such Participation Agreement in effect on December 31, 2006.

- b. If subparagraph a, above, does not apply:

(i) Payment of the Participant's benefit shall not begin before January 1, 2008; and

(ii) If the Plan Document prescribes that payment of the Participant's benefit should begin before January 1, 2008, payment of such benefit shall begin on Interpublic's first semi-monthly pay date for January 2008.

The Participant may not change the time at which payment of *[his] [her]* benefit under SERIP begins, except to the extent (if at all) that the Plan Document permits the Participant to make such a change.

6. **Relationship to Plan Document.** This Participation Agreement is intended to be executed and administered in conjunction with the Plan Document, which is incorporated herein by reference. To the extent that this Participation Agreement does not address an issue, the applicable terms and provisions of the Plan Document shall govern such issue. To the extent that any term or provision of this Participation Agreement is inconsistent with a term or provision of the Plan Document, the term or provision of this Participation Agreement shall govern.
7. **Complete Statement.** This Participation Agreement, as amended and restated hereby, is a complete statement of the Participant's benefit and other rights under SERIP and supersedes any prior statement of the Participant's benefit or other rights under SERIP (except to the extent expressly provided in paragraphs 4 and 5, above). Any change to the terms of this Participation Agreement or to the Participant's rights under SERIP shall be adopted by executing an amendment or supplement to the Plan Document or to this Participation Agreement.
8. **Knowing and Voluntary Agreement.** By signing this Participation Agreement, the Participant acknowledges that —
 - *[he] [she]* has received and reviewed the Plan Document and this Participation Agreement,
 - *[he] [she]* fully understands the terms of the Plan Document and this Participation Agreement, and
 - *[he] [she]* is entering into this Participation Agreement voluntarily.

IN WITNESS WHEREOF, Interpublic, by its duly authorized officer, and the Participant have caused this amended and restated Participation Agreement to be executed.

The Interpublic Group of Companies, Inc.

Participant

BY: _____
Timothy A. Sompolski
Executive Vice President,
Chief Human Resources Officer

DATE: _____

DATE: _____

Return to Interpublic's Law Department.

SENIOR EXECUTIVE RETIREMENT INCOME PLAN
PARTICIPATION AGREEMENT — RESTATEMENT FOR EXISTING PARTICIPANT

PAGE 3

PARTICIPANT

FORM FOR NEW PARTICIPANTS

Note: This form should not be used for benefit increases.

Received by HR _____

The Interpublic Senior Executive Retirement Income Plan

Participation Agreement

WHEREAS, _____ (the "Participant") is a senior executive of The Interpublic Group of Companies, Inc. ("Interpublic") and its subsidiaries, and has been approved by the Compensation Committee of Interpublic's Board of Directors to participate in The Interpublic Senior Executive Retirement Income Plan ("SERIP");

WHEREAS, the Participant has received and reviewed the pamphlet entitled "The Interpublic Senior Executive Retirement Income Plan," as amended and restated effective January 1, 2007, which sets forth the basic terms and conditions of SERIP (such pamphlet, as may be amended from time to time, being referred to herein as the "Plan Document"); and

WHEREAS, the Plan Document provides that certain details with regard to the Participant's benefit and other rights and responsibilities under SERIP are to be set forth in the Participant's Participation Agreement;

NOW, THEREFORE, the undersigned Participant agrees to be bound by the terms of the Plan Document, which terms are incorporated herein by reference, and modified and expanded as follows:

1. **Effective Date.** This Participation Agreement shall be effective as of the following date:

- If the Participant has not participated in any Executive Defined Benefit Arrangement (as defined in the Plan Document), and *[he] [she]* executes and returns this Participation Agreement to Interpublic's Human Resources Department no later than _____ *[insert the 30th day after he first became eligible to participate in SERIP]*, this Participation Agreement shall be effective on the first day of the first calendar month that starts after *[he] [she]* returns the executed Participation Agreement to Interpublic's Human Resources Department.
- If the Participant has participated in SERIP or any other Executive Defined Benefit Arrangement (as defined in the Plan Document), or *[he] [she]* does not return an executed copy of this Participation Agreement to Interpublic's Human Resources Department by the date specified in the preceding paragraph, this Participation Agreement shall be effective as of January 1st of the first calendar year that starts after *[he] [she]* returns the executed Participation Agreement to Interpublic's Human Resources Department.

2. **Benefit and Vesting.** The Participant's benefit under SERIP is \$ _____ per year, if paid in monthly installments for 15 years starting on or after the Participant's 60th birthday and after the benefit has become fully vested. Subject to paragraph 3, below, and the

provisions of the Plan Document that are triggered by a Change of Control (as defined in the Plan Document), this benefit is scheduled to become fully vested on the following date (assuming the Participant continues in the employment of Interpublic and its subsidiaries until such date):

- If the Participant returns an executed copy of this Participation Agreement to Interpublic's Human Resources Department by _____ *[insert the 30th day after he first became eligible to participate in SERIP]*, the scheduled vesting date will be _____ *[insert the 10th anniversary of the last day of the calendar month in which the Participant returns his executed Participation Agreement; for example, if participant turns in Agreement on 6/15/08, vesting date would be 6/30/18]*.
- If the Participant does not return an executed copy of this Participation Agreement to Interpublic's Human Resources Department by the date specified in the preceding paragraph, the scheduled vesting date will be December 31st of the tenth calendar year that starts after the Participant returns an executed copy of this Participation Agreement to Interpublic's Human Resources Department.

As set forth in the Plan Document, the amount of the Participant's benefit will be reduced if payment starts before the Participant's 60th birthday.

3. **Non-Competition and Non-Solicitation.** For a period of two (2) years following the termination of the Participant's employment for any reason, the Participant shall not: (a) accept employment with or serve as a consultant, advisor or in any other capacity to an employer that is in competition with the business unit or units of Interpublic by which the Participant is employed (the "Business Unit"); (b) directly or indirectly, either on the Participant's own behalf or on behalf of any other person, firm or corporation, solicit or perform services for any account that is a client of the Business Unit at the time of the Participant's termination of employment with the Business Unit or that was a client of the Business Unit at any time within one year prior to the date of the Participant's termination of employment; or (c) directly or indirectly employ or attempt to employ or assist anyone else to employ any person who is at such time or who was within the six-month period immediately prior to such time in the employ of the Business Unit. If the Participant breaches any provision of this paragraph 3, *[he] [she]* shall forfeit *[his] [her]* vested benefit and return any payments received pursuant to SERIP.

The Participant acknowledges that these provisions are reasonable and necessary to protect Interpublic's legitimate business interests, and that these provisions do not prevent the Participant from earning a living. If at the time of enforcement of any provision of this Agreement, a court shall hold that the duration, scope, or area restriction of any provision hereof is unreasonable under circumstances now or then existing, the parties hereto agree that the maximum duration, scope, or area reasonable under the circumstances shall be substituted by the court for the stated duration, scope, or area.

PARTICIPANT _____

4. **Form of Payment.** Subject to the special rules set forth in the Plan Document that apply following a Change of Control (as defined in the Plan Document), the Participant's vested benefit under SERIP (if any) shall be distributed in monthly payments *[check one]*:

___ for 15 years.

___ for 10 years, with the amount of the Participant's vested benefit being adjusted to reflect the value of the accelerated payout, as provided in the Plan Document.

The Participant may not change the form in which [his] [her] benefit under SERIP will be paid, except to the extent (if at all) that the Plan Document permits the Participant to make such a change.

5. **Benefit Commencement Date.** Interpublic shall begin paying the Participant's vested benefit at the time prescribed by the Plan Document. The Participant may not change the time at which payment of *[his] [her]* benefit under SERIP begins, except to the extent (if at all) that the Plan Document permits the Participant to make such a change.

6. **Relationship to Plan Document.** This Participation Agreement is intended to be executed and administered in conjunction with the Plan Document, which is incorporated herein by reference. To the extent that this Participation Agreement does not address an issue, the applicable terms and provisions of the Plan Document shall govern such issue. To the extent that any term or provision of this Participation Agreement is inconsistent with a term or provision of the Plan Document, the term or provision of this Participation Agreement shall govern.

7. **Complete Statement.** This Participation Agreement is a complete statement of the Participant's benefit and other rights under SERIP. Any change to the terms of this Participation Agreement or to the Participant's rights under SERIP shall be adopted by executing an amendment or supplement to the Plan Document or to this Participation Agreement.

8. **Knowing and Voluntary Agreement.** By signing this Participation Agreement, the Participant acknowledges that —

- *[he] [she]* has received and reviewed the Plan Document and this Participation Agreement,
- *[he] [she]* fully understands the terms of the Plan Document and this Participation Agreement, and
- *[he] [she]* is entering into this Participation Agreement voluntarily.

* * *

IN WITNESS WHEREOF, Interpublic, by its duly authorized officer, and the Participant have caused this Participation Agreement to be executed.

The Interpublic Group of Companies, Inc.

Participant

BY: _____
Timothy A. Sompolski
Executive Vice President,
Chief Human Resources Officer

DATE: _____

DATE: _____

Return to Interpublic's Human Resources Department.

For HR Use Only

Effective Date: _____

Vesting Date: _____

SENIOR EXECUTIVE RETIREMENT INCOME PLAN
PARTICIPATION AGREEMENT — NEW PARTICIPANT

PARTICIPANT _____

BENEFICIARY DESIGNATION: Senior Executive Retirement Income Plan

Participant's Name _____ Soc. Sec. No: _____

Home Address _____

City _____ State _____ Zip _____

Date of Birth _____

Daytime Telephone Number _____ Evening Telephone Number _____

Please check box if your address has changed within the last year. I am married. I am not married.

Primary Beneficiary Designation

I hereby designate such of the following person(s) who shall survive me as my Primary Beneficiary(ies):

1.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
2.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
3.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
				Total = 100%

Contingent Beneficiary Designation

If no Primary Beneficiary named above shall survive me, I designate such of the following person(s) who shall survive me as my Contingent Beneficiary(ies).

1.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
2.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
3.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
				Total = 100%

*If no percentage is designated, beneficiaries will share equally. If any of my Primary Beneficiaries (or, if applicable, my Contingent Beneficiaries), predecease me, his or her benefits will be shared among my surviving Primary (or, if applicable, Contingent) Beneficiaries in accordance with the proportionate shares of the surviving beneficiaries designated above or, if no percentage is designated, equally.

Consent of Spouse

If a party other than the participant's spouse is named as Primary Beneficiary above, this designation is valid only if the participant's spouse (if any) consents below to the participant's designation of the Primary Beneficiary(ies) and only if the spouse's consent is witnessed by a notary public.

I, _____, am the spouse of the above-named participant. I hereby consent to the designation of the Primary Beneficiary(ies) specified above.

Spouse's Signature Date

STATE OF _____	COUNTY OF: _____	ss:
On _____, before me personally came _____; to me known and known to me to be the individual described as the spouse herein who executed the foregoing consent and duly acknowledged to me that he/she freely executed same.		
Notary Public	My Commission Expires:	

Execution of Beneficiary Designation

Participant's Signature Date

INTER
PUBLIC
GROUP

THE INTERPUBLIC CAPITAL ACCUMULATION PLAN

Amended and Restated
Effective January 1, 2007

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As required by Treasury Department Circular 230, we inform you that (1) any statement regarding federal tax law contained in this pamphlet is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed on you by the Internal Revenue Service, (2) any such statement was written to support the promotion or marketing of the Plan, and (3) you should seek tax advice based on your individual circumstances from an independent tax advisor.

INTRODUCTION AND PLAN HIGHLIGHTS

This pamphlet sets forth the basic terms of The Interpublic Capital Accumulation Plan, as amended and restated effective January 1, 2007. Capitalized terms used in this pamphlet are defined in the Glossary of Key Terms, at the end of the pamphlet.

The Plan is sponsored by Interpublic and has been in effect since August 2003. Your rights and responsibilities under the Plan are also governed by your Participation Agreement with Interpublic. Your Participation Agreement incorporates this pamphlet by reference — which means that this pamphlet is part of your Participation Agreement.

The Plan is unfunded and is designed primarily to provide deferred compensation for a select group of senior management employees of Interpublic and its Subsidiaries. The Plan is excepted from most of the requirements of ERISA.

The benefits provided under the Plan are offered to secure your goodwill, loyalty, and achievement, as well as to attract and retain other executives of outstanding competence. The Plan does not, however, give you the right to continue in the employ of Interpublic or its Subsidiaries, or to receive annual compensation of any particular amount.

Key features of the Plan include the following:

- Eligibility to participate in the Plan must be approved by the MHRC. (See “Eligibility and Effective Date of Participation Agreement.”)
- Your benefit under the Plan is expressed as an account balance — the total of all of the dollar amounts that have been entered in a bookkeeping account maintained for you under the Plan *reduced by* any previous distributions to you under the Plan and also *reduced by* any amounts that you have forfeited under the Plan.
- Each year, as long as your Participation Agreement remains in effect, a dollar credit will be added to your account. The amount of the dollar credit is set forth in your Participation Agreement. In general, the dollar credit amount will be added to your account for a year only if you are an active employee of Interpublic or a Subsidiary on December 31st of that year. However, special rules apply if your employment is terminated involuntarily without Cause or you resign for Good Reason. In addition, interest will be added to your account each December 31st. (See “Your Benefit.”)
- You may forfeit (or lose) your account balance under the Plan before you become vested. Subject to special rules that apply after a Change of Control, you vest in your account balance after you have participated in the Plan for three years. However, even after you vest, you will forfeit the interest that has been added to your account if you violate the non-competition or non-solicitation provisions of your Participation Agreement. (See “Vesting.”)
- In general, Interpublic will begin to pay your vested benefit under the Plan during the first month that starts on or after the second anniversary of your Termination of

- Employment. (See "When Payments Start.") However, special rules apply (a) if you die before payments start and (b) in the event of a Change of Control. (See "Death Benefits" and "Change of Control.")
- If your employment terminates after you reach age 55 and complete at least five years of participation in the Plan, your vested benefit under the Plan will be paid in a lump sum or in monthly installments over 10 or 15 years, as specified in your Participation Agreement. However, if your employment terminates before you reach age 55 or before you complete five years of participation in the Plan, your vested benefit will automatically be paid in a lump sum. (See "Form of Payment.") Also, special rules apply after a Change of Control. (See "Change of Control.")
 - The Plan is not funded. This means that the promise to pay benefits under the Plan is not backed up by a trust fund or by any other dedicated assets and that, as a Plan participant, you are a general unsecured creditor of Interpublic. Although special rules apply in the event of a Change of Control, those rules do not change your status as a general unsecured creditor. (See "Change of Control" and "Nature of Your Account Balance and Plan Assets.")
 - Your benefits under the Plan are in addition to, and independent of, any benefits to which you may be entitled under other benefit plans sponsored by Interpublic.

**ELIGIBILITY AND EFFECTIVE DATE OF
PARTICIPATION AGREEMENT**

The Plan is designed to benefit key executives of Interpublic and its Subsidiaries. You are eligible to participate in the Plan only if your participation is approved by the MHRC.

If you are eligible to participate in the Plan, you will become a participant after you execute your Participation Agreement. Your Participation Agreement and any amendment to your Participation Agreement will become effective on the date prescribed below:

- If you have not participated in the Plan or any other Account Balance Plan:
 - Ø If you return your signed Participation Agreement to Interpublic within 30 days after your participation in the Plan is approved by the MHRC, your participation will be effective as of the first day of the first month that starts after you return your signed Participation Agreement.
 - Ø If you return your signed Participation Agreement to Interpublic more than 30 days after your participation in the Plan is approved by the MHRC, your participation will be effective as of January 1st of the first calendar year that starts after you return your signed Participation Agreement.
- If you have participated in the Plan or any other Account Balance Plan, your Participation Agreement (or any amendment to your Participation Agreement) will be effective as of January 1st of the first calendar year that starts after you return your signed Participation Agreement.

Agreement (or amendment) to Interpublic. *For example*, if you have participated in the Plan since 2005, you are informed on August 15, 2008, that you are eligible for an increase in the amount of the dollar credit that is added to your account each year, and you sign and return an amended Participation Agreement on August 27, 2008, the amended Participation Agreement will be effective January 1, 2009, and the first year to which the new dollar credit amount applies will be 2009.

YOUR BENEFIT

Your benefit under the Plan is expressed as an account balance.

- On December 31st of each year (starting with the year in which your Participation Agreement becomes effective), if you are actively employed by Interpublic or a Subsidiary, the amount of the annual dollar credit set forth in your Participation Agreement will be added to your account. If your Participation Agreement becomes effective on a date other than January 1st, the dollar credit amount for your first year of participation will be pro-rated. The applicable dollar credit for a year will be added to your account only if you are an active employee of Interpublic or a Subsidiary on December 31st of that year.
- In addition, if (a) your employment with Interpublic and its Subsidiaries is terminated involuntarily without Cause or (b) you resign from employment with Interpublic and its Subsidiaries for Good Reason, the following amount will be added to your account as of December 31st of the year in which your Termination of Employment occurs:
 - Ø The sum of the dollar credits that would have been added to your account on each December 31st after your Termination of Employment if you had continued working for Interpublic through your Severance Completion Date. (Unless your Severance Completion Date occurs on December 31st, you will not receive a dollar credit for the year in which your Severance Completion Date occurs.)

Your account will also be credited with interest on December 31st of each year until your vested account balance is paid in full. The amount of interest added to your account on each December 31st will be based on your account balance on that date, excluding the amount of any dollar credit that is added to your account on the same date.

- Effective for calendar years after 2005, the interest rate is the 10-year U.S. Treasury yield curve annual rate (also known as the “constant maturity rate”) as of the last business day of the immediately preceding calendar year, as published by the U.S. Department of Treasury’s Office of Debt Management.
- For calendar years before 2006, the interest rate was set annually by the MHRC.

Unless the last payment of your vested account balance happens to be made on December 31st, interest will not be added to your account in the year the last payment is made.

EXAMPLE. Suppose you sign a Participation Agreement specifying an annual dollar credit of \$25,000, effective July 1, 2008, and the Plan's annual interest rate is 5%.

- On December 31, 2008, \$12,500 (1/2 of \$25,000, because you participated in the Plan for only 1/2 of the year) would be added to your account. Your account balance as of January 1, 2009 would be \$12,500.
- On December 31, 2009, your account would be credited with \$625 (5% of \$12,500) in interest, and a dollar credit of \$25,000 would be added to your account. Your account balance as of January 1, 2010 would be \$38,125 (\$12,500 + \$625 + \$25,000).
- If your Participation Agreement remains in effect and is not amended, annual dollar credits and interest will be added to your account each December 31st if you are still an active employee on that December 31st. After you terminate employment, your account will be credited with interest on each December 31st until your vested account balance is paid in full. (As explained above, your account will not be credited with interest for the year in which the last payment is made, unless the last payment is made on December 31st.)

Your account balance is subject to forfeiture until it becomes fully vested. The vesting rules are described under "Vesting," below. Also, special rules apply after a Change of Control. (See "Change of Control," below.)

BENEFIT INCREASES

The amount of the annual dollar credit under the Plan may be increased from time to time. Any increase in the amount of the annual dollar credit will be set forth in an amendment to your Participation Agreement or in a new Participation Agreement.

VESTING

GENERAL RULE

In general, you will vest in your account balance after you have participated in the Plan for three years.

- If (a) your employment with Interpublic and its Subsidiaries is terminated involuntarily without Cause or (b) you resign from employment with Interpublic and its Subsidiaries for Good Reason, you will receive service credit as if you had participated in the Plan through your Severance Completion Date.

For example, if your employment with Interpublic is terminated involuntarily without Cause after you participated in the Plan for two years, and you are eligible to receive Severance Pay in installments for 12 months after your Termination of Employment, you will have three years of service credit (2 years of active participation plus one year of severance). As a result, your account would be fully vested.

- Participation in any predecessor plan, including an ESBA, will *not* count toward the three years of participation required for vesting.
- Special rules apply after a Change of Control. (See “Change of Control,” below.)

FORFEITURE

You will forfeit (or lose) any portion of your benefit that is not vested upon your Termination of Employment (determined as if you had continued working for Interpublic through your Severance Completion Date). Any unvested account balance and years of participation that accrued before your Termination of Employment will not be reinstated, even if you are rehired.

In addition, you will forfeit all of the interest that has been or will be credited to your account if you violate the non-competition or non-solicitation provisions of your Participation Agreement.

PAYMENTS UNDER THE PLAN**WHEN PAYMENTS START**

Subject to special rules that apply after a Change of Control (see “Change of Control,” below), Interpublic will start paying your vested benefit during the first month that starts on or after the second anniversary of your Termination of Employment.

For example, if your employment with Interpublic and its Subsidiaries terminates on June 15, 2015, Interpublic would make the first payment in July 2017.

EXAMPLE. Suppose your Participation Agreement provides for an annual dollar credit of \$25,000 and the Plan's annual interest rate is 5%. If your employment is terminated involuntarily without Cause on June 15, 2015, after your account is fully vested, and you are eligible to receive Severance Pay in installments for 12 months after your Termination of Employment —

- Your Severance Completion Date would be on or about June 15, 2016. Accordingly, as of December 31, 2015, \$25,000 (the dollar amount that would have been added to your account on December 31, 2015, if you had continued working through your Severance Completion Date) will be added to your account.
- On December 31, 2015, your account (excluding the \$25,000 added on December 31, 2015) would be credited with interest in an amount equal to 5% of your account balance as of December 31, 2015.
- On December 31, 2016, your account would be credited with interest in an amount equal to 5% of your account balance as of December 31, 2016.
- In July 2017, Interpublic would make the first payment. If your benefit is paid in a lump sum, the amount paid to you would be your vested account balance as of December 31, 2016. You would not receive interest for the period from December 31, 2016 until your account balance is paid to you.

FORM OF PAYMENT

Unless otherwise specified in your Participation Agreement, Interpublic will pay your benefit in a lump sum. Your Participation Agreement may provide for payments in monthly installments over 10 or 15 years. However, if your employment terminates before age 55, or before you have completed at least five years of participation in the Plan, Interpublic will automatically pay your benefit in a lump sum, regardless of the form specified in your Participation Agreement.

If your benefit is paid in installments, the amount to be paid each year will be determined by dividing your vested account balance (determined as of the date when payments begin and, in succeeding years, as of the anniversary of that date) by the remaining number of annual installments. The amount of each monthly installment in a year will be $1/12$ th of the amount to be paid in that year.

As installments are being paid, the unpaid portion of your vested account will continue to earn interest on December 31st of each year, at the Plan's interest rate.

EXAMPLE. Suppose your vested account balance is \$500,000, your benefit is to be paid in installments over 10 years, and the Plan's annual interest rate is 5%.

- In Year #1, you would receive \$50,000, in monthly payments of \$4,166.67 each.

Annual Amount	=	\$500,000/10	=	\$ 50,000
Monthly Amount	=	\$50,000/12	=	\$4,166.67

- At the end of Year #1, your vested account balance would be \$450,000 and \$22,500 in interest would be added to your account.

\$500,000 – \$50,000	=		=	\$ 450,000
5% of \$450,000	=		=	\$ 22,500
New Balance	=	\$450,000 + \$22,500	=	\$ 472,500

- In Year #2, when 9 annual payments remain, you would receive \$52,500, in monthly payments of \$4,375.00 each.

Annual Amount	=	\$472,500/9	=	\$ 52,500
Monthly Amount	=	\$52,500/12	=	\$4,375.00

- Payments would continue, and interest would continue to be credited, according to the process described above, until your vested account balance is paid in full. Your final installment payment would include interest credited to your account on the last December 31st before the final installment is paid. (As explained above, you would not receive interest for the period from that December 31st until the last installment is paid.)

After you return your executed Participation Agreement, the Plan does not allow you to change the form in which your vested benefit will be paid.

DISABILITY

If you become disabled while employed, you will continue to earn dollar credits and to accumulate years of Plan participation until your Termination of Employment, and interest credits will continue to be added each year until your vested account balance is paid in full. Payments will start after your Termination of Employment in accordance with the payment timing rules described in this pamphlet (See "Payments Under the Plan," above.)

The date of your Termination of Employment will be determined in accordance with the Plan's definition of "Termination of Employment."

DEATH BENEFITS**AMOUNT, FORM, AND TIME OF DEATH BENEFIT**

If you die before your vested account balance is paid in full, a beneficiary (or beneficiaries) whom you select will be entitled to receive your remaining vested account balance in a lump sum. Interpublic will pay the lump sum within 90 days after your death.

DESIGNATING YOUR BENEFICIARY

You may designate one or more primary beneficiaries to receive your vested account balance after your death. You may also designate one or more contingent beneficiaries, who would receive any remaining vested account balance if all of your primary beneficiaries die before all payments have been made. You may change your beneficiaries at any time before your death by filing a new beneficiary designation form with Interpublic's Human Resources Department.

If you are married on the date of your death, your beneficiary will be your spouse, unless you specify a different beneficiary. You may not designate a beneficiary other than your spouse, however, without your spouse's written consent.

In the absence of an effective beneficiary designation (or if none of your primary or contingent beneficiaries are living), your vested account balance (if any) will be distributed, in the form set forth above, to the first of the following to survive you:

- Your spouse;
- Your children (to be divided equally);
- Your parents;
- Your brothers and sisters (to be divided equally); or
- The executors or administrators of your will.

The form for making your initial beneficiary designation is attached to your Participation Agreement. You may obtain new beneficiary designation forms from Interpublic's Human Resources Department.

CHANGE OF CONTROL**SPECIAL VESTING, ACCRUAL, AND PAYMENT RULES****Special Vesting and Accrual Rules**

If, after a Change of Control, (a) your employment with Interpublic and its Subsidiaries is terminated involuntarily without Cause or (b) you resign from employment with Interpublic and its Subsidiaries for Good Reason:

- Your account will immediately become fully vested (if not already vested), and
- Interpublic will immediately credit your account with the sum of the annual dollar credits that would have been added to your account on each December 31st after your Termination of Employment if you had continued working for Interpublic through your Severance Completion Date. (Unless your Severance Completion Date occurs on December 31st, you will not receive a dollar credit for the year in which your Severance Completion Date occurs.)

Special Payment Rule

- If your Termination of Employment (for any reason) occurs within two years after a Change of Control, Interpublic will pay your account balance (including the additional credits described above, if your employment is terminated involuntarily without Cause or you resign for Good Reason) to you in a lump sum.
 - Ø Unless Interpublic determines that you are a Top-50 Employee, the lump-sum payment will be made within 30 days after your Termination of Employment.
 - Ø If Interpublic determines that you are a Top-50 Employee, the lump-sum payment will be delayed until the earlier of (a) the first day of the seventh month that starts after your Termination of Employment or (b) the first day of the first month that starts after your death. You will not receive any special interest payments for the delay, but Interpublic will continue to add annual interest credits to your account each December 31st until your account balance is paid in full.
- If your Termination of Employment occurs after the second anniversary of the Change of Control, Interpublic will pay your account balance (including the additional credits described above) to you at the time and in the form set forth in your Participation Agreement.

DEFERRED COMPENSATION TRUST

Before a Change of Control, Interpublic must contribute to a Deferred Compensation Trust an amount equal to the then-present value of the sum of all benefits that would become payable under the Plan if Interpublic terminated all participants' employment without Cause immediately

after the Change of Control. The amount to be contributed will be determined by an Outside Auditor engaged by Interpublic at Interpublic's expense.

For purposes of calculating the amount to be contributed to a Deferred Compensation Trust, the Outside Auditor will make the following assumptions:

- The assumed annual rate of interest and discount rate will be the rate of interest to be credited to accounts (as described under "Your Benefit," above) for the year in which the Change of Control occurs, and
- Payment of the benefits described above would be due within 30 days after the Change of Control.

Assets that Interpublic or any Subsidiary contributes to the Deferred Compensation Trust are subject to the claims of the creditors of Interpublic or the Subsidiary (as the case may be) in the event of its bankruptcy or insolvency. The Deferred Compensation Trust will not change your status as a general unsecured creditor of Interpublic.

REDUCTION OF BENEFITS AFTER A CHANGE OF CONTROL

It is possible that some or all of the benefit you receive after a Change of Control will be treated as an "excess parachute payment" that is subject to a 20% excise tax under Section 4999 of the Tax Code. If an Outside Auditor determines that any amount payable to you under the Plan is reasonably likely to trigger the 20% excise tax, your benefit under the Plan will be whichever of the following amounts results in a larger net benefit to you, after taxes (as determined by the Outside Auditor):

- Your full benefit under the Plan, all or part of which might be subject to a 20% excise tax, or
- Your benefit under the Plan, reduced to the extent the Outside Auditor determines is necessary to avoid triggering the 20% excise tax.

Interpublic will engage and pay the fees for the Outside Auditor to perform these calculations.

MISCELLANEOUS

PLAN ADMINISTRATION AND REVIEW OF DECISIONS

The Plan's administrator is the MHRC. Before a Change of Control, the Plan's administrator has complete and exclusive discretionary authority and responsibility to administer and interpret the Plan's governing documents (including the authority to make findings of fact and to resolve ambiguities and inconsistencies in the Plan's language, and to correct any inadvertent omissions). All decisions of the Plan's administrator are considered to be final and controlling. Review by a court of any decision of the Plan's administrator will be subject to the following standard of review:

- Before a Change of Control, the standard of review will be the “arbitrary and capricious” standard, which means that the court will defer to the MHRC’s decision (or the decision of any successor to the MHRC), and will not overturn that decision unless the court concludes that the decision cannot be supported by the relevant facts and applicable law.
- After a Change of Control, the standard of review will be “*de novo*,” which means that the court may overturn the MHRC’s decision (or the decision of any successor to the MHRC) if it disagrees with the decision.

The MHRC has authority to delegate any of its duties and responsibilities under the Plan as it deems appropriate. In addition, the MHRC may engage one or more persons to render advice with regard to any of its administration responsibilities. Any final decision by a delegate of the MHRC will be treated for purposes of the Plan as a decision of the MHRC.

PARTICIPATION AGREEMENT, AMENDMENT, AND TERMINATION

Your Participation Agreement sets forth specific terms relating to your benefit under the Plan. Your Participation Agreement, including any amendment to your Participation Agreement, is valid only if it is executed on behalf of Interpublic, by Interpublic’s Executive Vice President, Chief Human Resources Officer or his designee.

Although Interpublic intends to continue the Plan indefinitely, Interpublic reserves the right to amend or terminate the Plan at any time, and from time to time, either retroactively or prospectively, without your consent. However, unless necessitated by a change in applicable law, an amendment or termination may not —

- reduce the amount of your vested account balance as of the later of (a) the effective date of the amendment or termination or (b) the date the resolution to amend or terminate the Plan is adopted; or
- result in a change to the form or time for paying your account balance under the Plan, unless Interpublic determines, based on the advice of outside counsel, that a change in the form or time of payment will not trigger adverse tax consequences.

In addition, any resolution to amend or terminate the Plan that is adopted or becomes effective during the three years following a Change of Control may not take away any of your rights, or relieve Interpublic of any of its obligations under the Plan, including those set forth in the section entitled “Change of Control,” above.

Subject to the restrictions set forth above, any amendment or termination of the Plan may be adopted by resolution of the Compensation Committee. In addition, the MHRC —

- may make any amendment required to comply with federal or state law (including any tax law that could result in adverse tax consequences), or that is desirable to improve the administration of the Plan, if the amendment does not materially affect the level of benefits provided under the Plan to or on behalf of any participant; and

- has discretion to accelerate payment to the extent that Interpublic or the MHRC determines, with the advice of outside counsel, is permitted without violating the requirements of Section 409A of the Tax Code.

SUCCESSORS TO INTERPUBLIC

Interpublic shall require any successor to its business or its assets to assume the Plan expressly, absolutely, and unconditionally, and to administer the Plan in accordance with its terms. After a Change of Control, all references to Interpublic and its Subsidiaries shall be deemed to refer to Interpublic's successor and its Subsidiaries.

COORDINATION WITH OTHER BENEFITS

Your benefit under the Plan is designed to be in addition to any benefits you earn under other benefit plans sponsored by Interpublic and its Subsidiaries. Except as expressly provided in another plan or in this Plan, your right to a benefit under the Plan will not affect the benefits under any other plan.

NATURE OF YOUR ACCOUNT BALANCE AND PLAN ASSETS

The obligation to pay your vested account balance is a liability of Interpublic. Benefits under the Plan are not insured by the Pension Benefit Guaranty Corporation, and any assets that Interpublic or a Subsidiary sets aside to fund your vested account balance under the Plan, whether in a Deferred Compensation Trust or otherwise, will remain available to creditors of Interpublic or the Subsidiary (as the case may be) in the event of its bankruptcy or insolvency.

ASSIGNMENT AND ALIENATION

In general, your right to a benefit under the Plan (and the corresponding rights of your beneficiaries) may not be assigned, transferred, alienated, encumbered, or otherwise subject to lien. However, the Plan will comply with domestic relations orders that are determined to be "qualified domestic relations orders" under ERISA.

WITHHOLDING AND OTHER TAX CONSEQUENCES

Interpublic may deduct from amounts paid or due to a participant under the Plan any income, employment, excise and other taxes that it reasonably determines are required to be withheld by any government or government agency, including any taxes on income that is currently subject to tax even though it is not currently paid or payable to you. You (or your beneficiaries) are responsible for satisfying any remaining tax obligations, to the extent that amounts withheld (if any) are insufficient.

AUTHORITY TO DETERMINE PAYMENT DATE

To the extent that any payment under the Plan may be made within a specified number of days on or after any date or the occurrence of any event, the date of payment shall be determined by Interpublic in its sole discretion, and not by any participant, beneficiary, or other individual.

COMPLIANCE WITH TAX CODE § 409A

Your benefit under the Plan is subject to Section 409A of the Tax Code, which became effective January 1, 2005, and imposes restrictions on deferred compensation arrangements like the Plan. Interpublic intends to operate, administer, and interpret the Plan in accordance with Section 409A. If the Compensation Committee or the MHRC determines in good faith that (a) any aspect of the Plan is inconsistent with the restrictions imposed by Section 409A (including guidance interpreting Section 409A) and (b) an amendment to the Plan could reduce or eliminate adverse tax consequences under Section 409A, the Compensation Committee or the MHRC may amend the Plan without your consent to the extent that it determines, based on the advice of outside counsel, the amendment is necessary to reduce or eliminate such adverse tax consequences.

Although the Plan has been subject to Section 409A since January 1, 2005, the plan documents in effect before January 1, 2007, were not amended to reflect the requirements of Section 409A. For the period from January 1, 2005 through December 31, 2006, Interpublic and the MHRC have discretion to override the terms of the Plan to the extent that either Interpublic or the MHRC determines is necessary or appropriate to comply with the requirements of Section 409A.

MAILING ADDRESS

After you terminate employment with Interpublic and its Subsidiaries, you will receive periodic correspondence related to your benefit (if any) under the Plan. It is your responsibility to notify Interpublic's Human Resources Department of any changes in your mailing address or in the mailing address of any of your beneficiaries (or contingent beneficiaries). Failure to update your address could delay distribution of your vested account balance.

OVERPAYMENTS

If an overpayment of benefits is made under the Plan, the amount of the overpayment may be set off against future payments under the Plan until the overpayment has been recovered. If no future payments are scheduled, you will be required to return the overpaid amount, and Interpublic may pursue any legal or equitable avenue to effectuate recovery.

INCAPACITY AND MINOR STATUS

If any individual entitled to a payment under the Plan is a minor, or is physically or mentally unable to care for his or her affairs, and another person or institution is maintaining custody over the individual entitled to receive the payment, payments under the Plan may be made, for the

benefit of the individual entitled to payment, to the custodial person or institution, as applicable. If a court has appointed a guardian or representative of the individual entitled to payment, payment will be made to the guardian or representative. Any such payment will discharge the Plan's liability, as if the payment were made to the individual entitled to payment.

CONTINUED EMPLOYMENT

Nothing in the Plan gives you the right to continue in the employment or service of Interpublic or its Subsidiaries, or to receive annual compensation in any particular amount. Conversely, nothing in the Plan gives Interpublic or any Subsidiary the right to require you to remain in its employ.

LIABILITY LIMITED

Except as and to the extent otherwise provided by applicable law, no liability will attach to or be incurred by the shareholders, directors, officers, or employees of Interpublic and its Subsidiaries under or by reason of any of the terms and conditions of the Plan.

TITLES AND HEADINGS NOT TO CONTROL

The titles and headings of sections of the Plan are for convenience of reference only. In the event of any conflict, the text of the Plan, rather than the titles or headings, will control.

SEVERABILITY

If any provision of the Plan is held illegal or invalid for any reason, other provisions will be unaffected. The Plan will be construed as if any illegal or invalid provision were never inserted.

VARIATIONS IN PLAN TERMS

Your individual Participation Agreement may contain provisions that conflict with or are otherwise inconsistent with the terms set forth in this plan document. If so, the terms of your Participation Agreement will control.

COMPLETE STATEMENT OF THE PLAN

This pamphlet and your Participation Agreement are a complete statement of your rights under the Plan. Any question regarding your rights under the Plan must be resolved by applying the terms of the Plan document and your Participation Agreement. External evidence of intent or meaning will not be relevant.

CLAIMS AND APPEALS

The Plan has specific procedures for making a claim for benefits. You must exhaust this claim and appeal process before you can file a lawsuit in court. The claim and appeal process has two levels: (1) the initial claim and (2) review on appeal. They operate as follows:

INITIAL CLAIMS

1. Any benefit claim must be in writing and should be mailed to the MHRC, at the following address:
IPG Management Human Resources Committee
1114 Avenue of the Americas, 19th Floor
New York, NY 10036
Attn: Executive Vice President, Chief Human Resources Officer
2. The MHRC will generally review and decide each claim within 90 days after the claim is received. If the MHRC needs more time to decide your claim, the MHRC will notify you, and may extend the review period by up to an additional 90 days.
 - Ø The time period within which the MHRC must decide your claim starts on the date the MHRC receives your claim, even if you do not submit all of the information needed to resolve your claim. However, if the MHRC needs more information to resolve your claim, you and the MHRC may agree to extend the period for making the decision. If you do not provide any requested information by the deadline that the MHRC sets, the MHRC will decide your claim based on the information it has as of the deadline. This might result in your claim being denied.
 - Ø If your claim is not resolved within the time periods described above, you may consider your claim to have been denied. You may (a) contact the MHRC to determine whether your claim has, in fact, been denied, (b) file an appeal with the MHRC (following the procedures set forth in the "Appeals" section, below), or (c) bring a lawsuit under Section 502(a) of ERISA.
3. If your claim is wholly or partially denied, the MHRC will issue a written decision. The decision will include —
 - Ø the specific reason or reasons for denial of your claim;
 - Ø references to the specific Plan provisions upon which the denial is based;
 - Ø a description of any additional material or information necessary to perfect your claim, and an explanation of why the material or information is necessary;
 - Ø an explanation of the appeal procedures and the applicable time limits; and
 - Ø a statement of your right to file a lawsuit under Section 502(a) of ERISA if your claim is denied after the MHRC reviews its initial decision.

APPEALS

1. Within 60 days after you receive a written notice of denial of your claim (or the end of the time period for deciding your claim), you may file a written request with the MHRC, at the address shown above, for a full and fair review of its initial decision (an "appeal").
2. In connection with a request for review, you may —
 - Ø submit written comments, documents, records and other information relating to your claim; and
 - Ø receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information that the MHRC determines is relevant to your claim.
3. The review on appeal will take into account all comments, documents, records and other information that you submit, regardless of whether the information was considered in the initial benefit determination. The MHRC will generally decide your appeal within 60 days after your request for review is received. If the MHRC needs more time, the MHRC will notify you, and the MHRC may extend the review period by up to an additional 60 days.
 - Ø If the MHRC needs more information to decide your appeal, the period within which the MHRC must decide your appeal will automatically be extended. The length of the extension will be equal to the number of days from when the MHRC sends you a request for additional information until the earlier of (a) the date the MHRC receives the requested information or (b) the due date that the MHRC establishes for providing that information.
 - Ø If your appeal is not resolved within the time periods described above, you may consider your appeal to have been denied. You may (a) contact the MHRC to determine whether your appeal has, in fact, been denied and/or (b) bring a lawsuit under Section 502(a) of ERISA.
4. If your appeal is wholly or partially denied, the MHRC will render a written decision. The decision will include —
 - Ø the specific reason or reasons for the decision;
 - Ø references to the specific Plan provisions upon which the decision is based;
 - Ø an explanation of your right to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information that the MHRC determines is relevant to your claim for benefits; and
 - Ø a statement of your right to bring a civil action under Section 502(a) of ERISA.

OTHER RULES AND RIGHTS REGARDING CLAIMS AND APPEALS

- You may authorize a representative to pursue any claim or appeal on your behalf. The MHRC may establish reasonable procedures for verifying that any representative has in fact been authorized to act on your behalf.
- The Plan will be interpreted and enforced in accordance with the applicable provisions of ERISA and federal tax laws that apply to nonqualified deferred compensation. To the extent that state-law issues arise, New York law (exclusive of choice of law provisions) will govern.

GLOSSARY OF KEY TERMS

Account Balance Plan	A nonqualified deferred compensation arrangement sponsored by Interpublic or a Subsidiary, under which — <ul style="list-style-type: none">• principal amounts, not including compensation that you elect to defer, are credited to an account in your name;• the principal amounts credited to your account accrue interest or earnings; and• your benefit is based solely on the balance credited to your account (<i>i.e.</i>, principal plus earnings or interest).
Cause	Cause for your employer to terminate your employment with Interpublic and its Subsidiaries, which will exist if — <ul style="list-style-type: none">• you materially breach a provision in an employment agreement between you and Interpublic or a Subsidiary, and you do not cure that breach within 15 days after you receive written notice from your employer of the breach;• without written approval from Interpublic’s Board of Directors or the person to whom you report directly, you (a) misappropriate funds or property of Interpublic or a Subsidiary or (b) attempt to secure any personal profit related to the business of Interpublic or a Subsidiary;• you engage in conduct that Interpublic determines constitutes fraud, material dishonesty, gross negligence, gross malfeasance, insubordination, or willful misconduct in the performance of your duties as an employee of Interpublic or a Subsidiary, or you willfully fail to follow Interpublic’s code of conduct, unless your actions (or failure to act) are taken in good faith and do not cause material harm to Interpublic or a Subsidiary;• you refuse or fail to attempt in good faith (a) to perform your duties as an employee of Interpublic or a Subsidiary or (b) to follow a reasonable good-faith direction of Interpublic’s Board of Directors or the person to whom you report directly, and you do not cure the refusal or failure within 15 days after you receive written notice from your employer of the refusal or failure;• you commit, or are formally charged or indicted for allegedly committing, a felony or a crime involving dishonesty, fraud, or moral turpitude; or• you engage in activities that are clearly prohibited by Interpublic’s policy prohibiting discrimination or harassment based on age, gender, race, religion, disability, national origin or any other protected category.
Change of Control	A change in (a) the ownership or effective control of Interpublic or (b) the ownership of a substantial portion of Interpublic’s assets, each as defined in rules and regulations under Section 409A of the Tax Code.

Subject to certain limited exceptions, a Change of Control of Interpublic would generally occur if—

- a person or group acquires more than 50% of the total fair market value or voting power of Interpublic's stock;
- during a 12-month period, a person or group acquires 30% or more of the total voting power of Interpublic's stock;
- during a 12-month period, a person or group acquires 40% or more of Interpublic's assets (determined based on gross fair market value); or
- during a 12-month period, a majority of Interpublic's Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board before the appointment or election.

Compensation Committee	The Compensation Committee of Interpublic's Board of Directors.
Deferred Compensation Trust	The Trust Agreement Between The Interpublic Group of Companies, Inc., Lintas: Campbell-Ewald Company, McCann-Erickson USA, Inc., McCann-Erickson Marketing, Inc., and Lintas, Inc. and Manufacturers Hanover Trust Company, originally effective June 1, 1990 (commonly referred to as the "Interpublic Rabbi Trust") and/or any other trust agreement to which Interpublic is a party that is established to fund benefits under the Plan. The terms of any Deferred Compensation Trust are subject to the restrictions set forth in Section 409A of the Tax Code, and assets that Interpublic or a Subsidiary sets aside in any Deferred Compensation Trust will be subject to the claims of creditors of Interpublic or the Subsidiary (as the case may be) in the event of its bankruptcy or insolvency.
ERISA	The Employee Retirement Income Security Act of 1974, as amended.
ESBA	An Executive Special Benefit Agreement with Interpublic.
Good Reason	<ul style="list-style-type: none"> • You will be considered to have resigned for Good Reason only if: <ul style="list-style-type: none"> Ø You notify Interpublic in writing that one or more of the "triggering circumstances" listed below has occurred within 90 days after the circumstance(s) first occurs; Ø The triggering circumstance(s) is (are) not remedied within 30 days after Interpublic receives the notice; and Ø Your Termination of Employment is effective within two years after triggering circumstance(s) first occurs. • The following are the "triggering circumstances": <ul style="list-style-type: none"> Ø Interpublic or a Subsidiary materially reduces your rate of base salary; Ø An action by Interpublic or a Subsidiary results in your authority, duties, or, responsibilities, being materially diminished;

- Ø An action by Interpublic or a Subsidiary results in the authority, duties, or responsibilities of your supervisor being materially diminished, including a requirement that you report to a corporate officer or employee instead of the Board of Directors of Interpublic;
- Ø Interpublic or a Subsidiary materially diminishes the budget over which you retain authority;
- Ø Your principal place of work is moved more than 50 miles outside the city in which you are principally based, unless (a) you make the relocation decision or (b) you are notified in writing that Interpublic or your employer is seriously considering such a relocation and do not object in writing within 10 days after you receive the written notice; or
- Ø Interpublic or a Subsidiary materially breaches any employment agreement between you and your employer.

Interpublic	The Interpublic Group of Companies, Inc., and any successor to The Interpublic Group of Companies, Inc.
MHRC	Interpublic's Management Human Resources Committee.
Outside Auditor	Either of the following firms: <ul style="list-style-type: none"> • The outside auditing firm retained by Interpublic in the last fiscal year that ends before a Change of Control, or • A national auditing firm acceptable to at least 75% of the Plan participants who are actively working for Interpublic or a Subsidiary immediately before a Change of Control.
Participation Agreement	The written agreement between you and Interpublic that documents the terms of your participation in the Plan.
Plan	The Interpublic Capital Accumulation Plan, as set forth in this pamphlet and your Participation Agreement, as either or both may be amended from time to time.
Severance Completion Date	The last day of the calendar month that includes the end of the payroll period for which your last Severance Payment (if any) is paid. If you are not eligible to receive Severance Pay, or you receive Severance Pay in a lump sum, your Severance Completion Date is the date of your Termination of Employment.
Severance Pay	A payment or payments made under a severance plan or policy or an agreement with Interpublic or a Subsidiary upon or after your Termination of Employment as compensation for (a) terminating your employment involuntarily without Cause or (b) your resignation for Good Reason.
Subsidiary	Any corporation or other entity that is required to be combined with Interpublic as a single employer under Section 414(b) or (c) of the Tax

Code. In general, this means Interpublic and all other entities of which Interpublic directly or indirectly owns 80 percent or more of the combined voting power or total value of shares.

Tax Code

The Internal Revenue Code of 1986, as amended.

Termination of Employment

The date your employment with Interpublic and its Subsidiaries ends, including the date on which you die, retire, quit, or are discharged. Subject to the next sentence, if you are on leave of absence, your Termination of Employment will occur on the later of (a) the first day that is more than six months after your leave started or (b) the first day after all statutory and contractual rights to reemployment with Interpublic or a Subsidiary expire. If the reason for your leave of absence is a medically determinable physical or mental condition that can be expected to last for six consecutive months or longer, and the condition causes you to be unable to perform the duties of your position or a substantially similar position, the six-month period described in clause (a) of the preceding sentence will be extended to 29 months.

A sale of assets by Interpublic or a Subsidiary to an unrelated buyer that results in your working for the buyer (or one of its affiliates) will not, by itself, constitute a Termination of Employment unless Interpublic (with the buyer's written consent) so provides in writing 60 or fewer days before the closing of the sale.

Top-50 Employee

A "specified employee" under Section 409A of the Tax Code, determined in accordance with Treas. Reg. § 1.409A-1(i). In general, as long as Interpublic is a public company (or, if Interpublic is acquired, the parent company is a public company), you will be a "specified employee" under Section 409A of the Tax Code if you are one of the 50 highest-paid officers of Interpublic (or, if Interpublic is acquired, the corporate parent) and its Subsidiaries.

**The Interpublic Capital Accumulation Plan
Restated Participation Agreement**

WHEREAS, _____ (the "Participant") and The Interpublic Group of Companies, Inc. ("Interpublic") are parties to a Participation Agreement under The Interpublic Capital Accumulation Plan ("CAP"), dated _____ **and amended as of _____** (*insert dates of any amendments, including payment elections*) (the "Participation Agreement"); and

WHEREAS, the Participant's benefit under CAP is governed by the terms of *[his/her]* Participation Agreement and by the terms of the pamphlet entitled "The Interpublic Capital Accumulation Plan," as amended and restated effective January 1, 2007, and as amended from time to time thereafter (the "Plan Document"); and

WHEREAS, the Participant and Interpublic wish to amend and restate the Participation Agreement to comply with a good-faith interpretation of Section 409A of the Internal Revenue Code and the guidance issued by the Internal Revenue Service thereunder, and to make clear that the provisions set forth in the Plan Document that are triggered by a Change of Control (as defined in the Plan Document) apply to the Participant's benefit under CAP;

NOW, THEREFORE, the Participation Agreement is hereby amended and restated in its entirety as follows:

1. **Effective Date.** This amended and restated Participation Agreement shall be effective as of January 1, 2007, except to the extent provided otherwise herein.
 2. **Credit Amount.** Effective _____ *[insert effective date for current dollar credit amount]*, the Participant's annual dollar credit under CAP shall be \$ _____ and shall be credited only under the circumstances, and at the time, specified by the Plan Document. *[If the Participant's dollar credit was ever increased:] [For _____ (insert year(s), the Participant's annual dollar credit under CAP was \$ _____, and was credited on December 31st of such years.]*
 3. **Interest.** The Participant's CAP Account shall be credited with interest on December 31st of each calendar year (starting with the calendar year after the calendar year in which the Participant's participation in the CAP first became effective), at the rate specified by the Plan Document. For 2007, the interest rate is 4.71%.
 4. **Vesting.** Subject to paragraph 5, below, and the provisions of the Plan Document that are triggered by a Change of Control (as defined in the Plan Document), the Participant's CAP account is scheduled to become fully vested on _____ (assuming the Participant continues in the employment of Interpublic and its Subsidiaries until this date).
 5. **Non-Competition and Non-Solicitation.** For a period of two (2) years following the termination of the Participant's employment for any reason, the Participant shall not:
-

(a) accept employment with or serve as a consultant, advisor or in any other capacity to an employer that is in competition with the business unit or units of Interpublic by which the Participant is employed (the "Business Unit"); (b) directly or indirectly, either on the Participant's own behalf or on behalf of any other person, firm or corporation, solicit or perform services for any account that is a client of the Business Unit at the time of the Participant's termination of employment with the Business Unit or that was a client of the Business Unit at any time within one year prior to the date of the Participant's termination of employment; or (c) directly or indirectly employ or attempt to employ or assist anyone else to employ any person who is at such time or who was within the six-month period immediately prior to such time in the employ of the Business Unit. If the Participant breaches any provision of this paragraph 5, [he] [she] shall forfeit all of the interest that has been or will be credited to [his] [her] CAP account.

The Participant acknowledges that these provisions are reasonable and necessary to protect Interpublic's legitimate business interests, and that these provisions do not prevent the Participant from earning a living. If at the time of enforcement of any provision of this Agreement, a court shall hold that the duration, scope, or area restriction of any provision hereof is unreasonable under circumstances now or then existing, the parties hereto agree that the maximum duration, scope, or area reasonable under the circumstances shall be substituted by the court for the stated duration, scope, or area.

6. Form of Payment.

a. Subject to the special rules set forth in the Plan Document that apply following a Change of Control (as defined in the Plan Document), and the remaining provisions of this paragraph 6, the Participant's vested benefit under CAP (if any) shall be distributed in the following form [check one]:

Lump sum

Monthly installments over 10 years*

Monthly installments over 15 years*

* Notwithstanding the election above, if the Participant terminates employment before age 55, or before being credited with at least five years of participation in CAP, [his] [her] vested benefit under CAP (if any) will automatically be paid in a lump sum.

The Participant may not change the form in which [his] [her] benefit under CAP will be paid, except to the extent (if at all) that the Plan Document permits the Participant to make such a change.

b. The form of payment specified by subparagraph a, above, shall be effective only if payment of the Participant's vested benefit begins on or after January 1, 2008. If payment of the Participant's vested benefit begins before January 1, 2008, the

Participant's vested benefit under CAP shall be paid in the form specified by the Participation Agreement as in effect on December 31, 2006.

7. **Benefit Commencement Date.** Interpublic shall begin payment of the Participant's vested benefit under CAP at the time prescribed by the Plan Document. However, the following transition rule shall apply in 2007:
- a. If, under the terms of CAP and the Participation Agreement in effect on December 31, 2006, payment of the Participant's benefit was scheduled to begin before January 1, 2008, payment of the Participant's benefit shall begin at the time prescribed by the terms of CAP and such Participation Agreement in effect on December 31, 2006.
 - b. If subparagraph a, above, does not apply:
 - (i) Payment of the Participant's benefit shall not begin before January 1, 2008; and
 - (ii) If the Plan Document prescribes that payment of the Participant's benefit should begin before January 1, 2008, payment of such benefit shall begin on Interpublic's first pay date for January 2008.
- The Participant may not change the time at which payment of *[his] [her]* benefit under CAP begins, except to the extent (if at all) that the Plan Document permits the Participant to make such a change.
8. **Relationship to Plan Document.** This Participation Agreement is intended to be executed and administered in conjunction with the Plan Document. To the extent that this Participation Agreement does not address an issue, the applicable terms and provisions of the Plan Document shall govern such issue. To the extent that any term or provision of this Participation Agreement is inconsistent with a term or provision of the Plan Document, the term or provision of this Participation Agreement shall govern.
9. **Complete Statement.** This Participation Agreement, as amended and restated hereby, is a complete statement of the Participant's benefit and other rights under CAP and supersedes any prior statement of the Participant's benefit or other rights under CAP (except to the extent expressly provided in paragraphs 6 and 7, above). Any change to the terms of this Participation Agreement or to the Participant's rights under CAP shall be adopted by executing an amendment or supplement to the Plan Document or to this Participation Agreement.
10. **Knowing and Voluntary Agreement.** By signing this Participation Agreement, the Participant acknowledges that —
- *[he] [she]* has received and reviewed the Plan Document and this Participation Agreement,

PARTICIPANT _____

- *[he] [she]* fully understands the terms of the Plan Document and this Participation Agreement, and
- *[he] [she]* is entering into this Participation Agreement voluntarily.

IN WITNESS WHEREOF, Interpublic, by its duly authorized officer, and the Participant have caused this amended and restated Participation Agreement to be executed.

The Interpublic Group of Companies, Inc.

Participant

BY: _____
Timothy A. Sompolski
Executive Vice President,
Chief Human Resources Officer

DATE: _____

DATE: _____

Return to Interpublic's Human Resources Department.

CAPITAL ACCUMULATION PLAN
PARTICIPATION AGREEMENT – RESTATEMENT FOR EXISTING PARTICIPANT

PARTICIPANT _____

FORM FOR NEW PARTICIPANTS

Note: This form should not be used for benefit increases.

Received by HR _____

The Interpublic Capital Accumulation Plan

Participation Agreement

WHEREAS, _____ (the "Participant") is a key executive of The Interpublic Group of Companies, Inc. ("Interpublic") and its subsidiaries, and has been approved by Interpublic's Management Human Resources Committee to participate in The Interpublic Capital Accumulation Plan ("CAP");

WHEREAS, the Participant has received and reviewed the pamphlet entitled "The Interpublic Capital Accumulation Plan," as amended and restated effective January 1, 2007, which sets forth the basic terms and conditions of CAP (such pamphlet, as may be amended from time to time, being referred to herein as the "Plan Document"); and

WHEREAS, the Plan Document provides that certain details with regard to the Participant's account and other rights and responsibilities under CAP are to be set forth in the Participant's Participation Agreement;

NOW, THEREFORE, the undersigned Participant agrees to be bound by the terms of the Plan Document, which terms are incorporated herein by reference, and modified and expanded as follows:

1. Effective Date. This Participation Agreement shall be effective as of the following date:

- If the Participant has not participated in any Account Balance Plan (as defined in the Plan Document), and *[he] [she]* executes and returns this Participation Agreement to Interpublic's Human Resources Department no later than _____ *[insert the 30th day after he first became eligible to participate in CAP]*, this Participation Agreement shall be effective on the first day of the first calendar month that starts after *[he] [she]* returns the executed Participation Agreement to Interpublic's Human Resources Department.
- If the Participant has participated in any Account Balance Plan (as defined in the Plan Document), or *[he] [she]* does not return an executed copy of this Participation Agreement to Interpublic's Human Resources Department by the date specified in the preceding paragraph, this Participation Agreement shall be effective as of January 1st of the first calendar year that starts after *[he] [she]* returns the executed Participation Agreement to Interpublic's Human Resources Department.

2. Credit Amount.

- The Participant's dollar credit under CAP for calendar year _____ *[insert year in which Participation Agreement first becomes effective]* shall be \$ _____

[insert amount of prorated credit]; provided, however, that if the Participant does not return an executed copy of this Participation Agreement to Interpublic's Human Resources Department by _____ *[insert the 30th day after he first became eligible to participate in CAP]*, *[he] [she]* shall not receive a dollar credit for calendar year _____ (or any subsequent calendar year that begins on or before the date *[he] [she]* returns an executed copy of this Participation Agreement to Interpublic's Human Resources Department).

- The Participant's annual dollar credit under CAP for each full calendar year after the calendar year in which *[he] [she]* returns an executed copy of this Participation Agreement to Interpublic's Human Resources Department shall be \$_____.

Dollar credits shall be credited to the Participant's CAP Account only at the time, and under the circumstances, specified by the Plan Document.

3. **Interest.** The Participant's CAP Account shall be credited with interest on December 31st of each calendar year, starting with the calendar year after the calendar year in which the first dollar credit is added to the Participant's CAP Account, at the rate specified by the Plan Document. For example, if the Participant returns an executed copy of this Participation Agreement to Interpublic's Human Resources Department by _____ *[insert the 30th day after he first became eligible to participate in CAP]*, the first dollar credit will be added to the Participant's CAP Account on December 31, ____, and the first interest credit will be added to the Participant's CAP Account on December 31, ____ *[insert the next year]*. If interest were to be credited to the Participant's CAP Account for 2007, the interest rate for 2007 would be 4.71%.
4. **Vesting.** Subject to paragraph 5, below, and the provisions of the Plan Document that are triggered by a Change of Control (as defined in the Plan Document), the Participant's CAP account is scheduled to become fully vested on the following date (assuming the Participant continues in the employment of Interpublic and its Subsidiaries until such date):
 - If the Participant returns an executed copy of this Participation Agreement to Interpublic's Human Resources Department by _____ *[insert the 30th day after he first became eligible to participate in CAP]*, the scheduled vesting date will be _____ *[insert the third anniversary of the last day of the calendar month in which the Participant returns his executed Participation Agreement; for example, if participant turns in Agreement on 6/15/08, vesting date would be 6/30/11]*.
 - If the Participant does not return an executed copy of this Participation Agreement to Interpublic's Human Resources Department by the date specified in the preceding paragraph, the scheduled vesting date will be December 31st of the third calendar year that starts after the Participant returns an executed copy of this Participation Agreement to Interpublic's Human Resources Department.
5. **Non-Competition and Non-Solicitation.** For a period of two (2) years following the termination of the Participant's employment for any reason, the Participant shall not: (a) accept employment with or serve as a consultant, advisor or in any other capacity to an

employer that is in competition with the business unit or units of Interpublic by which the Participant is employed (the "Business Unit"); (b) directly or indirectly, either on the Participant's own behalf or on behalf of any other person, firm or corporation, solicit or perform services for any account that is a client of the Business Unit at the time of the Participant's termination of employment with the Business Unit or that was a client of the Business Unit at any time within one year prior to the date of the Participant's termination of employment; or (c) directly or indirectly employ or attempt to employ or assist anyone else to employ any person who is at such time or who was within the six-month period immediately prior to such time in the employ of the Business Unit. If the Participant breaches any provision of this paragraph 5, [he] [she] shall forfeit all of the interest that has been or will be credited to [his] [her] CAP account.

The Participant acknowledges that these provisions are reasonable and necessary to protect Interpublic's legitimate business interests, and that these provisions do not prevent the Participant from earning a living. If at the time of enforcement of any provision of this Agreement, a court shall hold that the duration, scope, or area restriction of any provision hereof is unreasonable under circumstances now or then existing, the parties hereto agree that the maximum duration, scope, or area reasonable under the circumstances shall be substituted by the court for the stated duration, scope, or area.

6. Form of Payment. Subject to the special rules set forth in the Plan Document that apply following a Change of Control (as defined in the Plan Document), and the remaining provisions of this paragraph 6, the Participant's vested benefit under CAP (if any) shall be distributed in the following form [check one]:

Lump sum

Monthly installments over 10 years*

Monthly installments over 15 years*

* Notwithstanding the election above, if the Participant terminates employment before age 55, or before being credited with at least five years of participation in CAP, [his] [her] vested benefit under CAP (if any) will automatically be paid in a lump sum.

The Participant may not change the form in which [his] [her] benefit under CAP will be paid, except to the extent (if at all) that the Plan Document permits the Participant to make such a change.

7. Benefit Commencement Date. Interpublic shall begin paying the Participant's vested benefit at the time prescribed by the Plan Document. The Participant may not change the time at which payment of [his] [her] benefit under CAP begins, except to the extent (if at all) that the Plan Document permits the Participant to make such a change.

8. Relationship to Plan Document. This Participation Agreement is intended to be executed and administered in conjunction with the Plan Document, which is incorporated herein by reference. To the extent that this Participation Agreement does not address an issue, the applicable terms and provisions of the Plan Document shall govern such issue. To the extent that any term or provision of this Participation Agreement is inconsistent with a

term or provision of the Plan Document, the term or provision of this Participation Agreement shall govern.

- 9. **Complete Statement.** This Participation Agreement is a complete statement of the Participant's benefit and other rights under CAP. Any change to the terms of this Participation Agreement or to the Participant's rights under CAP shall be adopted by executing an amendment or supplement to the Plan Document or to this Participation Agreement.
- 10. **Knowing and Voluntary Agreement.** By signing this Participation Agreement, the Participant acknowledges that —
 - *[he] [she]* has received and reviewed the Plan Document and this Participation Agreement,
 - *[he] [she]* fully understands the terms of the Plan Document and this Participation Agreement, and
 - *[he] [she]* is entering into this Participation Agreement voluntarily.

IN WITNESS WHEREOF, Interpublic, by its duly authorized officer, and the Participant have caused this Participation Agreement to be executed.

The Interpublic Group of Companies, Inc.

Participant

BY:

 Timothy A. Sompolski
 Executive Vice President,
 Chief Human Resources Officer

DATE: _____

DATE: _____

Return to Interpublic's Human Resources Department.

For HR Use Only

Effective Date: _____

Vesting Date: _____

First Dollar Credit: \$ _____, to be credited on December 31, _____

First Interest Credit: To be credited on December 31, _____

CAPITAL ACCUMULATION PLAN
PARTICIPATION AGREEMENT — NEW PARTICIPANT

PARTICIPANT _____

BENEFICIARY DESIGNATION: Capital Accumulation Plan

Participant's Name _____ Soc. Sec. No: _____

Home Address _____

City _____ State _____ Zip _____

Date of Birth _____

Daytime Telephone Number _____ Evening Telephone Number _____

Please check box if your address has changed within the last year. I am married. I am not married.

Primary Beneficiary Designation

I hereby designate such of the following person(s) who shall survive me as my Primary Beneficiary(ies):

1.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
2.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
3.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
				Total = 100%

Contingent Beneficiary Designation

If no Primary Beneficiary named above shall survive me, I designate such of the following person(s) who shall survive me as my Contingent Beneficiary(ies).

1.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
2.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
3.	Name	Relationship	Date of Birth	Percentage Share*
	Address		Social Security No.	
				Total = 100%

*If no percentage is designated, beneficiaries will share equally. If any of my Primary Beneficiaries (or, if applicable, my Contingent Beneficiaries), predecease me, his or her benefits will be shared among my surviving Primary (or, if applicable, Contingent) Beneficiaries in accordance with the proportionate shares of the surviving beneficiaries designated above or, if no percentage is designated, equally.

Consent of Spouse

If a party other than the participant's spouse is named as Primary Beneficiary above, this designation is valid only if the participant's spouse (if any) consents below to the participant's designation of the Primary Beneficiary(ies) and only if the spouse's consent is witnessed by a notary public.

I, _____, am the spouse of the above-named participant. I hereby consent to the designation of the Primary Beneficiary(ies) specified above.

Spouse's Signature Date

STATE OF _____ COUNTY OF: _____ ss:
 On _____, before me personally came _____; to me known and known to me to be the individual described as the spouse herein who executed the foregoing consent and duly acknowledged to me that he/she freely executed same.

 Notary Public My Commission Expires:

Execution of Beneficiary Designation

Participant's Signature Date

AMENDMENT TO EMPLOYMENT AGREEMENT

AMENDMENT made as of September 12, 2007 (the "Effective Date"), between THE INTERPUBLIC GROUP OF COMPANIES, INC. ("Interpublic") and MICHAEL ROTH ("Executive").

WITNESSETH:

WHEREAS, Interpublic and Executive are parties to an Employment Agreement made as of July 13, 2004, as amended by Supplemental Agreements made as of January 19, 2005 and February 14, 2005 (collectively, the "Agreement");

WHEREAS, the Agreement provides for payments that are or might be treated as deferred compensation under Section 409A of the Internal Revenue Code of 1986, as amended from time to time (the "Code"); and

WHEREAS, Interpublic and Executive wish to avoid causing the Agreement or any action taken thereunder to violate any applicable requirement of Section 409A of the Code;

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

1. **Incorporation by Reference**. All provisions of the Agreement are hereby incorporated herein by reference and shall remain in full force and effect except to the extent that (a) such provisions are expressly modified by the provisions of this Amendment, or (b) paragraph 12, below, requires such provisions to be modified.
 2. **Defined Terms**. When the initial letter or letters of any of the following words or phrases in this Amendment are capitalized, such word or phrase shall have the following meaning unless the context clearly indicates that a different meaning is intended:
 - a. "ESP" means the Interpublic Executive Severance Plan, as amended from time to time.
 - b. "401(k) Plan" means the Interpublic Savings Plan, as amended from time to time.
-

c. **“IPG”** means Interpublic or any of its parents, subsidiaries, or affiliates.

d. **“Notice Date”** means the date Interpublic provides written notice to Executive that his employment with Interpublic will be terminated involuntarily as of a specified Termination Date in the future.

e. **“Other Severance Payment”** means any payment or taxable benefit, including any reimbursement of expenses (to the extent taxable), that Executive is entitled to receive under any other agreement, plan, program, policy, or other arrangement involving or maintained by IPG by reason of an “involuntary separation from service” (within the meaning of Treas. Reg. § 1.409A-1(n)) or participation in a program that constitutes a “window program” for purposes of Treas. Reg. § 1.409A-1(b)(9)(iii); provided, however, that an Other Severance Payment shall not include:

i. the portion (if any) of any payment or benefit that Executive would be entitled to receive upon any circumstance other than an “involuntary separation from service” or participation in a “window program;” or

ii. any payment that is required to be made (and is made) on or before March 15th of the first calendar year that begins after the Termination Date. Interpublic shall determine whether a payment is required to be made on or before March 15th of the first calendar year that begins after the Termination Date based on the facts known as of the date Executive first acquired the right (including a contingent right) to become eligible to receive such payment.

f. **“Restricted Severance Payment”** means:

i. each payment prescribed by Section 7.01(ii) and (iii) of the Agreement, disregarding (A) any such payment that is required to be made (and is made) on or before March 15th of the first calendar year that begins after the Termination Date and (B) any benefit that is not includable in Executive’s income for federal income tax purposes; plus

ii. each Other Severance Payment.

Interpublic shall determine whether a payment is required to be made on or before March 15th of the first calendar year that begins after the Termination Date based on the facts known as of the date Executive first acquired the right (including a contingent right) to become eligible to receive such payment.

g. "**Severance Exclusion Amount**" means two (2) times the lesser of:

i. Executive's annualized compensation based upon his annual rate of pay for services provided to IPG for Executive's taxable year immediately preceding the taxable year in which the Termination Date occurs (adjusted for any increase during such taxable year preceding the Termination Date that was expected to continue indefinitely if Executive's employment had not been terminated); or

ii. the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the calendar year in which the Termination Date occurs.

h. "**Specified Employee**" has the meaning prescribed by Section 409A(a)(2)(B)(i) of the Code, determined in accordance with Treas. Reg. § 1.409A-1(i).

i. "**Termination Date**" means the date of Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code), as determined by Interpublic in accordance with Treas. Reg. § 1.409A-1(h)(1). A sale of assets to an unrelated buyer that results in Executive working for the buyer or one of its affiliates shall not, by itself, constitute a "separation from service" unless Interpublic, with the buyer's written consent, so provides within sixty (60) or fewer days before the closing of such sale. Unless the context clearly indicates otherwise, the phrase "termination date" as it appears in the Agreement without capitalization shall have the same meaning as set forth in this subparagraph i.

If the initial letter or letters of any word or phrase in this Amendment are capitalized, and such word or phrase is not defined in this Amendment, such word or phrase shall

have the meaning set forth in the Agreement unless the context clearly indicates that a different meaning is intended.

3. Allowances. Sections 6.04, 6.05 and 6.06 of the Agreement are hereby clarified as follows:

a. Section 6.04 of the Agreement is clarified by adding the following sentence at the end thereof:

“Such allowance shall be paid in equal installments according to Interpublic’s payroll practices and policies as are in effect from time to time.”

b. Section 6.05 of the Agreement is clarified by adding the following sentence at the end thereof:

“Such allowance for each year shall be paid on or before March 15th of the subsequent year.”

c. Section 6.06 of the Agreement is clarified by adding the following sentence at the end thereof:

“Such allowance for each year shall be paid on or before March 15th of the subsequent year.”

4. Termination of Employment by Interpublic. The Preamble of Section 7.01 of the Agreement is hereby clarified by adding the following sentence to the beginning thereof:

“The provisions of this Section 7.01 shall apply only if Interpublic terminates Executive’s employment hereunder involuntarily (within the meaning of Treas. Reg. § 1.409A-1(n)(1)) without Cause.”

5. Time and Form of Payment of Severance Payments. Section 7.01(ii) of the Agreement is hereby amended by replacing the last sentence thereof with the following:

“Except as required by Section 7.05 hereof, such amount shall be paid in successive semi-monthly installments, commencing on Interpublic’s first semi-monthly pay date that occurs after the Termination Date. The amount of each semi-monthly installment, before withholding, shall be equal to one-half of Executive’s base

salary for one month at the rate in effect immediately prior to the Termination Date, with any residue in respect of a period of less than one-half of one month to be paid together with the last installment. For purposes of Section 409A of the Code, each installment required by this subsection (ii) shall be treated as a separate payment.”

6. Continuation of Benefits. Section 7.01(iii) of the Agreement is hereby deleted and replaced in its entirety with the following:

“(iii) Continuation of Benefits.

“(a) If Interpublic terminates Executive’s employment involuntarily without Cause in accordance with subsection (i), above, Executive shall continue to be an employee, and shall continue to receive his base salary and the employee benefits that he is eligible to receive as an active employee, until the Termination Date (and Executive shall not receive salary or benefits for any period after the Termination Date).

“(b) If Interpublic terminates Executive’s employment involuntarily without Cause in accordance with subsection (ii), above, Executive shall continue to receive the salary and benefits prescribed by paragraph (a), above, until the Termination Date. Thereafter, Executive shall be eligible to receive the following employee benefits:

“(1) Medical, Dental, and Vision Benefits. Interpublic shall provide to Executive medical, dental, and vision benefits (or cash in lieu of such benefits) in accordance with Section 4.2 of ESP (including the indemnification required by Section 4.2(b) of ESP) as in effect on the Effective Date hereof, subject to the following provisions:

“(A) The “designated number of months” for purposes of determining the “severance period” under ESP shall be twelve (12); provided, however, that Executive’s right to benefits under this subparagraph (1) shall terminate immediately upon Executive’s acceptance of employment with another employer offering similar benefits;

“(B) Any amendment, suspension, or termination of ESP after the Effective Date that has the effect of reducing the level of benefits required by this

Section 7.01(iii)(b)(1) shall be disregarded unless Executive expressly consents in writing to such amendment, suspension, or termination; and

“(C) Executive’s right to the level of benefits required by this Section 7.01(iii)(b)(1) shall not be conditioned on Executive’s execution of the agreement required by Section 5 of ESP.

“(2) Interpublic Savings Plan.

“(A) Executive shall not be eligible to contribute or defer (and shall not contribute or defer) any compensation with respect to the period after the Termination Date under the 401(k) Plan or any other savings or deferred compensation plan (whether tax-qualified or nonqualified) maintained by IPG.

“(B) Interpublic shall pay to Executive a lump-sum amount equal to the aggregate of the matching contributions that Interpublic would have made for the benefit of Executive under the 401(k) Plan if, during the period that begins on the day after the Termination Date and ends on the earlier of (x) the first anniversary of the Notice Date or (y) the date Executive accepts employment with another employer offering a tax-qualified savings plan, Executive had participated in the 401(k) Plan and made pre-tax deferrals and after-tax contributions to the 401(k) Plan at the same rate as in effect immediately before the Termination Date. Subject to Section 7.05 hereof, such payment shall be made (without interest) within thirty (30) days after the first anniversary of the Notice Date. The amount of the lump-sum payment required by this clause (B) shall be determined based on the matching formula prescribed by the 401(k) Plan as in effect during the period described herein.”

7. Special Payment Rules. A new Section 7.05 shall be added to the Agreement, to provide in its entirety as follows:

“7.05 Special Payment Rules.

“(i) ‘Specified Employee’ Rule. This Section 7.05(i) is intended to comply with the requirement under Section 409A(a)(2)(B)(i) of the Code to delay certain post-termination payments to Specified Employees for six (6) months after the

Termination Date. In order to avoid an inadvertent violation of such requirement, the restrictions set forth in this Section 7.05(i) may be more restrictive than is required under Section 409A(a)(2)(B)(i) of the Code. However, this Section 7.05(i) shall not be construed to allow payment of any amount at any time that would cause a violation of Section 409A(a)(2)(B)(i) of the Code.

“(a) If (x) Interpublic determines that Executive is a Specified Employee as of the Termination Date, and (y) the sum of Executive’s Restricted Severance Payments that are scheduled to be made before the first day of the seventh month following the Termination Date exceeds Executive’s Severance Exclusion Amount, then:

“(1) each payment that Section 7.01(ii) hereof requires to be made on or before March 15th of the first calendar year that begins after the Termination Date shall be made at the time prescribed by Section 7.01(ii) hereof. Interpublic shall determine whether a payment is required to be made on or before March 15th of the first calendar year that begins after the Termination Date based on the facts known as of the date Executive first acquired the right (including a contingent right) to become eligible to receive such payment;

“(2) each payment required by Section 7.01(ii) and (iii) hereof, other than the payments described by subparagraph (1), above, shall be made at the time prescribed by Section 7.01 hereof until the sum of (x) such payments, and (y) all Other Severance Payments equals Executive’s Severance Exclusion Amount; and

“(3) to the extent that any payment required by Section 7.01(ii) or (iii) hereof, other than a payment described by subparagraph (1), above, cannot be made by reason of subparagraph (2), above, such payment shall be made on the later of:

“(A) Interpublic’s first semi-monthly pay date for the seventh month after the Termination Date (or, if earlier, a date determined by Interpublic that occurs within the ninety (90) day period immediately following the date of the Executive’s death); or

“(B) the date on which such payment would otherwise be due in accordance with Sections 7.01(ii) or (iii) hereof.

“(b) Interest shall not be added to any payment that is delayed by reason of the application of this Section 7.05(i).

“(ii) Change of Control Rule. If Interpublic terminates Executive’s employment for any reason other than Cause within two years after a “Change of Control” (as defined in Executive’s Change of Control Agreement with the Company, dated _____, as may be amended from time to time), any amount payable under Section 7.01(ii) shall be paid in a lump sum. Except as required by Section 7.05(i), such lump-sum payment shall be made within thirty (30) days after the Termination Date.”

8. Reimbursement of Prevailing Party Fees and Costs. Section 9.01 of the Agreement is hereby amended by adding the following new sentences to the end thereof:

“In order to be eligible for a payment or reimbursement pursuant to this Section 9.01, the party entitled to reimbursement or other payments shall submit to the other party a written request for payment, with invoices and receipts documenting the amount to be reimbursed or paid, within thirty (30) days after a final decision is rendered. Subject to the immediately preceding sentence, all reimbursements and other payments required by this Section 9.01 shall be made by March 15th of the calendar year next following the calendar year in which a final decision is rendered.”

9. Entire Agreement. Article XI of the Agreement is hereby deleted and replaced by the following:

“Article XI

“Entire Agreement

“11.01 This Agreement, as amended, sets forth the entire understanding between Interpublic and Executive concerning his employment by Interpublic and supersedes any and all previous agreements between Executive and Interpublic concerning such employment and/or any compensation or bonuses. In the event of any inconsistency between the terms of an amendment to this Agreement and the terms of this Agreement in effect before such amendment, the terms of the amendment shall govern. Each party hereto shall pay its own costs and expenses (including legal fees)

incurred in connection with the preparation, negotiation, and execution of this Agreement and each amendment thereto. Any amendment or modification to this Agreement shall be set forth in writing and signed by Executive and an authorized director or officer of Interpublic.”

10. Applicable Law. Section 12.01 of the Agreement is hereby clarified by adding at the end thereof the phrase “without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction.”

11. Authority to Determine Payment Date. To the extent that any payment under the Agreement may be made within a specified number of days on or after any date or the occurrence of any event, the date of payment shall be determined by Interpublic in its sole discretion, and not by the Executive, his beneficiary, or any of his representatives.

12. American Jobs Creation Act of 2004. The Agreement, as amended hereby, shall be construed, administered, and interpreted in accordance with (i) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 (collectively the “AJCA”) and (ii) after December 31, 2007, the AJCA. If Interpublic or Executive determines that any provision of the Agreement, as amended hereby, is or might be inconsistent with the requirements of the AJCA, the parties shall attempt in good faith to agree on such amendments to the Agreement as may be necessary or appropriate to avoid causing Executive to incur adverse tax consequences under Section 409A of the Code. No provision of the Agreement, as amended hereby, shall be interpreted or construed to transfer any liability for failure to comply with Section 409A from Executive or any other individual to Interpublic.

IN WITNESS WHEREOF, Interpublic, by its duly authorized officer, and Executive have caused this Amendment to the Agreement to be executed.

The Interpublic Group of Companies, Inc.

Executive

BY: /s/ Timothy Sompolski
Timothy Sompolski
Executive Vice President
Chief Human Resources Officer

/s/ Michael Roth
Michael Roth

DATE: September 12, 2007

DATE: September 12, 2007

EXECUTIVE CHANGE OF CONTROL AGREEMENT

This AGREEMENT ("*Agreement*") dated as of September 12, 2007 (the "*Effective Date*"), by and between The Interpublic Group of Companies, Inc. ("*Interpublic*"), a Delaware corporation, and Michael Roth (the "*Executive*").

WITNESSETH:

WHEREAS, the Company (as hereinafter defined) recognizes the valuable services that the Executive has rendered to the Company and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to a Change of Control (as hereinafter defined);

WHEREAS, the Executive is willing to continue to serve the Company but desires a reasonable degree of protection in the event of a Change of Control; and

WHEREAS, the Company is willing to provide such protection in exchange for the Executive's agreement not to engage, during a specified period after his employment with the Company is terminated, in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company, and the mutual agreements herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

DEFINITIONS

When the initial letter or letters of the following words and phrases are capitalized in this Agreement, such words and phrases shall have the following meanings unless the context clearly indicates that a different meaning is intended:

Section 1.1. Base Amount means the amounts, if any, that, if this Agreement did not exist, would be payable to the Executive pursuant to the terms of an Other Arrangement

by reason of the Executive's Qualifying Termination; provided, however, that the Base Amount shall not include any non-cash benefits or reimbursements or payments in lieu of such benefits.

Section 1.2. Board of Directors means the Board of Directors of Interpublic.

Section 1.3. Cause means —

- (a) a material breach by the Executive of a provision in an employment agreement with Interpublic or a Subsidiary that, if capable of being cured, has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic or any Subsidiary of such breach;
- (b) misappropriation by the Executive of funds or property of Interpublic or a Subsidiary;
- (c) any attempt by the Executive to secure any personal profit related to the business of Interpublic or a Subsidiary that is not approved in writing by the Board of Directors or by the person to whom the Executive reports directly;
- (d) fraud, material dishonesty, gross negligence, gross malfeasance or insubordination by the Executive, or willful (i) failure by the Executive to follow the code of conduct of Interpublic or a Subsidiary or (ii) misconduct by the Executive in the performance of his duties as an employee of Interpublic or a Subsidiary, excluding in each case any act (or series of acts) taken in good faith by the Executive that does not (and in the aggregate do not) cause material harm to Interpublic or a Subsidiary;
- (e) refusal or failure by the Executive to attempt in good faith to perform the Executive's duties as an employee or to follow a reasonable good-faith direction of the Board of Directors or the person to whom the Executive reports directly that has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic of such refusal or failure;
- (f) commission by the Executive, or a formal charge or indictment alleging commission by the Executive, of a felony or a crime involving dishonesty, fraud, or moral turpitude; or

(g) conduct by the Executive that is clearly prohibited by the policy of Interpublic or a Subsidiary prohibiting discrimination or harassment based on age, gender, race, religion, disability, national origin or any other protected category.

Section 1.4. Change of Control means —

(a) subject to subsections (b) and (c), below, the first to occur of the following events:

(i) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the “*1934 Act*”)) becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of stock that, together with other stock held by such person, possesses more than fifty percent (50%) of the combined voting power of Interpublic’s then-outstanding stock;

(ii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) ownership of stock of Interpublic possessing thirty percent (30%) or more of the combined voting power of Interpublic’s then-outstanding stock;

(iii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) assets from the Company that have a total gross fair market value equal to forty percent (40%) or more of the total gross fair market value of all of the assets of Interpublic immediately prior to such acquisition or acquisitions (where gross fair market value is determined without regard to any associated liabilities); or

(iv) during any 12-month period, a majority of the members of the Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors before the date of their appointment or election.

(b) A Change of Control shall not be deemed to occur by reason of —

- or
- (i) the acquisition of additional control of Interpublic by any person or persons acting as a group that is considered to “effectively control” Interpublic (within the meaning of Section 409A of the Code),
 - (ii) a transfer of assets to any entity controlled by the shareholders of Interpublic immediately after such transfer, including a transfer to (A) a shareholder of Interpublic (immediately before such transfer) in exchange for or with respect to its stock; (B) an entity, fifty percent (50%) or more of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by Interpublic; (C) a person or persons acting as a group that owns (immediately after such transfer) directly or indirectly fifty percent (50%) or more of the total value or voting power of all outstanding stock of Interpublic; or (D) an entity, at least fifty percent (50%) of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by a person described in clause (C), above.
 - (c) Notwithstanding any provision in this Section 1.4 to the contrary, a Change of Control shall not be deemed to have occurred unless the relevant facts and circumstances give rise to a change in the ownership or effective control of Interpublic, or in the ownership of a substantial portion of the assets of Interpublic, within the meaning of Section 409A(a)(2)(A)(v) of the Code.

Section 1.5. Code means the Internal Revenue Code of 1986, as amended.

Section 1.6. Company means Interpublic and its Subsidiaries.

Section 1.7. Designated Number means three (3). The Designated Number of Months means a number of calendar months equal to twelve (12) times the Designated Number.

Section 1.8. Good Reason.

- (a) The Executive shall be deemed to resign for Good Reason if and only if (i) his Termination of Employment occurs within the two (2) year period immediately

following the date on which a Covered Action (as defined by subsection (b), below) occurs and (ii) the conditions specified by subsections (b), (c), and (d) of this Section 1.8 are satisfied.

(b) The Executive shall have Good Reason to resign from employment with the Company only if at least one of the following events (each a "**Covered Action**") occurs within the two (2) year period immediately following the effective date of a Change of Control:

- (i) Interpublic or a Subsidiary materially reduces the Executive's annualized rate of base salary;
- (ii) an action by Interpublic or a Subsidiary results in a material diminution of the Executive's authority, duties or responsibilities;
- (iii) an action by Interpublic or a Subsidiary results in a material diminution in the authority, duties, or responsibilities of the supervisor to whom the Executive is required to report, including a requirement that the Executive report to a corporate officer or employee instead of reporting directly to the Board of Directors;
- (iv) Interpublic or a Subsidiary materially diminishes the budget over which the Executive retains authority;
- (v) Interpublic or a Subsidiary requires the Executive, without his express written consent, to be based in an office more than fifty (50) miles outside the city in which he is principally based, unless (A) the relocation decision is made by the Executive or (B) the Executive is notified in writing that Interpublic or his employer is seriously considering such a relocation and the Executive does not object in writing within ten (10) days after he receives such written notice; or
- (vi) Interpublic or a Subsidiary materially breaches an employment agreement between Interpublic or the Subsidiary and the Executive.

(c) The Executive shall not have Good Reason to resign as a result of a Covered Action unless —

(i) within the ninety (90) day period immediately following the date on which such Covered Action first occurs, the Executive notifies Interpublic in writing that such Covered Action has occurred; and

(ii) such Covered Action is not remedied within the thirty (30) day period immediately following the date on which Interpublic receives a notice provided in accordance with paragraph (i), above.

(d) The Executive shall not have Good Reason to resign as a result of a Covered Action unless before the end of the thirty-one (31) day period immediately following the end of the thirty (30) day period specified by paragraph (c)(ii), above, the Executive gives Interpublic a minimum of thirty (30) days', and a maximum of ninety (90) days', advance written notice of the effective date of his resignation.

Section 1.9. Other Arrangement means any other agreement, plan, program, policy, or other arrangement involving or maintained by Interpublic or a Subsidiary under which the Executive is or might be eligible to receive compensation or benefits.

Section 1.10. Outside Auditor means either (i) the outside auditor retained by Interpublic in the last fiscal year ending before such Change of Control or (ii) a national auditing firm acceptable to the Executive.

Section 1.11. Qualifying Termination means a Termination of Employment of the Executive that —

(a) is initiated by (a) Interpublic or a Subsidiary for a reason other than Cause or (b) the Executive for Good Reason (as defined in this Agreement), and

(b) occurs during the period that begins upon a Change of Control and ends at 11:59:59 p.m. Eastern Time on the second anniversary of such Change of Control.

Section 1.12. Severance Period means the period starting on the date of the Executive's Qualifying Termination and ending on the last day of the calendar month that is the Designated Number of Months after such date.

Section 1.13. Subsidiary means any corporation or other entity that is required to be combined with Interpublic as a single employer under Section 414(b) or (c) of the Code.

Section 1.14. Termination of Employment means the Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code) with the Company. For purposes of this Agreement:

(a) If the Executive is on a leave of absence and does not have a statutory or contractual right to reemployment, he shall be deemed to have had a Termination of Employment on the first date that is more than six (6) months after the commencement of such leave of absence. However, if the leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of six (6) months or more, and such impairment causes the Executive to be unable to perform the duties of his position of employment or any substantially similar position of employment, the preceding sentence shall be deemed to refer to a twenty-nine (29) month period rather than to a six (6) month period; and

(b) A sale of assets by Interpublic or a Subsidiary to an unrelated buyer that results in the Executive working for the buyer or one of its affiliates shall not, by itself, constitute a Termination of Employment unless Interpublic, with the buyer's written consent, so provides in writing 60 or fewer days before the closing of such sale.

Section 1.15. Unsecured Trust means a trust established pursuant to a trust agreement or other written instrument that (a) states that the assets of such trust are subject to claims of the Company's creditors, (b) states that such trust shall be irrevocable until all claims for benefits under the plans, programs, agreements, and other arrangements covered by such trust have been satisfied, and (c) complies with the applicable provisions of Section 409A of the Code.

ARTICLE 2

PAYMENTS UPON QUALIFYING TERMINATION

Section 2.1. Severance Payment. Subject to the requirements of Section 3.2 hereof, if the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the Designated Number multiplied by the sum of:

(a) The greater of (i) the Executive's annual base salary for the calendar year in which the Qualifying Termination occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Qualifying Termination) or (ii) the Executive's annual base salary for the calendar year in which the Change of Control occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Change of Control); plus

(b) The greater of (i) the Executive's target management incentive compensation performance award under the 2006 Performance Incentive Plan or any successor thereto ("**Target MICP Award**") for the calendar year in which the Qualifying Termination occurs or (ii) the Executive's Target MICP Award for the calendar year in which the Change of Control occurs, as such Target MICP Award is in effect immediately prior to such Change of Control.

Section 2.2. Medical, Dental, and Vision Benefits. If the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall provide to the Executive medical, dental, and vision benefits (or cash in lieu of such benefits) in accordance with Section 4.2 of the Interpublic Executive Severance Plan (including the indemnification required by Section 4.2(b) of ESP) as in effect on the Effective Date ("**ESP**"), subject to the following provisions:

(a) The “designated number of months” for purposes of determining the Executive’s “severance period” and “COBRA period” under ESP shall be the Designated Number of Months set forth in Section 1.7 hereof;

(b) Any amendment, suspension, or termination of ESP after the date of this Agreement that has the effect of reducing the level of benefits required by this Section 2.2, shall be disregarded unless the Executive expressly consents in writing to such amendment, suspension, or termination; and

(c) The Executive’s right to the level of benefits required by this Section 2.2 shall not be conditioned on the Executive executing the agreement required by Section 5 of ESP.

Section 2.3. CAP Supplement

(a) If the Executive participates in the Interpublic Capital Accumulation Plan (“CAP”), Interpublic shall, within thirty (30) days after the date of the Executive’s Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the sum of (i) plus (ii) plus (iii), where:

(i) equals the sum of the annual dollar credits that would have been added to the Executive’s account under CAP on each December 31st after the Executive’s Termination of Employment if he had remained employed by the Company continuously through the last day of the Severance Period (provided that this paragraph (i) shall not require duplication of any amount that is added to the Executive’s account under CAP in accordance with the terms thereof);

(ii) equals (A) the dollar credit that would have been added to the Executive’s account under CAP on December 31st of the calendar year in which the Severance Period ends if the Executive had remained employed by the Company continuously through such December 31st, multiplied by (B) a fraction the numerator of which is the number of days from January 1st of such calendar year through the last day

of the Severance Period and the denominator of which is three hundred sixty-five (365); and

(iii) equals (A) the interest crediting rate under CAP for the calendar year in which the Executive's account balance under CAP is paid, multiplied by (B) the vested balance of the Executive's account under CAP as of January 1st of such year, multiplied by (C) a fraction the numerator of which is the number of days from January 1st of such year through the date on which the Executive's account balance under CAP is paid and the denominator of which is three hundred sixty-five (365).

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.3 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the interest crediting rate under CAP for the calendar year in which the Change of Control occurs.

Section 2.4. SERIP Supplement

(a) If the Executive participates in the Interpublic Senior Executive Retirement Income Plan ("*SERIP*"), Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the excess of (i) over (ii), where:

(i) equals the amount (if anything) the Executive would be entitled to receive under SERIP if he had remained employed by the Company continuously through the end of the Severance Period; and

(ii) equals the amount of the vested benefit (if any) that the Executive is eligible to receive under the terms of SERIP.

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.4 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the plan interest rate specified by SERIP.

Section 2.5. Special Payment Rules.

(a) Specified Employee Rules. If Interpublic determines that the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) on the date of his Termination of Employment, Interpublic shall make the payments specified by paragraphs (i), (ii), and (iii) of this Section 2.5(a) and shall not make any payments pursuant to Section 2.1, Section 2.3, or Section 2.4 hereof (except insofar as such Sections determine the amount required by this Section 2.5(a)).

(i) Interpublic shall pay the Base Amount at the time or times prescribed by the terms of the applicable Other Arrangement through the last day of the sixth calendar month that begins after the date of the Executive's Termination of Employment;

(ii) Within thirty (30) days after the date of the Executive's Qualifying Termination, Interpublic shall pay to the Executive in a lump sum the excess (if any) of (A) the sum of the amounts prescribed by Section 2.1, Section 2.3, and Section 2.4 hereof over (B) the aggregate Base Amount payable under all Other Arrangements.

The amounts in clauses (A) and (B) of this paragraph (ii) shall be determined without any adjustment (such as a discount) to reflect the time value of money; and

(iii) On the 6-Month Pay Date (as defined below), Interpublic shall pay to the Executive an amount equal to the excess (if any) of (A) the sum of the aggregate amounts prescribed by Section 2.1 (taking into account Section 4.5), Section 2.3, and Section 2.4 hereof over (B) the aggregate amount paid in accordance with paragraphs (i) and (ii), above (determined without any adjustment (such as interest) to reflect the time value of money). The "6-Month Pay Date" shall be Interpublic's first semi-monthly pay date for the seventh calendar month that begins after the date of the Executive's Termination of Employment (or, if earlier, a date that occurs within the ninety (90) day period immediately following the date of the Executive's death; provided that such date shall be determined by Interpublic in its sole discretion and not by the Executive or his personal representative).

(b) 2007 Transition Rule.

(i) If, under the terms of any Other Arrangement in effect on the Effective Date (disregarding this Agreement), payment of the Executive's Base Amount was scheduled to begin before January 1, 2008, payment of the Executive's Base Amount shall begin at the time prescribed by the terms of such Other Arrangement.

(ii) If paragraph (i), above, does not apply:

(A) Payment of the Participant's Base Amount shall not begin before January 1, 2008; and

(B) If this Agreement prescribes that payment of the Base Amount should begin before January 1, 2008, payment of such Base Amount shall begin on Interpublic's first semi-monthly pay date for January 2008. The first payment due in January 2008 shall include a make-up payment equal to the sum of the payments that, if not for the delay required by the preceding sentence, would have been made before Interpublic's first semi-monthly pay date for January 2008.

Interest shall not be added to any payment that is delayed by reason of the application of this Section 2.5.

Section 2.6. Death Prior to Payment. If the Executive dies after his Qualifying Termination but before all of the payments required by this Article 2 have been made, Interpublic shall pay to the Executive's estate an amount equal to the sum of the then-unpaid amounts required by this Article 2. Such payment shall be made in a lump sum (without any discount to reflect the time value of money) as soon as practicable, and no more than ninety (90) days, after the Executive's death. The date of payment shall be determined by Interpublic in its sole discretion, and not by the Executive or his personal representative

ARTICLE 3

TAX MATTERS

Section 3.1. Withholding and Taxes. The Company may withhold (or cause to be withheld) from any amounts payable to the Executive or on his behalf hereunder any or all federal, state, city, or other taxes that the Company reasonably determines are required to be withheld pursuant to any applicable law or regulation. However, except for the indemnification referred to in Section 2.2 hereof, the Executive shall be solely responsible for paying all taxes (including any excise taxes) on any compensation (including imputed compensation) and other income provided to him or on his behalf, regardless of whether taxes are withheld. Except for the indemnification referred to in Section 2.2 hereof, no provision of this Agreement shall be construed (a) to limit the Executive's responsibility under this Section 3.1 or (b) to transfer to or impose on the Company any liability relating to taxes (including excise taxes) on compensation (including imputed compensation) or other income under this Agreement.

Section 3.2. Forfeiture of Certain Parachute Payments.

(a) Notwithstanding any provision in this Agreement to the contrary, if subsection (b), below, applies, the Executive shall forfeit amounts payable to the Executive under this Agreement to the extent an Outside Auditor determines is necessary to ensure that the Executive is not reasonably likely to receive a "parachute payment" within the meaning of Section 280G(b)(2) of the Code.

(b) This subsection (b) shall apply if—

(i) any payment to be made under this Agreement is reasonably likely to result in the Executive receiving a “parachute payment” (as defined in Section 280G(b)(2) of the Code), and

(ii) the Executive’s forfeiture of payments due under this Agreement would result in the aggregate after-tax amount that the Executive would receive being greater than the aggregate after-tax amount that the Executive would receive if there were no such forfeiture.

(c) Interpublic shall engage, at Interpublic’s expense, an Outside Auditor to determine (i) whether any amount shall be forfeited pursuant to subsection (a), above, and (ii) the amount of any such forfeiture. The Outside Auditor’s determination shall be conclusive and binding.

(d) If the Outside Auditor engaged pursuant to subsection (c), above, determines that adverse tax consequences relating to Section 280G of the Code (determined on a net after-tax basis) could be avoided by the Executive forfeiting payments under one or more Other Arrangements, and such Other Arrangements permit a forfeiture to avoid adverse tax consequences relating to Section 280G of the Code, the Executive shall not forfeit the right to receive any amount due under this Agreement unless and until he has forfeited the right to all payments under such Other Arrangements.

ARTICLE 4

COLLATERAL MATTERS

Section 4.1. Nature of Payments. All payments and benefits provided to the Executive under this Agreement shall be considered either severance payments in consideration of his past services on behalf of the Company or payments in consideration of the covenant set forth in Section 4.7 hereof. No payment or benefit provided hereunder shall be regarded as a penalty on the Company.

Section 4.2. Mitigation. The Executive shall not be required to mitigate the amount of any payment or benefit provided for in this Agreement by seeking other employment or otherwise. Except as expressly provided in Section 4.2(b) of ESP (with respect to benefits provided pursuant to Section 2.2(c)) hereof, unless the Executive breaches the covenant set forth in Section 4.7 hereof, the amount of any payment provided for herein shall not be reduced by any remuneration that the Executive may earn after his Termination of Employment.

Section 4.3. Setoff for Debts. To the extent permitted under Section 409A of the Code, Interpublic may reduce the amount of any payment or benefit otherwise due to the Executive under Article 2 hereof by any amount that the Executive owes to the Company pursuant to a written instrument executed by the Executive, but only if (a) the debt was incurred in the ordinary course of the Executive's relationship with the Company, (b) the entire amount of reduction in any taxable year does not exceed \$5,000, (c) the reduction is made at the same time and in the same amount as required by the terms of such written instrument, and (d) the Company has not already recovered such amount by setoff or otherwise.

Section 4.4. Plans, Programs, and Arrangements Not Addressed in this Agreement. Except as otherwise provided by Section 4.5 hereof, the effect of a Change of Control or a Qualifying Termination on the rights of the Executive with respect to any compensation, awards, or benefits under any Other Arrangement (including rights under any deferred compensation arrangement, the Interpublic Capital Accumulation Plan, the Interpublic Senior Executive Retirement Income Plan, any Executive Special Benefit Agreement, and the 2006 Performance Incentive Plan and any predecessor or successor thereto) shall be determined solely by the terms of the governing documents for such Other Arrangement, and not by the terms of this Agreement.

Section 4.5. Coordination with Employment Contract. The payments and benefits required by Article 2 hereof shall be in lieu of (and not in addition to) any payments under an Other Arrangement to which the Executive might have a claim by reason of a Qualifying Termination (for example, severance payments), whether such Other Arrangement is executed before or after the date hereof, unless expressly provided otherwise in such Other Arrangement; provided that if Other Arrangements provide for a payment (or payments) by

reason of a Qualifying Termination that is (or are) larger in the aggregate (determined without regard to the time value of money) than the severance payment prescribed by Section 2.1 hereof, the Company shall pay the Executive the larger amount (in lieu of the amount prescribed by Section 2.1, and without any adjustment for interest) in a lump sum (without any discount to reflect the time value of money) at the time prescribed by Section 2.1 (or such later date as required by Section 2.5 hereof). If the Executive resigns for Good Reason, he shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and Interpublic or a Subsidiary.

Section 4.6. Funding. Except as required by Section 2.3(b), Section 2.4(b), and Section 4.8(c) hereof, this Agreement does not require the Company to set aside any amounts that may be necessary to satisfy its obligations hereunder. Any assets that the Company sets aside to fund the Company's obligations under this Agreement, whether in an Unsecured Trust or otherwise, shall be subject to the claims of the Company's creditors in the event of the Company's bankruptcy or insolvency.

Section 4.7. Covenant of Executive.

(a) If the Executive has a Qualifying Termination that entitles him to a payment under Article 2 hereof, the Executive shall not, during the eighteen (18) months next following the date of his Termination of Employment, either (i) solicit any employee of the Company to leave such employ and to enter into the employ of, or to provide services to, the Executive or any person with which the Executive is associated or (ii) solicit or handle on his own behalf, or on behalf of any person with which the Executive is associated, the advertising, public relations, sales promotion or market research business of any person that is a client of the Company as of the date of the Executive's Termination of Employment.

(b) The Executive acknowledges that the provisions of this Section 4.7 are a material inducement to Interpublic entering into this Agreement, that such provisions are reasonable and necessary to protect the legitimate business interests of the Company, and that such provisions do not prevent the Executive from earning a living. If at the time of enforcement of any provision of this Agreement, a court with jurisdiction shall hold that the duration, scope,

or restrictiveness of any provision hereof is unreasonable under circumstances now or then existing, the parties agree that the maximum duration, scope, or restriction reasonable under the circumstances shall be substituted by the court for the stated duration, scope, or restriction.

(c) The Executive acknowledges that a remedy at law for any breach or attempted breach of this Section 4.7 will be inadequate, and agrees that the Company shall be entitled to specific performance and injunctive and other equitable relief in the case of any such breach or attempted breach. This Section 4.7 shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

Section 4.8. Legal Expenses.

(a) Each party hereto shall pay its own costs and expenses (including legal fees) incurred in connection with the preparation, negotiation and execution of this Agreement.

(b) Interpublic shall reimburse the Executive for any legal fees and expenses that the Executive incurs during the Executive's life as a result of the Company contesting the validity, the enforceability, or the Executive's interpretation of, or any determination under, this Agreement (collectively "**Reimbursable Expenses**"), subject to the following terms and conditions:

(i) The Executive shall submit any request for reimbursement for any Reimbursable Expense in writing to Interpublic (accompanied by any evidence that Interpublic reasonably requests in writing within thirty (30) days after Interpublic is first notified that such Reimbursable Expense is incurred) within one-hundred eighty (180) days after the applicable Reimbursable Expense is incurred (or, if later, within thirty (30) days after Interpublic requests in writing evidence of such Reimbursable Expense);

(ii) Interpublic shall pay to the Executive the amount of any Reimbursable Expenses within thirty (30) days after Interpublic receives the Executive's written request for reimbursement; provided that if Interpublic determines that the

Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) at the time of his Termination of Employment, payment shall not be made before the first day of the seventh month that begins after the Executive's Termination of Employment, and if this paragraph (ii) prescribes an earlier payment date, payment shall be made, without interest, on Interpublic's first semi-monthly pay date for the seventh month that begins after the Executive's Termination of Employment;

(iii) The amount of fees and expenses eligible for reimbursement during one year shall not affect the amount of Reimbursable Expenses that the Executive may incur during any other year; and

(iv) The Executive may not exchange the right to reimbursement for Reimbursable Expenses set forth in this Section 4.8(b) for cash or any other benefit.

(c) Without limiting the foregoing, Interpublic shall, before the earlier of (i) thirty (30) days after receiving notice from the Executive to Interpublic so requesting or (ii) the occurrence of a Change of Control, provide the Executive with an irrevocable letter of credit in the amount of \$100,000 from a bank with a Moody's credit rating of Aa or better and a Standard & Poor's credit rating of AA or better, against which the Executive may draw in the event that Interpublic does not timely remit payment for any Reimbursable Expense. Such letter of credit shall not expire before the later of (x) the date this Agreement terminates by its terms or (y) the tenth anniversary of the Effective Date.

ARTICLE 5
GENERAL PROVISIONS

Section 5.1. Term of Agreement.

(a) Subject to subsection (b), below, this Agreement shall terminate upon the earliest of —

- (i) the third anniversary of the Effective Date if a Change of Control has not occurred on or before such third anniversary;
- (ii) the date of the Executive's Termination of Employment if such Termination of Employment is not a Qualifying Termination; or
- (iii) the expiration of a number of years after a Change of Control equal to the Designated Number plus three (3).

(b) Notwithstanding any provision of this Section 5.1, the Company's obligations under Section 4.8 hereof and all obligations of the Company and the Executive that arise before termination of this Agreement shall survive the termination of this Agreement. In addition, if this Agreement is terminated and the Executive subsequently experiences a Qualifying Termination, Interpublic shall pay any severance to which the Executive may be entitled under any Other Arrangement (such as an employment agreement or the Interpublic Executive Severance Plan) in a lump sum at the time required by Section 2.1 hereof (subject to Section 2.5 hereof).

Section 5.2. Payments to be Made in Cash. Except as otherwise expressly provided herein, all payments required by this Agreement shall be made in cash.

Section 5.3. Obligation to Make Payments. Interpublic may satisfy any provision of this Agreement that obligates Interpublic to make a payment or contribution, or to provide a benefit, by causing another party, such as a Subsidiary or the trustee of an Unsecured Trust, to make the payment or contribution or to provide the benefit.

Section 5.4. Governing Law. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York, without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction.

Section 5.5. American Jobs Creation Act of 2004. This Agreement shall be construed, administered, and interpreted in accordance with (a) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 and all guidance of general applicability issued thereunder (collectively the "AJCA") and (b) after December 31, 2007, the AJCA. If the Company or the Executive determines that any provision of this Agreement is or might be inconsistent with such provisions, the parties shall attempt in good faith to agree on such amendments to this Agreement as may be necessary or appropriate to avoid adverse tax consequences under Section 409A of the Code. No provision of this Agreement shall be interpreted or construed to transfer any liability for a failure to comply with Section 409A of the Code from the Executive or any other individual to the Company.

Section 5.6. Successors to the Company. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including any person or persons (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquiring directly or indirectly the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be assignable by Interpublic. Without limiting the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger, consolidation, sale of stock or assets, or otherwise) to the business or assets of Interpublic, expressly, absolutely and unconditionally to assume, and to agree to perform under, this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this Agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to its business or assets that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 5.7. Successor to the Executive. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to Section 5.8 hereof, his designees (collectively, his "**Successors**"). If the Executive dies while amounts are or may be payable to him under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 5.8. Nonalienability. Except to the extent that Interpublic determines is necessary to comply with a domestic relations order (as defined in Section 414(p)(1)(B) of the Code), no right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process, or (except as provided in Section 4.3 hereof) to setoff against any obligation or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action prohibited by the immediately preceding sentence shall be void.

Section 5.9. Notices. All notices provided for in this Agreement shall be in writing. Notices and other correspondence (including any request for reimbursement) to Interpublic shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., 1114 Avenue of the Americas, New York, New York 10036, Attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 5.10. Amendment. No amendment of this Agreement shall be effective unless it is in writing and is executed by both Interpublic and the Executive.

Section 5.11. Waivers. No waiver of any provision of this Agreement shall be valid unless it is in writing and executed by the party giving such waiver. No waiver of a breach of any provision of this Agreement shall be deemed to be a waiver of any subsequent breach or a waiver of either such provision or any other provision of this Agreement. No failure or delay on

the part of either the Company or the Executive to exercise any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or herein shall operate as a waiver of any other right or remedy.

Section 5.12. Non-Duplication and Changes to Benefit Plans.

(a) No term or other provision of this Agreement shall be interpreted to require the Company to duplicate any payment or other compensation that the Executive is entitled to receive under an Other Arrangement.

(b) No term or other provision of this Agreement shall restrict the Company's ability to amend, suspend, or terminate any or all of its employee benefit plans and programs from time to time, or prevent any such amendment, suspension, or termination from affecting the Executive.

Section 5.13. Severability. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 5.14. Construction.

(a) The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

(b) Unless the contrary is clearly indicated by the context, (i) the use of the masculine gender shall also include within its meaning the feminine and vice versa; (ii) the word "include" shall mean include, but not limited to; and (iii) any reference to a statute or section of a statute shall also be a reference to any successor or amended statute or section, and any regulations or other guidance of general applicability issued thereunder.

Section 5.15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

Section 5.16. Entire Agreement. This Agreement constitutes the entire understanding between the Company and the Executive concerning the matters set forth herein and supersedes any and all previous agreements between the Company and the Executive concerning such matters.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Timothy Sompolski
Timothy Sompolski
Executive Vice President
Chief Human Resource Officer

/s/ Michael Roth
Michael Roth

AMENDMENT TO EMPLOYMENT AGREEMENT

AMENDMENT made as of September 12, 2007 (the "Effective Date"), between THE INTERPUBLIC GROUP OF COMPANIES, INC. ("Interpublic") and FRANK MERGENTHALER ("Executive").

WITNESSETH:

WHEREAS, Interpublic and Executive are parties to an Employment Agreement made as of July 18, 2005 (the "Agreement");

WHEREAS, the Agreement provides for payments that are or might be treated as deferred compensation under Section 409A of the Internal Revenue Code of 1986, as amended from time to time (the "Code"); and

WHEREAS, Interpublic and Executive wish to avoid causing the Agreement or any action taken thereunder to violate any applicable requirement of Section 409A of the Code;

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

1. **Incorporation by Reference.** All provisions of the Agreement are hereby incorporated herein by reference and shall remain in full force and effect except to the extent that (a) such provisions are expressly modified by the provisions of this Amendment, or (b) paragraph 10, below, requires such provisions to be modified.

2. **Defined Terms.** If the initial letter or letters of any word or phrase in this Amendment are capitalized, and such word or phrase is not defined in this Amendment, such word or phrase shall have the meaning set forth in the Agreement unless the context clearly indicates that a different meaning is intended. For purposes of the Agreement, Executive's "termination date" shall be established in a manner consistent with the provisions of Treas. Reg. § 1.409A-1(h)(1), such that Executive's "termination date" is the date of his "separation from service" with Interpublic (within the meaning of Section 409A(a)(2)(A)(i)). A sale of assets to an unrelated buyer that results in Executive working for the buyer or one of its affiliates shall

not, by itself, constitute a "separation from service" unless Interpublic, with the buyer's written consent, so provides within sixty (60) or fewer days before the closing of such sale.

3. Allowances and Reimbursements. Sections 6.04, 6.05 and 6.06 of the Agreement are hereby clarified as follows:

a. Section 6.04 of the Agreement is clarified by adding the following sentence at the end thereof:

"Such allowance shall be paid in equal installments according to Interpublic's payroll practices and policies as are in effect from time to time."

b. Section 6.05 of the Agreement is clarified by adding the following sentence at the end thereof:

"Such allowance for each year shall be paid on or before March 15th of the subsequent year."

c. Section 6.06 of the Agreement is clarified by adding the following sentence at the end thereof:

"Such reimbursement shall be paid in accordance with the terms of the Executive Medical Plus Plan."

4. Termination of Employment by Interpublic. Section 7.01 of the Agreement is hereby deleted and replaced in its entirety by the following:

"7.01 Interpublic may terminate the employment of Executive hereunder at any time and for any reason, by notifying Executive in writing of such termination. If (x) Interpublic terminates Executive's employment involuntarily (within the meaning of Treas. Reg. § 1.409A-1(n)(1)) without Cause and (y) Interpublic specifies a termination date less than twelve (12) months after the date on which such written notice is given:

"(i) Interpublic shall pay to Executive a lump-sum amount equal to (1) twelve (12) months' base salary at his annual rate of salary in effect immediately prior to the Termination Date, plus (2) his target award under Section 4.01 hereof. Such amount shall be paid within thirty (30) days after the Termination Date;

“(ii) Interpublic shall pay to Executive a lump-sum amount equal to Executive’s target award under Section 4.01 hereof for the calendar year in which the Termination Date occurs multiplied by a fraction, the numerator of which is the number of days from January 1st of the calendar year in which the Termination Date occurs until the Termination Date, and the denominator of which is three hundred sixty-five (365). Such amount shall be paid within thirty (30) days after the Termination Date;

“(iii) Executive shall be entitled to receive any other awards and benefits in accordance with their terms (to the extent that such other awards and benefits provide for payment or continuation after Executive’s termination of employment hereunder); and

“(iv) If Executive and/or any of his dependents elects continuation health coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“**COBRA**”), Interpublic shall pay to Executive an amount equal to the sum of the premiums to be charged to Executive for such coverage through the first anniversary of his termination date. Such amount shall be paid in a lump sum within thirty (30) days after such termination date.”

5. Termination of Employment by Executive without Good Reason. Section 7.02(b) is hereby deleted and replaced in its entirety with the following:

“(b) Executive may terminate his employment with Interpublic for Good Reason (as defined in subsection (c) below). In such event, Interpublic shall pay or provide to Executive all of the compensation, benefits and perquisites specified by Section 7.01 hereof, as if Executive’s employment were terminated by Interpublic without Cause.

“(c) “**Good Reason**”

“(i) Executive shall be deemed to resign for Good Reason if and only if (A) his termination date occurs within the two-year period immediately following the date on which a Covered Action (as defined by paragraph (ii), below) occurs, and (B) the conditions specified by paragraphs (ii) and (iii), below, are satisfied.

“(ii) Executive shall have Good Reason to resign from employment with Interpublic or any of its parents,

subsidiaries, or affiliates (“IPG”) only if at least one of the following events (each a “Covered Action”) occurs:

“(1) IPG materially reduces Executive’s annualized rate of base salary;

“(2) an action by IPG results in a material diminution of Executive’s authority, duties or responsibilities;

“(3) an action by IPG results in a material diminution in the authority, duties, or responsibilities of the supervisor to whom Executive is required to report;

“(4) IPG materially diminishes the budget over which Executive retains authority;

“(5) IPG requires Executive, without his express written consent, to be based in an office more than fifty (50) miles outside of the Borough of Manhattan, New York, New York, unless (x) the relocation decision is made by Executive, or (y) Executive is notified in writing that Interpublic or his employer is seriously considering such a relocation and Executive does not object in writing within ten (10) days after he receives such written notice; or

“(6) IPG materially breaches an employment agreement between Interpublic and Executive.

“(iii) Executive shall not have Good Reason to resign as a result of a Covered Action unless:

“(1) within the ninety (90) day period immediately following the date on which such Covered Action first occurs, Executive notifies Interpublic in writing that such Covered Action has occurred; and

“(2) such Covered Action is not remedied within the thirty (30) day period immediately following the date on which Interpublic receives a notice provided in accordance with subparagraph (1), above.”

6. Reimbursement of Prevailing Party Fees and Costs. Section 9.01 of the Agreement is hereby amended by adding the following new sentences at the end thereof:

“In order to be eligible for a payment or reimbursement pursuant to this Section 9.01, the party entitled to reimbursement or other

payments shall submit to the other party a written request for payment, with invoices and receipts documenting the amount to be reimbursed or paid, within thirty (30) days after a final decision is rendered. Subject to the immediately preceding sentence, all reimbursements and other payments required by this Section 9.01 shall be made by March 15th of the calendar year next following the calendar year in which a final decision is rendered.”

7. Entire Agreement. Article XI of the Agreement is hereby deleted and replaced by the following:

**“Article XI
“Entire Agreement**

“11.01 This Agreement, as amended, sets forth the entire understanding between Interpublic and Executive concerning his employment by Interpublic and supersedes any and all previous agreements between Executive and Interpublic concerning such employment and/or any compensation or bonuses. In the event of any inconsistency between the terms of an amendment to this Agreement and the terms of this Agreement in effect before such amendment, the terms of the amendment shall govern. Each party hereto shall pay its own costs and expenses (including legal fees) incurred in connection with the preparation, negotiation, and execution of this Agreement and each amendment thereto. Any amendment or modification to this Agreement shall be set forth in writing and signed by Executive and an authorized director or officer of Interpublic.”

8. Applicable Law. Section 12.01 of the Agreement is hereby clarified by adding at the end thereof the phrase “without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction.”

9. Authority to Determine Payment Date. To the extent that any payment under the Agreement may be made within a specified number of days on or after any date or the occurrence of any event, the date of payment shall be determined by Interpublic in its sole discretion, and not by the Executive, his beneficiary, or any of his representatives.

10. American Jobs Creation Act of 2004. The Agreement, as amended hereby, shall be construed, administered, and interpreted in accordance with (i) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 (collectively the "AJCA") and (ii) after December 31, 2007, the AJCA. If Interpublic or Executive determines that any provision of the Agreement, as amended hereby, is or might be inconsistent with the requirements of the AJCA, the parties shall attempt in good faith to agree on such amendments to the Agreement as may be necessary or appropriate to avoid causing Executive to incur adverse tax consequences under Section 409A of the Code. No provision of the Agreement, as amended hereby, shall be interpreted or construed to transfer any liability for failure to comply with Section 409A from Executive or any other individual to Interpublic.

IN WITNESS WHEREOF, Interpublic, by its duly authorized officer, and Executive have caused this Amendment to the Agreement to be executed.

The Interpublic Group of Companies, Inc.

Executive

BY: /s/ Timothy Sompolski
Timothy Sompolski
Executive Vice President,
Chief Human Resources Officer

/s/ F. Mergenthaler
Frank Mergenthaler

DATE: September 12, 2007

DATE: July 10, 2007

EXECUTIVE CHANGE OF CONTROL AGREEMENT

This AGREEMENT ("*Agreement*") dated as of September 12, 2007 (the "*Effective Date*"), by and between The Interpublic Group of Companies, Inc. ("*Interpublic*"), a Delaware corporation, and Frank Mergenthaler (the "*Executive*").

WITNESSETH:

WHEREAS, the Company (as hereinafter defined) recognizes the valuable services that the Executive has rendered to the Company and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to a Change of Control (as hereinafter defined);

WHEREAS, the Executive is willing to continue to serve the Company but desires a reasonable degree of protection in the event of a Change of Control; and

WHEREAS, the Company is willing to provide such protection in exchange for the Executive's agreement not to engage, during a specified period after his employment with the Company is terminated, in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company, and the mutual agreements herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

DEFINITIONS

When the initial letter or letters of the following words and phrases are capitalized in this Agreement, such words and phrases shall have the following meanings unless the context clearly indicates that a different meaning is intended:

Section 1.1. Base Amount means the amounts, if any, that, if this Agreement did not exist, would be payable to the Executive pursuant to the terms of an Other Arrangement

by reason of the Executive's Qualifying Termination; provided, however, that the Base Amount shall not include any non-cash benefits or reimbursements or payments in lieu of such benefits.

Section 1.2. Board of Directors means the Board of Directors of Interpublic.

Section 1.3. Cause means —

(a) a material breach by the Executive of a provision in an employment agreement with Interpublic or a Subsidiary that, if capable of being cured, has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic or any Subsidiary of such breach;

(b) misappropriation by the Executive of funds or property of Interpublic or a Subsidiary;

(c) any attempt by the Executive to secure any personal profit related to the business of Interpublic or a Subsidiary that is not approved in writing by the Board of Directors or by the person to whom the Executive reports directly;

(d) fraud, material dishonesty, gross negligence, gross malfeasance or insubordination by the Executive, or willful (i) failure by the Executive to follow the code of conduct of Interpublic or a Subsidiary or (ii) misconduct by the Executive in the performance of his duties as an employee of Interpublic or a Subsidiary, excluding in each case any act (or series of acts) taken in good faith by the Executive that does not (and in the aggregate do not) cause material harm to Interpublic or a Subsidiary;

(e) refusal or failure by the Executive to attempt in good faith to perform the Executive's duties as an employee or to follow a reasonable good-faith direction of the Board of Directors or the person to whom the Executive reports directly that has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic of such refusal or failure;

(f) commission by the Executive, or a formal charge or indictment alleging commission by the Executive, of a felony or a crime involving dishonesty, fraud, or moral turpitude; or

(g) conduct by the Executive that is clearly prohibited by the policy of Interpublic or a Subsidiary prohibiting discrimination or harassment based on age, gender, race, religion, disability, national origin or any other protected category.

Section 1.4. Change of Control means —

(a) subject to subsections (b) and (c), below, the first to occur of the following events:

- (i) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the “*1934 Act*”)) becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of stock that, together with other stock held by such person, possesses more than fifty percent (50%) of the combined voting power of Interpublic’s then-outstanding stock;
- (ii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) ownership of stock of Interpublic possessing thirty percent (30%) or more of the combined voting power of Interpublic’s then-outstanding stock;
- (iii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) assets from the Company that have a total gross fair market value equal to forty percent (40%) or more of the total gross fair market value of all of the assets of Interpublic immediately prior to such acquisition or acquisitions (where gross fair market value is determined without regard to any associated liabilities); or
- (iv) during any 12-month period, a majority of the members of the Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors before the date of their appointment or election.

(b) A Change of Control shall not be deemed to occur by reason of—

(i) the acquisition of additional control of Interpublic by any person or persons acting as a group that is considered to “effectively control” Interpublic (within the meaning of Section 409A of the Code), or

(ii) a transfer of assets to any entity controlled by the shareholders of Interpublic immediately after such transfer, including a transfer to (A) a shareholder of Interpublic (immediately before such transfer) in exchange for or with respect to its stock; (B) an entity, fifty percent (50%) or more of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by Interpublic; (C) a person or persons acting as a group that owns (immediately after such transfer) directly or indirectly fifty percent (50%) or more of the total value or voting power of all outstanding stock of Interpublic; or (D) an entity, at least fifty percent (50%) of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by a person described in clause (C), above.

(c) Notwithstanding any provision in this Section 1.4 to the contrary, a Change of Control shall not be deemed to have occurred unless the relevant facts and circumstances give rise to a change in the ownership or effective control of Interpublic, or in the ownership of a substantial portion of the assets of Interpublic, within the meaning of Section 409A(a)(2)(A)(v) of the Code.

Section 1.5. Code means the Internal Revenue Code of 1986, as amended.

Section 1.6. Company means Interpublic and its Subsidiaries.

Section 1.7. Designated Number means two (2). The Designated Number of Months means a number of calendar months equal to twelve (12) times the Designated Number.

Section 1.8. Good Reason.

(a) The Executive shall be deemed to resign for Good Reason if and only if (i) his Termination of Employment occurs within the two (2) year period immediately

following the date on which a Covered Action (as defined by subsection (b), below) occurs and (ii) the conditions specified by subsections (b), (c), and (d) of this Section 1.8 are satisfied.

(b) The Executive shall have Good Reason to resign from employment with the Company only if at least one of the following events (each a "*Covered Action*") occurs within the two (2) year period immediately following the effective date of a Change of Control:

- (i) Interpublic or a Subsidiary materially reduces the Executive's annualized rate of base salary;
- (ii) an action by Interpublic or a Subsidiary results in a material diminution of the Executive's authority, duties or responsibilities;
- (iii) an action by Interpublic or a Subsidiary results in a material diminution in the authority, duties, or responsibilities of the supervisor to whom the Executive is required to report, including a requirement that the Executive report to a corporate officer or employee instead of reporting directly to the Board of Directors;
- (iv) Interpublic or a Subsidiary materially diminishes the budget over which the Executive retains authority;
- (v) Interpublic or a Subsidiary requires the Executive, without his express written consent, to be based in an office more than fifty (50) miles outside the city in which he is principally based, unless (A) the relocation decision is made by the Executive or (B) the Executive is notified in writing that Interpublic or his employer is seriously considering such a relocation and the Executive does not object in writing within ten (10) days after he receives such written notice; or
- (vi) Interpublic or a Subsidiary materially breaches an employment agreement between Interpublic or the Subsidiary and the Executive.

(c) The Executive shall not have Good Reason to resign as a result of a Covered Action unless —

(i) within the ninety (90) day period immediately following the date on which such Covered Action first occurs, the Executive notifies Interpublic in writing that such Covered Action has occurred; and

(ii) such Covered Action is not remedied within the thirty (30) day period immediately following the date on which Interpublic receives a notice provided in accordance with paragraph (i), above.

(d) The Executive shall not have Good Reason to resign as a result of a Covered Action unless before the end of the thirty-one (31) day period immediately following the end of the thirty (30) day period specified by paragraph (c)(ii), above, the Executive gives Interpublic a minimum of thirty (30) days', and a maximum of ninety (90) days', advance written notice of the effective date of his resignation.

Section 1.9. Other Arrangement means any other agreement, plan, program, policy, or other arrangement involving or maintained by Interpublic or a Subsidiary under which the Executive is or might be eligible to receive compensation or benefits.

Section 1.10. Outside Auditor means either (i) the outside auditor retained by Interpublic in the last fiscal year ending before such Change of Control or (ii) a national auditing firm acceptable to the Executive.

Section 1.11. Qualifying Termination means a Termination of Employment of the Executive that —

(a) is initiated by (a) Interpublic or a Subsidiary for a reason other than Cause or (b) the Executive for Good Reason (as defined in this Agreement), and

(b) occurs during the period that begins upon a Change of Control and ends at 11:59:59 p.m. Eastern Time on the second anniversary of such Change of Control.

Section 1.12. Severance Period means the period starting on the date of the Executive's Qualifying Termination and ending on the last day of the calendar month that is the Designated Number of Months after such date.

Section 1.13. Subsidiary means any corporation or other entity that is required to be combined with Interpublic as a single employer under Section 414(b) or (c) of the Code.

Section 1.14. Termination of Employment means the Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code) with the Company. For purposes of this Agreement:

(a) If the Executive is on a leave of absence and does not have a statutory or contractual right to reemployment, he shall be deemed to have had a Termination of Employment on the first date that is more than six (6) months after the commencement of such leave of absence. However, if the leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of six (6) months or more, and such impairment causes the Executive to be unable to perform the duties of his position of employment or any substantially similar position of employment, the preceding sentence shall be deemed to refer to a twenty-nine (29) month period rather than to a six (6) month period; and

(b) A sale of assets by Interpublic or a Subsidiary to an unrelated buyer that results in the Executive working for the buyer or one of its affiliates shall not, by itself, constitute a Termination of Employment unless Interpublic, with the buyer's written consent, so provides in writing 60 or fewer days before the closing of such sale.

Section 1.15. Unsecured Trust means a trust established pursuant to a trust agreement or other written instrument that (a) states that the assets of such trust are subject to claims of the Company's creditors, (b) states that such trust shall be irrevocable until all claims for benefits under the plans, programs, agreements, and other arrangements covered by such trust have been satisfied, and (c) complies with the applicable provisions of Section 409A of the Code.

ARTICLE 2

PAYMENTS UPON QUALIFYING TERMINATION

Section 2.1. Severance Payment. Subject to the requirements of Section 3.2 hereof, if the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the Designated Number multiplied by the sum of:

(a) The greater of (i) the Executive's annual base salary for the calendar year in which the Qualifying Termination occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Qualifying Termination) or (ii) the Executive's annual base salary for the calendar year in which the Change of Control occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Change of Control); plus

(b) The greater of (i) the Executive's target management incentive compensation performance award under the 2006 Performance Incentive Plan or any successor thereto ("**Target MICP Award**") for the calendar year in which the Qualifying Termination occurs or (ii) the Executive's Target MICP Award for the calendar year in which the Change of Control occurs, as such Target MICP Award is in effect immediately prior to such Change of Control.

Section 2.2. Medical, Dental, and Vision Benefits. If the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall provide to the Executive medical, dental, and vision benefits (or cash in lieu of such benefits) in accordance with Section 4.2 of the Interpublic Executive Severance Plan (including the indemnification required by Section 4.2(b) of ESP) as in effect on the Effective Date ("**ESP**"), subject to the following provisions:

(a) The “designated number of months” for purposes of determining the Executive’s “severance period” and “COBRA period” under ESP shall be the Designated Number of Months set forth in Section 1.7 hereof;

(b) Any amendment, suspension, or termination of ESP after the date of this Agreement that has the effect of reducing the level of benefits required by this Section 2.2, shall be disregarded unless the Executive expressly consents in writing to such amendment, suspension, or termination; and

(c) The Executive’s right to the level of benefits required by this Section 2.2 shall not be conditioned on the Executive executing the agreement required by Section 5 of ESP.

Section 2.3. CAP Supplement

(a) If the Executive participates in the Interpublic Capital Accumulation Plan (“CAP”), Interpublic shall, within thirty (30) days after the date of the Executive’s Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the sum of (i) plus (ii) plus (iii), where:

(i) equals the sum of the annual dollar credits that would have been added to the Executive’s account under CAP on each December 31st after the Executive’s Termination of Employment if he had remained employed by the Company continuously through the last day of the Severance Period (provided that this paragraph (i) shall not require duplication of any amount that is added to the Executive’s account under CAP in accordance with the terms thereof);

(ii) equals (A) the dollar credit that would have been added to the Executive’s account under CAP on December 31st of the calendar year in which the Severance Period ends if the Executive had remained employed by the Company continuously through such December 31st, multiplied by (B) a fraction the numerator of which is the number of days from January 1st of such calendar year through the last day

of the Severance Period and the denominator of which is three hundred sixty-five (365); and

(iii) equals (A) the interest crediting rate under CAP for the calendar year in which the Executive's account balance under CAP is paid, multiplied by (B) the vested balance of the Executive's account under CAP as of January 1st of such year, multiplied by (C) a fraction the numerator of which is the number of days from January 1st of such year through the date on which the Executive's account balance under CAP is paid and the denominator of which is three hundred sixty-five (365).

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.3 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the interest crediting rate under CAP for the calendar year in which the Change of Control occurs.

Section 2.4. SERIP Supplement

(a) If the Executive participates in the Interpublic Senior Executive Retirement Income Plan ("**SERIP**"), Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the excess of (i) over (ii), where:

(i) equals the amount (if anything) the Executive would be entitled to receive under SERIP if he had remained employed by the Company continuously through the end of the Severance Period; and

(ii) equals the amount of the vested benefit (if any) that the Executive is eligible to receive under the terms of SERIP.

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.4 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the plan interest rate specified by SERIP.

Section 2.5. Special Payment Rules.

(a) Specified Employee Rules. If Interpublic determines that the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) on the date of his Termination of Employment, Interpublic shall make the payments specified by paragraphs (i), (ii), and (iii) of this Section 2.5(a) and shall not make any payments pursuant to Section 2.1, Section 2.3, or Section 2.4 hereof (except insofar as such Sections determine the amount required by this Section 2.5(a)).

(i) Interpublic shall pay the Base Amount at the time or times prescribed by the terms of the applicable Other Arrangement through the last day of the sixth calendar month that begins after the date of the Executive's Termination of Employment;

(ii) Within thirty (30) days after the date of the Executive's Qualifying Termination, Interpublic shall pay to the Executive in a lump sum the excess (if any) of (A) the sum of the amounts prescribed by Section 2.1, Section 2.3, and Section 2.4 hereof over (B) the aggregate Base Amount payable under all Other Arrangements.

The amounts in clauses (A) and (B) of this paragraph (ii) shall be determined without any adjustment (such as a discount) to reflect the time value of money; and

(iii) On the 6-Month Pay Date (as defined below), Interpublic shall pay to the Executive an amount equal to the excess (if any) of (A) the sum of the aggregate amounts prescribed by Section 2.1 (taking into account Section 4.5), Section 2.3, and Section 2.4 hereof over (B) the aggregate amount paid in accordance with paragraphs (i) and (ii), above (determined without any adjustment (such as interest) to reflect the time value of money). The "6-Month Pay Date" shall be Interpublic's first semi-monthly pay date for the seventh calendar month that begins after the date of the Executive's Termination of Employment (or, if earlier, a date that occurs within the ninety (90) day period immediately following the date of the Executive's death; provided that such date shall be determined by Interpublic in its sole discretion and not by the Executive or his personal representative).

(b) 2007 Transition Rule.

(i) If, under the terms of any Other Arrangement in effect on the Effective Date (disregarding this Agreement), payment of the Executive's Base Amount was scheduled to begin before January 1, 2008, payment of the Executive's Base Amount shall begin at the time prescribed by the terms of such Other Arrangement.

(ii) If paragraph (i), above, does not apply:

(A) Payment of the Participant's Base Amount shall not begin before January 1, 2008; and

(B) If this Agreement prescribes that payment of the Base Amount should begin before January 1, 2008, payment of such Base Amount shall begin on Interpublic's first semi-monthly pay date for January 2008. The first payment due in January 2008 shall include a make-up payment equal to the sum of the payments that, if not for the delay required by the preceding sentence, would have been made before Interpublic's first semi-monthly pay date for January 2008.

Interest shall not be added to any payment that is delayed by reason of the application of this Section 2.5.

Section 2.6. Death Prior to Payment. If the Executive dies after his Qualifying Termination but before all of the payments required by this Article 2 have been made, Interpublic shall pay to the Executive's estate an amount equal to the sum of the then-unpaid amounts required by this Article 2. Such payment shall be made in a lump sum (without any discount to reflect the time value of money) as soon as practicable, and no more than ninety (90) days, after the Executive's death. The date of payment shall be determined by Interpublic in its sole discretion, and not by the Executive or his personal representative

ARTICLE 3

TAX MATTERS

Section 3.1. Withholding and Taxes. The Company may withhold (or cause to be withheld) from any amounts payable to the Executive or on his behalf hereunder any or all federal, state, city, or other taxes that the Company reasonably determines are required to be withheld pursuant to any applicable law or regulation. However, except for the indemnification referred to in Section 2.2 hereof, the Executive shall be solely responsible for paying all taxes (including any excise taxes) on any compensation (including imputed compensation) and other income provided to him or on his behalf, regardless of whether taxes are withheld. Except for the indemnification referred to in Section 2.2 hereof, no provision of this Agreement shall be construed (a) to limit the Executive's responsibility under this Section 3.1 or (b) to transfer to or impose on the Company any liability relating to taxes (including excise taxes) on compensation (including imputed compensation) or other income under this Agreement.

Section 3.2. Forfeiture of Certain Parachute Payments.

(a) Notwithstanding any provision in this Agreement to the contrary, if subsection (b), below, applies, the Executive shall forfeit amounts payable to the Executive under this Agreement to the extent an Outside Auditor determines is necessary to ensure that the Executive is not reasonably likely to receive a "parachute payment" within the meaning of Section 280G(b)(2) of the Code.

(b) This subsection (b) shall apply if —

(i) any payment to be made under this Agreement is reasonably likely to result in the Executive receiving a “parachute payment” (as defined in Section 280G(b)(2) of the Code), and

(ii) the Executive’s forfeiture of payments due under this Agreement would result in the aggregate after-tax amount that the Executive would receive being greater than the aggregate after-tax amount that the Executive would receive if there were no such forfeiture.

(c) Interpublic shall engage, at Interpublic’s expense, an Outside Auditor to determine (i) whether any amount shall be forfeited pursuant to subsection (a), above, and (ii) the amount of any such forfeiture. The Outside Auditor’s determination shall be conclusive and binding.

(d) If the Outside Auditor engaged pursuant to subsection (c), above, determines that adverse tax consequences relating to Section 280G of the Code (determined on a net after-tax basis) could be avoided by the Executive forfeiting payments under one or more Other Arrangements, and such Other Arrangements permit a forfeiture to avoid adverse tax consequences relating to Section 280G of the Code, the Executive shall not forfeit the right to receive any amount due under this Agreement unless and until he has forfeited the right to all payments under such Other Arrangements.

ARTICLE 4

COLLATERAL MATTERS

Section 4.1. Nature of Payments. All payments and benefits provided to the Executive under this Agreement shall be considered either severance payments in consideration of his past services on behalf of the Company or payments in consideration of the covenant set forth in Section 4.7 hereof. No payment or benefit provided hereunder shall be regarded as a penalty on the Company.

Section 4.2. Mitigation. The Executive shall not be required to mitigate the amount of any payment or benefit provided for in this Agreement by seeking other employment or otherwise. Except as expressly provided in Section 4.2(b) of ESP (with respect to benefits provided pursuant to Section 2.2(c)) hereof, unless the Executive breaches the covenant set forth in Section 4.7 hereof, the amount of any payment provided for herein shall not be reduced by any remuneration that the Executive may earn after his Termination of Employment.

Section 4.3. Setoff for Debts. To the extent permitted under Section 409A of the Code, Interpublic may reduce the amount of any payment or benefit otherwise due to the Executive under Article 2 hereof by any amount that the Executive owes to the Company pursuant to a written instrument executed by the Executive, but only if (a) the debt was incurred in the ordinary course of the Executive's relationship with the Company, (b) the entire amount of reduction in any taxable year does not exceed \$5,000, (c) the reduction is made at the same time and in the same amount as required by the terms of such written instrument, and (d) the Company has not already recovered such amount by setoff or otherwise.

Section 4.4. Plans, Programs, and Arrangements Not Addressed in this Agreement. Except as otherwise provided by Section 4.5 hereof, the effect of a Change of Control or a Qualifying Termination on the rights of the Executive with respect to any compensation, awards, or benefits under any Other Arrangement (including rights under any deferred compensation arrangement, the Interpublic Capital Accumulation Plan, the Interpublic Senior Executive Retirement Income Plan, any Executive Special Benefit Agreement, and the 2006 Performance Incentive Plan and any predecessor or successor thereto) shall be determined solely by the terms of the governing documents for such Other Arrangement, and not by the terms of this Agreement.

Section 4.5. Coordination with Employment Contract. The payments and benefits required by Article 2 hereof shall be in lieu of (and not in addition to) any payments under an Other Arrangement to which the Executive might have a claim by reason of a Qualifying Termination (for example, severance payments), whether such Other Arrangement is executed before or after the date hereof, unless expressly provided otherwise in such Other Arrangement; provided that if Other Arrangements provide for a payment (or payments) by

reason of a Qualifying Termination that is (or are) larger in the aggregate (determined without regard to the time value of money) than the severance payment prescribed by Section 2.1 hereof, the Company shall pay the Executive the larger amount (in lieu of the amount prescribed by Section 2.1, and without any adjustment for interest) in a lump sum (without any discount to reflect the time value of money) at the time prescribed by Section 2.1 (or such later date as required by Section 2.5 hereof). If the Executive resigns for Good Reason, he shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and Interpublic or a Subsidiary.

Section 4.6. Funding. Except as required by Section 2.3(b), Section 2.4(b), and Section 4.8(c) hereof, this Agreement does not require the Company to set aside any amounts that may be necessary to satisfy its obligations hereunder. Any assets that the Company sets aside to fund the Company's obligations under this Agreement, whether in an Unsecured Trust or otherwise, shall be subject to the claims of the Company's creditors in the event of the Company's bankruptcy or insolvency.

Section 4.7. Covenant of Executive

(a) If the Executive has a Qualifying Termination that entitles him to a payment under Article 2 hereof, the Executive shall not, during the eighteen (18) months next following the date of his Termination of Employment, either (i) solicit any employee of the Company to leave such employ and to enter into the employ of, or to provide services to, the Executive or any person with which the Executive is associated or (ii) solicit or handle on his own behalf, or on behalf of any person with which the Executive is associated, the advertising, public relations, sales promotion or market research business of any person that is a client of the Company as of the date of the Executive's Termination of Employment.

(b) The Executive acknowledges that the provisions of this Section 4.7 are a material inducement to Interpublic entering into this Agreement, that such provisions are reasonable and necessary to protect the legitimate business interests of the Company, and that such provisions do not prevent the Executive from earning a living. If at the time of enforcement of any provision of this Agreement, a court with jurisdiction shall hold that the duration, scope,

or restrictiveness of any provision hereof is unreasonable under circumstances now or then existing, the parties agree that the maximum duration, scope, or restriction reasonable under the circumstances shall be substituted by the court for the stated duration, scope, or restriction.

(c) The Executive acknowledges that a remedy at law for any breach or attempted breach of this Section 4.7 will be inadequate, and agrees that the Company shall be entitled to specific performance and injunctive and other equitable relief in the case of any such breach or attempted breach. This Section 4.7 shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

Section 4.8. Legal Expenses.

(a) Each party hereto shall pay its own costs and expenses (including legal fees) incurred in connection with the preparation, negotiation and execution of this Agreement.

(b) Interpublic shall reimburse the Executive for any legal fees and expenses that the Executive incurs during the Executive's life as a result of the Company contesting the validity, the enforceability, or the Executive's interpretation of, or any determination under, this Agreement (collectively "*Reimbursable Expenses*"), subject to the following terms and conditions:

(i) The Executive shall submit any request for reimbursement for any Reimbursable Expense in writing to Interpublic (accompanied by any evidence that Interpublic reasonably requests in writing within thirty (30) days after Interpublic is first notified that such Reimbursable Expense is incurred) within one-hundred eighty (180) days after the applicable Reimbursable Expense is incurred (or, if later, within thirty (30) days after Interpublic requests in writing evidence of such Reimbursable Expense);

(ii) Interpublic shall pay to the Executive the amount of any Reimbursable Expenses within thirty (30) days after Interpublic receives the Executive's written request for reimbursement; provided that if Interpublic determines that the

Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) at the time of his Termination of Employment, payment shall not be made before the first day of the seventh month that begins after the Executive's Termination of Employment, and if this paragraph (ii) prescribes an earlier payment date, payment shall be made, without interest, on Interpublic's first semi-monthly pay date for the seventh month that begins after the Executive's Termination of Employment;

(iii) The amount of fees and expenses eligible for reimbursement during one year shall not affect the amount of Reimbursable Expenses that the Executive may incur during any other year; and

(iv) The Executive may not exchange the right to reimbursement for Reimbursable Expenses set forth in this Section 4.8(b) for cash or any other benefit.

(c) Without limiting the foregoing, Interpublic shall, before the earlier of (i) thirty (30) days after receiving notice from the Executive to Interpublic so requesting or (ii) the occurrence of a Change of Control, provide the Executive with an irrevocable letter of credit in the amount of \$100,000 from a bank with a Moody's credit rating of Aa or better and a Standard & Poor's credit rating of AA or better, against which the Executive may draw in the event that Interpublic does not timely remit payment for any Reimbursable Expense. Such letter of credit shall not expire before the later of (x) the date this Agreement terminates by its terms or (y) the tenth anniversary of the Effective Date.

ARTICLE 5
GENERAL PROVISIONS

Section 5.1. Term of Agreement.

(a) Subject to subsection (b), below, this Agreement shall terminate upon the earliest of—

- (i) the third anniversary of the Effective Date if a Change of Control has not occurred on or before such third anniversary;
- (ii) the date of the Executive's Termination of Employment if such Termination of Employment is not a Qualifying Termination; or
- (iii) the expiration of a number of years after a Change of Control equal to the Designated Number plus three (3).

(b) Notwithstanding any provision of this Section 5.1, the Company's obligations under Section 4.8 hereof and all obligations of the Company and the Executive that arise before termination of this Agreement shall survive the termination of this Agreement. In addition, if this Agreement is terminated and the Executive subsequently experiences a Qualifying Termination, Interpublic shall pay any severance to which the Executive may be entitled under any Other Arrangement (such as an employment agreement or the Interpublic Executive Severance Plan) in a lump sum at the time required by Section 2.1 hereof (subject to Section 2.5 hereof).

Section 5.2. Payments to be Made in Cash. Except as otherwise expressly provided herein, all payments required by this Agreement shall be made in cash.

Section 5.3. Obligation to Make Payments. Interpublic may satisfy any provision of this Agreement that obligates Interpublic to make a payment or contribution, or to provide a benefit, by causing another party, such as a Subsidiary or the trustee of an Unsecured Trust, to make the payment or contribution or to provide the benefit.

Section 5.4. Governing Law. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York, without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction.

Section 5.5. American Jobs Creation Act of 2004. This Agreement shall be construed, administered, and interpreted in accordance with (a) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 and all guidance of general applicability issued thereunder (collectively the "AJCA") and (b) after December 31, 2007, the AJCA. If the Company or the Executive determines that any provision of this Agreement is or might be inconsistent with such provisions, the parties shall attempt in good faith to agree on such amendments to this Agreement as may be necessary or appropriate to avoid adverse tax consequences under Section 409A of the Code. No provision of this Agreement shall be interpreted or construed to transfer any liability for a failure to comply with Section 409A of the Code from the Executive or any other individual to the Company.

Section 5.6. Successors to the Company. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including any person or persons (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquiring directly or indirectly the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be assignable by Interpublic. Without limiting the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger, consolidation, sale of stock or assets, or otherwise) to the business or assets of Interpublic, expressly, absolutely and unconditionally to assume, and to agree to perform under, this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this Agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to its business or assets that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 5.7. Successor to the Executive. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to Section 5.8 hereof, his designees (collectively, his "**Successors**"). If the Executive dies while amounts are or may be payable to him under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 5.8. Nonalienability. Except to the extent that Interpublic determines is necessary to comply with a domestic relations order (as defined in Section 414(p)(1)(B) of the Code), no right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process, or (except as provided in Section 4.3 hereof) to setoff against any obligation or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action prohibited by the immediately preceding sentence shall be void.

Section 5.9. Notices. All notices provided for in this Agreement shall be in writing. Notices and other correspondence (including any request for reimbursement) to Interpublic shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., 1114 Avenue of the Americas, New York, New York 10036, Attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 5.10. Amendment. No amendment of this Agreement shall be effective unless it is in writing and is executed by both Interpublic and the Executive.

Section 5.11. Waivers. No waiver of any provision of this Agreement shall be valid unless it is in writing and executed by the party giving such waiver. No waiver of a breach of any provision of this Agreement shall be deemed to be a waiver of any subsequent breach or a waiver of either such provision or any other provision of this Agreement. No failure or delay on

the part of either the Company or the Executive to exercise any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or herein shall operate as a waiver of any other right or remedy.

Section 5.12. Non-Duplication and Changes to Benefit Plans.

(a) No term or other provision of this Agreement shall be interpreted to require the Company to duplicate any payment or other compensation that the Executive is entitled to receive under an Other Arrangement.

(b) No term or other provision of this Agreement shall restrict the Company's ability to amend, suspend, or terminate any or all of its employee benefit plans and programs from time to time, or prevent any such amendment, suspension, or termination from affecting the Executive.

Section 5.13. Severability. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 5.14. Construction.

(a) The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

(b) Unless the contrary is clearly indicated by the context, (i) the use of the masculine gender shall also include within its meaning the feminine and vice versa; (ii) the word "include" shall mean include, but not limited to; and (iii) any reference to a statute or section of a statute shall also be a reference to any successor or amended statute or section, and any regulations or other guidance of general applicability issued thereunder.

Section 5.15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

Section 5.16. Entire Agreement. This Agreement constitutes the entire understanding between the Company and the Executive concerning the matters set forth herein and supersedes any and all previous agreements between the Company and the Executive concerning such matters.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE INTERPUBLIC GROUP OF
COMPANIES, INC.

By: /s/ Timothy Sompolski
Timothy Sompolski
Executive Vice President
Chief Human Resource Officer

/s/ F. Mergenthaler
Frank Mergenthaler

EXECUTIVE CHANGE OF CONTROL AGREEMENT

This AGREEMENT ("*Agreement*") dated as of September 12, 2007 (the "*Effective Date*"), by and between The Interpublic Group of Companies, Inc. ("*Interpublic*"), a Delaware corporation, and John J. Dooner (the "*Executive*").

WITNESSETH:

WHEREAS, the Company (as hereinafter defined) recognizes the valuable services that the Executive has rendered to the Company and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to a Change of Control (as hereinafter defined);

WHEREAS, the Executive is willing to continue to serve the Company but desires a reasonable degree of protection in the event of a Change of Control; and

WHEREAS, the Company is willing to provide such protection in exchange for the Executive's agreement not to engage, during a specified period after his employment with the Company is terminated, in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company, and the mutual agreements herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

DEFINITIONS

When the initial letter or letters of the following words and phrases are capitalized in this Agreement, such words and phrases shall have the following meanings unless the context clearly indicates that a different meaning is intended:

Section 1.1. Base Amount means the amounts, if any, that, if this Agreement did not exist, would be payable to the Executive pursuant to the terms of an Other Arrangement

by reason of the Executive's Qualifying Termination; provided, however, that the Base Amount shall not include any non-cash benefits or reimbursements or payments in lieu of such benefits.

Section 1.2. Board of Directors means the Board of Directors of Interpublic.

Section 1.3. Cause means —

- (a) a material breach by the Executive of a provision in an employment agreement with Interpublic or a Subsidiary that, if capable of being cured, has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic or any Subsidiary of such breach;
- (b) misappropriation by the Executive of funds or property of Interpublic or a Subsidiary;
- (c) any attempt by the Executive to secure any personal profit related to the business of Interpublic or a Subsidiary that is not approved in writing by the Board of Directors or by the person to whom the Executive reports directly;
- (d) fraud, material dishonesty, gross negligence, gross malfeasance or insubordination by the Executive, or willful (i) failure by the Executive to follow the code of conduct of Interpublic or a Subsidiary or (ii) misconduct by the Executive in the performance of his duties as an employee of Interpublic or a Subsidiary, excluding in each case any act (or series of acts) taken in good faith by the Executive that does not (and in the aggregate do not) cause material harm to Interpublic or a Subsidiary;
- (e) refusal or failure by the Executive to attempt in good faith to perform the Executive's duties as an employee or to follow a reasonable good-faith direction of the Board of Directors or the person to whom the Executive reports directly that has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic of such refusal or failure;
- (f) commission by the Executive, or a formal charge or indictment alleging commission by the Executive, of a felony or a crime involving dishonesty, fraud, or moral turpitude; or

(g) conduct by the Executive that is clearly prohibited by the policy of Interpublic or a Subsidiary prohibiting discrimination or harassment based on age, gender, race, religion, disability, national origin or any other protected category.

Section 1.4. Change of Control means —

(a) subject to subsections (b) and (c), below, the first to occur of the following events:

(i) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the “*1934 Act*”)) becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of stock that, together with other stock held by such person, possesses more than fifty percent (50%) of the combined voting power of Interpublic’s then-outstanding stock;

(ii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) ownership of stock of Interpublic possessing thirty percent (30%) or more of the combined voting power of Interpublic’s then-outstanding stock;

(iii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) assets from the Company that have a total gross fair market value equal to forty percent (40%) or more of the total gross fair market value of all of the assets of Interpublic immediately prior to such acquisition or acquisitions (where gross fair market value is determined without regard to any associated liabilities); or

(iv) during any 12-month period, a majority of the members of the Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors before the date of their appointment or election.

(b) A Change of Control shall not be deemed to occur by reason of —

- or
- (i) the acquisition of additional control of Interpublic by any person or persons acting as a group that is considered to “effectively control” Interpublic (within the meaning of Section 409A of the Code),
 - (ii) a transfer of assets to any entity controlled by the shareholders of Interpublic immediately after such transfer, including a transfer to (A) a shareholder of Interpublic (immediately before such transfer) in exchange for or with respect to its stock; (B) an entity, fifty percent (50%) or more of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by Interpublic; (C) a person or persons acting as a group that owns (immediately after such transfer) directly or indirectly fifty percent (50%) or more of the total value or voting power of all outstanding stock of Interpublic; or (D) an entity, at least fifty percent (50%) of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by a person described in clause (C), above.
 - (c) Notwithstanding any provision in this Section 1.4 to the contrary, a Change of Control shall not be deemed to have occurred unless the relevant facts and circumstances give rise to a change in the ownership or effective control of Interpublic, or in the ownership of a substantial portion of the assets of Interpublic, within the meaning of Section 409A(a)(2)(A)(v) of the Code.

Section 1.5. Code means the Internal Revenue Code of 1986, as amended.

Section 1.6. Company means Interpublic and its Subsidiaries.

Section 1.7. Designated Number means three (3). The Designated Number of Months means a number of calendar months equal to twelve (12) times the Designated Number.

Section 1.8. Good Reason.

- (a) The Executive shall be deemed to resign for Good Reason if and only if (i) his Termination of Employment occurs within the two (2) year period immediately

following the date on which a Covered Action (as defined by subsection (b), below) occurs and (ii) the conditions specified by subsections (b), (c), and (d) of this Section 1.8 are satisfied.

(b) The Executive shall have Good Reason to resign from employment with the Company only if at least one of the following events (each a "**Covered Action**") occurs within the two (2) year period immediately following the effective date of a Change of Control:

- (i) Interpublic or a Subsidiary materially reduces the Executive's annualized rate of base salary;
- (ii) an action by Interpublic or a Subsidiary results in a material diminution of the Executive's authority, duties or responsibilities;
- (iii) an action by Interpublic or a Subsidiary results in a material diminution in the authority, duties, or responsibilities of the supervisor to whom the Executive is required to report, including a requirement that the Executive report to a corporate officer or employee instead of reporting directly to the Board of Directors;
- (iv) Interpublic or a Subsidiary materially diminishes the budget over which the Executive retains authority;
- (v) Interpublic or a Subsidiary requires the Executive, without his express written consent, to be based in an office more than fifty (50) miles outside the city in which he is principally based, unless (A) the relocation decision is made by the Executive or (B) the Executive is notified in writing that Interpublic or his employer is seriously considering such a relocation and the Executive does not object in writing within ten (10) days after he receives such written notice; or
- (vi) Interpublic or a Subsidiary materially breaches an employment agreement between Interpublic or the Subsidiary and the Executive.

(c) The Executive shall not have Good Reason to resign as a result of a Covered Action unless —

(i) within the ninety (90) day period immediately following the date on which such Covered Action first occurs, the Executive notifies Interpublic in writing that such Covered Action has occurred; and

(ii) such Covered Action is not remedied within the thirty (30) day period immediately following the date on which Interpublic receives a notice provided in accordance with paragraph (i), above.

(d) The Executive shall not have Good Reason to resign as a result of a Covered Action unless before the end of the thirty-one (31) day period immediately following the end of the thirty (30) day period specified by paragraph (c)(ii), above, the Executive gives Interpublic a minimum of thirty (30) days', and a maximum of ninety (90) days', advance written notice of the effective date of his resignation.

Section 1.9. Other Arrangement means any other agreement, plan, program, policy, or other arrangement involving or maintained by Interpublic or a Subsidiary under which the Executive is or might be eligible to receive compensation or benefits.

Section 1.10. Outside Auditor means either (i) the outside auditor retained by Interpublic in the last fiscal year ending before such Change of Control or (ii) a national auditing firm acceptable to the Executive.

Section 1.11. Qualifying Termination means a Termination of Employment of the Executive that —

(a) is initiated by (a) Interpublic or a Subsidiary for a reason other than Cause or (b) the Executive for Good Reason (as defined in this Agreement), and

(b) occurs during the period that begins upon a Change of Control and ends at 11:59:59 p.m. Eastern Time on the second anniversary of such Change of Control.

Section 1.12. Severance Period means the period starting on the date of the Executive's Qualifying Termination and ending on the last day of the calendar month that is the Designated Number of Months after such date.

Section 1.13. Subsidiary means any corporation or other entity that is required to be combined with Interpublic as a single employer under Section 414(b) or (c) of the Code.

Section 1.14. Termination of Employment means the Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code) with the Company. For purposes of this Agreement:

(a) If the Executive is on a leave of absence and does not have a statutory or contractual right to reemployment, he shall be deemed to have had a Termination of Employment on the first date that is more than six (6) months after the commencement of such leave of absence. However, if the leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of six (6) months or more, and such impairment causes the Executive to be unable to perform the duties of his position of employment or any substantially similar position of employment, the preceding sentence shall be deemed to refer to a twenty-nine (29) month period rather than to a six (6) month period; and

(b) A sale of assets by Interpublic or a Subsidiary to an unrelated buyer that results in the Executive working for the buyer or one of its affiliates shall not, by itself, constitute a Termination of Employment unless Interpublic, with the buyer's written consent, so provides in writing 60 or fewer days before the closing of such sale.

Section 1.15. Unsecured Trust means a trust established pursuant to a trust agreement or other written instrument that (a) states that the assets of such trust are subject to claims of the Company's creditors, (b) states that such trust shall be irrevocable until all claims for benefits under the plans, programs, agreements, and other arrangements covered by such trust have been satisfied, and (c) complies with the applicable provisions of Section 409A of the Code.

ARTICLE 2

PAYMENTS UPON QUALIFYING TERMINATION

Section 2.1. Severance Payment. Subject to the requirements of Section 3.2 hereof, if the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the Designated Number multiplied by the sum of:

(a) The greater of (i) the Executive's annual base salary for the calendar year in which the Qualifying Termination occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Qualifying Termination) or (ii) the Executive's annual base salary for the calendar year in which the Change of Control occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Change of Control); plus

(b) The greater of (i) the Executive's target management incentive compensation performance award under the 2006 Performance Incentive Plan or any successor thereto ("**Target MICP Award**") for the calendar year in which the Qualifying Termination occurs or (ii) the Executive's Target MICP Award for the calendar year in which the Change of Control occurs, as such Target MICP Award is in effect immediately prior to such Change of Control.

Section 2.2. Medical, Dental, and Vision Benefits. If the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall provide to the Executive medical, dental, and vision benefits (or cash in lieu of such benefits) in accordance with Section 4.2 of the Interpublic Executive Severance Plan (including the indemnification required by Section 4.2(b) of ESP) as in effect on the Effective Date ("**ESP**"), subject to the following provisions:

(a) The “designated number of months” for purposes of determining the Executive’s “severance period” and “COBRA period” under ESP shall be the Designated Number of Months set forth in Section 1.7 hereof;

(b) Any amendment, suspension, or termination of ESP after the date of this Agreement that has the effect of reducing the level of benefits required by this Section 2.2, shall be disregarded unless the Executive expressly consents in writing to such amendment, suspension, or termination; and

(c) The Executive’s right to the level of benefits required by this Section 2.2 shall not be conditioned on the Executive executing the agreement required by Section 5 of ESP.

Section 2.3. CAP Supplement

(a) If the Executive participates in the Interpublic Capital Accumulation Plan (“CAP”), Interpublic shall, within thirty (30) days after the date of the Executive’s Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the sum of (i) plus (ii) plus (iii), where:

(i) equals the sum of the annual dollar credits that would have been added to the Executive’s account under CAP on each December 31st after the Executive’s Termination of Employment if he had remained employed by the Company continuously through the last day of the Severance Period (provided that this paragraph (i) shall not require duplication of any amount that is added to the Executive’s account under CAP in accordance with the terms thereof);

(ii) equals (A) the dollar credit that would have been added to the Executive’s account under CAP on December 31st of the calendar year in which the Severance Period ends if the Executive had remained employed by the Company continuously through such December 31st, multiplied by (B) a fraction the numerator of which is the number of days from January 1st of such calendar year through the last day

of the Severance Period and the denominator of which is three hundred sixty-five (365); and

(iii) equals (A) the interest crediting rate under CAP for the calendar year in which the Executive's account balance under CAP is paid, multiplied by (B) the vested balance of the Executive's account under CAP as of January 1st of such year, multiplied by (C) a fraction the numerator of which is the number of days from January 1st of such year through the date on which the Executive's account balance under CAP is paid and the denominator of which is three hundred sixty-five (365).

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.3 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the interest crediting rate under CAP for the calendar year in which the Change of Control occurs.

Section 2.4. SERIP Supplement.

(a) If the Executive participates in the Interpublic Senior Executive Retirement Income Plan ("**SERIP**"), Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the excess of (i) over (ii), where:

(i) equals the amount (if anything) the Executive would be entitled to receive under SERIP if he had remained employed by the Company continuously through the end of the Severance Period; and

(ii) equals the amount of the vested benefit (if any) that the Executive is eligible to receive under the terms of SERIP.

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.4 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the plan interest rate specified by SERIP.

Section 2.5. Special Payment Rules.

(a) Specified Employee Rules. If Interpublic determines that the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) on the date of his Termination of Employment, Interpublic shall make the payments specified by paragraphs (i), (ii), and (iii) of this Section 2.5(a) and shall not make any payments pursuant to Section 2.1, Section 2.3, or Section 2.4 hereof (except insofar as such Sections determine the amount required by this Section 2.5(a)).

(i) Interpublic shall pay the Base Amount at the time or times prescribed by the terms of the applicable Other Arrangement through the last day of the sixth calendar month that begins after the date of the Executive's Termination of Employment;

(ii) Within thirty (30) days after the date of the Executive's Qualifying Termination, Interpublic shall pay to the Executive in a lump sum the excess (if any) of (A) the sum of the amounts prescribed by Section 2.1, Section 2.3, and Section 2.4 hereof over (B) the aggregate Base Amount payable under all Other Arrangements.

The amounts in clauses (A) and (B) of this paragraph (ii) shall be determined without any adjustment (such as a discount) to reflect the time value of money; and

(iii) On the 6-Month Pay Date (as defined below), Interpublic shall pay to the Executive an amount equal to the excess (if any) of (A) the sum of the aggregate amounts prescribed by Section 2.1 (taking into account Section 4.5), Section 2.3, and Section 2.4 hereof over (B) the aggregate amount paid in accordance with paragraphs (i) and (ii), above (determined without any adjustment (such as interest) to reflect the time value of money). The "6-Month Pay Date" shall be Interpublic's first semi-monthly pay date for the seventh calendar month that begins after the date of the Executive's Termination of Employment (or, if earlier, a date that occurs within the ninety (90) day period immediately following the date of the Executive's death; provided that such date shall be determined by Interpublic in its sole discretion and not by the Executive or his personal representative).

(b) 2007 Transition Rule.

(i) If, under the terms of any Other Arrangement in effect on the Effective Date (disregarding this Agreement), payment of the Executive's Base Amount was scheduled to begin before January 1, 2008, payment of the Executive's Base Amount shall begin at the time prescribed by the terms of such Other Arrangement.

(ii) If paragraph (i), above, does not apply:

(A) Payment of the Participant's Base Amount shall not begin before January 1, 2008; and

(B) If this Agreement prescribes that payment of the Base Amount should begin before January 1, 2008, payment of such Base Amount shall begin on Interpublic's first semi-monthly pay date for January 2008. The first payment due in January 2008 shall include a make-up payment equal to the sum of the payments that, if not for the delay required by the preceding sentence, would have been made before Interpublic's first semi-monthly pay date for January 2008.

Interest shall not be added to any payment that is delayed by reason of the application of this Section 2.5.

Section 2.6. Death Prior to Payment. If the Executive dies after his Qualifying Termination but before all of the payments required by this Article 2 have been made, Interpublic shall pay to the Executive's estate an amount equal to the sum of the then-unpaid amounts required by this Article 2. Such payment shall be made in a lump sum (without any discount to reflect the time value of money) as soon as practicable, and no more than ninety (90) days, after the Executive's death. The date of payment shall be determined by Interpublic in its sole discretion, and not by the Executive or his personal representative

ARTICLE 3

TAX MATTERS

Section 3.1. Withholding and Taxes. The Company may withhold (or cause to be withheld) from any amounts payable to the Executive or on his behalf hereunder any or all federal, state, city, or other taxes that the Company reasonably determines are required to be withheld pursuant to any applicable law or regulation. However, except for the indemnification referred to in Section 2.2 hereof, the Executive shall be solely responsible for paying all taxes (including any excise taxes) on any compensation (including imputed compensation) and other income provided to him or on his behalf, regardless of whether taxes are withheld. Except for the indemnification referred to in Section 2.2 hereof, no provision of this Agreement shall be construed (a) to limit the Executive's responsibility under this Section 3.1 or (b) to transfer to or impose on the Company any liability relating to taxes (including excise taxes) on compensation (including imputed compensation) or other income under this Agreement.

Section 3.2. Forfeiture of Certain Parachute Payments.

(a) Notwithstanding any provision in this Agreement to the contrary, if subsection (b), below, applies, the Executive shall forfeit amounts payable to the Executive under this Agreement to the extent an Outside Auditor determines is necessary to ensure that the Executive is not reasonably likely to receive a "parachute payment" within the meaning of Section 280G(b)(2) of the Code.

(b) This subsection (b) shall apply if—

(i) any payment to be made under this Agreement is reasonably likely to result in the Executive receiving a “parachute payment” (as defined in Section 280G(b)(2) of the Code), and

(ii) the Executive’s forfeiture of payments due under this Agreement would result in the aggregate after-tax amount that the Executive would receive being greater than the aggregate after-tax amount that the Executive would receive if there were no such forfeiture.

(c) Interpublic shall engage, at Interpublic’s expense, an Outside Auditor to determine (i) whether any amount shall be forfeited pursuant to subsection (a), above, and (ii) the amount of any such forfeiture. The Outside Auditor’s determination shall be conclusive and binding.

(d) If the Outside Auditor engaged pursuant to subsection (c), above, determines that adverse tax consequences relating to Section 280G of the Code (determined on a net after-tax basis) could be avoided by the Executive forfeiting payments under one or more Other Arrangements, and such Other Arrangements permit a forfeiture to avoid adverse tax consequences relating to Section 280G of the Code, the Executive shall not forfeit the right to receive any amount due under this Agreement unless and until he has forfeited the right to all payments under such Other Arrangements.

ARTICLE 4

COLLATERAL MATTERS

Section 4.1. Nature of Payments. All payments and benefits provided to the Executive under this Agreement shall be considered either severance payments in consideration of his past services on behalf of the Company or payments in consideration of the covenant set forth in Section 4.7 hereof. No payment or benefit provided hereunder shall be regarded as a penalty on the Company.

Section 4.2. Mitigation. The Executive shall not be required to mitigate the amount of any payment or benefit provided for in this Agreement by seeking other employment or otherwise. Except as expressly provided in Section 4.2(b) of ESP (with respect to benefits provided pursuant to Section 2.2(c)) hereof, unless the Executive breaches the covenant set forth in Section 4.7 hereof, the amount of any payment provided for herein shall not be reduced by any remuneration that the Executive may earn after his Termination of Employment.

Section 4.3. Setoff for Debts. To the extent permitted under Section 409A of the Code, Interpublic may reduce the amount of any payment or benefit otherwise due to the Executive under Article 2 hereof by any amount that the Executive owes to the Company pursuant to a written instrument executed by the Executive, but only if (a) the debt was incurred in the ordinary course of the Executive's relationship with the Company, (b) the entire amount of reduction in any taxable year does not exceed \$5,000, (c) the reduction is made at the same time and in the same amount as required by the terms of such written instrument, and (d) the Company has not already recovered such amount by setoff or otherwise.

Section 4.4. Plans, Programs, and Arrangements Not Addressed in this Agreement. Except as otherwise provided by Section 4.5 hereof, the effect of a Change of Control or a Qualifying Termination on the rights of the Executive with respect to any compensation, awards, or benefits under any Other Arrangement (including rights under any deferred compensation arrangement, the Interpublic Capital Accumulation Plan, the Interpublic Senior Executive Retirement Income Plan, any Executive Special Benefit Agreement, and the 2006 Performance Incentive Plan and any predecessor or successor thereto) shall be determined solely by the terms of the governing documents for such Other Arrangement, and not by the terms of this Agreement.

Section 4.5. Coordination with Employment Contract. The payments and benefits required by Article 2 hereof shall be in lieu of (and not in addition to) any payments under an Other Arrangement to which the Executive might have a claim by reason of a Qualifying Termination (for example, severance payments), whether such Other Arrangement is executed before or after the date hereof, unless expressly provided otherwise in such Other Arrangement; provided that if Other Arrangements provide for a payment (or payments) by

reason of a Qualifying Termination that is (or are) larger in the aggregate (determined without regard to the time value of money) than the severance payment prescribed by Section 2.1 hereof, the Company shall pay the Executive the larger amount (in lieu of the amount prescribed by Section 2.1, and without any adjustment for interest) in a lump sum (without any discount to reflect the time value of money) at the time prescribed by Section 2.1 (or such later date as required by Section 2.5 hereof). If the Executive resigns for Good Reason, he shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and Interpublic or a Subsidiary.

Section 4.6. Funding. Except as required by Section 2.3(b), Section 2.4(b), and Section 4.8(c) hereof, this Agreement does not require the Company to set aside any amounts that may be necessary to satisfy its obligations hereunder. Any assets that the Company sets aside to fund the Company's obligations under this Agreement, whether in an Unsecured Trust or otherwise, shall be subject to the claims of the Company's creditors in the event of the Company's bankruptcy or insolvency.

Section 4.7. Covenant of Executive.

(a) If the Executive has a Qualifying Termination that entitles him to a payment under Article 2 hereof, the Executive shall not, during the eighteen (18) months next following the date of his Termination of Employment, either (i) solicit any employee of the Company to leave such employ and to enter into the employ of, or to provide services to, the Executive or any person with which the Executive is associated or (ii) solicit or handle on his own behalf, or on behalf of any person with which the Executive is associated, the advertising, public relations, sales promotion or market research business of any person that is a client of the Company as of the date of the Executive's Termination of Employment.

(b) The Executive acknowledges that the provisions of this Section 4.7 are a material inducement to Interpublic entering into this Agreement, that such provisions are reasonable and necessary to protect the legitimate business interests of the Company, and that such provisions do not prevent the Executive from earning a living. If at the time of enforcement of any provision of this Agreement, a court with jurisdiction shall hold that the duration, scope,

or restrictiveness of any provision hereof is unreasonable under circumstances now or then existing, the parties agree that the maximum duration, scope, or restriction reasonable under the circumstances shall be substituted by the court for the stated duration, scope, or restriction.

(c) The Executive acknowledges that a remedy at law for any breach or attempted breach of this Section 4.7 will be inadequate, and agrees that the Company shall be entitled to specific performance and injunctive and other equitable relief in the case of any such breach or attempted breach. This Section 4.7 shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

Section 4.8. Legal Expenses.

(a) Each party hereto shall pay its own costs and expenses (including legal fees) incurred in connection with the preparation, negotiation and execution of this Agreement.

(b) Interpublic shall reimburse the Executive for any legal fees and expenses that the Executive incurs during the Executive's life as a result of the Company contesting the validity, the enforceability, or the Executive's interpretation of, or any determination under, this Agreement (collectively "**Reimbursable Expenses**"), subject to the following terms and conditions:

(i) The Executive shall submit any request for reimbursement for any Reimbursable Expense in writing to Interpublic (accompanied by any evidence that Interpublic reasonably requests in writing within thirty (30) days after Interpublic is first notified that such Reimbursable Expense is incurred) within one-hundred eighty (180) days after the applicable Reimbursable Expense is incurred (or, if later, within thirty (30) days after Interpublic requests in writing evidence of such Reimbursable Expense);

(ii) Interpublic shall pay to the Executive the amount of any Reimbursable Expenses within thirty (30) days after Interpublic receives the Executive's written request for reimbursement; provided that if Interpublic determines that the

Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) at the time of his Termination of Employment, payment shall not be made before the first day of the seventh month that begins after the Executive's Termination of Employment, and if this paragraph (ii) prescribes an earlier payment date, payment shall be made, without interest, on Interpublic's first semi-monthly pay date for the seventh month that begins after the Executive's Termination of Employment;

(iii) The amount of fees and expenses eligible for reimbursement during one year shall not affect the amount of Reimbursable Expenses that the Executive may incur during any other year; and

(iv) The Executive may not exchange the right to reimbursement for Reimbursable Expenses set forth in this Section 4.8(b) for cash or any other benefit.

(c) Without limiting the foregoing, Interpublic shall, before the earlier of (i) thirty (30) days after receiving notice from the Executive to Interpublic so requesting or (ii) the occurrence of a Change of Control, provide the Executive with an irrevocable letter of credit in the amount of \$100,000 from a bank with a Moody's credit rating of Aa or better and a Standard & Poor's credit rating of AA or better, against which the Executive may draw in the event that Interpublic does not timely remit payment for any Reimbursable Expense. Such letter of credit shall not expire before the later of (x) the date this Agreement terminates by its terms or (y) the tenth anniversary of the Effective Date.

ARTICLE 5
GENERAL PROVISIONS

Section 5.1. Term of Agreement.

(a) Subject to subsection (b), below, this Agreement shall terminate upon the earliest of —

- (i) the third anniversary of the Effective Date if a Change of Control has not occurred on or before such third anniversary;
- (ii) the date of the Executive's Termination of Employment if such Termination of Employment is not a Qualifying Termination; or
- (iii) the expiration of a number of years after a Change of Control equal to the Designated Number plus three (3).

(b) Notwithstanding any provision of this Section 5.1, the Company's obligations under Section 4.8 hereof and all obligations of the Company and the Executive that arise before termination of this Agreement shall survive the termination of this Agreement. In addition, if this Agreement is terminated and the Executive subsequently experiences a Qualifying Termination, Interpublic shall pay any severance to which the Executive may be entitled under any Other Arrangement (such as an employment agreement or the Interpublic Executive Severance Plan) in a lump sum at the time required by Section 2.1 hereof (subject to Section 2.5 hereof).

Section 5.2. Payments to be Made in Cash. Except as otherwise expressly provided herein, all payments required by this Agreement shall be made in cash.

Section 5.3. Obligation to Make Payments. Interpublic may satisfy any provision of this Agreement that obligates Interpublic to make a payment or contribution, or to provide a benefit, by causing another party, such as a Subsidiary or the trustee of an Unsecured Trust, to make the payment or contribution or to provide the benefit.

Section 5.4. Governing Law. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York, without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction.

Section 5.5. American Jobs Creation Act of 2004. This Agreement shall be construed, administered, and interpreted in accordance with (a) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 and all guidance of general applicability issued thereunder (collectively the "AJCA") and (b) after December 31, 2007, the AJCA. If the Company or the Executive determines that any provision of this Agreement is or might be inconsistent with such provisions, the parties shall attempt in good faith to agree on such amendments to this Agreement as may be necessary or appropriate to avoid adverse tax consequences under Section 409A of the Code. No provision of this Agreement shall be interpreted or construed to transfer any liability for a failure to comply with Section 409A of the Code from the Executive or any other individual to the Company.

Section 5.6. Successors to the Company. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including any person or persons (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquiring directly or indirectly the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be assignable by Interpublic. Without limiting the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger, consolidation, sale of stock or assets, or otherwise) to the business or assets of Interpublic, expressly, absolutely and unconditionally to assume, and to agree to perform under, this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this Agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to its business or assets that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 5.7. Successor to the Executive. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to Section 5.8 hereof, his designees (collectively, his "**Successors**"). If the Executive dies while amounts are or may be payable to him under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 5.8. Nonalienability. Except to the extent that Interpublic determines is necessary to comply with a domestic relations order (as defined in Section 414(p)(1)(B) of the Code), no right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process, or (except as provided in Section 4.3 hereof) to setoff against any obligation or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action prohibited by the immediately preceding sentence shall be void.

Section 5.9. Notices. All notices provided for in this Agreement shall be in writing. Notices and other correspondence (including any request for reimbursement) to Interpublic shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., 1114 Avenue of the Americas, New York, New York 10036, Attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 5.10. Amendment. No amendment of this Agreement shall be effective unless it is in writing and is executed by both Interpublic and the Executive.

Section 5.11. Waivers. No waiver of any provision of this Agreement shall be valid unless it is in writing and executed by the party giving such waiver. No waiver of a breach of any provision of this Agreement shall be deemed to be a waiver of any subsequent breach or a waiver of either such provision or any other provision of this Agreement. No failure or delay on

the part of either the Company or the Executive to exercise any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or herein shall operate as a waiver of any other right or remedy.

Section 5.12. Non-Duplication and Changes to Benefit Plans.

(a) No term or other provision of this Agreement shall be interpreted to require the Company to duplicate any payment or other compensation that the Executive is entitled to receive under an Other Arrangement.

(b) No term or other provision of this Agreement shall restrict the Company's ability to amend, suspend, or terminate any or all of its employee benefit plans and programs from time to time, or prevent any such amendment, suspension, or termination from affecting the Executive.

Section 5.13. Severability. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 5.14. Construction.

(a) The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

(b) Unless the contrary is clearly indicated by the context, (i) the use of the masculine gender shall also include within its meaning the feminine and vice versa; (ii) the word "include" shall mean include, but not limited to; and (iii) any reference to a statute or section of a statute shall also be a reference to any successor or amended statute or section, and any regulations or other guidance of general applicability issued thereunder.

Section 5.15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

Section 5.16. Entire Agreement. This Agreement constitutes the entire understanding between the Company and the Executive concerning the matters set forth herein and supersedes any and all previous agreements between the Company and the Executive concerning such matters.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Timothy Sompolski
Timothy Sompolski
Executive Vice President
Chief Human Resource Officer

/s/ John J. Dooner
John J. Dooner

EXECUTIVE CHANGE OF CONTROL AGREEMENT

This AGREEMENT ("*Agreement*") dated as of September 30, 2007 (the "*Effective Date*"), by and between The Interpublic Group of Companies, Inc. ("*Interpublic*"), a Delaware corporation, and Steve Gatfield (the "*Executive*").

WITNESSETH:

WHEREAS, the Company (as hereinafter defined) recognizes the valuable services that the Executive has rendered to the Company and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to a Change of Control (as hereinafter defined);

WHEREAS, the Executive is willing to continue to serve the Company but desires a reasonable degree of protection in the event of a Change of Control; and

WHEREAS, the Company is willing to provide such protection in exchange for the Executive's agreement not to engage, during a specified period after his employment with the Company is terminated, in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company, and the mutual agreements herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

DEFINITIONS

When the initial letter or letters of the following words and phrases are capitalized in this Agreement, such words and phrases shall have the following meanings unless the context clearly indicates that a different meaning is intended:

Section 1.1. Base Amount means the amounts, if any, that, if this Agreement did not exist, would be payable to the Executive pursuant to the terms of an Other Arrangement

by reason of the Executive's Qualifying Termination; provided, however, that the Base Amount shall not include any non-cash benefits or reimbursements or payments in lieu of such benefits.

Section 1.2. Board of Directors means the Board of Directors of Interpublic.

Section 1.3. Cause means —

- (a) a material breach by the Executive of a provision in an employment agreement with Interpublic or a Subsidiary that, if capable of being cured, has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic or any Subsidiary of such breach;
- (b) misappropriation by the Executive of funds or property of Interpublic or a Subsidiary;
- (c) any attempt by the Executive to secure any personal profit related to the business of Interpublic or a Subsidiary that is not approved in writing by the Board of Directors or by the person to whom the Executive reports directly;
- (d) fraud, material dishonesty, gross negligence, gross malfeasance or insubordination by the Executive, or willful (i) failure by the Executive to follow the code of conduct of Interpublic or a Subsidiary or (ii) misconduct by the Executive in the performance of his duties as an employee of Interpublic or a Subsidiary, excluding in each case any act (or series of acts) taken in good faith by the Executive that does not (and in the aggregate do not) cause material harm to Interpublic or a Subsidiary;
- (e) refusal or failure by the Executive to attempt in good faith to perform the Executive's duties as an employee or to follow a reasonable good-faith direction of the Board of Directors or the person to whom the Executive reports directly that has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic of such refusal or failure;
- (f) commission by the Executive, or a formal charge or indictment alleging commission by the Executive, of a felony or a crime involving dishonesty, fraud, or moral turpitude; or

(g) conduct by the Executive that is clearly prohibited by the policy of Interpublic or a Subsidiary prohibiting discrimination or harassment based on age, gender, race, religion, disability, national origin or any other protected category.

Section 1.4. Change of Control means —

(a) subject to subsections (b) and (c), below, the first to occur of the following events:

(i) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the “*1934 Act*”)) becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of stock that, together with other stock held by such person, possesses more than fifty percent (50%) of the combined voting power of Interpublic’s then-outstanding stock;

(ii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) ownership of stock of Interpublic possessing thirty percent (30%) or more of the combined voting power of Interpublic’s then-outstanding stock;

(iii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) assets from the Company that have a total gross fair market value equal to forty percent (40%) or more of the total gross fair market value of all of the assets of Interpublic immediately prior to such acquisition or acquisitions (where gross fair market value is determined without regard to any associated liabilities); or

(iv) during any 12-month period, a majority of the members of the Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors before the date of their appointment or election.

(b) A Change of Control shall not be deemed to occur by reason of —

- or
- (i) the acquisition of additional control of Interpublic by any person or persons acting as a group that is considered to “effectively control” Interpublic (within the meaning of Section 409A of the Code),
 - (ii) a transfer of assets to any entity controlled by the shareholders of Interpublic immediately after such transfer, including a transfer to (A) a shareholder of Interpublic (immediately before such transfer) in exchange for or with respect to its stock; (B) an entity, fifty percent (50%) or more of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by Interpublic; (C) a person or persons acting as a group that owns (immediately after such transfer) directly or indirectly fifty percent (50%) or more of the total value or voting power of all outstanding stock of Interpublic; or (D) an entity, at least fifty percent (50%) of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by a person described in clause (C), above.
 - (c) Notwithstanding any provision in this Section 1.4 to the contrary, a Change of Control shall not be deemed to have occurred unless the relevant facts and circumstances give rise to a change in the ownership or effective control of Interpublic, or in the ownership of a substantial portion of the assets of Interpublic, within the meaning of Section 409A(a)(2)(A)(v) of the Code.

Section 1.5. Code means the Internal Revenue Code of 1986, as amended.

Section 1.6. Company means Interpublic and its Subsidiaries.

Section 1.7. Designated Number means two (2). The Designated Number of Months means a number of calendar months equal to twelve (12) times the Designated Number.

Section 1.8. Good Reason.

- (a) The Executive shall be deemed to resign for Good Reason if and only if (i) his Termination of Employment occurs within the two (2) year period immediately

following the date on which a Covered Action (as defined by subsection (b), below) occurs and (ii) the conditions specified by subsections (b), (c), and (d) of this Section 1.8 are satisfied.

(b) The Executive shall have Good Reason to resign from employment with the Company only if at least one of the following events (each a "**Covered Action**") occurs within the two (2) year period immediately following the effective date of a Change of Control:

- (i) Interpublic or a Subsidiary materially reduces the Executive's annualized rate of base salary;
- (ii) an action by Interpublic or a Subsidiary results in a material diminution of the Executive's authority, duties or responsibilities;
- (iii) an action by Interpublic or a Subsidiary results in a material diminution in the authority, duties, or responsibilities of the supervisor to whom the Executive is required to report, including a requirement that the Executive report to a corporate officer or employee instead of reporting directly to the Board of Directors;
- (iv) Interpublic or a Subsidiary materially diminishes the budget over which the Executive retains authority;
- (v) Interpublic or a Subsidiary requires the Executive, without his express written consent, to be based in an office more than fifty (50) miles outside the city in which he is principally based, unless (A) the relocation decision is made by the Executive or (B) the Executive is notified in writing that Interpublic or his employer is seriously considering such a relocation and the Executive does not object in writing within ten (10) days after he receives such written notice; or
- (vi) Interpublic or a Subsidiary materially breaches an employment agreement between Interpublic or the Subsidiary and the Executive.

(c) The Executive shall not have Good Reason to resign as a result of a Covered Action unless —

(i) within the ninety (90) day period immediately following the date on which such Covered Action first occurs, the Executive notifies Interpublic in writing that such Covered Action has occurred; and

(ii) such Covered Action is not remedied within the thirty (30) day period immediately following the date on which Interpublic receives a notice provided in accordance with paragraph (i), above.

(d) The Executive shall not have Good Reason to resign as a result of a Covered Action unless before the end of the thirty-one (31) day period immediately following the end of the thirty (30) day period specified by paragraph (c)(ii), above, the Executive gives Interpublic a minimum of thirty (30) days', and a maximum of ninety (90) days', advance written notice of the effective date of his resignation.

Section 1.9. Other Arrangement means any other agreement, plan, program, policy, or other arrangement involving or maintained by Interpublic or a Subsidiary under which the Executive is or might be eligible to receive compensation or benefits.

Section 1.10. Outside Auditor means either (i) the outside auditor retained by Interpublic in the last fiscal year ending before such Change of Control or (ii) a national auditing firm acceptable to the Executive.

Section 1.11. Qualifying Termination means a Termination of Employment of the Executive that —

(a) is initiated by (a) Interpublic or a Subsidiary for a reason other than Cause or (b) the Executive for Good Reason (as defined in this Agreement), and

(b) occurs during the period that begins upon a Change of Control and ends at 11:59:59 p.m. Eastern Time on the second anniversary of such Change of Control.

Section 1.12. Severance Period means the period starting on the date of the Executive's Qualifying Termination and ending on the last day of the calendar month that is the Designated Number of Months after such date.

Section 1.13. Subsidiary means any corporation or other entity that is required to be combined with Interpublic as a single employer under Section 414(b) or (c) of the Code.

Section 1.14. Termination of Employment means the Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code) with the Company. For purposes of this Agreement:

(a) If the Executive is on a leave of absence and does not have a statutory or contractual right to reemployment, he shall be deemed to have had a Termination of Employment on the first date that is more than six (6) months after the commencement of such leave of absence. However, if the leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of six (6) months or more, and such impairment causes the Executive to be unable to perform the duties of his position of employment or any substantially similar position of employment, the preceding sentence shall be deemed to refer to a twenty-nine (29) month period rather than to a six (6) month period; and

(b) A sale of assets by Interpublic or a Subsidiary to an unrelated buyer that results in the Executive working for the buyer or one of its affiliates shall not, by itself, constitute a Termination of Employment unless Interpublic, with the buyer's written consent, so provides in writing 60 or fewer days before the closing of such sale.

Section 1.15. Unsecured Trust means a trust established pursuant to a trust agreement or other written instrument that (a) states that the assets of such trust are subject to claims of the Company's creditors, (b) states that such trust shall be irrevocable until all claims for benefits under the plans, programs, agreements, and other arrangements covered by such trust have been satisfied, and (c) complies with the applicable provisions of Section 409A of the Code.

ARTICLE 2

PAYMENTS UPON QUALIFYING TERMINATION

Section 2.1. Severance Payment. Subject to the requirements of Section 3.2 hereof, if the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the Designated Number multiplied by the sum of:

(a) The greater of (i) the Executive's annual base salary for the calendar year in which the Qualifying Termination occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Qualifying Termination) or (ii) the Executive's annual base salary for the calendar year in which the Change of Control occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Change of Control); plus

(b) The greater of (i) the Executive's target management incentive compensation performance award under the 2006 Performance Incentive Plan or any successor thereto ("*Target MICP Award*") for the calendar year in which the Qualifying Termination occurs or (ii) the Executive's Target MICP Award for the calendar year in which the Change of Control occurs, as such Target MICP Award is in effect immediately prior to such Change of Control.

(c) **In the event that the payments due to Executive under his Employment Agreement, dated _____, exceed the payments due hereunder, Executive will be paid pursuant to the Employment Agreement rather than pursuant to this Agreement.**

Section 2.2. Medical, Dental, and Vision Benefits. If the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall provide to the Executive medical, dental, and vision benefits (or cash in lieu of such benefits) in accordance with Section 4.2 of the Interpublic Executive Severance Plan (including the indemnification

required by Section 4.2(b) of ESP) as in effect on the Effective Date ("*ESP*"), subject to the following provisions:

(a) The "designated number of months" for purposes of determining the Executive's "severance period" and "COBRA period" under ESP shall be the Designated Number of Months set forth in Section 1.7 hereof;

(b) Any amendment, suspension, or termination of ESP after the date of this Agreement that has the effect of reducing the level of benefits required by this Section 2.2, shall be disregarded unless the Executive expressly consents in writing to such amendment, suspension, or termination; and

(c) The Executive's right to the level of benefits required by this Section 2.2 shall not be conditioned on the Executive executing the agreement required by Section 5 of ESP.

Section 2.3. CAP Supplement

(a) If the Executive participates in the Interpublic Capital Accumulation Plan ("*CAP*"), Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the sum of (i) plus (ii) plus (iii), where:

(i) equals the sum of the annual dollar credits that would have been added to the Executive's account under CAP on each December 31st after the Executive's Termination of Employment if he had remained employed by the Company continuously through the last day of the Severance Period (provided that this paragraph (i) shall not require duplication of any amount that is added to the Executive's account under CAP in accordance with the terms thereof);

(ii) equals (A) the dollar credit that would have been added to the Executive's account under CAP on December 31st of the calendar year in which the Severance Period ends if the Executive had remained employed by the Company

continuously through such December 31st, multiplied by (B) a fraction the numerator of which is the number of days from January 1st of such calendar year through the last day of the Severance Period and the denominator of which is three hundred sixty-five (365); and

(iii) equals (A) the interest crediting rate under CAP for the calendar year in which the Executive's account balance under CAP is paid, multiplied by (B) the vested balance of the Executive's account under CAP as of January 1st of such year, multiplied by (C) a fraction the numerator of which is the number of days from January 1st of such year through the date on which the Executive's account balance under CAP is paid and the denominator of which is three hundred sixty-five (365).

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.3 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the interest crediting rate under CAP for the calendar year in which the Change of Control occurs.

Section 2.4. SERIP Supplement

(a) If the Executive participates in the Interpublic Senior Executive Retirement Income Plan ("*SERIP*"), Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the excess of (i) over (ii), where:

(i) equals the amount (if anything) the Executive would be entitled to receive under SERIP if he had remained employed by the Company continuously through the end of the Severance Period; and

(ii) equals the amount of the vested benefit (if any) that the Executive is eligible to receive under the terms of SERIP.

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.4 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the plan interest rate specified by SERIP.

Section 2.5. Special Payment Rules.

(a) Specified Employee Rules. If Interpublic determines that the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) on the date of his Termination of Employment, Interpublic shall make the payments specified by paragraphs (i), (ii), and (iii) of this Section 2.5(a) and shall not make any payments pursuant to Section 2.1, Section 2.3, or Section 2.4 hereof (except insofar as such Sections determine the amount required by this Section 2.5(a)).

(i) Interpublic shall pay the Base Amount at the time or times prescribed by the terms of the applicable Other Arrangement through the last day of the sixth calendar month that begins after the date of the Executive's Termination of Employment;

(ii) Within thirty (30) days after the date of the Executive's Qualifying Termination, Interpublic shall pay to the Executive in a lump sum the excess (if any) of (A) the sum of the amounts prescribed by Section 2.1, Section 2.3, and Section 2.4 hereof over (B) the aggregate Base Amount payable under all Other Arrangements. The amounts in clauses (A) and (B) of this paragraph (ii) shall be determined without any adjustment (such as a discount) to reflect the time value of money; and

(iii) On the 6-Month Pay Date (as defined below), Interpublic shall pay to the Executive an amount equal to the excess (if any) of (A) the sum of the aggregate amounts prescribed by Section 2.1 (taking into account Section 4.5), Section 2.3, and Section 2.4 hereof over (B) the aggregate amount paid in accordance with paragraphs (i) and (ii), above (determined without any adjustment (such as interest) to reflect the time value of money). The "6-Month Pay Date" shall be Interpublic's first semi-monthly pay date for the seventh calendar month that begins after the date of the Executive's Termination of Employment (or, if earlier, a date that occurs within the ninety (90) day period immediately following the date of the Executive's death; provided that such date shall be determined by Interpublic in its sole discretion and not by the Executive or his personal representative).

(b) 2007 Transition Rule.

(i) If, under the terms of any Other Arrangement in effect on the Effective Date (disregarding this Agreement), payment of the Executive's Base Amount was scheduled to begin before January 1, 2008, payment of the Executive's Base Amount shall begin at the time prescribed by the terms of such Other Arrangement.

(ii) If paragraph (i), above, does not apply:

(A) Payment of the Participant's Base Amount shall not begin before January 1, 2008; and

(B) If this Agreement prescribes that payment of the Base Amount should begin before January 1, 2008, payment of such Base Amount shall begin on Interpublic's first semi-monthly pay date for January

2008. The first payment due in January 2008 shall include a make-up payment equal to the sum of the payments that, if not for the delay required by the preceding sentence, would have been made before Interpublic's first semi-monthly pay date for January 2008.

Interest shall not be added to any payment that is delayed by reason of the application of this Section 2.5.

Section 2.6. Death Prior to Payment. If the Executive dies after his Qualifying Termination but before all of the payments required by this Article 2 have been made, Interpublic shall pay to the Executive's estate an amount equal to the sum of the then-unpaid amounts required by this Article 2. Such payment shall be made in a lump sum (without any discount to reflect the time value of money) as soon as practicable, and no more than ninety (90) days, after the Executive's death. The date of payment shall be determined by Interpublic in its sole discretion, and not by the Executive or his personal representative

ARTICLE 3

TAX MATTERS

Section 3.1. Withholding and Taxes. The Company may withhold (or cause to be withheld) from any amounts payable to the Executive or on his behalf hereunder any or all federal, state, city, or other taxes that the Company reasonably determines are required to be withheld pursuant to any applicable law or regulation. However, except for the indemnification referred to in Section 2.2 hereof, the Executive shall be solely responsible for paying all taxes (including any excise taxes) on any compensation (including imputed compensation) and other income provided to him or on his behalf, regardless of whether taxes are withheld. Except for the indemnification referred to in Section 2.2 hereof, no provision of this Agreement shall be construed (a) to limit the Executive's responsibility under this Section 3.1 or (b) to transfer to or impose on the Company any liability relating to taxes (including excise taxes) on compensation (including imputed compensation) or other income under this Agreement.

Section 3.2. Forfeiture of Certain Parachute Payments.

(a) Notwithstanding any provision in this Agreement to the contrary, if subsection (b), below, applies, the Executive shall forfeit amounts payable to the Executive under this Agreement to the extent an Outside Auditor determines is necessary to ensure that the Executive is not reasonably likely to receive a "parachute payment" within the meaning of Section 280G(b)(2) of the Code.

(b) This subsection (b) shall apply if—

(i) any payment to be made under this Agreement is reasonably likely to result in the Executive receiving a "parachute payment" (as defined in Section 280G(b)(2) of the Code), and

(ii) the Executive's forfeiture of payments due under this Agreement would result in the aggregate after-tax amount that the Executive would receive being greater than the aggregate after-tax amount that the Executive would receive if there were no such forfeiture.

(c) Interpublic shall engage, at Interpublic's expense, an Outside Auditor to determine (i) whether any amount shall be forfeited pursuant to subsection (a), above, and (ii) the amount of any such forfeiture. The Outside Auditor's determination shall be conclusive and binding.

(d) If the Outside Auditor engaged pursuant to subsection (c), above, determines that adverse tax consequences relating to Section 280G of the Code (determined on a net after-tax basis) could be avoided by the Executive forfeiting payments under one or more Other Arrangements, and such Other Arrangements permit a forfeiture to avoid adverse tax consequences relating to Section 280G of the Code, the Executive shall not forfeit the right to receive any amount due under this Agreement unless and until he has forfeited the right to all payments under such Other Arrangements.

ARTICLE 4

COLLATERAL MATTERS

Section 4.1. Nature of Payments. All payments and benefits provided to the Executive under this Agreement shall be considered either severance payments in consideration of his past services on behalf of the Company or payments in consideration of the covenant set forth in Section 4.7 hereof. No payment or benefit provided hereunder shall be regarded as a penalty on the Company.

Section 4.2. Mitigation. The Executive shall not be required to mitigate the amount of any payment or benefit provided for in this Agreement by seeking other employment or otherwise. Except as expressly provided in Section 4.2(b) of ESP (with respect to benefits provided pursuant to Section 2.2(c)) hereof, unless the Executive breaches the covenant set forth in Section 4.7 hereof, the amount of any payment provided for herein shall not be reduced by any remuneration that the Executive may earn after his Termination of Employment.

Section 4.3. Setoff for Debts. To the extent permitted under Section 409A of the Code, Interpublic may reduce the amount of any payment or benefit otherwise due to the Executive under Article 2 hereof by any amount that the Executive owes to the Company pursuant to a written instrument executed by the Executive, but only if (a) the debt was incurred in the ordinary course of the Executive's relationship with the Company, (b) the entire amount of reduction in any taxable year does not exceed \$5,000, (c) the reduction is made at the same time and in the same amount as required by the terms of such written instrument, and (d) the Company has not already recovered such amount by setoff or otherwise.

Section 4.4. Plans, Programs, and Arrangements Not Addressed in this Agreement. Except as otherwise provided by Section 4.5 hereof, the effect of a Change of Control or a Qualifying Termination on the rights of the Executive with respect to any compensation, awards, or benefits under any Other Arrangement (including rights under any deferred compensation arrangement, the Interpublic Capital Accumulation Plan, the Interpublic Senior Executive Retirement Income Plan, any Executive Special Benefit Agreement, and the 2006 Performance Incentive Plan and any predecessor or successor thereto) shall be determined

solely by the terms of the governing documents for such Other Arrangement, and not by the terms of this Agreement.

Section 4.5. Coordination with Employment Contract. The payments and benefits required by Article 2 hereof shall be in lieu of (and not in addition to) any payments under an Other Arrangement to which the Executive might have a claim by reason of a Qualifying Termination (for example, severance payments), whether such Other Arrangement is executed before or after the date hereof, unless expressly provided otherwise in such Other Arrangement; provided that if Other Arrangements provide for a payment (or payments) by reason of a Qualifying Termination that is (or are) larger in the aggregate (determined without regard to the time value of money) than the severance payment prescribed by Section 2.1 hereof, the Company shall pay the Executive the larger amount (in lieu of the amount prescribed by Section 2.1, and without any adjustment for interest) in a lump sum (without any discount to reflect the time value of money) at the time prescribed by Section 2.1 (or such later date as required by Section 2.5 hereof). If the Executive resigns for Good Reason, he shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and Interpublic or a Subsidiary.

Section 4.6. Funding. Except as required by Section 2.3(b), Section 2.4(b), and Section 4.8(c) hereof, this Agreement does not require the Company to set aside any amounts that may be necessary to satisfy its obligations hereunder. Any assets that the Company sets aside to fund the Company's obligations under this Agreement, whether in an Unsecured Trust or otherwise, shall be subject to the claims of the Company's creditors in the event of the Company's bankruptcy or insolvency.

Section 4.7. Covenant of Executive.

(a) If the Executive has a Qualifying Termination that entitles him to a payment under Article 2 hereof, the Executive shall not, during the eighteen (18) months next following the date of his Termination of Employment, either (i) solicit any employee of the Company to leave such employ and to enter into the employ of, or to provide services to, the Executive or any person with which the Executive is associated or (ii) solicit or handle on his

own behalf, or on behalf of any person with which the Executive is associated, the advertising, public relations, sales promotion or market research business of any person that is a client of the Company as of the date of the Executive's Termination of Employment.

(b) The Executive acknowledges that the provisions of this Section 4.7 are a material inducement to Interpublic entering into this Agreement, that such provisions are reasonable and necessary to protect the legitimate business interests of the Company, and that such provisions do not prevent the Executive from earning a living. If at the time of enforcement of any provision of this Agreement, a court with jurisdiction shall hold that the duration, scope, or restrictiveness of any provision hereof is unreasonable under circumstances now or then existing, the parties agree that the maximum duration, scope, or restriction reasonable under the circumstances shall be substituted by the court for the stated duration, scope, or restriction.

(c) The Executive acknowledges that a remedy at law for any breach or attempted breach of this Section 4.7 will be inadequate, and agrees that the Company shall be entitled to specific performance and injunctive and other equitable relief in the case of any such breach or attempted breach. This Section 4.7 shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

Section 4.8. Legal Expenses.

(a) Each party hereto shall pay its own costs and expenses (including legal fees) incurred in connection with the preparation, negotiation and execution of this Agreement.

(b) Interpublic shall reimburse the Executive for any legal fees and expenses that the Executive incurs during the Executive's life as a result of the Company contesting the validity, the enforceability, or the Executive's interpretation of, or any determination under, this Agreement (collectively "**Reimbursable Expenses**"), subject to the following terms and conditions:

(i) The Executive shall submit any request for reimbursement for any Reimbursable Expense in writing to Interpublic (accompanied by any evidence

that Interpublic reasonably requests in writing within thirty (30) days after Interpublic is first notified that such Reimbursable Expense is incurred) within one-hundred eighty (180) days after the applicable Reimbursable Expense is incurred (or, if later, within thirty (30) days after Interpublic requests in writing evidence of such Reimbursable Expense);

(ii) Interpublic shall pay to the Executive the amount of any Reimbursable Expenses within thirty (30) days after Interpublic receives the Executive's written request for reimbursement; provided that if Interpublic determines that the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) at the time of his Termination of Employment, payment shall not be made before the first day of the seventh month that begins after the Executive's Termination of Employment, and if this paragraph (ii) prescribes an earlier payment date, payment shall be made, without interest, on Interpublic's first semi-monthly pay date for the seventh month that begins after the Executive's Termination of Employment;

(iii) The amount of fees and expenses eligible for reimbursement during one year shall not affect the amount of Reimbursable Expenses that the Executive may incur during any other year; and

(iv) The Executive may not exchange the right to reimbursement for Reimbursable Expenses set forth in this Section 4.8(b) for cash or any other benefit.

(c) Without limiting the foregoing, Interpublic shall, before the earlier of (i) thirty (30) days after receiving notice from the Executive to Interpublic so requesting or (ii) the occurrence of a Change of Control, provide the Executive with an irrevocable letter of credit in the amount of \$100,000 from a bank with a Moody's credit rating of Aa or better and a Standard & Poor's credit rating of AA or better, against which the Executive may draw in the event that Interpublic does not timely remit payment for any Reimbursable Expense. Such letter of credit shall not expire before the later of (x) the date this Agreement terminates by its terms or (y) the tenth anniversary of the Effective Date.

ARTICLE 5
GENERAL PROVISIONS

Section 5.1. Term of Agreement.

(a) Subject to subsection (b), below, this Agreement shall terminate upon the earliest of —

- (i) the third anniversary of the Effective Date if a Change of Control has not occurred on or before such third anniversary;
- (ii) the date of the Executive's Termination of Employment if such Termination of Employment is not a Qualifying Termination; or
- (iii) the expiration of a number of years after a Change of Control equal to the Designated Number plus three (3).

(b) Notwithstanding any provision of this Section 5.1, the Company's obligations under Section 4.8 hereof and all obligations of the Company and the Executive that arise before termination of this Agreement shall survive the termination of this Agreement. In addition, if this Agreement is terminated and the Executive subsequently experiences a Qualifying Termination, Interpublic shall pay any severance to which the Executive may be entitled under any Other Arrangement (such as an employment agreement or the Interpublic Executive Severance Plan) in a lump sum at the time required by Section 2.1 hereof (subject to Section 2.5 hereof).

Section 5.2. Payments to be Made in Cash. Except as otherwise expressly provided herein, all payments required by this Agreement shall be made in cash.

Section 5.3. Obligation to Make Payments. Interpublic may satisfy any provision of this Agreement that obligates Interpublic to make a payment or contribution, or to provide a benefit, by causing another party, such as a Subsidiary or the trustee of an Unsecured Trust, to make the payment or contribution or to provide the benefit.

Section 5.4. Governing Law. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York, without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction.

Section 5.5. American Jobs Creation Act of 2004. This Agreement shall be construed, administered, and interpreted in accordance with (a) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 and all guidance of general applicability issued thereunder (collectively the "AJCA") and (b) after December 31, 2007, the AJCA. If the Company or the Executive determines that any provision of this Agreement is or might be inconsistent with such provisions, the parties shall attempt in good faith to agree on such amendments to this Agreement as may be necessary or appropriate to avoid adverse tax consequences under Section 409A of the Code. No provision of this Agreement shall be interpreted or construed to transfer any liability for a failure to comply with Section 409A of the Code from the Executive or any other individual to the Company.

Section 5.6. Successors to the Company. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including any person or persons (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquiring directly or indirectly the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be assignable by Interpublic. Without limiting the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger, consolidation, sale of stock or assets, or otherwise) to the business or assets of Interpublic, expressly, absolutely and unconditionally to assume, and to agree to perform under, this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this Agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to its business or assets that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 5.7. Successor to the Executive. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to Section 5.8 hereof, his designees (collectively, his "**Successors**"). If the Executive dies while amounts are or may be payable to him under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 5.8. Nonalienability. Except to the extent that Interpublic determines is necessary to comply with a domestic relations order (as defined in Section 414(p)(1)(B) of the Code), no right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process, or (except as provided in Section 4.3 hereof) to setoff against any obligation or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action prohibited by the immediately preceding sentence shall be void.

Section 5.9. Notices. All notices provided for in this Agreement shall be in writing. Notices and other correspondence (including any request for reimbursement) to Interpublic shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., 1114 Avenue of the Americas, New York, New York 10036, Attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 5.10. Amendment. No amendment of this Agreement shall be effective unless it is in writing and is executed by both Interpublic and the Executive.

Section 5.11. Waivers. No waiver of any provision of this Agreement shall be valid unless it is in writing and executed by the party giving such waiver. No waiver of a breach of any provision of this Agreement shall be deemed to be a waiver of any subsequent breach or a waiver of either such provision or any other provision of this Agreement. No failure or delay on

the part of either the Company or the Executive to exercise any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or herein shall operate as a waiver of any other right or remedy.

Section 5.12. Non-Duplication and Changes to Benefit Plans.

(a) No term or other provision of this Agreement shall be interpreted to require the Company to duplicate any payment or other compensation that the Executive is entitled to receive under an Other Arrangement.

(b) No term or other provision of this Agreement shall restrict the Company's ability to amend, suspend, or terminate any or all of its employee benefit plans and programs from time to time, or prevent any such amendment, suspension, or termination from affecting the Executive.

Section 5.13. Severability. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 5.14. Construction.

(a) The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

(b) Unless the contrary is clearly indicated by the context, (i) the use of the masculine gender shall also include within its meaning the feminine and vice versa; (ii) the word "include" shall mean include, but not limited to; and (iii) any reference to a statute or section of a statute shall also be a reference to any successor or amended statute or section, and any regulations or other guidance of general applicability issued thereunder.

Section 5.15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

Section 5.16. Entire Agreement. This Agreement constitutes the entire understanding between the Company and the Executive concerning the matters set forth herein and supersedes any and all previous agreements between the Company and the Executive concerning such matters.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Timothy Sompolski
Timothy Sompolski
Executive Vice President
Chief Human Resource Officer

/s/ Steve Gatfield
Steve Gatfield

AMENDMENT TO EMPLOYMENT AGREEMENT

AMENDMENT made as of September 12, 2007 (the “Effective Date”), between THE INTERPUBLIC GROUP OF COMPANIES, INC. (“Interpublic”) and PHILIPPE KRAKOWSKY (“Executive”).

WITNESSETH:

WHEREAS, Interpublic and Executive are parties to an Employment Agreement made as of January 1, 2006 (the “Agreement”);

WHEREAS, the Agreement provides for payments that are or might be treated as deferred compensation under Section 409A of the Internal Revenue Code of 1986, as amended from time to time (the “Code”);
and

WHEREAS, Interpublic and Executive wish to avoid causing the Agreement or any action taken thereunder to violate any applicable requirement of Section 409A of the Code;

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

1. **Incorporation by Reference**. All provisions of the Agreement are hereby incorporated herein by reference and shall remain in full force and effect except to the extent that (a) such provisions are expressly modified by the provisions of this Amendment, or (b) Section 12.01 of the Agreement requires such provisions to be modified.

2. **Defined Terms**. When the initial letter or letters of any of the following words or phrases in this Amendment are capitalized, such word or phrase shall have the following meaning unless the context clearly indicates that a different meaning is intended:

a. “**ESP**” means the Interpublic Executive Severance Plan, as amended from time to time.

b. “**401(k) Plan**” means the Interpublic Savings Plan, as amended from time to time.

c. **“IPG”** means Interpublic or any of its parents, subsidiaries, or affiliates.

d. **“Notice Date”** means the date Interpublic provides written notice to Executive that his employment with Interpublic will be terminated involuntarily as of a specified Termination Date in the future.

e. **“Other Severance Payment”** means any payment or taxable benefit, including any reimbursement of expenses (to the extent taxable), that Executive is entitled to receive under any other agreement, plan, program, policy, or other arrangement involving or maintained by IPG by reason of an “involuntary separation from service” (within the meaning of Treas. Reg. § 1.409A-1(n)) or participation in a program that constitutes a “window program” for purposes of Treas. Reg. § 1.409A-1(b)(9)(iii); provided, however, that an Other Severance Payment shall not include:

i. the portion (if any) of any payment or benefit that Executive would be entitled to receive upon any circumstance other than an “involuntary separation from service” or participation in a “window program;” or

ii. any payment that is required to be made (and is made) on or before March 15th of the first calendar year that begins after the Termination Date. Interpublic shall determine whether a payment is required to be made on or before March 15th of the first calendar year that begins after the Termination Date based on the facts known as of the date Executive first acquired the right (including a contingent right) to become eligible to receive such payment.

f. **“Restricted Severance Payment”** means:

i. each payment prescribed by Section 7.01(ii) and (iii) of the Agreement, disregarding (A) any such payment that is required to be made (and is made) on or before March 15th of the first calendar year that begins after the Termination Date and (B) any benefit that is not includable in Executive’s income for federal income tax purposes; plus

ii. each Other Severance Payment.

Interpublic shall determine whether a payment is required to be made on or before March 15th of the first calendar year that begins after the Termination Date based on the facts known as of the date Executive first acquired the right (including a contingent right) to become eligible to receive such payment.

g. "**Severance Exclusion Amount**" means two (2) times the lesser of:

i. Executive's annualized compensation based upon his annual rate of pay for services provided to IPG for Executive's taxable year immediately preceding the taxable year in which the Termination Date occurs (adjusted for any increase during such taxable year preceding the Termination Date that was expected to continue indefinitely if Executive's employment had not been terminated); or

ii. the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the calendar year in which the Termination Date occurs.

h. "**Specified Employee**" has the meaning prescribed by Section 409A(a)(2)(B)(i) of the Code, determined in accordance with Treas. Reg. § 1.409A-1(i).

i. "**Termination Date**" means the date of Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code), as determined by Interpublic in accordance with Treas. Reg. § 1.409A-1(h)(1). A sale of assets to an unrelated buyer that results in Executive working for the buyer or one of its affiliates shall not, by itself, constitute a "separation from service" unless Interpublic, with the buyer's written consent, so provides within sixty (60) or fewer days before the closing of such sale. Unless the context clearly indicates otherwise, the phrase "termination date" as it appears in the Agreement without capitalization shall have the same meaning as set forth in this subparagraph i.

If the initial letter or letters of any word or phrase in this Amendment are capitalized, and such word or phrase is not defined in this Amendment, such word or phrase shall

have the meaning set forth in the Agreement unless the context clearly indicates that a different meaning is intended.

3. Allowances and Reimbursements. Sections 6.04, 6.05 and 6.06 of the Agreement are hereby clarified as follows:

a. Section 6.04 of the Agreement is clarified by adding the following sentences at the end thereof:

“The automobile allowance shall be paid in equal installments according to Interpublic’s payroll practices and policies as are in effect from time to time. In order to be reimbursed for any parking expense, Executive must submit substantiation of such expense in accordance with Interpublic’s standard policies on or before the ninetieth (90th) day of the calendar year next following the calendar year in which the applicable expense is incurred. Interpublic shall pay any reimbursement required by this Section 6.04 within thirty (30) days after it receives Executive’s valid request for reimbursement.”

b. Section 6.05 of the Agreement is clarified by adding the following sentence at the end thereof:

“Such allowance for each year shall be paid on or before March 15th of the subsequent year.”

c. Section 6.06 of the Agreement is clarified by adding the following sentence at the end thereof:

“Such financial planning allowance shall be paid in accordance with the terms of the Executive Medical Plus Plan.”

4. Termination of Employment by Interpublic. The Preamble of Section 7.01 of the Agreement is hereby clarified by adding the following sentence to the beginning thereof:

“The provisions of this Section 7.01 shall apply only if Interpublic terminates Executive’s employment hereunder involuntarily (within the meaning of Treas. Reg. § 1.409A-1(n)(1)) without Cause.”

5. Time and Form of Payment of Severance Payments. Section 7.01(ii) of the Agreement is hereby deleted and replaced in its entirety with the following:

“(ii) By giving Executive notice in writing at any time specifying a termination date less than twelve (12) months after the Notice Date. In this event, Executive’s employment hereunder shall terminate on the date specified by such notice and Executive shall be entitled to the following:

“(a) Interpublic shall pay to Executive a sum equal to the amount by which twelve (12) months’ salary at the rate in effect immediately prior to the Termination Date exceeds the salary paid to Executive for the period from the Notice Date to the Termination Date. Except as required by Section 7.05 hereof, such sum shall be paid in successive semi-monthly installments, commencing on Interpublic’s first semi-monthly pay date that occurs after the Termination Date. The amount of each semi-monthly installment, before withholding, shall be equal to one-half of Executive’s base salary for one month at the rate in effect immediately prior to the Termination Date, with any residue in respect of a period of less than one-half of one month to be paid together with the last installment. For purposes of Section 409A of the Code, each installment required by this subsection (ii) shall be treated as a separate payment.

“(b) Executive shall continue to be eligible for a bonus under the Management Incentive Compensation Plan until the first anniversary of the Notice Date. Any bonus awarded to Executive under this paragraph (b) shall be paid during the first calendar year that begins after the first anniversary of the Notice Date; provided, that if Interpublic determines that Executive is a Specified Employee, such payment shall be made (without interest) no earlier than Interpublic’s first pay date for the seventh month following the Termination Date.”

6. Continuation of Benefits. Section 7.01(iii) of the Agreement is hereby deleted and replaced in its entirety with the following:

“(iii) Continuation of Benefits.

“(a) If Interpublic terminates Executive’s employment involuntarily without Cause in accordance with subsection (i), above, Executive shall continue to be an employee, and shall continue to receive his base salary and the employee benefits that he is eligible to receive as an active employee

(including a bonus opportunity under the Management Incentive Compensation Plan), until the Termination Date (and Executive shall not receive salary or benefits for any period after the Termination Date).

“(b) If Interpublic terminates Executive’s employment involuntarily without Cause in accordance with subsection (ii), above, Executive shall continue to receive the salary and benefits prescribed by paragraph (a), above, until the Termination Date. Thereafter, Executive shall be eligible to receive the following employee benefits:

“(1) Medical, Dental, and Vision Benefits. Interpublic shall provide to Executive medical, dental, and vision benefits (or cash in lieu of such benefits) in accordance with Section 4.2 of ESP (including the indemnification required by Section 4.2(b) of ESP) as in effect on the Effective Date hereof, subject to the following provisions:

“(A) The “designated number of months” for purposes of determining the “severance period” under ESP shall be twelve (12); provided, however, that Executive’s right to benefits under this Section 7.01(iii)(b)(1) shall terminate immediately upon Executive’s acceptance of employment with another employer offering similar benefits;

“(B) Any amendment, suspension, or termination of ESP after the Effective Date that has the effect of reducing the level of benefits required by this Section 7.01(iii)(b)(1) shall be disregarded unless Executive expressly consents in writing to such amendment, suspension, or termination; and

“(C) Executive’s right to the level of benefits required by this Section 7.01(iii)(b)(1) shall not be conditioned on Executive’s execution of the agreement required by Section 5 of ESP.

“(2) Interpublic Savings Plan.

“(A) Executive shall not be eligible to contribute or defer (and shall not contribute or defer) any compensation with respect to the period after the Termination Date under the 401(k) Plan or any other

savings or deferred compensation plan (whether tax-qualified or nonqualified) maintained by IPG.

“(B) Interpublic shall pay to Executive a lump-sum amount equal to the aggregate of the matching contributions that Interpublic would have made for the benefit of Executive under the 401(k) Plan if, during the period that begins on the day after the Termination Date and ends on the earlier of (x) the first anniversary of the Notice Date or (y) the date Executive accepts employment with another employer offering a tax-qualified savings plan, Executive had participated in the 401(k) Plan and made pre-tax deferrals and after-tax contributions to the 401(k) Plan at the same rate as in effect immediately before the Termination Date. Subject to Section 7.05 hereof, such payment shall be made (without interest) within thirty (30) days after the first anniversary of the Notice Date. The amount of the lump-sum payment required by this clause (B) shall be determined based on the matching formula prescribed by the 401(k) Plan as in effect during the period described herein.

“(3) Life Insurance. Interpublic shall pay to the Executive an amount equal to the aggregate premium required for the Executive to continue, through the first anniversary of the Notice Date, the same life insurance coverage provided under any plan or policy maintained by IPG as in effect immediately before the Termination Date; provided, however, that Executive’s right to benefits under this subparagraph (3) shall terminate immediately upon Executive’s acceptance of employment with another employer offering life insurance benefits. Such lump-sum payment shall be made within thirty (30) days after the Termination Date.

“(4) Automobile Allowance.

“(A) Executive shall be entitled to the annual automobile allowance prescribed by Section 6.04 hereof until the first anniversary of the Notice Date; provided, however, that Executive’s right to the allowance prescribed by this subparagraph (4) shall terminate immediately upon Executive’s acceptance of employment with another employer offering similar benefits.

“(B) The allowance prescribed by this Section 7.01(iii)(b)(4) shall be paid in successive semi-

monthly installments each equal to 1/24th of the annual allowance specified by Section 6.04 hereof. Except as required by Section 7.05 hereof, such installments shall commence on Interpublic's first semi-monthly pay date that occurs after the Termination Date. For purposes of Section 409A of the Code, each installment required by this subparagraph (4) shall be treated as a separate payment."

7. Vesting of Stock Awards. Section 7.01(iv) is hereby deleted and replaced in its entirety by the following:

"(iv) Executive shall continue to vest in all restricted stock and stock options until the first anniversary of the Notice Date. All such restricted stock and stock options shall be vested pro-rata as of the first anniversary of the Notice Date."

8. Reimbursements. A new subsection (v) is hereby added to Section 7.01 of the Agreement, to read in its entirety as follows:

"(v) Reimbursements.

"(a) Subject to clauses (b) and (c), below, if Interpublic terminates Executive's employment hereunder involuntarily without Cause:

"(1) Club Allowance. Executive shall be entitled to the annual club allowance prescribed by Section 6.05 hereof until the first anniversary of the Notice Date, as follows:

"(A) for the calendar year in which the Termination Date occurs, the amount of the allowance shall be the amount specified by Section 6.05 minus the portion of such allowance (if any) already reimbursed for such calendar year; and

"(B) for any calendar year that begins after the year in which the Termination Date occurs, the amount of the allowance shall be the amount specified by Section 6.05 multiplied by a fraction the numerator of which is the number of calendar months during such calendar year that begin before the first anniversary of the Notice Date and the denominator of which is twelve (12).

"(2) Financial Planning Allowance. Interpublic shall reimburse Executive for financial planning

expenses incurred before the first anniversary of the Notice Date as prescribed by Section 6.06 hereof, as follows:

“(A) for the calendar year in which the Termination Date occurs, the amount of the allowance shall be the amount specified by Section 6.06 minus the portion of such allowance (if any) already reimbursed for such calendar year; and

“(B) for any calendar year that begins after the year in which the Termination Date occurs, the amount of the allowance shall be the amount specified by Section 6.06 multiplied by a fraction the numerator of which is the number of calendar months during such calendar year that begin before the first anniversary of the Notice Date and the denominator of which is twelve (12).

“(b) In order to be eligible for reimbursement of any amount specified by clause (a), above, Executive must submit a request for reimbursement, along with invoices and receipts documenting the expenses incurred and the amount paid, to Interpublic on or before the ninetieth (90th) day of the calendar year next following the calendar year in which the expense is incurred. Subject to clause (c), below, Interpublic shall pay any amount required by clause (a), above, within thirty (30) days after Interpublic’s receipt of Executive’s valid request for reimbursement.

“(c) If Interpublic determines that Executive is a Specified Employee as of the Termination Date, no payment required by this Section 7.01(v) shall be made before the first day of the seventh month following the Termination Date. If this Section 7.01(v) specifies payment on an earlier date, the payment shall be made on Interpublic’s first pay date for the seventh month following the Termination Date.”

9. Special Payment Rules. A new Section 7.05 shall be added to the Agreement, to provide in its entirety as follows:

“7.05 Special Payment Rules.

“(i) ‘Specified Employee’ Rule. This Section 7.05(i) is intended to comply with the requirement under Section 409A(a)(2)(B)(i) of the Code to delay certain post-termination payments to Specified Employees for six (6) months after the Termination Date. In order to avoid an inadvertent violation of

such requirement, the restrictions set forth in this Section 7.05(i) may be more restrictive than is required under Section 409A(a)(2)(B)(i) of the Code. However, this Section 7.05(i) shall not be construed to allow payment of any amount at any time that would cause a violation of Section 409A(a)(2)(B)(i) of the Code.

“(a) If (x) Interpublic determines that Executive is a Specified Employee as of the Termination Date, and (y) the sum of Executive’s Restricted Severance Payments that are scheduled to be made before the first day of the seventh month following the Termination Date exceeds Executive’s Severance Exclusion Amount, then:

“(1) each payment that Section 7.01(ii) hereof requires to be made on or before March 15th of the first calendar year that begins after the Termination Date shall be made at the time prescribed by Section 7.01(ii) hereof. Interpublic shall determine whether a payment is required to be made on or before March 15th of the first calendar year that begins after the Termination Date based on the facts known as of the date Executive first acquired the right (including a contingent right) to become eligible to receive such payment;

“(2) each payment required by Section 7.01(ii) and (iii) hereof, other than the payments described by subparagraph (1), above, shall be made at the time prescribed by Section 7.01 hereof until the sum of (x) such payments, and (y) all Other Severance Payments equals Executive’s Severance Exclusion Amount; and

“(3) to the extent that any payment required by Section 7.01(ii) or (iii) hereof, other than a payment described by subparagraph (1), above, cannot be made by reason of subparagraph (2), above, such payment shall be made on the later of:

“(A) Interpublic’s first semi-monthly pay date for the seventh month after the Termination Date (or, if earlier, a date determined by Interpublic that occurs within the ninety (90) day period immediately following the date of Executive’s death); or

“(B) the date on which such payment would otherwise be due in accordance with Section 7.01(ii) or (iii) hereof.

“(b) Interest shall not be added to any payment that is delayed by reason of the application of this Section 7.05(i).

“(ii) Change of Control Rule. If Interpublic terminates Executive’s employment for any reason other than Cause within two years after a “Change of Control” (as defined in Executive’s Change of Control Agreement with the Company, dated _____, as amended from time to time), any amount payable under Section 7.01(ii) shall be paid in a lump sum. Except as required by Section 7.05(i), such lump-sum payment shall be made within thirty (30) days after the Termination Date.”

10. Reimbursement of Prevailing Party Fees and Costs. Section 9.01 of the Agreement is hereby clarified and amended by replacing the reference to “Section 12.01” with “Section 14.01” and by adding the following new sentences to the end thereof:

“In order to be eligible for a payment or reimbursement pursuant to this Section 9.01, the party entitled to reimbursement or other payments shall submit to the other party a written request for payment, with invoices and receipts documenting the amount to be reimbursed or paid, within thirty (30) days after a final decision is rendered. Subject to the immediately preceding sentence, all reimbursements and other payments required by this Section 9.01 shall be made by March 15th of the calendar year next following the calendar year in which a final decision is rendered.”

11. American Jobs Creation Act of 2004. Article XIII of the Agreement is hereby deleted and replaced by the following:

“ARTICLE XII

“American Jobs Creation Act

“12.01 This Agreement, as amended hereby, shall be construed, administered, and interpreted in accordance with (i) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 (collectively the “AJCA”) and (ii) after December 31, 2007, the AJCA. If Interpublic or Executive determines that any provision of this Agreement, as amended hereby, is or might be inconsistent with the requirements of the AJCA, the parties shall attempt in good faith to agree on such amendments to this Agreement as may be necessary or appropriate to avoid causing Executive to incur adverse tax consequences under Section 409A of the Code. No provision of this Agreement,

as amended hereby, shall be interpreted or construed to transfer any liability for failure to comply with Section 409A from Executive or any other individual to Interpublic.”

12. Entire Agreement. Article XIII of the Agreement is hereby deleted and replaced by the following:

“Article XIII

“Entire Agreement

“13.01 This Agreement, as amended, sets forth the entire understanding between Interpublic and Executive concerning his employment by Interpublic and supersedes any and all previous agreements between Executive and Interpublic concerning such employment and/or any compensation or bonuses. In the event of any inconsistency between the terms of an amendment to this Agreement and the terms of this Agreement in effect before such amendment, the terms of the amendment shall govern. Each party hereto shall pay its own costs and expenses (including legal fees) incurred in connection with the preparation, negotiation, and execution of this Agreement and each amendment thereto. Any amendment or modification to this Agreement shall be set forth in writing and signed by Executive and an authorized director or officer of Interpublic.”

13. Applicable Law. Section 14.01 of the Agreement is hereby clarified by adding at the end thereof the phrase “without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction.”

14. Authority to Determine Payment Date. To the extent that any payment under the Agreement may be made within a specified number of days on or after any date or the occurrence of any event, the date of payment shall be determined by Interpublic in its sole discretion, and not by the Executive, his beneficiary, or any of his representatives.

IN WITNESS WHEREOF, Interpublic, by its duly authorized officer, and Executive have caused this Amendment to the Agreement to be executed.

The Interpublic Group of Companies, Inc.

Executive

BY: /s/ Timothy Sompolski
Timothy Sompolski
Executive Vice President
Chief Human Resources Officer

/s/ Philippe Krakowsky
Philippe Krakowsky

DATE: September 12, 2007

DATE: September 4, 2007

EXECUTIVE CHANGE OF CONTROL AGREEMENT

This AGREEMENT ("*Agreement*") dated as of September 12, 2007 (the "*Effective Date*"), by and between The Interpublic Group of Companies, Inc. ("*Interpublic*"), a Delaware corporation, and Philippe Krakowsky (the "*Executive*").

WITNESSETH:

WHEREAS, the Company (as hereinafter defined) recognizes the valuable services that the Executive has rendered to the Company and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to a Change of Control (as hereinafter defined);

WHEREAS, the Executive is willing to continue to serve the Company but desires a reasonable degree of protection in the event of a Change of Control; and

WHEREAS, the Company is willing to provide such protection in exchange for the Executive's agreement not to engage, during a specified period after his employment with the Company is terminated, in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company, and the mutual agreements herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

DEFINITIONS

When the initial letter or letters of the following words and phrases are capitalized in this Agreement, such words and phrases shall have the following meanings unless the context clearly indicates that a different meaning is intended:

Section 1.1. Base Amount means the amounts, if any, that, if this Agreement did not exist, would be payable to the Executive pursuant to the terms of an Other Arrangement

by reason of the Executive's Qualifying Termination; provided, however, that the Base Amount shall not include any non-cash benefits or reimbursements or payments in lieu of such benefits.

Section 1.2. Board of Directors means the Board of Directors of Interpublic.

Section 1.3. Cause means —

- (a) a material breach by the Executive of a provision in an employment agreement with Interpublic or a Subsidiary that, if capable of being cured, has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic or any Subsidiary of such breach;
- (b) misappropriation by the Executive of funds or property of Interpublic or a Subsidiary;
- (c) any attempt by the Executive to secure any personal profit related to the business of Interpublic or a Subsidiary that is not approved in writing by the Board of Directors or by the person to whom the Executive reports directly;
- (d) fraud, material dishonesty, gross negligence, gross malfeasance or insubordination by the Executive, or willful (i) failure by the Executive to follow the code of conduct of Interpublic or a Subsidiary or (ii) misconduct by the Executive in the performance of his duties as an employee of Interpublic or a Subsidiary, excluding in each case any act (or series of acts) taken in good faith by the Executive that does not (and in the aggregate do not) cause material harm to Interpublic or a Subsidiary;
- (e) refusal or failure by the Executive to attempt in good faith to perform the Executive's duties as an employee or to follow a reasonable good-faith direction of the Board of Directors or the person to whom the Executive reports directly that has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic of such refusal or failure;
- (f) commission by the Executive, or a formal charge or indictment alleging commission by the Executive, of a felony or a crime involving dishonesty, fraud, or moral turpitude; or

(g) conduct by the Executive that is clearly prohibited by the policy of Interpublic or a Subsidiary prohibiting discrimination or harassment based on age, gender, race, religion, disability, national origin or any other protected category.

Section 1.4. Change of Control means —

(a) subject to subsections (b) and (c), below, the first to occur of the following events:

(i) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the “*1934 Act*”)) becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of stock that, together with other stock held by such person, possesses more than fifty percent (50%) of the combined voting power of Interpublic’s then-outstanding stock;

(ii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) ownership of stock of Interpublic possessing thirty percent (30%) or more of the combined voting power of Interpublic’s then-outstanding stock;

(iii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) assets from the Company that have a total gross fair market value equal to forty percent (40%) or more of the total gross fair market value of all of the assets of Interpublic immediately prior to such acquisition or acquisitions (where gross fair market value is determined without regard to any associated liabilities); or

(iv) during any 12-month period, a majority of the members of the Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors before the date of their appointment or election.

(b) A Change of Control shall not be deemed to occur by reason of—

- or
- (i) the acquisition of additional control of Interpublic by any person or persons acting as a group that is considered to “effectively control” Interpublic (within the meaning of Section 409A of the Code),
 - (ii) a transfer of assets to any entity controlled by the shareholders of Interpublic immediately after such transfer, including a transfer to (A) a shareholder of Interpublic (immediately before such transfer) in exchange for or with respect to its stock; (B) an entity, fifty percent (50%) or more of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by Interpublic; (C) a person or persons acting as a group that owns (immediately after such transfer) directly or indirectly fifty percent (50%) or more of the total value or voting power of all outstanding stock of Interpublic; or (D) an entity, at least fifty percent (50%) of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by a person described in clause (C), above.
- (c) Notwithstanding any provision in this Section 1.4 to the contrary, a Change of Control shall not be deemed to have occurred unless the relevant facts and circumstances give rise to a change in the ownership or effective control of Interpublic, or in the ownership of a substantial portion of the assets of Interpublic, within the meaning of Section 409A(a)(2)(A)(v) of the Code.

Section 1.5. Code means the Internal Revenue Code of 1986, as amended.

Section 1.6. Company, means Interpublic and its Subsidiaries.

Section 1.7. Designated Number means two (2). The Designated Number of Months means a number of calendar months equal to twelve (12) times the Designated Number.

Section 1.8. Good Reason.

- (a) The Executive shall be deemed to resign for Good Reason if and only if (i) his Termination of Employment occurs within the two (2) year period immediately

following the date on which a Covered Action (as defined by subsection (b), below) occurs and (ii) the conditions specified by subsections (b), (c), and (d) of this Section 1.8 are satisfied.

(b) The Executive shall have Good Reason to resign from employment with the Company only if at least one of the following events (each a "*Covered Action*") occurs within the two (2) year period immediately following the effective date of a Change of Control:

- (i) Interpublic or a Subsidiary materially reduces the Executive's annualized rate of base salary;
- (ii) an action by Interpublic or a Subsidiary results in a material diminution of the Executive's authority, duties or responsibilities;
- (iii) an action by Interpublic or a Subsidiary results in a material diminution in the authority, duties, or responsibilities of the supervisor to whom the Executive is required to report, including a requirement that the Executive report to a corporate officer or employee instead of reporting directly to the Board of Directors;
- (iv) Interpublic or a Subsidiary materially diminishes the budget over which the Executive retains authority;
- (v) Interpublic or a Subsidiary requires the Executive, without his express written consent, to be based in an office more than fifty (50) miles outside the city in which he is principally based, unless (A) the relocation decision is made by the Executive or (B) the Executive is notified in writing that Interpublic or his employer is seriously considering such a relocation and the Executive does not object in writing within ten (10) days after he receives such written notice; or
- (vi) Interpublic or a Subsidiary materially breaches an employment agreement between Interpublic or the Subsidiary and the Executive.

(c) The Executive shall not have Good Reason to resign as a result of a Covered Action unless —

- (i) within the ninety (90) day period immediately following the date on which such Covered Action first occurs, the Executive notifies Interpublic in writing that such Covered Action has occurred; and
- (ii) such Covered Action is not remedied within the thirty (30) day period immediately following the date on which Interpublic receives a notice provided in accordance with paragraph (i), above.

(d) The Executive shall not have Good Reason to resign as a result of a Covered Action unless before the end of the thirty-one (31) day period immediately following the end of the thirty (30) day period specified by paragraph (c)(ii), above, the Executive gives Interpublic a minimum of thirty (30) days', and a maximum of ninety (90) days', advance written notice of the effective date of his resignation.

Section 1.9. Other Arrangement means any other agreement, plan, program, policy, or other arrangement involving or maintained by Interpublic or a Subsidiary under which the Executive is or might be eligible to receive compensation or benefits.

Section 1.10. Outside Auditor means either (i) the outside auditor retained by Interpublic in the last fiscal year ending before such Change of Control or (ii) a national auditing firm acceptable to the Executive.

Section 1.11. Qualifying Termination means a Termination of Employment of the Executive that —

- (a) is initiated by (a) Interpublic or a Subsidiary for a reason other than Cause or (b) the Executive for Good Reason (as defined in this Agreement), and
- (b) occurs during the period that begins upon a Change of Control and ends at 11:59:59 p.m. Eastern Time on the second anniversary of such Change of Control.

Section 1.12. Severance Period means the period starting on the date of the Executive's Qualifying Termination and ending on the last day of the calendar month that is the Designated Number of Months after such date.

Section 1.13. Subsidiary means any corporation or other entity that is required to be combined with Interpublic as a single employer under Section 414(b) or (c) of the Code.

Section 1.14. Termination of Employment means the Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code) with the Company. For purposes of this Agreement:

(a) If the Executive is on a leave of absence and does not have a statutory or contractual right to reemployment, he shall be deemed to have had a Termination of Employment on the first date that is more than six (6) months after the commencement of such leave of absence. However, if the leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of six (6) months or more, and such impairment causes the Executive to be unable to perform the duties of his position of employment or any substantially similar position of employment, the preceding sentence shall be deemed to refer to a twenty-nine (29) month period rather than to a six (6) month period; and

(b) A sale of assets by Interpublic or a Subsidiary to an unrelated buyer that results in the Executive working for the buyer or one of its affiliates shall not, by itself, constitute a Termination of Employment unless Interpublic, with the buyer's written consent, so provides in writing 60 or fewer days before the closing of such sale.

Section 1.15. Unsecured Trust means a trust established pursuant to a trust agreement or other written instrument that (a) states that the assets of such trust are subject to claims of the Company's creditors, (b) states that such trust shall be irrevocable until all claims for benefits under the plans, programs, agreements, and other arrangements covered by such trust have been satisfied, and (c) complies with the applicable provisions of Section 409A of the Code.

ARTICLE 2

PAYMENTS UPON QUALIFYING TERMINATION

Section 2.1. Severance Payment. Subject to the requirements of Section 3.2 hereof, if the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the Designated Number multiplied by the sum of:

(a) The greater of (i) the Executive's annual base salary for the calendar year in which the Qualifying Termination occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Qualifying Termination) or (ii) the Executive's annual base salary for the calendar year in which the Change of Control occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Change of Control); plus

(b) The greater of (i) the Executive's target management incentive compensation performance award under the 2006 Performance Incentive Plan or any successor thereto ("**Target MICP Award**") for the calendar year in which the Qualifying Termination occurs or (ii) the Executive's Target MICP Award for the calendar year in which the Change of Control occurs, as such Target MICP Award is in effect immediately prior to such Change of Control.

Section 2.2. Medical, Dental, and Vision Benefits. If the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall provide to the Executive medical, dental, and vision benefits (or cash in lieu of such benefits) in accordance with Section 4.2 of the Interpublic Executive Severance Plan (including the indemnification required by Section 4.2(b) of ESP) as in effect on the Effective Date ("**ESP**"), subject to the following provisions:

(a) The “designated number of months” for purposes of determining the Executive’s “severance period” and “COBRA period” under ESP shall be the Designated Number of Months set forth in Section 1.7 hereof;

(b) Any amendment, suspension, or termination of ESP after the date of this Agreement that has the effect of reducing the level of benefits required by this Section 2.2, shall be disregarded unless the Executive expressly consents in writing to such amendment, suspension, or termination; and

(c) The Executive’s right to the level of benefits required by this Section 2.2 shall not be conditioned on the Executive executing the agreement required by Section 5 of ESP.

Section 2.3. CAP Supplement

(a) If the Executive participates in the Interpublic Capital Accumulation Plan (“CAP”), Interpublic shall, within thirty (30) days after the date of the Executive’s Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the sum of (i) plus (ii) plus (iii), where:

(i) equals the sum of the annual dollar credits that would have been added to the Executive’s account under CAP on each December 31st after the Executive’s Termination of Employment if he had remained employed by the Company continuously through the last day of the Severance Period (provided that this paragraph (i) shall not require duplication of any amount that is added to the Executive’s account under CAP in accordance with the terms thereof);

(ii) equals (A) the dollar credit that would have been added to the Executive’s account under CAP on December 31st of the calendar year in which the Severance Period ends if the Executive had remained employed by the Company continuously through such December 31st, multiplied by (B) a fraction the numerator of which is the number of days from January 1st of such calendar year through the last day

of the Severance Period and the denominator of which is three hundred sixty-five (365); and

(iii) equals (A) the interest crediting rate under CAP for the calendar year in which the Executive's account balance under CAP is paid, multiplied by (B) the vested balance of the Executive's account under CAP as of January 1st of such year, multiplied by (C) a fraction the numerator of which is the number of days from January 1st of such year through the date on which the Executive's account balance under CAP is paid and the denominator of which is three hundred sixty-five (365).

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.3 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the interest crediting rate under CAP for the calendar year in which the Change of Control occurs.

Section 2.4. SERIP Supplement

(a) If the Executive participates in the Interpublic Senior Executive Retirement Income Plan ("**SERIP**"), Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the excess of (i) over (ii), where:

(i) equals the amount (if anything) the Executive would be entitled to receive under SERIP if he had remained employed by the Company continuously through the end of the Severance Period; and

(ii) equals the amount of the vested benefit (if any) that the Executive is eligible to receive under the terms of SERIP.

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.4 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the plan interest rate specified by SERIP.

Section 2.5. Special Payment Rules.

(a) Specified Employee Rules. If Interpublic determines that the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) on the date of his Termination of Employment, Interpublic shall make the payments specified by paragraphs (i), (ii), and (iii) of this Section 2.5(a) and shall not make any payments pursuant to Section 2.1, Section 2.3, or Section 2.4 hereof (except insofar as such Sections determine the amount required by this Section 2.5(a)).

(i) Interpublic shall pay the Base Amount at the time or times prescribed by the terms of the applicable Other Arrangement through the last day of the sixth calendar month that begins after the date of the Executive's Termination of Employment;

(ii) Within thirty (30) days after the date of the Executive's Qualifying Termination, Interpublic shall pay to the Executive in a lump sum the excess (if any) of (A) the sum of the amounts prescribed by Section 2.1, Section 2.3, and Section 2.4 hereof over (B) the aggregate Base Amount payable under all Other Arrangements.

The amounts in clauses (A) and (B) of this paragraph (ii) shall be determined without any adjustment (such as a discount) to reflect the time value of money; and

(iii) On the 6-Month Pay Date (as defined below), Interpublic shall pay to the Executive an amount equal to the excess (if any) of (A) the sum of the aggregate amounts prescribed by Section 2.1 (taking into account Section 4.5), Section 2.3, and Section 2.4 hereof over (B) the aggregate amount paid in accordance with paragraphs (i) and (ii), above (determined without any adjustment (such as interest) to reflect the time value of money). The "6-Month Pay Date" shall be Interpublic's first semi-monthly pay date for the seventh calendar month that begins after the date of the Executive's Termination of Employment (or, if earlier, a date that occurs within the ninety (90) day period immediately following the date of the Executive's death; provided that such date shall be determined by Interpublic in its sole discretion and not by the Executive or his personal representative).

(b) 2007 Transition Rule.

(i) If, under the terms of any Other Arrangement in effect on the Effective Date (disregarding this Agreement), payment of the Executive's Base Amount was scheduled to begin before January 1, 2008, payment of the Executive's Base Amount shall begin at the time prescribed by the terms of such Other Arrangement.

(ii) If paragraph (i), above, does not apply:

(A) Payment of the Participant's Base Amount shall not begin before January 1, 2008; and

(B) If this Agreement prescribes that payment of the Base Amount should begin before January 1, 2008, payment of such Base Amount shall begin on Interpublic's first semi-monthly pay date for January 2008. The first payment due in January 2008 shall include a make-up payment equal to the sum of the payments that, if not for the delay required by the preceding sentence, would have been made before Interpublic's first semi-monthly pay date for January 2008.

Interest shall not be added to any payment that is delayed by reason of the application of this Section 2.5.

Section 2.6. Death Prior to Payment. If the Executive dies after his Qualifying Termination but before all of the payments required by this Article 2 have been made, Interpublic shall pay to the Executive's estate an amount equal to the sum of the then-unpaid amounts required by this Article 2. Such payment shall be made in a lump sum (without any discount to reflect the time value of money) as soon as practicable, and no more than ninety (90) days, after the Executive's death. The date of payment shall be determined by Interpublic in its sole discretion, and not by the Executive or his personal representative

ARTICLE 3

TAX MATTERS

Section 3.1. Withholding and Taxes. The Company may withhold (or cause to be withheld) from any amounts payable to the Executive or on his behalf hereunder any or all federal, state, city, or other taxes that the Company reasonably determines are required to be withheld pursuant to any applicable law or regulation. However, except for the indemnification referred to in Section 2.2 hereof, the Executive shall be solely responsible for paying all taxes (including any excise taxes) on any compensation (including imputed compensation) and other income provided to him or on his behalf, regardless of whether taxes are withheld. Except for the indemnification referred to in Section 2.2 hereof, no provision of this Agreement shall be construed (a) to limit the Executive's responsibility under this Section 3.1 or (b) to transfer to or impose on the Company any liability relating to taxes (including excise taxes) on compensation (including imputed compensation) or other income under this Agreement.

Section 3.2. Forfeiture of Certain Parachute Payments.

(a) Notwithstanding any provision in this Agreement to the contrary, if subsection (b), below, applies, the Executive shall forfeit amounts payable to the Executive under this Agreement to the extent an Outside Auditor determines is necessary to ensure that the Executive is not reasonably likely to receive a "parachute payment" within the meaning of Section 280G(b)(2) of the Code.

(b) This subsection (b) shall apply if —

(i) any payment to be made under this Agreement is reasonably likely to result in the Executive receiving a “parachute payment” (as defined in Section 280G(b)(2) of the Code), and

(ii) the Executive’s forfeiture of payments due under this Agreement would result in the aggregate after-tax amount that the Executive would receive being greater than the aggregate after-tax amount that the Executive would receive if there were no such forfeiture.

(c) Interpublic shall engage, at Interpublic’s expense, an Outside Auditor to determine (i) whether any amount shall be forfeited pursuant to subsection (a), above, and (ii) the amount of any such forfeiture. The Outside Auditor’s determination shall be conclusive and binding.

(d) If the Outside Auditor engaged pursuant to subsection (c), above, determines that adverse tax consequences relating to Section 280G of the Code (determined on a net after-tax basis) could be avoided by the Executive forfeiting payments under one or more Other Arrangements, and such Other Arrangements permit a forfeiture to avoid adverse tax consequences relating to Section 280G of the Code, the Executive shall not forfeit the right to receive any amount due under this Agreement unless and until he has forfeited the right to all payments under such Other Arrangements.

ARTICLE 4

COLLATERAL MATTERS

Section 4.1. Nature of Payments. All payments and benefits provided to the Executive under this Agreement shall be considered either severance payments in consideration of his past services on behalf of the Company or payments in consideration of the covenant set forth in Section 4.7 hereof. No payment or benefit provided hereunder shall be regarded as a penalty on the Company.

Section 4.2. Mitigation. The Executive shall not be required to mitigate the amount of any payment or benefit provided for in this Agreement by seeking other employment or otherwise. Except as expressly provided in Section 4.2(b) of ESP (with respect to benefits provided pursuant to Section 2.2(c)) hereof, unless the Executive breaches the covenant set forth in Section 4.7 hereof, the amount of any payment provided for herein shall not be reduced by any remuneration that the Executive may earn after his Termination of Employment.

Section 4.3. Setoff for Debts. To the extent permitted under Section 409A of the Code, Interpublic may reduce the amount of any payment or benefit otherwise due to the Executive under Article 2 hereof by any amount that the Executive owes to the Company pursuant to a written instrument executed by the Executive, but only if (a) the debt was incurred in the ordinary course of the Executive's relationship with the Company, (b) the entire amount of reduction in any taxable year does not exceed \$5,000, (c) the reduction is made at the same time and in the same amount as required by the terms of such written instrument, and (d) the Company has not already recovered such amount by setoff or otherwise.

Section 4.4. Plans, Programs, and Arrangements Not Addressed in this Agreement. Except as otherwise provided by Section 4.5 hereof, the effect of a Change of Control or a Qualifying Termination on the rights of the Executive with respect to any compensation, awards, or benefits under any Other Arrangement (including rights under any deferred compensation arrangement, the Interpublic Capital Accumulation Plan, the Interpublic Senior Executive Retirement Income Plan, any Executive Special Benefit Agreement, and the 2006 Performance Incentive Plan and any predecessor or successor thereto) shall be determined solely by the terms of the governing documents for such Other Arrangement, and not by the terms of this Agreement.

Section 4.5. Coordination with Employment Contract. The payments and benefits required by Article 2 hereof shall be in lieu of (and not in addition to) any payments under an Other Arrangement to which the Executive might have a claim by reason of a Qualifying Termination (for example, severance payments), whether such Other Arrangement is executed before or after the date hereof, unless expressly provided otherwise in such Other Arrangement; provided that if Other Arrangements provide for a payment (or payments) by

reason of a Qualifying Termination that is (or are) larger in the aggregate (determined without regard to the time value of money) than the severance payment prescribed by Section 2.1 hereof, the Company shall pay the Executive the larger amount (in lieu of the amount prescribed by Section 2.1, and without any adjustment for interest) in a lump sum (without any discount to reflect the time value of money) at the time prescribed by Section 2.1 (or such later date as required by Section 2.5 hereof). If the Executive resigns for Good Reason, he shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and Interpublic or a Subsidiary.

Section 4.6. Funding. Except as required by Section 2.3(b), Section 2.4(b), and Section 4.8(c) hereof, this Agreement does not require the Company to set aside any amounts that may be necessary to satisfy its obligations hereunder. Any assets that the Company sets aside to fund the Company's obligations under this Agreement, whether in an Unsecured Trust or otherwise, shall be subject to the claims of the Company's creditors in the event of the Company's bankruptcy or insolvency.

Section 4.7. Covenant of Executive

(a) If the Executive has a Qualifying Termination that entitles him to a payment under Article 2 hereof, the Executive shall not, during the eighteen (18) months next following the date of his Termination of Employment, either (i) solicit any employee of the Company to leave such employ and to enter into the employ of, or to provide services to, the Executive or any person with which the Executive is associated or (ii) solicit or handle on his own behalf, or on behalf of any person with which the Executive is associated, the advertising, public relations, sales promotion or market research business of any person that is a client of the Company as of the date of the Executive's Termination of Employment.

(b) The Executive acknowledges that the provisions of this Section 4.7 are a material inducement to Interpublic entering into this Agreement, that such provisions are reasonable and necessary to protect the legitimate business interests of the Company, and that such provisions do not prevent the Executive from earning a living. If at the time of enforcement of any provision of this Agreement, a court with jurisdiction shall hold that the duration, scope,

or restrictiveness of any provision hereof is unreasonable under circumstances now or then existing, the parties agree that the maximum duration, scope, or restriction reasonable under the circumstances shall be substituted by the court for the stated duration, scope, or restriction.

(c) The Executive acknowledges that a remedy at law for any breach or attempted breach of this Section 4.7 will be inadequate, and agrees that the Company shall be entitled to specific performance and injunctive and other equitable relief in the case of any such breach or attempted breach. This Section 4.7 shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

Section 4.8. Legal Expenses.

(a) Each party hereto shall pay its own costs and expenses (including legal fees) incurred in connection with the preparation, negotiation and execution of this Agreement.

(b) Interpublic shall reimburse the Executive for any legal fees and expenses that the Executive incurs during the Executive's life as a result of the Company contesting the validity, the enforceability, or the Executive's interpretation of, or any determination under, this Agreement (collectively "**Reimbursable Expenses**"), subject to the following terms and conditions:

(i) The Executive shall submit any request for reimbursement for any Reimbursable Expense in writing to Interpublic (accompanied by any evidence that Interpublic reasonably requests in writing within thirty (30) days after Interpublic is first notified that such Reimbursable Expense is incurred) within one-hundred eighty (180) days after the applicable Reimbursable Expense is incurred (or, if later, within thirty (30) days after Interpublic requests in writing evidence of such Reimbursable Expense);

(ii) Interpublic shall pay to the Executive the amount of any Reimbursable Expenses within thirty (30) days after Interpublic receives the Executive's written request for reimbursement; provided that if Interpublic determines that the

Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) at the time of his Termination of Employment, payment shall not be made before the first day of the seventh month that begins after the Executive's Termination of Employment, and if this paragraph (ii) prescribes an earlier payment date, payment shall be made, without interest, on Interpublic's first semi-monthly pay date for the seventh month that begins after the Executive's Termination of Employment;

(iii) The amount of fees and expenses eligible for reimbursement during one year shall not affect the amount of Reimbursable Expenses that the Executive may incur during any other year; and

(iv) The Executive may not exchange the right to reimbursement for Reimbursable Expenses set forth in this Section 4.8(b) for cash or any other benefit.

(c) Without limiting the foregoing, Interpublic shall, before the earlier of (i) thirty (30) days after receiving notice from the Executive to Interpublic so requesting or (ii) the occurrence of a Change of Control, provide the Executive with an irrevocable letter of credit in the amount of \$100,000 from a bank with a Moody's credit rating of Aa or better and a Standard & Poor's credit rating of AA or better, against which the Executive may draw in the event that Interpublic does not timely remit payment for any Reimbursable Expense. Such letter of credit shall not expire before the later of (x) the date this Agreement terminates by its terms or (y) the tenth anniversary of the Effective Date.

ARTICLE 5
GENERAL PROVISIONS

Section 5.1. Term of Agreement.

(a) Subject to subsection (b), below, this Agreement shall terminate upon the earliest of—

- (i) the third anniversary of the Effective Date if a Change of Control has not occurred on or before such third anniversary;
- (ii) the date of the Executive's Termination of Employment if such Termination of Employment is not a Qualifying Termination; or
- (iii) the expiration of a number of years after a Change of Control equal to the Designated Number plus three (3).

(b) Notwithstanding any provision of this Section 5.1, the Company's obligations under Section 4.8 hereof and all obligations of the Company and the Executive that arise before termination of this Agreement shall survive the termination of this Agreement. In addition, if this Agreement is terminated and the Executive subsequently experiences a Qualifying Termination, Interpublic shall pay any severance to which the Executive may be entitled under any Other Arrangement (such as an employment agreement or the Interpublic Executive Severance Plan) in a lump sum at the time required by Section 2.1 hereof (subject to Section 2.5 hereof).

Section 5.2. Payments to be Made in Cash. Except as otherwise expressly provided herein, all payments required by this Agreement shall be made in cash.

Section 5.3. Obligation to Make Payments. Interpublic may satisfy any provision of this Agreement that obligates Interpublic to make a payment or contribution, or to provide a benefit, by causing another party, such as a Subsidiary or the trustee of an Unsecured Trust, to make the payment or contribution or to provide the benefit.

Section 5.4. Governing Law. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York, without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction.

Section 5.5. American Jobs Creation Act of 2004. This Agreement shall be construed, administered, and interpreted in accordance with (a) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 and all guidance of general applicability issued thereunder (collectively the "AJCA") and (b) after December 31, 2007, the AJCA. If the Company or the Executive determines that any provision of this Agreement is or might be inconsistent with such provisions, the parties shall attempt in good faith to agree on such amendments to this Agreement as may be necessary or appropriate to avoid adverse tax consequences under Section 409A of the Code. No provision of this Agreement shall be interpreted or construed to transfer any liability for a failure to comply with Section 409A of the Code from the Executive or any other individual to the Company.

Section 5.6. Successors to the Company. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including any person or persons (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquiring directly or indirectly the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be assignable by Interpublic. Without limiting the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger, consolidation, sale of stock or assets, or otherwise) to the business or assets of Interpublic, expressly, absolutely and unconditionally to assume, and to agree to perform under, this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this Agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to its business or assets that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 5.7. Successor to the Executive. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to Section 5.8 hereof, his designees (collectively, his "**Successors**"). If the Executive dies while amounts are or may be payable to him under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 5.8. Nonalienability. Except to the extent that Interpublic determines is necessary to comply with a domestic relations order (as defined in Section 414(p)(1)(B) of the Code), no right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process, or (except as provided in Section 4.3 hereof) to setoff against any obligation or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action prohibited by the immediately preceding sentence shall be void.

Section 5.9. Notices. All notices provided for in this Agreement shall be in writing. Notices and other correspondence (including any request for reimbursement) to Interpublic shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., 1114 Avenue of the Americas, New York, New York 10036, Attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 5.10. Amendment. No amendment of this Agreement shall be effective unless it is in writing and is executed by both Interpublic and the Executive.

Section 5.11. Waivers. No waiver of any provision of this Agreement shall be valid unless it is in writing and executed by the party giving such waiver. No waiver of a breach of any provision of this Agreement shall be deemed to be a waiver of any subsequent breach or a waiver of either such provision or any other provision of this Agreement. No failure or delay on

the part of either the Company or the Executive to exercise any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or herein shall operate as a waiver of any other right or remedy.

Section 5.12. Non-Duplication and Changes to Benefit Plans.

(a) No term or other provision of this Agreement shall be interpreted to require the Company to duplicate any payment or other compensation that the Executive is entitled to receive under an Other Arrangement.

(b) No term or other provision of this Agreement shall restrict the Company's ability to amend, suspend, or terminate any or all of its employee benefit plans and programs from time to time, or prevent any such amendment, suspension, or termination from affecting the Executive.

Section 5.13. Severability. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 5.14. Construction.

(a) The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

(b) Unless the contrary is clearly indicated by the context, (i) the use of the masculine gender shall also include within its meaning the feminine and vice versa; (ii) the word "include" shall mean include, but not limited to; and (iii) any reference to a statute or section of a statute shall also be a reference to any successor or amended statute or section, and any regulations or other guidance of general applicability issued thereunder.

Section 5.15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

Section 5.16. Entire Agreement. This Agreement constitutes the entire understanding between the Company and the Executive concerning the matters set forth herein and supersedes any and all previous agreements between the Company and the Executive concerning such matters.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Timothy Sompolski
Timothy Sompolski
Executive Vice President
Chief Human Resource Officer

/s/ Philippe Krakowsky
Philippe Krakowsky

Amendment to Executive Special Benefit Agreement

WHEREAS, Philippe Krakowsky (“**Executive**”) and The Interpublic Group of Companies, Inc. (“**Interpublic**”) are parties to an Executive Special Benefit Agreement dated February 1, 2002 (the “**ESBA**”);
and

WHEREAS, the ESBA provides for payments that are or might be treated as deferred compensation under Section 409A of the Internal Revenue Code of 1986, as amended (the “**Code**”);

WHEREAS, Executive and Interpublic wish to avoid causing the ESBA or any payment made thereunder to violate any applicable requirement of 409A of the Code; and

WHEREAS, Executive and Interpublic wish to amend the ESBA to provide certain protections following a change of control;

NOW, THEREFORE, the ESBA is hereby amended and clarified, effective January 1, 2007, as follows:

1. Incorporation by Reference. All provisions of the ESBA are hereby incorporated herein by reference and shall remain in full force and effect except to the extent that (a) such provisions are expressly modified by the provisions of this Amendment or (b) paragraph 9, below, requires such provisions to be modified. When the initial letter or letters of any word or phrase in this Amendment are capitalized, and such word or phrase is not defined in this Amendment, such word or phrase shall have the meaning set forth in the ESBA, unless the context clearly indicates that a different meaning is intended.
 2. Meaning of “Corporation”. References in the ESBA to the term “Corporation” shall include Interpublic and the corporations and the other entities that are required to be combined with Interpublic as a single employer under Section 414(b) or (c) of the Code (each such entity being a “subsidiary”).
 3. Last Day of Employment
 - a. Except as provided in subparagraph b, below, references in the ESBA to Executive’s last day of employment, the date on which Executive shall cease to be in the employ of the Corporation, and similar terms relating to the date on
-

which Executive's employment with the Corporation terminates shall mean the date of Executive's Termination of Employment (as defined in Article III of the ESBA, as amended).

- b. Notwithstanding the general rule prescribed by subparagraph a, above, if Executive's employment with the Corporation terminates under circumstances that entitle him to receive Severance Pay (as defined in Article III of the ESBA, as amended), the amount of his benefit under the ESBA (but not the time or form of payment of such benefit) shall be determined as if Executive had continued in the employ of the Corporation continuously through his Severance Completion Date (as defined in Article III of the ESBA, as amended).
4. Delay of Payment to Specified Employee. Sections 1.04, 1.05, and 2.02 of the ESBA are hereby amended to provide that, notwithstanding any provision of the ESBA to the contrary, if Interpublic determines that Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B) of the Code, determined in accordance with Treas. Reg. § 1.409A-1(i)), the commencement of payments required by Section 1.04, 1.05, or 2.02 of the ESBA shall be delayed until the earlier of (x) the 15th day of the seventh calendar month that starts after Executive's last day of employment with the Corporation or (y) a date determined by Interpublic that is within ninety (90) days after Executive's death. If the first payment to Executive pursuant to Section 1.04, 1.05, or 2.02 of the ESBA is delayed by the application of this paragraph 4, the first monthly payment to Executive pursuant to Section 1.04, 1.05, or 2.02 of the ESBA shall be increased by an amount equal to the sum of payments that would have been made to Executive pursuant to such Section 1.04, 1.05, or 2.02 of the ESBA if such payments had started on the 15th day of the first calendar month following Executive's last day of employment with the Corporation; provided that such additional amount shall not include interest.
5. Clarification of Rules Relating to Payments After Death.
 - a. Section 1.06 of the ESBA is hereby clarified by adding the following sentence at the end thereof:

"Interpublic shall make (or cause to be made) the installment payments required by this Section 1.06 according to the schedule that would have applied hereunder if Executive had survived, but disregarding for this purpose any requirement to delay payment because of Executive's status as a 'specified employee' under Section 409A(a)(2)(B) of the Code."
 - b. Section 2.03 of the ESBA is hereby amended to read in its entirety as follows:

"2.03 If Executive dies after separating from service with the Corporation but before receiving all of the payments

required by Section 2.02 hereof, any installments payable in accordance with Section 2.02 that are not paid to Executive before his death shall be paid to the executor of the will or the administrator of the estate of Executive, according to the schedule that would have applied hereunder if Executive had survived, but disregarding any requirement to delay payment because of Executive's status as a 'specified employee' under Section 409A(a)(2)(B) of Code."

6. Change of Control. Effective January 1, 2007, the ESBA is amended by inserting immediately after Article II a new Article III as set forth in Exhibit A hereto, and renumbering the remaining provisions of the ESBA and all cross-references accordingly.
7. Acceleration of Payment. The Company shall have discretion to accelerate payment of Executive's benefit under the ESBA to the extent that the Company determines, with the advice of outside counsel, is permitted without causing a violation of the requirements of Section 409A of the Code.
8. Authority to Determine Payment Date. To the extent that any payment under the ESBA may be made within a specified number of days on or after any date or the occurrence of any event, the date of payment shall be determined by Interpublic in its sole discretion, and not by Executive, his beneficiary, or other individual.
9. American Jobs Creation Act of 2004.
 - a. The ESBA, as amended hereby, shall be construed, administered, and interpreted in accordance with (a) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 and all guidance of general applicability issued thereunder (collectively the "AJCA") and (b) after December 31, 2007, the AJCA.
 - b. Notwithstanding any provision of the ESBA in effect before the amendments set forth herein, the ESBA has been administered since January 1, 2005 in compliance with a reasonable, good-faith interpretation of the AJCA. Effective January 1, 2005 through December 31, 2006, the Company shall have discretion to override the terms of the ESBA to the extent that the Company determines is necessary or appropriate to comply with the AJCA.
 - c. If Interpublic or Executive determines that any provision of the ESBA, as amended hereby, is or might be inconsistent with the requirements of the AJCA, the parties shall attempt in good faith to agree on such amendments to the ESBA as may be necessary or appropriate to avoid causing Executive to incur adverse tax consequences under Section 409A of the Code. No provision of the ESBA shall be interpreted or construed to transfer any liability for a

failure to comply with Section 409A of the Code from Executive or any other individual to the Corporation or any of its affiliates.

10. Section 6.01 of the ESBA (which shall be renumbered as Section 7.01) is clarified by adding at the end thereof the phrase "without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction."
11. **Complete Statement.** The ESBA, as amended hereby, is a complete statement of Executive's benefits and rights under the ESBA. The ESBA may be further amended only pursuant to a written instrument executed by both Interpublic and Executive.

IN WITNESS WHEREOF, Interpublic, by its duly authorized officer, and Executive have caused this Amendment to the ESBA to be executed.

The Interpublic Group of Companies, Inc.

Executive

BY: /s/ Timothy A. Sompolski
Timothy A. Sompolski
Executive Vice President,
Chief Human Resources Officer

/s/ Philippe Krakowsky
Philippe Krakowsky

DATE: September 12, 2007

DATE: September 4, 2007

Exhibit A
Change of Control Provisions for ESBA

ARTICLE III

Change of Control

3.01 **Defined Terms.** When the initial letter or letters of the following words and phrases are capitalized in this Article III, such words and phrases shall have the following meanings unless the context clearly indicates that a different meaning is intended:

(a) “**Board of Directors**” means the Board of Directors of Interpublic.

(b) “**Cause**” means:

(i) A material breach by Executive of a provision in an employment agreement with Interpublic or a subsidiary that, if capable of being cured, has not been cured within fifteen (15) days after Executive receives written notice from his employer of such breach;

(ii) Misappropriation by Executive of funds or property of Interpublic or a subsidiary;

(iii) Any attempt by Executive to secure any personal profit related to the business of Interpublic or a subsidiary that is not approved in writing by the Board of Directors or by the person to whom Executive reports directly;

(iv) Fraud, material dishonesty, gross negligence, gross malfeasance, or insubordination by Executive, or willful (A) failure by Executive to follow the code of conduct of Interpublic or a subsidiary or (B) misconduct by Executive in the performance of his duties as an employee of Interpublic or a subsidiary, excluding in each case any act (or series of acts) taken in good faith by Executive that does not (and in the aggregate do not) cause material harm to Interpublic or a subsidiary;

(v) Refusal or failure by Executive to attempt in good faith to perform Executive’s duties as an employee or to follow a reasonable good-faith direction of the Board of Directors or the person to whom Executive reports directly that has not been cured within fifteen (15) days after Executive receives written notice from his employer of such refusal or failure;

(vi) Commission by Executive, or a formal charge or indictment alleging commission by Executive, of a felony or a crime involving dishonesty, fraud, or moral turpitude; or

(vii) Conduct by Executive that is clearly prohibited by the policy of Interpublic or a subsidiary prohibiting discrimination or harassment based on age, gender, race, religion, disability, national origin or any other protected category.

(c) “**Change of Control**” means —

(i) subject to paragraphs (ii) and (iii), below, the first to occur of the following events:

(A) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the “**1934 Act**”)) becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of stock that, together with other stock held by such person, possesses more than fifty percent (50%) of the combined voting power of Interpublic’s then-outstanding stock;

(B) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the twelve-month period ending on the date of the most recent acquisition by such person) ownership of stock of Interpublic possessing thirty percent (30%) or more of the combined voting power of Interpublic’s then-outstanding stock;

(C) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the twelve-month period ending on the date of the most recent acquisition by such person) assets from Interpublic that have a total gross fair market value equal to forty percent (40%) or more of the total gross fair market value of all of the assets of Interpublic immediately prior to such acquisition or acquisitions (where gross fair market value is determined without regard to any associated liabilities); or

(D) during any twelve-month period, a majority of the members of the Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors before the date of their appointment or election.

(ii) A Change of Control shall not be deemed to occur by reason of —

(A) the acquisition of additional control of Interpublic by any person or persons acting as a group that is considered to “effectively control” Interpublic (within the meaning of guidance issued under Section 409A of the Code) or

(B) a transfer of assets to any entity controlled by the shareholders of Interpublic immediately after such transfer, including a transfer to (I) a shareholder of Interpublic (immediately before such transfer) in exchange for or with respect to its stock; (II) an entity, fifty percent (50%) or more of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by Interpublic; (III) a person or persons acting as a group that owns (immediately after such transfer) directly or indirectly fifty percent (50%) or more of the total value or voting power of all outstanding stock of Interpublic; or (IV) an entity, at least fifty percent (50%) of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by a person described in clause (III), above.

(iii) Notwithstanding any provision in this subsection (c) to the contrary, a Change of Control shall not be deemed to have occurred unless the relevant facts and circumstances give rise to a change in the ownership or effective control of Interpublic, or in the ownership of a substantial portion of the assets of Interpublic, within the meaning of guidance issued pursuant to Section 409A(a)(2)(A)(v) of the Code.

(d) “Code” means the Internal Revenue Code of 1986, as amended.

(e) “**Deferred Compensation Trust**” means a trust established pursuant to a trust agreement or other written instrument that (a) states that the assets of such

trust are subject to claims of creditors of Interpublic or a subsidiary (as the case may be) in the event of its bankruptcy or insolvency, (b) states that such trust shall be irrevocable until all claims for benefits under the plans, programs, agreements, and other arrangements covered by such trust have been satisfied, and (c) complies with the applicable provisions of Section 409A of the Code.

(f) “**ESBA Interest Rate**” means the average of the 10-year and 20-year U.S. Treasury yield curve annual rates (also known as “constant maturity rates”) as of the last business day of the immediately preceding calendar year, as published by the U.S. Department of Treasury’s Office of Debt Management.

(g) “**Good Reason.**”

(i) Executive shall be deemed to resign for Good Reason if and only if (A) his Termination of Employment occurs within the two (2) year period immediately following the date on which a Covered Action (as defined by paragraph (ii), below) occurs and (B) the conditions specified by paragraphs (ii) and (iii) of this Section 3.01(g) are satisfied.

(ii) Executive shall have Good Reason to resign from employment with the Company only if at least one of the following circumstances (each a “**Covered Action**”) occurs:

(A) Interpublic or a subsidiary materially reduces Executive’s annualized rate of base salary;

(B) an action by Interpublic or a subsidiary results in a material diminution of Executive’s authority, duties, or responsibilities;

(C) an action by Interpublic or a subsidiary results in a material diminution in the authority, duties, or responsibilities of the supervisor to whom Executive is required to report, including a requirement that Executive report to a corporate officer or employee instead of reporting directly to the Board of Directors;

(D) Interpublic or a subsidiary materially diminishes the budget over which the Executive retains authority;

(E) Executive's principal place of work is moved to a location more than fifty (50) miles outside the city in which he is principally based, unless (I) the relocation decision is made by Executive or (II) Executive is notified in writing that Interpublic or Executive's employer is seriously considering such a relocation and Executive does not object in writing within ten days after he receives such written notice; or

(F) Interpublic or a subsidiary materially breaches an employment agreement between Executive and his employer.

(iii) Executive shall not have Good Reason to resign as a result of a Covered Action unless—

(A) within the ninety (90) day period immediately following the date on which such Covered Action occurs, Executive notifies Interpublic in writing that such Covered Action has occurred; and

(B) such Covered Action is not remedied within the thirty day (30) period immediately following the date on which Interpublic receives a notice provided in accordance with subparagraph (A), above.

(h) "**Outside Auditor**" means either (i) the outside auditor retained by Interpublic in the last fiscal year ending before such Change of Control or (ii) a national auditing firm acceptable to Executive.

(i) "**Qualifying Termination**" means a termination of Executive's employment with the Corporation that —

(i) occurs during the period that begins upon a Change of Control and ends at 11:59:59 p.m. Eastern Time on the second anniversary of such Change of Control, and

(ii) is initiated either (A) by Interpublic or a subsidiary for a reason other than Cause or (B) by Executive for Good Reason.

(j) **“Severance Completion Date”** means:

(i) If Executive’s Termination of Employment occurs before a Change of Control or after the second anniversary of such Change of Control:

(A) If Executive is eligible to receive Severance Pay in installments, the Severance Completion Date shall be the last day of the calendar month that includes the end of the payroll period for which the last installment of Executive’s Severance Pay (if any) is to be paid.

(B) If Executive is not eligible to receive Severance Pay or Executive’s Severance Pay is payable in a lump sum, the Severance Completion Date shall be the date of Executive’s Termination of Employment.

(ii) If Executive’s Termination of Employment occurs during the period that begins upon a Change of Control and ends at 11:59:59 p.m. Eastern Time on the second anniversary of such Change of Control:

(A) If Executive is eligible to receive Severance Pay in installments, the Severance Completion Date shall be the last day of the calendar month that includes the end of the payroll period for which the last installment of Executive’s Severance Pay is to be paid.

(B) If Executive is eligible to receive Severance Pay in a lump sum, the Severance Completion Date shall be the last day of the calendar month that includes the last day of the period after Executive’s Termination of Employment on which the amount of Executive’s Severance Pay is based. For example, if Executive’s Termination of Employment occurs in October 2007 and Executive receives a lump-sum severance payment equal to two times his annual salary, his Severance Completion Date shall be October 31, 2009 (the last day of the calendar month that includes the second anniversary of Executive’s Termination of Employment).

(C) If Executive is not eligible to receive Severance Pay, the Severance Completion Date shall be the date of Executive's Termination of Employment.

(k) "**Severance Pay**" means a payment or payments made pursuant to a severance plan or policy or an agreement or arrangement involving Interpublic or a subsidiary upon or after Executive's Termination of Employment as compensation for (i) termination of Executive's employment with the Corporation by Interpublic or a subsidiary without Cause or (ii) Executive's resignation from the Corporation for Good Reason.

(l) "**Termination of Employment**" means the Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code) with the Corporation, as determined by Interpublic. For purposes of this Agreement:

(i) If Executive is on a leave of absence and does not have a statutory or contractual right to reemployment, he shall be deemed to have had a Termination of Employment on the first date that is more than six months after the commencement of such leave of absence. However, if the leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of six (6) months or more, and such impairment causes executive to be unable to perform the duties of his position of employment or any substantially similar position of employment, the preceding sentence shall be deemed to refer to a twenty-nine (29) month period rather than to a six (6) month period; and

(ii) A sale of assets by Interpublic or a Subsidiary to an unrelated buyer that results in Executive working for the buyer or one of its affiliates shall not, by itself, constitute a Termination of Employment unless Interpublic, with the buyer's written consent, so provides in writing 60 or fewer days before the closing of such sale.

3.02 Payments Following a Qualifying Termination. Subject to the requirements of Section 3.05 hereof, if Executive's employment terminates as a result of a Qualifying Termination:

(a) Interpublic shall pay or cause to be paid to Executive, in lieu of any and all other payments and benefits under this Agreement, a lump-sum cash amount equal to the present value of the series of payments described in paragraph (i) or (ii), below, as applicable, at the time prescribed by subsection (b), below.

(i) If, as of December 31st of the calendar year in which the Change of Control occurs, Executive's age is 58, the series of payments shall consist of monthly installments, each equal to one-twelfth of the annual amount set forth in Section 1.04 hereof, starting as of the 15th day of the first calendar month following the later of (A) Executive's Termination of Employment or (B) Executive's 60th birthday, and continuing in equal monthly installments for fifteen (15) years thereafter.

(ii) If, as of December 31st of the calendar year in which the Change of Control occurs, Executive's age will be less than 58, the series of payments shall be the series of installments required by Section 1.05 or 2.01, whichever applies, starting on the 15th day of the first calendar month following Executive's Termination of Employment.

Such present value shall be determined as of the date as of which payment is made, based on the ESBA Interest Rate.

(b) Except as provided in paragraphs (i) and (ii), below, Interpublic shall pay or cause to be paid the lump-sum amount required by subsection (a), above, within thirty (30) days after Executive's Termination of Employment.

(i) If Interpublic determines that Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, determined in accordance with Treas. Reg. § 1.409A-1(i)), payment of the lump-sum amount required by subsection (a), above, shall not be made before the first day of the seventh month after such Termination of Employment. If this subsection (b) prescribes an earlier payment

date, the lump-sum payment shall be made on Interpublic's first pay date for the seventh month after the date of Executive's Termination of Employment.

(ii) 2007 Transition Rule. If, under the terms of the ESBA in effect as of December 31, 2006, payment of Executive's ESBA benefit was scheduled to begin before January 1, 2008, payment of the Executive's ESBA benefit shall begin at the time prescribed by the terms of the ESBA in effect as of December 31, 2006. If (A) the preceding sentence does not apply and (B) this Agreement (as amended after December 31, 2006) prescribes that payment of the ESBA benefit should begin before January 1, 2008, payment of such benefit shall begin on Interpublic's first semi-monthly pay date for January 2008.

(c) If Executive dies after his employment with the Corporation terminates, but before the lump-sum payment required by subsection (a), above, is made, Interpublic shall pay or cause to be paid such lump-sum amount to such beneficiary or beneficiaries as Executive shall have designated pursuant to Section 1.07 hereof or, in the absence of such designation, to the executor of Executive's will or the Administrator of Executive's estate. The lump-sum payment required by this subsection (c) shall be paid as soon as practicable, and no more than ninety (90) days, after Executive's death.

3.03 Contributions to Deferred Compensation Trust

(a) Before a Change of Control occurs, Interpublic shall contribute, or cause to be contributed, to a Deferred Compensation Trust cash in an amount that an Outside Auditor engaged by Interpublic at Interpublic's expense concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and time constraints on completing the calculation), is equal to the present value of the benefit that that Executive would be entitled to receive under the terms of this Agreement if his employment with the Corporation were terminated by reason of a Qualifying Termination immediately after the Change of Control.

(b) The Outside Auditor's calculation of the amount to be contributed to the Deferred Compensation Trust shall be based on the following assumptions:

(i) The assumed annual rate of return and discount rate shall be ESBA Interest Rate, and

(ii) Payment of the benefit described in subsection (a), above, will be due within thirty (30) days after the Change of Control.

(c) Provided that the Outside Auditor's calculation of the amount to be contributed to the Deferred Compensation Trust is reasonable based on the information available to the Outside Auditor at the time of such calculation (and considering any time constraints on completing such calculation), the Outside Auditor's calculation shall be conclusive and binding.

3.04 No Reduction in Benefits. If (a) as of December 31st of the year in which a Change of Control occurs, Executive's age is 58, and (b) after such Change of Control, (i) Interpublic terminates Executive's employment without Cause or (ii) Executive resigns for Good Reason, the amount of the monthly benefit payable to Executive under this Agreement shall be the annual amount set forth in Section 1.04. Subject to any delay required as a result of Executive being a "specified employee" (within the meaning of Section 409A(a)(2)(B) of the Code, determined in accordance with Treas. Reg. § 1.409A-1(i)), such amount shall be paid in equal monthly installments for fifteen (15) years, starting on the 15th day of the first month that starts after the date of Executive's Termination of Employment.

3.05 Forfeiture of Certain Parachute Payments.

(a) Notwithstanding any provision in this Agreement to the contrary, if subsection (b), below, applies, Executive shall forfeit amounts payable to Executive under this Agreement to the extent an Outside Auditor determines is necessary to ensure that Executive is not reasonably likely to receive a "parachute payment" (as defined in Section 280G(b)(2) of the Code).

(b) This subsection (b) shall apply if—

(i) any payment to be made under this Agreement is reasonably likely to result in Executive receiving a “parachute payment” (as defined in Section 280G(b)(2) of the Code), and

(ii) Executive’s forfeiture of payments due under this Agreement would result in the aggregate after-tax amount that Executive would receive being greater than the aggregate after-tax amount that Executive would receive if there were no such forfeiture.

(c) Interpublic shall engage, at Interpublic’s expense, an Outside Auditor to determine (i) whether any amount shall be forfeited pursuant to subsection (a), above, and (ii) the amount of any such forfeiture. The Outside Auditor’s determination shall be conclusive and binding.

AMENDMENT TO EMPLOYMENT AGREEMENT

AMENDMENT made as of September 12, 2007 (the “Effective Date”), between THE INTERPUBLIC GROUP OF COMPANIES, INC. (“Interpublic”) and TIMOTHY A. SOMPOLSKI (“Executive”).

WITNESSETH:

WHEREAS, Interpublic and Executive are parties to an Employment Agreement made as of July 6, 2004 (the “Agreement”);

WHEREAS, the Agreement provides for payments that are or might be treated as deferred compensation under Section 409A of the Internal Revenue Code of 1986, as amended from time to time (the “Code”);
and

WHEREAS, Interpublic and Executive wish to avoid causing the Agreement or any action taken thereunder to violate any applicable requirement of Section 409A of the Code;

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

1. **Incorporation by Reference**. All provisions of the Agreement are hereby incorporated herein by reference and shall remain in full force and effect except to the extent that (a) such provisions are expressly modified by the provisions of this Amendment, or (b) paragraph 12, below, requires such provisions to be modified.

2. **Defined Terms**. When the initial letter or letters of any of the following words or phrases in this Amendment are capitalized, such word or phrase shall have the following meaning unless the context clearly indicates that a different meaning is intended:

a. “ESP” means the Interpublic Executive Severance Plan, as amended from time to time.

b. “401(k) Plan” means the Interpublic Savings Plan, as amended from time to time.

c. **“Good Reason”**

i. Executive shall be deemed to resign for Good Reason if and only if (A) his Termination Date occurs within the two-year period immediately following the date on which a Covered Action (as defined by clause (ii), below) occurs, and (B) the conditions specified by clauses (ii) and (iii), below, are satisfied.

ii. Executive shall have Good Reason to resign from employment with IPG only if at least one of the following events (each a **“Covered Action”**) occurs:

(A) IPG materially reduces Executive’s annualized rate of base salary;

(B) an action by IPG results in a material diminution of Executive’s authority, duties or responsibilities;

(C) an action by IPG results in a material diminution in the authority, duties, or responsibilities of the supervisor to whom Executive is required to report;

(D) IPG materially diminishes the budget over which Executive retains authority;

(E) IPG requires Executive, without his express written consent, to be based in an office more than fifty (50) miles outside of the New York, New York metropolitan area, unless (x) the relocation decision is made by Executive, or (y) Executive is notified in writing that Interpublic or his employer is seriously considering such a relocation and Executive does not object in writing within ten (10) days after he receives such written notice; or

(F) IPG materially breaches an employment agreement between Interpublic and Executive.

iii. Executive shall not have Good Reason to resign as a result of a Covered Action unless:

(A) within the ninety (90) day period immediately following the date on which such Covered Action first occurs, Executive notifies Interpublic in writing that such Covered Action has occurred; and

(B) such Covered Action is not remedied within the thirty (30) day period immediately following the date on which Interpublic receives a notice provided in accordance with subclause (A), above.

d. "IPG" means Interpublic or any of its parents, subsidiaries, or affiliates.

e. "Notice Date" means (x) if Interpublic terminates Executive's employment hereunder without Cause, the date that Interpublic provides written notice to Executive that his employment with Interpublic will be terminated involuntarily as of a specified Termination Date in the future, or (y) if Executive terminates his employment hereunder for Good Reason, the date that Executive provides written notice to Interpublic that a Covered Action has occurred.

f. "Specified Employee" has the meaning prescribed by Section 409A(a)(2)(B)(i) of the Code, determined in accordance with Treas. Reg. § 1.409A-1(i).

g. "Termination Date" means the date of Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code), as determined by Interpublic in accordance with Treas. Reg. § 1.409A-1(h)(1). A sale of assets to an unrelated buyer that results in Executive working for the buyer or one of its affiliates shall not, by itself, constitute a "separation from service" unless Interpublic, with the buyer's written consent, so provides within sixty (60) or fewer days before the closing of such sale. Unless the context clearly indicates otherwise, the phrase "termination date" as it appears in the Agreement without capitalization shall have the same meaning as set forth in this subparagraph g.

If the initial letter or letters of any word or phrase in this Amendment are capitalized, and such word or phrase is not defined in this Amendment, such word or phrase shall have the meaning set forth in the Agreement unless the context clearly indicates that a different meaning is intended.

3. Allowances and Reimbursements. Sections 6.04 and 6.08 of the Agreement are hereby clarified as follows:

a. Section 6.04 of the Agreement is clarified by adding the following sentence at the end thereof:

“Such allowance shall be paid in equal installments according to Interpublic’s payroll practices and policies as are in effect from time to time.”

b. Section 6.08 of the Agreement is clarified by adding the following sentences at the end thereof:

“In order to be reimbursed for any financial planning expense, Executive must submit substantiation of such expense in accordance with Interpublic’s standard policies on or before the ninetieth (90th) day of the calendar year next following the calendar year in which the applicable expense is incurred. Interpublic shall pay any reimbursement required by this Section 6.08 within thirty (30) days after it receives Executive’s valid request for reimbursement.”

4. Termination of Employment by Interpublic. The Preamble of Section 7.01 of the Agreement is hereby clarified by adding the following sentence to the beginning thereof:

“The provisions of this Section 7.01 shall apply only if Interpublic terminates Executive’s employment hereunder involuntarily (within the meaning of Treas. Reg. § 1.409A-1(n)(1)) without Cause.”

5. Continuation of Benefits. Section 7.01(iii) of the Agreement is hereby deleted and replaced in its entirety with the following:

“(iii) Continuation of Benefits.

“(a) If Interpublic terminates Executive’s employment involuntarily without Cause in accordance with subsection (i), above, Executive shall continue to be an employee, and shall continue to receive his base salary and the employee benefits that he is eligible to receive as an active employee, until the Termination Date (and Executive shall not receive salary or benefits for any period after the Termination Date).

“(b) If Interpublic terminates Executive’s employment involuntarily without Cause in accordance with subsection (ii), above, Executive shall continue to receive the salary and benefits prescribed by paragraph (a), above, until the Termination Date. Thereafter, Executive shall be eligible to receive the following employee benefits:

“(1) Medical, Dental, and Vision Benefits. Interpublic shall provide to Executive medical, dental, and vision benefits (or cash in lieu of such benefits) in accordance with Section 4.2 of ESP (including the indemnification required by Section 4.2(b) of ESP) as in effect on the Effective Date hereof, subject to the following provisions:

“(A) The “designated number of months” for purposes of determining the “severance period” under ESP shall be twelve (12); provided, however, that Executive’s right to benefits under this subparagraph (1) shall terminate immediately upon Executive’s acceptance of employment with another employer offering similar benefits;

“(B) Any amendment, suspension, or termination of ESP after the Effective Date that has the effect of reducing the level of benefits required by this Section 7.01(iii)(b)(1) shall be disregarded unless Executive expressly consents in writing to such amendment, suspension, or termination; and

“(C) Executive’s right to the level of benefits required by this Section 7.01(iii)(b)(1) shall not

be conditioned on Executive's execution of the agreement required by Section 5 of ESP.

“(2) Interpublic Savings Plan.

“(A) Executive shall not be eligible to contribute or defer (and shall not contribute or defer) any compensation with respect to the period after the Termination Date under the 401(k) Plan or any other savings or deferred compensation plan (whether tax-qualified or nonqualified) maintained by IPG.

“(B) Interpublic shall pay to Executive a lump-sum amount equal to the aggregate of the matching contributions that Interpublic would have made for the benefit of Executive under the 401(k) Plan if, during the period that begins on the day after the Termination Date and ends on the earlier of (x) the first anniversary of the Notice Date or (y) the date Executive accepts employment with another employer offering a tax-qualified savings plan, Executive had participated in the 401(k) Plan and made pre-tax deferrals and after-tax contributions to the 401(k) Plan at the same rate as in effect immediately before the Termination Date. Such payment shall be made (without interest) within thirty (30) days after the first anniversary of the Notice Date; provided, however, that if Interpublic determines that Executive is a Specified Employee, such payment shall be made (without interest) no earlier than Interpublic's first pay date for the seventh month following the Termination Date (or, if earlier, a date determined by Interpublic that occurs within the ninety (90) day period immediately following the date of Executive's death). The amount of the lump-sum payment required by this clause (B) shall be determined based on the matching formula prescribed by the 401(k) Plan as in effect during the period described herein.”

6. Termination of Employment by Executive for "Good Reason". Section 7.05 of the Agreement is hereby deleted and replaced in its entirety with the following:

“7.05 Termination of Employment by Executive for Good Reason. Executive may terminate his employment with Interpublic for Good Reason. In the event of termination by Executive for Good Reason, Interpublic shall pay or provide to Executive all of the compensation, benefits and perquisites

specified by Section 7.01 hereof, as if Executive's employment were terminated by Interpublic without Cause."

7. Reimbursement of Prevailing Party Fees and Costs. Section 9.01 of the Agreement is hereby clarified and amended by replacing the reference to "Section 13.01" with "Section 12.01" and by hereby amended to add the following new sentences to the end thereof:

"In order to be eligible for a payment or reimbursement pursuant to this Section 9.01, the party entitled to reimbursement or other payments shall submit to the other party a written request for payment, with invoices and receipts documenting the amount to be reimbursed or paid, within thirty (30) days after a final decision is rendered. Subject to the immediately preceding sentence, all reimbursements and other payments required by this Section 9.01 shall be made by March 15th of the calendar year next following the calendar year in which a final decision is rendered."

8. Entire Agreement. Article XI of the Agreement is hereby deleted and replaced by the following:

"Article XI

"Entire Agreement

"11.01 This Agreement, as amended, sets forth the entire understanding between Interpublic and Executive concerning his employment by Interpublic and supersedes any and all previous agreements between Executive and Interpublic concerning such employment and/or any compensation or bonuses. In the event of any inconsistency between the terms of an amendment to this Agreement and the terms of this Agreement in effect before such amendment, the terms of the amendment shall govern. Each party hereto shall pay its own costs and expenses (including legal fees) incurred in connection with the preparation, negotiation, and execution of this Agreement and each amendment thereto. Any amendment or modification to this Agreement shall be set forth in writing and signed by Executive and an authorized director or officer of Interpublic."

9. Legal Fees and Expenses. Executive acknowledges that he has been reimbursed for legal fees, expenses and other costs associated with the negotiation of the Agreement. Executive shall not be entitled to reimbursement for any legal fees, expenses or other costs incurred in connection with this Amendment or any other employment-related agreement.

10. Applicable Law. Section 12.01 of the Agreement is hereby clarified by adding at the end thereof the phrase "without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction."

11. Authority to Determine Payment Date. To the extent that any payment under the Agreement may be made within a specified number of days on or after any date or the occurrence of any event, the date of payment shall be determined by Interpublic in its sole discretion, and not by the Executive, his beneficiary, or any of his representatives.

12. American Jobs Creation Act of 2004. The Agreement, as amended hereby, shall be construed, administered, and interpreted in accordance with (i) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 (collectively the "AJCA") and (ii) after December 31, 2007, the AJCA. If Interpublic or Executive determines that any provision of the Agreement, as amended hereby, is or might be inconsistent with the requirements of the AJCA, the parties shall attempt in good faith to agree on such amendments to the Agreement as may be necessary or appropriate to avoid causing Executive to incur adverse tax consequences under Section 409A of the Code. No provision of the Agreement, as amended hereby, shall be interpreted or construed to transfer any liability for failure to comply with Section 409A from Executive or any other individual to Interpublic.

IN WITNESS WHEREOF, Interpublic, by its duly authorized officer, and Executive have caused this Amendment to the Agreement to be executed.

The Interpublic Group of Companies, Inc.

Executive

BY: /s/ Nicholas J. Camera
Nicholas J. Camera
Senior Vice President
General Counsel

/s/ Timothy A. Sompolski
Timothy A. Sompolski

DATE: September 12, 2007

DATE: July 4, 2007

EXECUTIVE CHANGE OF CONTROL AGREEMENT

This AGREEMENT ("*Agreement*") dated as of September 12, 2007 (the "*Effective Date*"), by and between The Interpublic Group of Companies, Inc. ("*Interpublic*"), a Delaware corporation, and Timothy A. Sompolski (the "*Executive*").

WITNESSETH:

WHEREAS, the Company (as hereinafter defined) recognizes the valuable services that the Executive has rendered to the Company and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to a Change of Control (as hereinafter defined);

WHEREAS, the Executive is willing to continue to serve the Company but desires a reasonable degree of protection in the event of a Change of Control; and

WHEREAS, the Company is willing to provide such protection in exchange for the Executive's agreement not to engage, during a specified period after his employment with the Company is terminated, in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company, and the mutual agreements herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

DEFINITIONS

When the initial letter or letters of the following words and phrases are capitalized in this Agreement, such words and phrases shall have the following meanings unless the context clearly indicates that a different meaning is intended:

Section 1.1. Base Amount means the amounts, if any, that, if this Agreement did not exist, would be payable to the Executive pursuant to the terms of an Other Arrangement

by reason of the Executive's Qualifying Termination; provided, however, that the Base Amount shall not include any non-cash benefits or reimbursements or payments in lieu of such benefits.

Section 1.2. Board of Directors means the Board of Directors of Interpublic.

Section 1.3. Cause means —

(a) a material breach by the Executive of a provision in an employment agreement with Interpublic or a Subsidiary that, if capable of being cured, has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic or any Subsidiary of such breach;

(b) misappropriation by the Executive of funds or property of Interpublic or a Subsidiary;

(c) any attempt by the Executive to secure any personal profit related to the business of Interpublic or a Subsidiary that is not approved in writing by the Board of Directors or by the person to whom the Executive reports directly;

(d) fraud, material dishonesty, gross negligence, gross malfeasance or insubordination by the Executive, or willful (i) failure by the Executive to follow the code of conduct of Interpublic or a Subsidiary or (ii) misconduct by the Executive in the performance of his duties as an employee of Interpublic or a Subsidiary, excluding in each case any act (or series of acts) taken in good faith by the Executive that does not (and in the aggregate do not) cause material harm to Interpublic or a Subsidiary;

(e) refusal or failure by the Executive to attempt in good faith to perform the Executive's duties as an employee or to follow a reasonable good-faith direction of the Board of Directors or the person to whom the Executive reports directly that has not been cured within fifteen (15) days after the Executive receives written notice from Interpublic of such refusal or failure;

(f) commission by the Executive, or a formal charge or indictment alleging commission by the Executive, of a felony or a crime involving dishonesty, fraud, or moral turpitude; or

(g) conduct by the Executive that is clearly prohibited by the policy of Interpublic or a Subsidiary prohibiting discrimination or harassment based on age, gender, race, religion, disability, national origin or any other protected category.

Section 1.4. Change of Control means —

(a) subject to subsections (b) and (c), below, the first to occur of the following events:

- (i) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the “*1934 Act*”)) becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of stock that, together with other stock held by such person, possesses more than fifty percent (50%) of the combined voting power of Interpublic’s then-outstanding stock;
- (ii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) ownership of stock of Interpublic possessing thirty percent (30%) or more of the combined voting power of Interpublic’s then-outstanding stock;
- (iii) any person (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person) assets from the Company that have a total gross fair market value equal to forty percent (40%) or more of the total gross fair market value of all of the assets of Interpublic immediately prior to such acquisition or acquisitions (where gross fair market value is determined without regard to any associated liabilities); or
- (iv) during any 12-month period, a majority of the members of the Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors before the date of their appointment or election.

(b) A Change of Control shall not be deemed to occur by reason of—

(i) the acquisition of additional control of Interpublic by any person or persons acting as a group that is considered to “effectively control” Interpublic (within the meaning of Section 409A of the Code), or

(ii) a transfer of assets to any entity controlled by the shareholders of Interpublic immediately after such transfer, including a transfer to (A) a shareholder of Interpublic (immediately before such transfer) in exchange for or with respect to its stock; (B) an entity, fifty percent (50%) or more of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by Interpublic; (C) a person or persons acting as a group that owns (immediately after such transfer) directly or indirectly fifty percent (50%) or more of the total value or voting power of all outstanding stock of Interpublic; or (D) an entity, at least fifty percent (50%) of the total value or voting power of which is owned (immediately after such transfer) directly or indirectly by a person described in clause (C), above.

(c) Notwithstanding any provision in this Section 1.4 to the contrary, a Change of Control shall not be deemed to have occurred unless the relevant facts and circumstances give rise to a change in the ownership or effective control of Interpublic, or in the ownership of a substantial portion of the assets of Interpublic, within the meaning of Section 409A(a)(2)(A)(v) of the Code.

Section 1.5. Code means the Internal Revenue Code of 1986, as amended.

Section 1.6. Company means Interpublic and its Subsidiaries.

Section 1.7. Designated Number means two (2). The Designated Number of Months means a number of calendar months equal to twelve (12) times the Designated Number.

Section 1.8. Good Reason.

(a) The Executive shall be deemed to resign for Good Reason if and only if (i) his Termination of Employment occurs within the two (2) year period immediately

following the date on which a Covered Action (as defined by subsection (b), below) occurs and (ii) the conditions specified by subsections (b), (c), and (d) of this Section 1.8 are satisfied.

(b) The Executive shall have Good Reason to resign from employment with the Company only if at least one of the following events (each a "**Covered Action**") occurs within the two (2) year period immediately following the effective date of a Change of Control:

- (i) Interpublic or a Subsidiary materially reduces the Executive's annualized rate of base salary;
- (ii) an action by Interpublic or a Subsidiary results in a material diminution of the Executive's authority, duties or responsibilities;
- (iii) an action by Interpublic or a Subsidiary results in a material diminution in the authority, duties, or responsibilities of the supervisor to whom the Executive is required to report, including a requirement that the Executive report to a corporate officer or employee instead of reporting directly to the Board of Directors;
- (iv) Interpublic or a Subsidiary materially diminishes the budget over which the Executive retains authority;
- (v) Interpublic or a Subsidiary requires the Executive, without his express written consent, to be based in an office more than fifty (50) miles outside the city in which he is principally based, unless (A) the relocation decision is made by the Executive or (B) the Executive is notified in writing that Interpublic or his employer is seriously considering such a relocation and the Executive does not object in writing within ten (10) days after he receives such written notice; or
- (vi) Interpublic or a Subsidiary materially breaches an employment agreement between Interpublic or the Subsidiary and the Executive.

(c) The Executive shall not have Good Reason to resign as a result of a Covered Action unless —

- (i) within the ninety (90) day period immediately following the date on which such Covered Action first occurs, the Executive notifies Interpublic in writing that such Covered Action has occurred; and
- (ii) such Covered Action is not remedied within the thirty (30) day period immediately following the date on which Interpublic receives a notice provided in accordance with paragraph (i), above.

(d) The Executive shall not have Good Reason to resign as a result of a Covered Action unless before the end of the thirty-one (31) day period immediately following the end of the thirty (30) day period specified by paragraph (c)(ii), above, the Executive gives Interpublic a minimum of thirty (30) days', and a maximum of ninety (90) days', advance written notice of the effective date of his resignation.

Section 1.9. Other Arrangement means any other agreement, plan, program, policy, or other arrangement involving or maintained by Interpublic or a Subsidiary under which the Executive is or might be eligible to receive compensation or benefits.

Section 1.10. Outside Auditor means either (i) the outside auditor retained by Interpublic in the last fiscal year ending before such Change of Control or (ii) a national auditing firm acceptable to the Executive.

Section 1.11. Qualifying Termination means a Termination of Employment of the Executive that —

- (a) is initiated by (a) Interpublic or a Subsidiary for a reason other than Cause or (b) the Executive for Good Reason (as defined in this Agreement), and
- (b) occurs during the period that begins upon a Change of Control and ends at 11:59:59 p.m. Eastern Time on the second anniversary of such Change of Control.

Section 1.12. Severance Period means the period starting on the date of the Executive's Qualifying Termination and ending on the last day of the calendar month that is the Designated Number of Months after such date.

Section 1.13. Subsidiary means any corporation or other entity that is required to be combined with Interpublic as a single employer under Section 414(b) or (c) of the Code.

Section 1.14. Termination of Employment means the Executive's "separation from service" (within the meaning of Section 409A(a)(2)(A)(i) of the Code) with the Company. For purposes of this Agreement:

(a) If the Executive is on a leave of absence and does not have a statutory or contractual right to reemployment, he shall be deemed to have had a Termination of Employment on the first date that is more than six (6) months after the commencement of such leave of absence. However, if the leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of six (6) months or more, and such impairment causes the Executive to be unable to perform the duties of his position of employment or any substantially similar position of employment, the preceding sentence shall be deemed to refer to a twenty-nine (29) month period rather than to a six (6) month period; and

(b) A sale of assets by Interpublic or a Subsidiary to an unrelated buyer that results in the Executive working for the buyer or one of its affiliates shall not, by itself, constitute a Termination of Employment unless Interpublic, with the buyer's written consent, so provides in writing 60 or fewer days before the closing of such sale.

Section 1.15. Unsecured Trust means a trust established pursuant to a trust agreement or other written instrument that (a) states that the assets of such trust are subject to claims of the Company's creditors, (b) states that such trust shall be irrevocable until all claims for benefits under the plans, programs, agreements, and other arrangements covered by such trust have been satisfied, and (c) complies with the applicable provisions of Section 409A of the Code.

ARTICLE 2

PAYMENTS UPON QUALIFYING TERMINATION

Section 2.1. Severance Payment. Subject to the requirements of Section 3.2 hereof, if the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the Designated Number multiplied by the sum of:

(a) The greater of (i) the Executive's annual base salary for the calendar year in which the Qualifying Termination occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Qualifying Termination) or (ii) the Executive's annual base salary for the calendar year in which the Change of Control occurs (determined on the basis of the Executive's annual salary in effect immediately prior to such Change of Control); plus

(b) The greater of (i) the Executive's target management incentive compensation performance award under the 2006 Performance Incentive Plan or any successor thereto ("**Target MICP Award**") for the calendar year in which the Qualifying Termination occurs or (ii) the Executive's Target MICP Award for the calendar year in which the Change of Control occurs, as such Target MICP Award is in effect immediately prior to such Change of Control.

Section 2.2. Medical, Dental, and Vision Benefits. If the Executive's employment terminates as a result of a Qualifying Termination, Interpublic shall provide to the Executive medical, dental, and vision benefits (or cash in lieu of such benefits) in accordance with Section 4.2 of the Interpublic Executive Severance Plan (including the indemnification required by Section 4.2(b) of ESP) as in effect on the Effective Date ("**ESP**"), subject to the following provisions:

(a) The “designated number of months” for purposes of determining the Executive’s “severance period” and “COBRA period” under ESP shall be the Designated Number of Months set forth in Section 1.7 hereof;

(b) Any amendment, suspension, or termination of ESP after the date of this Agreement that has the effect of reducing the level of benefits required by this Section 2.2, shall be disregarded unless the Executive expressly consents in writing to such amendment, suspension, or termination; and

(c) The Executive’s right to the level of benefits required by this Section 2.2 shall not be conditioned on the Executive executing the agreement required by Section 5 of ESP.

Section 2.3. CAP Supplement

(a) If the Executive participates in the Interpublic Capital Accumulation Plan (“CAP”), Interpublic shall, within thirty (30) days after the date of the Executive’s Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the sum of (i) plus (ii) plus (iii), where:

(i) equals the sum of the annual dollar credits that would have been added to the Executive’s account under CAP on each December 31st after the Executive’s Termination of Employment if he had remained employed by the Company continuously through the last day of the Severance Period (provided that this paragraph (i) shall not require duplication of any amount that is added to the Executive’s account under CAP in accordance with the terms thereof);

(ii) equals (A) the dollar credit that would have been added to the Executive’s account under CAP on December 31st of the calendar year in which the Severance Period ends if the Executive had remained employed by the Company continuously through such December 31st, multiplied by (B) a fraction the numerator of which is the number of days from January 1st of such calendar year through the last day

of the Severance Period and the denominator of which is three hundred sixty-five (365); and

(iii) equals (A) the interest crediting rate under CAP for the calendar year in which the Executive's account balance under CAP is paid, multiplied by (B) the vested balance of the Executive's account under CAP as of January 1st of such year, multiplied by (C) a fraction the numerator of which is the number of days from January 1st of such year through the date on which the Executive's account balance under CAP is paid and the denominator of which is three hundred sixty-five (365).

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.3 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the interest crediting rate under CAP for the calendar year in which the Change of Control occurs.

Section 2.4. SERIP Supplement

(a) If the Executive participates in the Interpublic Senior Executive Retirement Income Plan ("**SERIP**"), Interpublic shall, within thirty (30) days after the date of the Executive's Qualifying Termination (or such later date as required by Section 2.5 hereof), pay to the Executive a lump-sum amount (without any discount to reflect the time value of money) equal to the excess of (i) over (ii), where:

(i) equals the amount (if anything) the Executive would be entitled to receive under SERIP if he had remained employed by the Company continuously through the end of the Severance Period; and

(ii) equals the amount of the vested benefit (if any) that the Executive is eligible to receive under the terms of SERIP.

(b) Before a Change of Control, Interpublic shall contribute to an Unsecured Trust an amount that an Outside Auditor engaged by Interpublic, at Interpublic's expense, concludes, in its best judgment (considering the information available to such Outside Auditor at the time of the calculation and the time constraints on completing the calculation), is equal to the amount the Executive would be entitled to receive under this Section 2.4 if the Executive had a Qualifying Termination immediately after the Change of Control. For purposes of this calculation, the Outside Auditor shall assume that (i) payment of the amount described in the immediately preceding sentence will be due within thirty (30) days after the Change of Control and (ii) the rate of return on assets of the Unsecured Trust will be the plan interest rate specified by SERIP.

Section 2.5. Special Payment Rules.

(a) Specified Employee Rules. If Interpublic determines that the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) on the date of his Termination of Employment, Interpublic shall make the payments specified by paragraphs (i), (ii), and (iii) of this Section 2.5(a) and shall not make any payments pursuant to Section 2.1, Section 2.3, or Section 2.4 hereof (except insofar as such Sections determine the amount required by this Section 2.5(a)).

(i) Interpublic shall pay the Base Amount at the time or times prescribed by the terms of the applicable Other Arrangement through the last day of the sixth calendar month that begins after the date of the Executive's Termination of Employment;

(ii) Within thirty (30) days after the date of the Executive's Qualifying Termination, Interpublic shall pay to the Executive in a lump sum the excess (if any) of (A) the sum of the amounts prescribed by Section 2.1, Section 2.3, and Section 2.4 hereof over (B) the aggregate Base Amount payable under all Other Arrangements.

The amounts in clauses (A) and (B) of this paragraph (ii) shall be determined without any adjustment (such as a discount) to reflect the time value of money; and

(iii) On the 6-Month Pay Date (as defined below), Interpublic shall pay to the Executive an amount equal to the excess (if any) of (A) the sum of the aggregate amounts prescribed by Section 2.1 (taking into account Section 4.5), Section 2.3, and Section 2.4 hereof over (B) the aggregate amount paid in accordance with paragraphs (i) and (ii), above (determined without any adjustment (such as interest) to reflect the time value of money). The "6-Month Pay Date" shall be Interpublic's first semi-monthly pay date for the seventh calendar month that begins after the date of the Executive's Termination of Employment (or, if earlier, a date that occurs within the ninety (90) day period immediately following the date of the Executive's death; provided that such date shall be determined by Interpublic in its sole discretion and not by the Executive or his personal representative).

(b) 2007 Transition Rule.

(i) If, under the terms of any Other Arrangement in effect on the Effective Date (disregarding this Agreement), payment of the Executive's Base Amount was scheduled to begin before January 1, 2008, payment of the Executive's Base Amount shall begin at the time prescribed by the terms of such Other Arrangement.

(ii) If paragraph (i), above, does not apply:

(A) Payment of the Participant's Base Amount shall not begin before January 1, 2008; and

(B) If this Agreement prescribes that payment of the Base Amount should begin before January 1, 2008, payment of such Base Amount shall begin on Interpublic's first semi-monthly pay date for January 2008. The first payment due in January 2008 shall include a make-up payment equal to the sum of the payments that, if not for the delay required by the preceding sentence, would have been made before Interpublic's first semi-monthly pay date for January 2008.

Interest shall not be added to any payment that is delayed by reason of the application of this Section 2.5.

Section 2.6. Death Prior to Payment. If the Executive dies after his Qualifying Termination but before all of the payments required by this Article 2 have been made, Interpublic shall pay to the Executive's estate an amount equal to the sum of the then-unpaid amounts required by this Article 2. Such payment shall be made in a lump sum (without any discount to reflect the time value of money) as soon as practicable, and no more than ninety (90) days, after the Executive's death. The date of payment shall be determined by Interpublic in its sole discretion, and not by the Executive or his personal representative

ARTICLE 3

TAX MATTERS

Section 3.1. Withholding and Taxes. The Company may withhold (or cause to be withheld) from any amounts payable to the Executive or on his behalf hereunder any or all federal, state, city, or other taxes that the Company reasonably determines are required to be withheld pursuant to any applicable law or regulation. However, except for the indemnification referred to in Section 2.2 hereof, the Executive shall be solely responsible for paying all taxes (including any excise taxes) on any compensation (including imputed compensation) and other income provided to him or on his behalf, regardless of whether taxes are withheld. Except for the indemnification referred to in Section 2.2 hereof, no provision of this Agreement shall be construed (a) to limit the Executive's responsibility under this Section 3.1 or (b) to transfer to or impose on the Company any liability relating to taxes (including excise taxes) on compensation (including imputed compensation) or other income under this Agreement.

Section 3.2. Forfeiture of Certain Parachute Payments.

(a) Notwithstanding any provision in this Agreement to the contrary, if subsection (b), below, applies, the Executive shall forfeit amounts payable to the Executive under this Agreement to the extent an Outside Auditor determines is necessary to ensure that the Executive is not reasonably likely to receive a "parachute payment" within the meaning of Section 280G(b)(2) of the Code.

(b) This subsection (b) shall apply if —

(i) any payment to be made under this Agreement is reasonably likely to result in the Executive receiving a “parachute payment” (as defined in Section 280G(b)(2) of the Code), and

(ii) the Executive’s forfeiture of payments due under this Agreement would result in the aggregate after-tax amount that the Executive would receive being greater than the aggregate after-tax amount that the Executive would receive if there were no such forfeiture.

(c) Interpublic shall engage, at Interpublic’s expense, an Outside Auditor to determine (i) whether any amount shall be forfeited pursuant to subsection (a), above, and (ii) the amount of any such forfeiture. The Outside Auditor’s determination shall be conclusive and binding.

(d) If the Outside Auditor engaged pursuant to subsection (c), above, determines that adverse tax consequences relating to Section 280G of the Code (determined on a net after-tax basis) could be avoided by the Executive forfeiting payments under one or more Other Arrangements, and such Other Arrangements permit a forfeiture to avoid adverse tax consequences relating to Section 280G of the Code, the Executive shall not forfeit the right to receive any amount due under this Agreement unless and until he has forfeited the right to all payments under such Other Arrangements.

ARTICLE 4

COLLATERAL MATTERS

Section 4.1. Nature of Payments. All payments and benefits provided to the Executive under this Agreement shall be considered either severance payments in consideration of his past services on behalf of the Company or payments in consideration of the covenant set forth in Section 4.7 hereof. No payment or benefit provided hereunder shall be regarded as a penalty on the Company.

Section 4.2. Mitigation. The Executive shall not be required to mitigate the amount of any payment or benefit provided for in this Agreement by seeking other employment or otherwise. Except as expressly provided in Section 4.2(b) of ESP (with respect to benefits provided pursuant to Section 2.2(c)) hereof, unless the Executive breaches the covenant set forth in Section 4.7 hereof, the amount of any payment provided for herein shall not be reduced by any remuneration that the Executive may earn after his Termination of Employment.

Section 4.3. Setoff for Debts. To the extent permitted under Section 409A of the Code, Interpublic may reduce the amount of any payment or benefit otherwise due to the Executive under Article 2 hereof by any amount that the Executive owes to the Company pursuant to a written instrument executed by the Executive, but only if (a) the debt was incurred in the ordinary course of the Executive's relationship with the Company, (b) the entire amount of reduction in any taxable year does not exceed \$5,000, (c) the reduction is made at the same time and in the same amount as required by the terms of such written instrument, and (d) the Company has not already recovered such amount by setoff or otherwise.

Section 4.4. Plans, Programs, and Arrangements Not Addressed in this Agreement. Except as otherwise provided by Section 4.5 hereof, the effect of a Change of Control or a Qualifying Termination on the rights of the Executive with respect to any compensation, awards, or benefits under any Other Arrangement (including rights under any deferred compensation arrangement, the Interpublic Capital Accumulation Plan, the Interpublic Senior Executive Retirement Income Plan, any Executive Special Benefit Agreement, and the 2006 Performance Incentive Plan and any predecessor or successor thereto) shall be determined solely by the terms of the governing documents for such Other Arrangement, and not by the terms of this Agreement.

Section 4.5. Coordination with Employment Contract. The payments and benefits required by Article 2 hereof shall be in lieu of (and not in addition to) any payments under an Other Arrangement to which the Executive might have a claim by reason of a Qualifying Termination (for example, severance payments), whether such Other Arrangement is executed before or after the date hereof, unless expressly provided otherwise in such Other Arrangement; provided that if Other Arrangements provide for a payment (or payments) by

reason of a Qualifying Termination that is (or are) larger in the aggregate (determined without regard to the time value of money) than the severance payment prescribed by Section 2.1 hereof, the Company shall pay the Executive the larger amount (in lieu of the amount prescribed by Section 2.1, and without any adjustment for interest) in a lump sum (without any discount to reflect the time value of money) at the time prescribed by Section 2.1 (or such later date as required by Section 2.5 hereof). If the Executive resigns for Good Reason, he shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and Interpublic or a Subsidiary.

Section 4.6. Funding. Except as required by Section 2.3(b), Section 2.4(b), and Section 4.8(c) hereof, this Agreement does not require the Company to set aside any amounts that may be necessary to satisfy its obligations hereunder. Any assets that the Company sets aside to fund the Company's obligations under this Agreement, whether in an Unsecured Trust or otherwise, shall be subject to the claims of the Company's creditors in the event of the Company's bankruptcy or insolvency.

Section 4.7. Covenant of Executive

(a) If the Executive has a Qualifying Termination that entitles him to a payment under Article 2 hereof, the Executive shall not, during the eighteen (18) months next following the date of his Termination of Employment, either (i) solicit any employee of the Company to leave such employ and to enter into the employ of, or to provide services to, the Executive or any person with which the Executive is associated or (ii) solicit or handle on his own behalf, or on behalf of any person with which the Executive is associated, the advertising, public relations, sales promotion or market research business of any person that is a client of the Company as of the date of the Executive's Termination of Employment.

(b) The Executive acknowledges that the provisions of this Section 4.7 are a material inducement to Interpublic entering into this Agreement, that such provisions are reasonable and necessary to protect the legitimate business interests of the Company, and that such provisions do not prevent the Executive from earning a living. If at the time of enforcement of any provision of this Agreement, a court with jurisdiction shall hold that the duration, scope,

or restrictiveness of any provision hereof is unreasonable under circumstances now or then existing, the parties agree that the maximum duration, scope, or restriction reasonable under the circumstances shall be substituted by the court for the stated duration, scope, or restriction.

(c) The Executive acknowledges that a remedy at law for any breach or attempted breach of this Section 4.7 will be inadequate, and agrees that the Company shall be entitled to specific performance and injunctive and other equitable relief in the case of any such breach or attempted breach. This Section 4.7 shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

Section 4.8. Legal Expenses.

(a) Each party hereto shall pay its own costs and expenses (including legal fees) incurred in connection with the preparation, negotiation and execution of this Agreement.

(b) Interpublic shall reimburse the Executive for any legal fees and expenses that the Executive incurs during the Executive's life as a result of the Company contesting the validity, the enforceability, or the Executive's interpretation of, or any determination under, this Agreement (collectively "**Reimbursable Expenses**"), subject to the following terms and conditions:

(i) The Executive shall submit any request for reimbursement for any Reimbursable Expense in writing to Interpublic (accompanied by any evidence that Interpublic reasonably requests in writing within thirty (30) days after Interpublic is first notified that such Reimbursable Expense is incurred) within one-hundred eighty (180) days after the applicable Reimbursable Expense is incurred (or, if later, within thirty (30) days after Interpublic requests in writing evidence of such Reimbursable Expense);

(ii) Interpublic shall pay to the Executive the amount of any Reimbursable Expenses within thirty (30) days after Interpublic receives the Executive's written request for reimbursement; provided that if Interpublic determines that the

Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, and determined in accordance with Treas. Reg. § 1.409A-1(i)) at the time of his Termination of Employment, payment shall not be made before the first day of the seventh month that begins after the Executive's Termination of Employment, and if this paragraph (ii) prescribes an earlier payment date, payment shall be made, without interest, on Interpublic's first semi-monthly pay date for the seventh month that begins after the Executive's Termination of Employment;

(iii) The amount of fees and expenses eligible for reimbursement during one year shall not affect the amount of Reimbursable Expenses that the Executive may incur during any other year; and

(iv) The Executive may not exchange the right to reimbursement for Reimbursable Expenses set forth in this Section 4.8(b) for cash or any other benefit.

(c) Without limiting the foregoing, Interpublic shall, before the earlier of (i) thirty (30) days after receiving notice from the Executive to Interpublic so requesting or (ii) the occurrence of a Change of Control, provide the Executive with an irrevocable letter of credit in the amount of \$100,000 from a bank with a Moody's credit rating of Aa or better and a Standard & Poor's credit rating of AA or better, against which the Executive may draw in the event that Interpublic does not timely remit payment for any Reimbursable Expense. Such letter of credit shall not expire before the later of (x) the date this Agreement terminates by its terms or (y) the tenth anniversary of the Effective Date.

ARTICLE 5
GENERAL PROVISIONS

Section 5.1. Term of Agreement.

(a) Subject to subsection (b), below, this Agreement shall terminate upon the earliest of—

- (i) the third anniversary of the Effective Date if a Change of Control has not occurred on or before such third anniversary;
- (ii) the date of the Executive's Termination of Employment if such Termination of Employment is not a Qualifying Termination; or
- (iii) the expiration of a number of years after a Change of Control equal to the Designated Number plus three (3).

(b) Notwithstanding any provision of this Section 5.1, the Company's obligations under Section 4.8 hereof and all obligations of the Company and the Executive that arise before termination of this Agreement shall survive the termination of this Agreement. In addition, if this Agreement is terminated and the Executive subsequently experiences a Qualifying Termination, Interpublic shall pay any severance to which the Executive may be entitled under any Other Arrangement (such as an employment agreement or the Interpublic Executive Severance Plan) in a lump sum at the time required by Section 2.1 hereof (subject to Section 2.5 hereof).

Section 5.2. Payments to be Made in Cash. Except as otherwise expressly provided herein, all payments required by this Agreement shall be made in cash.

Section 5.3. Obligation to Make Payments. Interpublic may satisfy any provision of this Agreement that obligates Interpublic to make a payment or contribution, or to provide a benefit, by causing another party, such as a Subsidiary or the trustee of an Unsecured Trust, to make the payment or contribution or to provide the benefit.

Section 5.4. Governing Law. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York, without regard to any rule or principle concerning conflicts or choice of law that might otherwise refer construction or enforcement to the substantive law of another jurisdiction.

Section 5.5. American Jobs Creation Act of 2004. This Agreement shall be construed, administered, and interpreted in accordance with (a) before January 1, 2008, a reasonable, good-faith interpretation of Section 409A of the Code and Section 885 of the American Jobs Creation Act of 2004 and all guidance of general applicability issued thereunder (collectively the "AJCA") and (b) after December 31, 2007, the AJCA. If the Company or the Executive determines that any provision of this Agreement is or might be inconsistent with such provisions, the parties shall attempt in good faith to agree on such amendments to this Agreement as may be necessary or appropriate to avoid adverse tax consequences under Section 409A of the Code. No provision of this Agreement shall be interpreted or construed to transfer any liability for a failure to comply with Section 409A of the Code from the Executive or any other individual to the Company.

Section 5.6. Successors to the Company. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including any person or persons (within the meaning of Sections 13(d) and 14(d) of the 1934 Act) acquiring directly or indirectly the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be assignable by Interpublic. Without limiting the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger, consolidation, sale of stock or assets, or otherwise) to the business or assets of Interpublic, expressly, absolutely and unconditionally to assume, and to agree to perform under, this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this Agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to its business or assets that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 5.7. Successor to the Executive. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to Section 5.8 hereof, his designees (collectively, his "**Successors**"). If the Executive dies while amounts are or may be payable to him under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 5.8. Nonalienability. Except to the extent that Interpublic determines is necessary to comply with a domestic relations order (as defined in Section 414(p)(1)(B) of the Code), no right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process, or (except as provided in Section 4.3 hereof) to setoff against any obligation or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action prohibited by the immediately preceding sentence shall be void.

Section 5.9. Notices. All notices provided for in this Agreement shall be in writing. Notices and other correspondence (including any request for reimbursement) to Interpublic shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., 1114 Avenue of the Americas, New York, New York 10036, Attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 5.10. Amendment. No amendment of this Agreement shall be effective unless it is in writing and is executed by both Interpublic and the Executive.

Section 5.11. Waivers. No waiver of any provision of this Agreement shall be valid unless it is in writing and executed by the party giving such waiver. No waiver of a breach of any provision of this Agreement shall be deemed to be a waiver of any subsequent breach or a waiver of either such provision or any other provision of this Agreement. No failure or delay on

the part of either the Company or the Executive to exercise any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or herein shall operate as a waiver of any other right or remedy.

Section 5.12. Non-Duplication and Changes to Benefit Plans.

(a) No term or other provision of this Agreement shall be interpreted to require the Company to duplicate any payment or other compensation that the Executive is entitled to receive under an Other Arrangement.

(b) No term or other provision of this Agreement shall restrict the Company's ability to amend, suspend, or terminate any or all of its employee benefit plans and programs from time to time, or prevent any such amendment, suspension, or termination from affecting the Executive.

Section 5.13. Severability. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 5.14. Construction.

(a) The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

(b) Unless the contrary is clearly indicated by the context, (i) the use of the masculine gender shall also include within its meaning the feminine and vice versa; (ii) the word "include" shall mean include, but not limited to; and (iii) any reference to a statute or section of a statute shall also be a reference to any successor or amended statute or section, and any regulations or other guidance of general applicability issued thereunder.

Section 5.15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

Section 5.16. Entire Agreement. This Agreement constitutes the entire understanding between the Company and the Executive concerning the matters set forth herein and supersedes any and all previous agreements between the Company and the Executive concerning such matters.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

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

/s/ Timothy A. Compolski
Timothy A. Compolski

COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES
(Amounts in Millions, Except Ratios)

	Nine Months Ended September 30,	Years Ended December 31,				
	2007	2006	2005	2004	2003	2002
Earnings (loss)⁽¹⁾						
(Loss) income from continuing operations before income taxes	\$ (11.0)	\$ (5.0)	\$ (186.6)	\$ (267.0)	\$ (372.8)	\$ 115.8
Fixed charges⁽¹⁾						
Interest expense and other charges	172.0	218.7	181.9	172.0	206.6	158.3
Interest factor of net operating rents ⁽²⁾	136.6	185.1	183.9	190.0	192.7	183.8
Total fixed charges	308.6	403.8	365.8	362.0	399.3	342.1
Earnings (loss), as adjusted	\$ 297.6	\$ 398.8	\$ 179.2	\$ 95.0	\$ 26.5	\$ 457.9
Ratio of earnings to fixed charges⁽³⁾	N/A	N/A	N/A	N/A	N/A	1.3

- (1) Earnings (loss) consist of (loss) income from continuing operations before income taxes, income applicable to minority interests and equity in net income of unconsolidated affiliates. Fixed charges consist of interest on indebtedness, amortization of debt discount, waiver and other amendment fees, debt issuance costs (all included in interest expense) and the portion of net rental expense deemed representative of the interest component (one-third).
- (2) We have calculated the interest factor of net operating rent as one third of our operating rent, as this represents a reasonable approximation of the interest factor.
- (3) We had a less than 1:1 ratio of earnings to fixed charges due to our loss in the nine months ended September 30, 2007 and years ended December 31, 2006, 2005, 2004, and 2003. To provide a 1:1 coverage ratio for the deficient periods, results as reported would have required additional earnings of \$11.0, \$5.0, \$186.6, \$267.0 and \$372.8 in the nine months ended September 30, 2007 and the years ended December 31, 2006, 2005, 2004 and 2003, respectively.

CERTIFICATION

I, Michael I. Roth, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Interpublic Group of Companies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Michael I. Roth

Michael I. Roth
Chairman and Chief Executive Officer

Date: November 1, 2007

CERTIFICATION

I, Frank Mergenthaler, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Interpublic Group of Companies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Frank Mergenthaler

Frank Mergenthaler
Executive Vice President and
Chief Financial Officer

Date: November 1, 2007

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), each of the undersigned officers of The Interpublic Group of Companies, Inc. (the "Company"), does hereby certify, to such officer's knowledge, that:

The quarterly report on Form 10-Q for the quarter ended September 30, 2007 of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the quarterly report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Michael I. Roth

Michael I. Roth
Chairman and Chief Executive Officer

Dated: November 1, 2007

/s/ Frank Mergenthaler

Frank Mergenthaler
Executive Vice President and
Chief Financial Officer

Dated: November 1, 2007