EXHIBIT 10.1  
   
 Execution Copy  
  
 AGREEMENT, dated as of May 19, 1997 (the "Agreement") among Publicis  
 S.A., a societe anonyme organized and existing under the laws of  
 France ("Publicis"), Publicis Communication, a societe anonyme  
 organized and existing under the laws of France ("Communication"), and  
 Publicis.FCB Europe B.V., a company organized under the laws of the  
 Netherlands ("PBV"), on the one hand, and True North Communications  
 Inc., a Delaware corporation ("True North"), FCB International, Inc.,  
 a Delaware corporation ("FCBI"), and TRUE NORTH HOLDINGS NETHERLANDS  
 B.V., a company organized under the laws of the Netherlands ("TNBV"),  
 on the other hand.  
  
 Introduction  
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 Publicis, Communication and PBV, on the one hand, and True North, FCBI and  
TNBV, on the other hand, desire to create two separate worldwide agency  
networks, one owned and controlled by Communication and one owned and controlled  
by True North.  
  
 Publicis and True North desire to set forth the parties' agreement  
concerning ownership of Communication and certain other agreements between them.  
  
 In consideration of the foregoing and the representations, warranties,  
covenants and agreements set forth in this Agreement and other good and valuable  
consideration, the parties agree as follows:  
  
 Article I  
  
 Equity and Governance of Communication  
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 1.1. Put and Call of Communication Stock. At the times and under the  
circumstances described below, True North shall have the right, in its sole  
discretion and on one occasion, to require Publicis to purchase from True North  
(the "Remainder Put"), and Publicis shall have the right, in its sole discretion  
and on one occasion, to require True North to sell to Publicis (the "Remainder  
Call") the number of shares of Communication Stock (as defined below) which is  
equal to the percentage of the issued and outstanding shares of Communication  
Stock owned by True North, less the Expiration Put Percentage (as defined  
below). The applicable percentage of issued and outstanding shares of  
Communication Stock subject to the Remainder Put and the Remainder Call is  
referred to herein as the "Remainder Percentage" and in no event shall exceed  
6.5%. The shares subject to the Remainder Call or the Remainder Put shall be  
subject to appropriate adjustments for stock dividends, splits, combinations,  
exchanges, or similar events,   
  
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occurring subsequent to such date of exercise and prior to the consummation of  
such Remainder Put or Call. True North may exercise the Remainder Put only if  
(i) Communication Stock has not been listed on a major European stock exchange  
on or prior to December 31, 1998 and (ii) True North has previously exercised  
the Expiration Put (as defined below) and (iii) True North has given its notice  
of exercise on or prior to March 31, 2000. Publicis may exercise the Remainder  
Call only if (i) Communication Stock has not been listed on a major European  
stock exchange and (ii) either (A) True North has exercised its Expiration Put  
or (B) Publicis has given its notice of exercise on or after April 1, 2000 and  
on or prior to June 30, 2000. The purchase price shall be a price per share  
equal to the Put/Call Price, as determined pursuant to the terms of Section  
1.1.1, and upon exercise of the Remainder Put, True North shall be bound to sell  
such shares to Publicis and convey ownership of such shares to Publicis and  
Publicis shall be bound to purchase such shares from True North and tender the  
purchase price therefor, in accordance with Section 1.1.2, and upon exercise of  
the Remainder Call, Publicis shall be bound to purchase such shares from True  
North and tender the purchase price therefor and True North shall be bound to  
sell such shares to Publicis and convey ownership of such shares to Publicis  
pursuant to Section 1.1.2.  
  
 1.1.1. The Put/Call Price per share of Communication Stock shall be equal  
to (X) the sum of (1) the average of (A) 60% of the average of the annual  
revenue of Communication and its subsidiaries, on a consolidated basis, for each  
of the two full calendar years ended immediately preceding the date of exercise  
of the Remainder Put or the Remainder Call, as the case may be, and (B) 11 times  
the average of the net income of Communication and its subsidiaries, on a  
consolidated basis (after taxes and before amortization of goodwill), for each  
of such two full calendar years (and if such average net income is negative,  
then such average net income shall be deemed to be zero) and (2) the amount of  
net tangible assets (net equity less intangible assets) of Communication as of  
the last day of the calendar year immediately preceding the date of exercise  
(less the amount of any dividends paid by Communication, and plus the amount of  
any capital contributions made to Communication, in each case after such last  
day of the calendar year immediately preceding the date of exercise and prior to  
the date of the consummation of such Remainder Put or Remainder Call), divided  
by (Y) the total number of shares of Communication Stock issued and outstanding  
on the date of exercise, subject to appropriate adjustments for stock dividends,  
splits, combinations, exchanges, or similar events, occurring subsequent to such  
date of exercise and prior to the consummation of such Remainder Put or Call.  
Subject to the last sentence of this Section 1.1.1, the calculations required to  
be made pursuant to this Section 1.1.1 shall be made by reference to the annual  
audited consolidated financial results of Communication determined in accordance  
with French generally accepted accounting principles, consistently applied. The  
annual audited consolidated financial results of Communication shall, for  
purposes of the calculations required to be made pursuant to this Section 1.1.1,  
be adjusted:  
  
 (i) on a pro forma basis with respect to revenue and net income and  
 any effect on net tangible assets or shares outstanding, to exclude from  
 such calculations the revenue and net income generated and any effect on  
 net tangible assets or shares outstanding during the second year of the two  
 full calendar years ended immediately  
  
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 preceding the date of such exercise by any agencies acquired during such  
 year by Communication from Publicis or a third party; provided that the  
 inclusion of any pro forma revenue shall give effect to minority interests  
 as set forth in clause (iii) of this Section 1.1.1 and provided further  
 that the pro forma calculations required by this clause (i) shall give  
 effect to Publicis' cost of financing any of the acquired agencies  
 transferred to Communication and shall also give effect to any capital  
 contributions made to finance such acquisition;  
  
 (ii) to exclude from net income any extraordinary and non-recurring  
 losses incurred or extraordinary and non-recurring gains realized, in each  
 case, only those losses or gains which are collectively in excess of US $5  
 million, during the relevant year;  
  
 (iii) for any subsidiary or equity investment that is not directly or  
 indirectly wholly-owned by Communication, to include in revenue that  
 percentage of such subsidiary's or investee's revenue which reflects that  
 percentage interest in such subsidiary or equity investment which is owned  
 by Communication but only if such percentage interest is equal to or  
 greater than 30%; and  
  
 (iv) with respect to any items of revenue or net income attributable  
 to True North and its subsidiaries which are included in the annual audited  
 consolidated financial results of Communication to (x) exclude any such  
 items of revenue and net income from the calculation of the Put/Call Price  
 and (y) include in the calculation of the Put/Call Price (after the  
 exclusion called for by clause (x) of this paragraph (iv)) an amount equal  
 to 10 times the average net income of True North and its consolidated  
 subsidiaries reflected in the annual audited consolidated financial results  
 of Communication for each of the two full calendar years ended immediately  
 preceding the date of exercise of the Remainder Put or the Remainder Call.  
  
 1.1.2. If either (i) True North wishes to exercise the Remainder Put or  
(ii) Publicis wishes to exercise the Remainder Call, in either case, such party  
shall give the other party written notice of such exercise, which notice shall  
contain the number of shares of Communication Stock which is the subject of such  
exercise together with the notifying party's estimated calculation of the  
Put/Call Price. The purchase and sale of such shares shall be consummated within  
10 Business Days (as defined below) following the receipt of the notice of  
exercise or, in the event of exercise between January 1 and February 15 of any  
year, within 10 Business Days of February 15 of such year. In exchange for the  
payment by Publicis of the aggregate Put/Call Price determined pursuant to this  
Section, which shall be payable by wire transfer of immediately available funds  
in French Francs to a bank or other financial institution designated by True  
North, True North shall convey ownership of the Communication Stock subject to  
the Remainder Put or Remainder Call, as applicable, to Publicis, free of any  
mortgage, pledge, lien, encumbrance, assessment, charge or adverse claim  
affecting title to, or resulting in an encumbrance against, such Communication  
  
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Stock, or a security interest of any kind (including any conditional sale or  
other title retention agreement), any option or other agreement to sell and any  
filing of or agreement to give any financing statement under the Uniform  
Commercial Code (or equivalent statutes of any U.S. or other jurisdiction)  
excluding, however, Encumbrances solely in favor of Publicis or Communication  
(collectively, "Encumbrances"). For purposes of this Agreement, "Business Day"  
shall mean any day that is not a Saturday, Sunday or a day on which banks in  
Chicago or Paris are permitted or required to be closed. After True North has  
given written notice to Publicis of its exercise of the Remainder Put, or  
Publicis has given written notice to True North of its exercise of the Remainder  
Call, as the case may be, such notice shall be irrevocable, and True North shall  
be bound to sell to Publicis and Publicis shall be bound to buy from True North  
that number of shares of Communication Stock specified in such notice at the  
Put/Call Price. Notwithstanding the immediately preceding sentence, in the event  
that the Remainder Put or Remainder Call shall have been exercised but the  
closing of such transaction shall not have occurred within 180 days of such  
exercise, the exercising party, if not in breach of the provisions of such  
Remainder Put or Remainder Call, may cancel such exercise by written notice to  
the other party and upon such cancellation, neither party shall be required to  
fulfill its obligation with respect to such Remainder Put or Remainder Call (but  
otherwise without prejudicing the rights of any party with respect to a breach  
of such provisions by any other party).  
  
 1.2. Listing of Communication Stock. Publicis and Communication agree to  
use their respective best efforts to cause to be offered to the public and  
listed on a major European stock exchange prior to December 31, 1998, shares of  
the common stock, par value 100 French Francs, of Communication (including such  
other equity or debt securities as Communication may hereafter issue in respect  
of or in exchange for shares of such common stock in connection with any stock  
dividend or distribution, stock split-up, recapitalization, recombination, or  
exchange by Communication generally of shares of such common stock) (the  
"Communication Stock"). Publicis and Communication each agree to seek to cause  
such listing to occur in 1997. For the purposes of this Agreement, "major  
European stock exchange" shall be deemed to be the Paris Bourse or the London  
Stock Exchange. The intention of the parties is to provide True North with a  
means of selling its stake in Communication in a public market. A merger of  
Communication with an entity which is then publicly listed and which is the  
surviving corporation in such merger shall be deemed to be a public listing for  
all purposes under this Agreement.  
  
 1.3. Sale in Offering. Publicis and Communication shall give True North  
at least 30 days prior written notice of their intention to commence the  
offering and listing of Communication Stock. Upon True North's written request  
to Communication, given within 15 days of the receipt of such notice, to include  
in such offering shares of Communication Stock owned by True North, Publicis and  
Communication shall cause such shares to be included in such offering to the  
extent set forth below. True North's request shall include a schedule (the  
"Schedule") which shall set forth the amount of shares of Communication Stock  
which True North requests Communication to include in the offering assuming a  
range of hypothetical offering prices, which shall include the prices, based on  
a reasonable good faith estimate of market values, at which True North will  
  
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request Communication to include 25%, 33 1/3% and 50% of its interests in the  
offering. As set forth in such Schedule, True North may request that any amount  
of its Communication Stock be included in such offering, provided, that it shall  
be entitled to have offered in such offering up to, but no more than, 50% of the  
Communication Stock owned by True North at the time True North requests that  
such shares be included in such offering (or, if higher, up to, but no more  
than, 50% of the Communication Stock owned by True North immediately prior to  
the consummation of such offering (to the extent so requested by True North)) in  
priority over any other shares so offered, until all of the shares which True  
North is entitled to have offered (pursuant to the provisions of this sentence)  
are sold. Subject to its rights to withdraw from such offering, as set forth  
below in this Section, True North shall use all commercially reasonable efforts  
to cooperate with Communication and its agents and advisors in effecting such  
offering.  
  
 1.3.1 If the offering is to be made on a major European stock exchange and  
the laws and regulations applicable to an offering thereon require that, prior  
to such offering, offering documents which include a minimum offering price must  
be lodged with a regulatory entity, not less than 5 days prior to the lodging of  
the offering with the Commission des Operations de Bourse (the "COB") or other  
regulatory entity, as the case may be, Communication shall furnish True North  
with a written copy of the offering documents to be lodged with the COB or such  
regulatory entity, as the case may be, which shall include a minimum offering  
price per share. If the offering is to be made in a country which does not have  
such a regulatory requirement, then Communication agrees to give True North  
written notice not less than 5 days prior to the commencement of the offering,  
which notice shall contain a minimum offering price per share. Within 2 Business  
Days after its receipt of such documents or notice, as the case may be, True  
North may give written notification to Communication that it wishes to withdraw  
from the offering a portion or all of the shares it requested to be offered in  
accordance with the Schedule. If True North fails to give such notice within  
such time, it shall be deemed to have irrevocably committed to the offering all  
of its shares which it requested be offered in accordance with the Schedule;  
provided that the actual price at which shares are offered in such offering  
equals or exceeds the minimum offering price specified in the documents lodged  
with the COB or such regulatory entity or such notice, as the case may be. If  
True North so withdraws any or all of its shares and Publicis or Communication  
elects, each acting in its sole discretion, to offer and list any shares of  
Communication Stock in such offering, such offering and listing shall constitute  
the offering and listing of Communication Stock for all purposes under this  
Agreement. For the avoidance of doubt, the parties agree that if, following True  
North's election to withdraw some or all of its shares to be offered, the  
managing underwriter of such offering determines, in its sole discretion, that  
the number of shares remaining to be so offered shall be less than the number of  
shares required for a successful offering, such managing underwriter may  
terminate such offering and Publicis and Communication shall be deemed to have  
used their respective best efforts to effect such offering and listing of the  
Communication Stock for all purposes under this Agreement.  
  
 1.3.2. True North shall bear (i) its pro rata share of all underwriting  
discounts and commissions, listing or other regulatory fees of an offering to  
the extent incurred by Publicis and  
  
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Communication and (ii) all costs and expenses incurred directly by True North in  
connection with such offering, including, without limitation, the fees and  
expenses of counsel, investment advisors or other professionals hired by True  
North. Except as specifically provided in clause (i) of the immediately  
preceding sentence, True North shall not be responsible for any expenses  
incurred by Publicis or Communication in connection with the offering and  
listing of the Communication Stock. True North's pro rata share of expenses  
incurred under clause (i) of the second preceding sentence shall be the  
percentage that the aggregate number of shares of Communication Stock to be sold  
by True North constitutes of the aggregate number of shares to be sold in such  
offering and listing.  
  
 1.3.3. In connection with any listing and offering of Communication Stock  
pursuant to the terms of this Agreement, each of Publicis and Communication  
agrees to indemnify and hold True North and its subsidiaries harmless, in  
accordance with customary practice, against any and all losses, claims, damages  
or liabilities to which they may become subject under any statute or common law  
or otherwise and to reimburse them for any reasonable legal or other expenses  
incurred by them in connection with defending any actions, insofar as any such  
losses, claims, damages, liabilities or actions shall arise out of or shall be  
based upon any untrue statement or alleged untrue statement of a material fact  
contained in any offering documents or the omission or alleged omission to state  
a material fact necessary to make the statements therein, in light of the  
circumstances under which they were made, not misleading; provided, however,  
that the foregoing indemnification shall not apply to any losses, claims,  
damages, liabilities or actions which shall arise from the sale of shares of  
Communication Stock to any person if such losses, claims, damages, liabilities  
or actions which shall arise out of or shall be based upon any such untrue  
statement or alleged untrue statement, or any omission or alleged omission, if  
such statement or omission shall have been made in reliance upon or in  
conformity with information furnished in writing by True North. In connection  
with any listing and offering of Communication Stock pursuant to the terms of  
this Agreement, True North agrees to indemnify and hold Publicis and  
Communication and each of their subsidiaries harmless, in accordance with  
customary practice, against any and all losses, claims, damages or liabilities  
to which they may become subject under any statute or common law or otherwise  
and to reimburse them for any reasonable legal or other expenses incurred by  
them in connection with defending any actions, insofar as any such losses,  
claims, damages, liabilities or actions shall arise out of or shall be based  
upon any untrue statement or alleged untrue statement of a material fact  
contained in any offering documents or the omission or alleged omission to state  
a material fact necessary to make the statements therein, in light of the  
circumstances under which they were made, not misleading if such statement or  
omission shall have been made in reliance upon and in conformity with the  
information furnished in writing by True North to Communication in connection  
with the preparation of such registration or offering statement.  
  
 1.4. Put of Communication Stock if Not Listed. If Communication Stock has  
not been listed on a major European stock exchange on or prior to December 31,  
1998, then on or prior to March 31, 2000, True North shall have the right, in  
its sole discretion and on one occasion, to  
  
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require Publicis to purchase from True North (the "Expiration Put") up to, but  
not more than, the number of shares of Communication Stock which is equal to 20%  
(subject to adjustment) of the number of shares of Communication Stock issued  
and outstanding as of the date of exercise of such Expiration Put, subject to  
appropriate adjustments for stock dividends, splits, combinations, exchanges, or  
similar events, occurring subsequent to such date of exercise and prior to the  
consummation of such Expiration Put. The purchase price shall be a price equal  
to the fair market value, as of the date of the notice of exercise of the  
Expiration Put, of the block of Communication Stock sought to be sold by True  
North ("Fair Market Value"), as determined by a panel of three investment banks  
pursuant to the terms of Section 1.4.1, and upon exercise of the Expiration Put,  
True North shall be bound to sell and convey ownership of such shares, free of  
any Encumbrances, to Publicis and Publicis shall be bound to purchase such  
shares from True North and tender the purchase price therefor in accordance with  
Section 1.4.1. The 20% figure in the first sentence of this Section 1.4 shall be  
reduced if True North shall fail to exercise any Percentage Purchase Right or  
any True North Maintenance Right by multiplying 20 by a fraction, the numerator  
of which is the percentage of the issued and outstanding shares of Communication  
Stock owned by True North after such failure to exercise and the denominator of  
which is the percentage of such shares which would have been owned had there  
been an exercise. The applicable percentage of issued and outstanding shares of  
Communication Stock subject to the Expiration Put is referred to herein as the  
"Expiration Put Percentage." For the avoidance of doubt, the parties agree that  
the existence of the Expiration Put shall not relieve Publicis or Communication  
from their respective obligations pursuant to Section 1.2 to use their  
respective best efforts to offer and list the Communication Stock.  
  
 1.4.1. If True North wishes to exercise the Expiration Put, it shall give  
written notice to Publicis, subject to Section 1.4, at any time after December  
31, 1998 and on or prior to March 31, 2000, which notice shall include the  
number of shares of Communication Stock which it wishes Publicis to purchase and  
True North's selection of a globally recognized investment bank. Within 5 days  
of Publicis' receipt of such notice, Publicis shall give True North written  
notice of its selection of a globally recognized investment bank. If Publicis  
fails to select an investment bank within the allotted time, Publicis shall be  
deemed to have selected Lazard Freres. The two selected banks shall, within 10  
days, agree upon a third globally recognized investment bank. If the two  
selected banks cannot agree on a third globally recognized investment bank, such  
third bank shall be selected by lot from among four candidates, two to be  
nominated by each of the selected banks. Each of True North and Publicis,  
respectively, shall bear the fees and expenses of the investment bank selected  
by it, and the fees and expenses of the third investment bank shall be shared  
equally by True North and Publicis. The three selected banks shall be directed  
by each party hereto to fully cooperate with one another and act in good faith  
to arrive jointly at the Fair Market Value within 45 days of the selection of  
the third bank. If the three selected banks cannot agree on a single  
determination of the Fair Market Value within 45 days, the determination of Fair  
Market Value shall be made by the Arbitral Tribunal (as defined below) in  
accordance with Section 3.4.1 through 3.4.10 hereof. The Arbitral Tribunal shall  
be given Terms of Reference (as defined below) which shall mandate a decision  
within 180 days from the date of the Notice of Arbitration. The  
  
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purchase and sale of such shares shall be consummated within 5 Business Days  
following the determination of Fair Market Value. In exchange for the payment by  
Publicis of the Fair Market Value determined pursuant to this Section 1.4.1,  
which shall be payable by Publicis by wire transfer of immediately available  
funds in French Francs to a bank or other financial institution designated by  
True North, True North shall convey ownership of the Communication Stock subject  
to such Expiration Put to Publicis, free of any Encumbrances. After True North  
has given written notice to Publicis of its exercise of the Expiration Put, such  
notice shall be irrevocable, and True North shall be bound to sell to Publicis  
and Publicis shall be bound to buy from True North that number of shares of  
Communication Stock specified in such notice at the price determined pursuant to  
this Section 1.4.1. Notwithstanding the immediately preceding sentence, in the  
event that the Expiration Put shall have been exercised but the closing of such  
transaction shall not have occurred within 260 days of such exercise, the  
exercising party, if not in breach of the provisions of such Expiration Put, may  
cancel such exercise by written notice to the other party and upon such  
cancellation neither party shall be required to fulfill its obligation with  
respect to such Expiration Put (but otherwise without prejudicing the rights of  
any party hereto with respect to a breach of such provisions by any other  
party).  
  
 1.5. Maintenance of Percentage Ownership. If, at any time, or from time  
to time, (i) True North shall own securities having 20% or more of the total  
voting rights of all issued and outstanding equity of Communication (after  
giving pro forma effect to any Expiration Put, True North Maintenance Right,  
Remainder Put, Remainder Call or any prior exercise of the Percentage Purchase  
Right (as defined below) in each case if then exercised but not yet  
consummated), (ii) Communication issues or plans to issue a number of shares of  
Communication Stock or other equity securities (whether a new issuance of  
securities, securities issued upon the exercise of an option, warrant or  
conversion or an exchange right or other similar dilutive event (other than a  
repurchase by Communication or purchase by Publicis of Communication Stock from  
True North or its subsidiaries)) which would result, upon the consummation of  
the transaction giving rise to such issuance, in True North's owning securities  
having less than 20% of the total voting rights of each class of issued and  
outstanding equity securities of Communication (based on the number of  
outstanding shares) all as determined in accordance with clause (i) above, and  
(iii) the Communication Stock is not listed on a major European stock exchange  
on the date of the consummation of such issuance (upon the occurrence of (i),  
(ii) and (iii), the date of the consummation of such issuance being a "Dilution  
Date"), True North shall have the right, in its sole discretion, to purchase  
from Publicis and/or Communication (who shall determine in their sole discretion  
which of whom shall sell such shares), and Publicis and/or Communication, as the  
case may be, shall be obligated to sell to True North, a number of shares of  
Communication Stock or other equity securities, as applicable, of Communication  
(the "Percentage Purchase Right") such that, following the consummation of such  
purchase and the consummation of the transaction giving rise to the occurrence  
of such Dilution Date, True North shall own securities representing 20% of the  
total voting rights of each class of issued and outstanding equity securities of  
Communication, all as determined in accordance with clause (i) above. If either  
Publicis or Communication is prohibited under applicable law to sell its shares  
to True North pursuant to the  
  
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preceding sentence, then the party not so prohibited shall sell such shares to  
True North pursuant to the preceding sentence. The price per share of  
Communication Stock or other equity securities to be purchased by True North  
pursuant to the Percentage Purchase Right shall be the fair value of the per  
share consideration received by Communication in connection with the transaction  
giving rise to the occurrence of such Dilution Date (the "Transaction  
Valuation"). Notwithstanding the foregoing, to the extent that Communication  
issues options, warrants or purchase or subscription rights or any other non-  
voting security which converts into or can be exchanged for shares of  
Communication Stock or other voting security of Communication, the parties agree  
that a Dilution Date shall not have occurred with respect to such securities,  
until such time as the voting securities underlying such options, warrants,  
rights or other securities are issued. In respect of an event which both gives  
rise to a Dilution Date and constitutes a Publicis Acquisition, True North must  
elect between exercising a Percentage Purchase Right under Section 1.5 and  
exercising a True North Maintenance Right under Section 1.12. If either of such  
rights is exercised and consummated, True North's rights to (a) request the  
listing of Communication Stock pursuant to Section 1.6 and (b) exercise the  
Dilution Put pursuant to Section 1.6.1 shall be extinguished in respect of such  
event.  
  
 1.5.1. If Communication intends to issue additional shares of  
Communication Stock or other securities in an amount which would give rise to  
the occurrence of a Dilution Date, it shall give True North written notice not  
less than 10 Business Days in advance of the consummation of such event, which  
notice shall include the number of shares of Communication Stock or other  
securities which would be subject to the Percentage Purchase Right, the  
Transaction Valuation of such shares and sufficient information regarding such  
issuance transaction in order to reasonably substantiate the Transaction  
Valuation. So long as the Transaction Valuation has been approved by a majority  
of the three Outside Directors (as defined below) and by the Board of Directors  
of Communication, such Transaction Valuation shall be conclusive and binding  
upon the parties. Upon receipt of such notice, True North shall have 5 Business  
Days to give written notice to Communication that it wishes to exercise its  
Percentage Purchase Right with respect to such transaction. After True North has  
given written notice to Publicis of its exercise of the Percentage Purchase  
Right, such notice shall be irrevocable, and True North shall be bound to buy  
from Publicis and/or Communication and Publicis and/or Communication shall be  
bound to sell to True North that number of shares of Communication Stock  
specified in Communication's notice at the Transaction Valuation. The purchase  
and sale of shares pursuant to the Percentage Purchase Right shall be  
consummated simultaneously with the issuance transaction giving rise to such  
right, payment to be made by True North by certified check payable to Publicis  
and/or Communication, as the case may be.  
  
 1.6. Listing of Communication Stock if Ownership Diluted. Upon (i) True  
North having received written notice of the anticipated occurrence of a Dilution  
Date in accordance with Section 1.5.1, (ii) the occurrence of any Dilution Date  
and (iii) True North's failure to elect to exercise its Percentage Purchase  
Right with respect to such Dilution Date within the time period specified in  
Section 1.5.1, and upon the written request of True North given to Communication  
  
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within 5 Business Days following the Dilution Date, Publicis and Communication  
agree to use their respective best efforts to cause to be offered to the public  
and listed (within 120 days following the Dilution Date) on a major European  
stock exchange the Communication Stock. True North may request in such notice  
that any amount of its Communication Stock be included in such offering and  
listing, but shall be entitled only to have offered in the offering up to, but  
no more than, 50% of the Communication Stock owned by True North in the  
aggregate at the time True North requests for its shares or, if higher, up to,  
but not more than, 50% of the Communication Stock owned by True North  
immediately prior to the consummation of such offering (to the extent so  
requested by True North). True North's request shall include a schedule which  
shall set forth the amount of shares of Communication Stock which True North  
requests Communication to include in the offering assuming a range of  
hypothetical offering prices. Subject to its rights to withdraw from such  
offering, as set forth in this Section, True North shall use all commercially  
reasonable efforts to cooperate with Communication and its agents and advisors  
in effecting such offering. The obligations of the parties with respect to the  
offering and listing shall be treated as set forth in Section 1.3.1. The  
obligations of the parties with respect to indemnification and expenses of the  
offering and listing shall be treated as set forth in Sections 1.3.2 and 1.3.3.,  
respectively.  
  
 1.6.1. Put of Communication Stock if Ownership Diluted and Communication  
Stock Not Listed. If True North makes a written request pursuant to Section 1.6  
and the listing of the Communication Stock has not occurred within the 120 day  
period specified in Section 1.6, True North shall have the right, in its sole  
discretion and on one occasion per Dilution Date occurrence, which right shall  
be exercisable by written notice to Publicis for 30 days immediately following  
the expiration of such 120 day period, to require Publicis to purchase from True  
North (the "Dilution Put") all, but not less than all, of the shares of  
Communication Stock owned by True North on the date of such notice (the  
"Dilution Notice Date"), at the Dilution Price, calculated pursuant to the terms  
of Section 1.6.2, subject to appropriate adjustments for stock dividends,  
splits, combinations, exchanges, or similar events, occurring subsequent to such  
date but prior to the consummation of such Dilution Put, and upon exercise of  
the Dilution Put, Publicis shall be bound to purchase such shares from True  
North and tender the purchase price therefor, and True North shall be bound to  
tender such shares and convey ownership of such shares to Publicis, free of all  
Encumbrances, all in accordance with Section 1.6.3. For the avoidance of doubt,  
the parties agree that neither the existence of the Percentage Purchase Right  
nor the Dilution Put shall relieve Publicis or Communication from their  
respective obligations pursuant to Section 1.6 to use their respective best  
efforts to offer and list the Communication Stock.  
  
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 1.6.2. The Dilution Price shall be equal to (X) the number of shares of  
Communication Stock owned by True North on the Dilution Notice Date multiplied  
by (Y) the sum of (1)(A) 75% of the fair market value as of the Dilution Notice  
Date of the block of Communication Stock owned by True North on the Dilution  
Notice Date, as determined pursuant to the procedures set forth in Section  
1.4.1, divided by (B) the number of shares of Communication Stock owned by True  
North on the Dilution Notice Date, and (2) 25% of the Put/Call Price of  
Communication Stock, as determined pursuant to Section 1.1.1 as appropriately  
modified to replace all references to the Remainder Put with the Dilution Put.  
  
 1.6.3. Subject to the conditions set forth in Section 1.6.1, if True North  
wishes to exercise the Dilution Put, it shall give Publicis written notice of  
such exercise within 30 days of the expiration of the 120 day period referred to  
in Section 1.6, together with True North's estimated calculation of Put/Call  
Price (if then available) and True North's selection of a globally-recognized  
investment bank. The purchase and sale of such shares shall be consummated  
within 20 Business Days following the determination of the Dilution Price. In  
exchange for the payment by Publicis of the aggregate Dilution Price determined  
pursuant to Section 1.6.2, which shall be payable by Publicis by wire transfer  
of immediately available funds in French Francs to a bank or other financial  
institution designated by True North, True North shall convey ownership of all  
of the Communication Stock owned by True North on the Dilution Notice Date to  
Publicis, free of all Encumbrances. After True North has given written notice to  
Publicis of its exercise of the Dilution Put, such notice shall be irrevocable,  
and True North shall be bound to sell to Publicis and Publicis shall be bound to  
buy from True North that number of shares of Communication Stock owned by True  
North on the Dilution Notice Date.  
  
 1.6.4. Subsequent Dilutive Events. True North's rights under Sections 1.5  
through 1.6.1 of this Agreement shall apply with respect to each successive  
subsequent Dilution Date.  
  
 1.7. Transactions on Arm's Length Basis. So long as True North owns at  
least 10% of the issued and outstanding shares of Communication Stock, any  
significant transactions effected by Communication shall be effected on an arm's  
length basis; provided, that this Section shall not apply to the merger or other  
combination of PBV and Communication or acquisition of PBV by Communication.  
  
 1.8. Communication Directors. As soon as practicable, but no later than  
60 days after the consummation of the transactions contemplated by this  
Agreement and in all events prior to the consummation or corporate approval of  
any transaction to transfer to Communication agencies owned by Publicis, and so  
long thereafter as True North owns at least 10% of the issued and outstanding  
shares of Communication Stock, Communication shall elect to its Board of  
Directors three members who have no prior significant relationship with  
Publicis, True North or the directors or senior officers of either (the "Outside  
Directors"). Publicis and Communication shall consult with True North prior to  
the appointment of the three Outside Directors. A majority of the three Outside  
Directors and the Board of Directors of Communication must approve any  
  
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transaction (other than those specifically contemplated by this Agreement or the  
Memorandum of Agreement) of Communication, including transactions with Publicis  
or any affiliates of Publicis, that a majority of the three Outside Directors  
deem to be significant.  
  
 1.9. True North Director.  
  
 (a) If at any time or from time to time True North owns at least 18%  
of the issued and outstanding shares of Communication Stock, True North shall  
have the right to nominate and have elected one member of the Board of Directors  
of Communication.  
  
 (b) If, as a result of the occurrence of a Dilution Date or Publicis  
Acquisition, True North shall own less than 18% of the issued and outstanding  
shares of Communication Stock and True North shall have given (and not  
withdrawn) notice to Communication of its exercise of the Percentage Purchase  
Right or the True North Maintenance Right, as the case may be, True North shall  
retain its right to its directorship through the time of closing of such  
Percentage Purchase Right or the True North Maintenance Right, as the case may  
be.  
  
 (c) Following the offering and listing of Communication Stock,  
Publicis's and Communication's obligation pursuant to subsection (a) of this  
Section 1.9 shall be fulfilled by Publicis and Communication by (i) the  
inclusion of the nominee proposed by True North in the slate of nominees  
recommended by the Communication Board of Directors to stockholders for election  
as directors at the next annual meeting of stockholders of Communication if True  
North owns at least 18% of the issued and outstanding shares of Communication  
Stock at the time of slating of such nominees, (ii) Communication using  
reasonable efforts to cause the shares for which Communication's management or  
Board of Directors holds proxies or is otherwise entitled to vote to be voted in  
favor of such nominee and (iii) Publicis voting, or causing the vote of, shares  
of Communication Stock owned by it or any of its affiliates in favor of such  
nominee. Following the offering and listing of Communication Stock, if, as a  
result of the issuance of shares of Communication Stock or similar dilutive  
event affecting the Communication Stock, True North shall own less the 18% of  
the issued and outstanding shares of Communication Stock at the time of slating  
of the nominees recommended by the Communication Board of Directors to its  
stockholders for election of directors at any annual meeting of stockholders of  
Communication, Communication shall give True North written notice of the slating  
of directors and that True North owns less than 18% of the issued and  
outstanding shares of Communication and if, within 5 Business Days of receipt of  
such notice, True North gives Communication written notice stating that True  
North intends to purchase additional shares of Communication Stock such that  
True North will own at least 18% of the issued and outstanding shares of  
Communication Stock within six months of the date of such notice from True North  
to Communication, Communication shall continue to fulfill its obligations under  
clauses (i), (ii) and (iii) of the preceding sentence for such six month period;  
provided, however, that if True North does not effect such purchases within such  
six month period, True North, upon Communication's request, shall cause its  
designee on the Communication Board of Directors to immediately resign.  
Following such resignation, all of Communication's obligations with respect to  
this Section 1.9 shall terminate. If at any time True North shall own less than  
18% of the issued and outstanding shares of Communication Stock for any reason  
other than the issuance of shares of Communication Stock or similar dilutive  
event affecting the Communication Stock, True North, at the request of  
Communication, shall cause its designee on the Communication Board of Directors  
to immediately resign. Following such resignation, all of  
  
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Communication's obligations with respect to this Section 1.9 shall terminate.  
True North acknowledges that the Communication Board of Directors may form a  
committee, which does not include the True North designee, to consider issues  
involving a direct conflict between True North and Communication, provided that  
the formation of any such committee shall be approved by a majority of the non-  
management directors of Communication (excluding the True North designee). It is  
further understood and agreed that True North's designee shall not be an officer  
or director or employee of True North or any of its affiliates.  
  
 1.10. Financial Reports and Appraisals.  
  
 (a) So long as True North owns at least 10% of the issued and  
outstanding shares of Communication Stock, Communication shall (i) provide all  
financial and other information reasonably requested by True North for purposes  
of True North's compliance with U.S. income tax laws and other U.S. regulatory  
requirements, (ii) cause its independent auditors to complete their annual audit  
and provide the results to True North before February 15 of each year, and shall  
provide True North with unaudited quarterly consolidated financial results  
before April 30, July 30, and October 30 of each year.  
  
 (b) The parties acknowledge that in connection with the transactions  
contemplated in this Agreement, True North desires to obtain such independent  
appraisals as are necessary to support the necessary or desirable accounting for  
financial tax reporting purposes. Each of Publicis, Communication and PBV agrees  
to use all commercially reasonable efforts to provide the assistance necessary  
to enable True North to obtain such appraisals.  
  
 1.11. Transfer of Publicis Agency Network; True North Consent. Prior to  
the earlier of (i) the offering and listing of Communication Stock on a major  
European stock exchange or (ii) December 31, 1998, Publicis, Communication and  
PBV agree to combine or merge Communication and PBV and to transfer for  
consideration the Publicis global agency network owned by Publicis so that such  
global network is owned by Communication. True North authorizes and consents to  
any and all transactions designed to combine or merge Communication with PBV and  
any and all transactions designed to transfer the Publicis global agency network  
owned by Publicis so that such global network is owned by Communication.  
Following such transactions, Communication and its subsidiaries will be the  
holding company of the worldwide agency network for Publicis. It is understood  
and agreed that all such material transactions between Communication and  
Publicis will be effected on an arm's length basis.  
  
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 1.12. True North Maintenance Right. In the event that, prior to the  
completion of an initial public offering of the Communication Stock,  
Communication acquires any entity or interest from Publicis in a transaction  
involving the issuance of Communication Stock or other equity of Communication  
(a "Publicis Acquisition"), True North shall have the right, in its sole  
discretion, to purchase from Publicis and/or Communication (who shall determine  
in their sole discretion which of whom shall sell such shares), and Publicis  
and/or Communication, as the case may be, shall be obligated to sell to True  
North, a number of shares of Communication Stock or other securities (the "True  
North Maintenance Right") such that, following the consummation of such purchase  
and the consummation of such acquisition by Communication, True North shall own  
the same percentage of shares of Communication Stock owned by True North  
immediately prior to the Publicis Acquisition and to the extent of issuance of  
any other class of equity securities, True North shall own the same percentage  
of such other class as it owned of Communication Stock immediately prior to the  
Publicis Acquisition (after giving effect to the consummation of any Liquidity  
Right (as defined below) if such right was exercised and not withdrawn, but not  
yet consummated). For purposes of this Agreement the term "Liquidity Right"  
shall mean the Percentage Purchase Right, the listing of Communication Stock  
pursuant to Section 1.4 or 1.6, the Dilution Put, the Remainder Put, the  
Remainder Call and the Expiration Put. If either Publicis or Communication is  
prohibited under applicable law to sell its shares to True North pursuant to the  
preceding sentence, then the party not so prohibited shall sell such shares of  
Communication Stock or other securities to True North pursuant to the preceding  
sentence. The price per share of Communication Stock to be purchased by True  
North pursuant to the True North Maintenance Right shall be the per share value  
of the consideration received by Communication in connection with such Publicis  
Acquisition. In respect of an event which both gives rise to a Dilution Date and  
constitutes a Publicis Acquisition, True North must elect between exercising a  
Percentage Purchase Right under Section 1.5 and exercising a True North  
Maintenance Right under Section 1.12. If either of such rights is exercised and  
consummated, True North's rights to (a) request the listing of Communication  
Stock pursuant to Section 1.6 and (b) exercise the Dilution Put pursuant to  
Section 1.6.1 shall be extinguished in respect of such event.  
  
 1.12.1. If Communication intends to consummate a Publicis Acquisition, it  
shall give True North written notice not less than 10 Business Days in advance  
of the consummation of such event, which notice shall include the number of  
shares of Communication Stock or other securities subject to the True North  
Maintenance Right, the price per share and sufficient information regarding such  
issuance transaction in order to reasonably substantiate the price per share. So  
long as the price per share has been approved by a majority the three Outside  
Directors and by the Board of Directors of Communication, such price per share  
shall be conclusive and binding on the parties. Upon receipt of such notice,  
True North shall have 5 Business Days to give written notice to Communication  
that it wishes to exercise its True North Maintenance Right with respect to such  
transaction. After True North has given written notice to Publicis of its  
exercise of the True North Maintenance Right, such notice shall be irrevocable,  
and True North shall be bound to buy from Publicis and/or Communication and  
Publicis and/or Communication shall be bound to sell to True North that number  
of shares of Communication Stock specified in Communication's notice at  
  
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such aggregate price. The purchase and sale of shares pursuant to the True North  
Maintenance Right shall be consummated simultaneously with the issuance  
transaction giving rise to such right, payment to be made by True North by  
certified check payable to Publicis and/or Communication, as the case may be.  
  
 1.13. Communication May Act for Publicis; Guarantee. The parties agree  
that Publicis shall have the right, acting in its sole discretion, to assign to  
Communication Publicis's rights and/or obligations to purchase shares of  
Communication Stock from True North, pay the purchase price therefor and fulfill  
any or all of the obligations of Publicis in connection therewith in the event  
of the exercise of any Remainder Put, Remainder Call, Expiration Put, Dilution  
Put or rights pursuant to Section 1.16; provided, that in the event of any such  
assignment, Publicis shall remain liable for the performance of any and all  
obligations owing to True North in any such event. Publicis hereby guarantees  
the performance of all obligations of Communication under this Agreement.  
  
 1.14. True North Equity Rights. For purposes of Article I, references to  
shares of Communication Stock owned by True North shall be deemed to refer to  
shares of Communication Stock owned by True North and its subsidiaries, in the  
aggregate. In the event that True North shall acquire, upon exercise of a  
Percentage Purchase Right or a True North Maintenance Right, any shares of a  
class of equity securities other than Communication Stock, such shares shall be  
includible in any other Liquidity Right (other than the obligation of  
Communication to list equity securities pursuant to sections 1.4 or 1.6).  
  
 1.15. Currency. All references to French Francs shall be deemed to refer  
to French Francs or any successor currency.  
  
 1.16. Publicis Maintenance of Majority Control of Communication.  
  
 (a) In the event that, following an acquisition by Communication of a  
privately held advertising company, an exercise by True North of its Percentage  
Purchase Right or its True North Maintenance Right, together with the issuance  
of Communication Stock or other securities giving rise thereto, would result in  
Publicis owning securities having less than 51% of the total voting rights of  
each class of issued and outstanding equity securities of Communication (based  
on the number of outstanding shares), Communication shall issue non-voting  
securities to True North in lieu of voting securities to the extent required to  
maintain such 51% control by Publicis. Such non-voting securities shall be  
identical in all respects (other than voting rights) to the Communication Stock  
or other securities otherwise issuable pursuant to the Percentage Purchase Right  
or True North Maintenance Right, as applicable, and shall be issued upon the  
same price and other terms. For purposes of the percentage threshold  
requirements of Sections 1.9 and 1.10, such non-voting securities shall be  
treated as if they had the same voting rights as the voting securities otherwise  
issuable.  
  
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 (b) If (i) notwithstanding True North's exercise of its commercially  
reasonable efforts to maintain equity accounting treatment for its investment in  
Communication, it is unable to do so under United States generally accepted  
accounting principles due solely to its receipt of non-voting securities in lieu  
of voting securities pursuant to Section 1.16(a), and (ii) the Communication  
Stock has not been listed on a major European stock exchange, then True North  
shall promptly notify Publicis in writing of its inability to maintain equity  
accounting treatment, and Publicis shall purchase from True North, and True  
North shall sell to Publicis, all such non-voting securities at the same price  
originally paid for them by True North. The purchase and sale of such shares  
shall be consummated within 20 Business Days following the date of True North's  
notice. In exchange for the payment by Publicis of the aggregate price for such  
non-voting securities, which shall be payable by Publicis by wire transfer of  
immediately available funds in French Francs to a bank or other financial  
institution designated by True North, True North shall convey ownership of all  
of such non-voting securities to Publicis, free of all Encumbrances.  
  
 (c) True North may elect in addition, in its notice given pursuant to  
Section 1.16(b), to require Publicis to purchase from True North (the  
"Accounting Put") all, but not less than all, of the shares of Communication  
Stock owned by True North on the date of such notice (the "Accounting Notice  
Date"), at the Accounting Price, as defined below, subject to appropriate  
adjustments for stock dividends, splits, combinations, exchanges, or similar  
events, occurring subsequent to such date but prior to the consummation of such  
Accounting Put, and upon exercise of the Accounting Put, Publicis shall be bound  
to purchase such shares from True North and tender the purchase price therefor,  
and True North shall be bound to tender such shares and convey ownership of such  
shares to Publicis, free of all Encumbrances, all in accordance with this  
paragraph (c). True North shall specify in such notice its selection of a  
globally-recognized investment bank. The Accounting Price will be determined as  
follows: The percentage of voting shares of Communication owned by True North at  
the time of the Accounting Notice Date multiplied by the fair market value of  
the combined enterprise of Communication and the acquired or merged entity. The  
fair market value of the combined enterprise will be established pursuant to the  
procedures set forth in Section 1.4.1. The purchase and sale of such shares  
shall be consummated within 20 Business Days following the determination of the  
Accounting Price. In exchange for the payment by Publicis of the aggregate  
Accounting Price, which shall be payable by Publicis by wire transfer of  
immediately available funds in French Francs to a bank or other financial  
institution designated by True North, True North shall convey ownership of all  
of the Communication Stock owned by True North on the Accounting Notice Date to  
Publicis, free of all Encumbrances.  
  
 Article II  
  
 Other Agreements  
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 2.1. Covenants and Consents of True North with Respect to South Africa,  
Thailand, Argentina and India.  
  
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 2.1.1. True North, on its own behalf and to the extent of its ownership  
interest in any direct or indirect subsidiaries and investees, hereby (i) waives  
any and all pre-emptive or similar rights it has or may have with respect to the  
shares of the Partnership agency in South Africa and (ii) consents to the sale  
by Xxxxxxx Xxxxxxxx/FCB or any of its affiliates to Publicis or any of its  
affiliates of 100% of the Partnership agency in South Africa, as agreed by the  
parties.  
  
 2.1.2. At the Closing, True North agrees that it shall pay Publicis, by  
certified check payable to Publicis, US $310,000. Such payment represents True  
North's allocated portion of the purchase price to be paid by Publicis for the  
Prakit-Publicis agency in Thailand. If Publicis has not acquired the Prakit-  
Publicis agency as contemplated by the Thailand Agreement (as defined below)  
prior to June 30, 1998, then Publicis shall pay True North, by certified check  
payable to True North, US$310,000 within 30 days following such date; provided,  
however, that Publicis shall not be required to pay such US $310,000 if the  
failure to acquire the Prakit-Publicis agency results directly or indirectly  
from the breach by True North or any of its affiliates of the obligations set  
forth in the Agreement (Thailand) among the parties hereto dated as of the date  
hereof (the "Thailand Agreement").  
  
 2.1.3. True North agrees to service the Nestle, L'Oreal and other Publicis  
client accounts in Argentina through Pragma/FCB pursuant to the terms of Section  
2.6 of this Agreement until such time as Publicis shall have established stand-  
alone operations in Argentina. At such time as Publicis notifies True North that  
it has established stand-alone operations in Argentina, True North shall,  
pursuant to Section 2.7 of this Agreement, transfer the Nestle, L'Oreal and  
other Publicis client accounts, if any, to Publicis' stand-alone agency.  
  
 2.1.4. True North agrees that until the consummation of the transactions  
contemplated by the Thailand Agreement and the Agreement (India) among the  
parties hereto dated as of the date hereof (the "India Agreement"), True North  
will service the Nestle, L'Oreal and other Publicis client accounts, if any, in  
Thailand and India through Prakit/FCB and FCB/Xxxx, respectively, pursuant to  
the terms of Section 2.6 of this Agreement. If, for any reason, the transactions  
contemplated by either the Thailand Agreement and the India Agreement are not  
consummated, True North agrees to continue to service the Nestle, L'Oreal and  
other Publicis client accounts, if any, in Thailand and India pursuant to  
Section 2.6. Pursuant to Section 2.7 of this Agreement, True North agrees to  
transfer the Nestle, L'Oreal and other Publicis client accounts to Publicis  
stand-alone agency.  
  
 2.2 Publicis Director.  
  
 (a) If at any time or from time to time Communication owns at least 18% of  
the issued and outstanding shares of the Common Stock, par value $.33 1/3 per  
share (the "True North Stock"), Communication shall have the right to nominate  
and have elected one member of the Board of Directors of True North.  
  
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 (b) True North's obligation pursuant to the preceding sentence has been  
fulfilled by True North by the nomination of Communication's designee for  
election to the True North Board of Directors at the 1997 Annual Meeting (unless  
such designee is then serving on such Board of Directors) and its commitment to  
use its reasonable best efforts to cause the shares for which True North's  
management or Board of Directors holds proxies or is otherwise entitled to vote  
to be voted in favor of such nominee and thereafter by (i) the inclusion of the  
nominee proposed by Communication in the slate of nominees recommended by the  
True North Board of Directors to stockholders for election as directors at the  
next annual meeting of stockholders of True North if Communication owns at least  
18% of the issued and outstanding shares of True North stock at the time of  
slating of such nominees, and (ii) True North's using reasonable best efforts to  
cause the shares for which True North's management or Board of Directors holds  
proxies or is otherwise entitled to vote to be voted in favor of such nominee.  
If, as a result of the issuance of shares of True North Stock or similar  
dilutive event affecting the True North Stock, Communication shall own less than  
18% of the issued and outstanding shares of True North Stock at the time of  
slating of the nominees recommended by the True North Board of Directors to its  
stockholders for election of directors at any annual meeting of stockholders of  
True North, True North shall give Communication written notice of the slating of  
directors and that Communication owns less than 18% of the issued and  
outstanding shares of True North and if, within 5 business days of receipt of  
such notice, Communication gives written notice to True North stating that  
Communication intends to purchase additional shares of True North Stock such  
that Communication will own at least 18% of the issued and outstanding shares of  
True North Stock within six months of the date of such notice from Communication  
to True North, True North shall continue to fulfill its obligations under  
clauses (i) and (ii) of the preceding sentence for such six month period;  
provided, however, that if Communication does not effect such purchases within  
such six month period, Communication, at the request of True North, shall cause  
its designee on the True North Board of Directors to immediately resign.  
Following such resignation, all of True North's obligations with respect to this  
Section 2.2 shall terminate. If at any time Communication shall own less than  
18% of the issued and outstanding shares of True North Stock for any reason  
other than the issuance of shares of True North Stock or similar dilutive event  
affecting the True North Stock, Communication shall cause its designee on the  
True North Board of Directors to immediately resign. Following such resignation,  
all of True North's obligations with respect to this Section 2.2 shall  
terminate. Communication acknowledges that the True North Board of Directors may  
form a committee, which does not include the Communication designee, to consider  
issues involving a direct conflict between Communication and True North,  
provided that the formation of any such committee shall be approved by a  
majority of the non-management directors of True North (excluding the  
Communication designee). It is further understood and agreed that  
Communication's designee shall not be an officer or director or employee of  
either Publicis or Communication or any of their affiliates.  
  
 2.3. Financial Reports. So long as Publicis and/or Communication owns at  
least 10% of the issued and outstanding shares of True North Stock, True North  
shall provide all financial and other information reasonably requested by  
Publicis and/or Communication for purposes of their  
  
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compliance with French and European income tax laws and other French and  
European regulatory requirements, shall cause its independent auditors to  
complete their annual audit and provide the results to Publicis and  
Communication before February 15 of each year, and shall provide Publicis and  
Communication with unaudited quarterly consolidated financial results before  
April 30, July 30, and October 30 of each year.  
  
 2.4. Use of Names.  
  
 2.4.1. As between True North, FCBI and TNBV, on the one hand, and  
Publicis, Communication and PBV on the other hand, True North and FCBI shall own  
all right, title and interest in and to any trademark, service xxxx or trade  
name (collectively "Trademarks") which comprises or incorporates any of the  
following: Xxxxx, Cone & Xxxxxxx, FCB, True North, TN, Impact, Mind & Mood or  
Xxxx (collectively, the "True North Trademarks").  
  
 2.4.2. As between True North, FCBI and TNBV, on the one hand, and  
Publicis, Communication and PBV on the other hand, Publicis, Communication and  
PBV shall own all right, title and interest in and to any Trademark which  
comprises or incorporates any of the following: Publicis, FCA/BMZ or Optimedia  
(collectively, the "Publicis Trademarks").  
  
 2.4.3. Except as provided for herein, each of True North, FCBI and TNBV  
agrees that it will not, and will not permit its subsidiaries to, use, adopt,  
apply to register or register any Trademark which comprises or contains a  
Publicis Trademark. Except as provided for herein, each of Publicis,  
Communication and PBV agrees that it will not, and will not permit its  
subsidiaries to, use, adopt, apply to register or register any Trademark which  
comprises or contains a True North Trademark. The parties hereby agree that  
neither will, nor permit any of their respective subsidiaries to, challenge the  
use of the other party's Trademarks anywhere in the world.  
  
 2.4.4. As soon as reasonably practicable, but in no event later than 30  
days after the consummation of the transactions contemplated by this Agreement,  
each party, and each of its respective subsidiaries, shall cease to use any  
Trademark owned by the other.  
  
 2.4.5. If True North, FCBI or TNBV, or any of their respective  
subsidiaries, has obtained a Trademark registration in any country for any  
Publicis Trademark or has applied to register a Publicis Trademark in any  
country, each of True North, FCBI and TNBV agrees to assign, or cause its  
subsidiaries to assign, such Trademark registrations or applications and all its  
rights herein to Communication, except for Trademarks comprised of both a  
Publicis Trademark and a non-Publicis Trademark, which (rather than being  
assigned to Communication) shall be affirmatively abandoned or amended so as to  
effectively eliminate all use or reference to the Publicis Trademark. If  
Publicis, Communication or PBV or any of their respective subsidiaries has  
obtained a Trademark registration in any country for any True North Trademark or  
has applied to register a True North Trademark in any country, each of Publicis,  
Communication and PBV agrees  
  
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to assign, or cause its subsidiaries to assign, such Trademark registrations or  
applications and all its rights therein to True North, except for Trademarks  
comprised of both a True North Trademark and a non-True North Trademark, which  
(rather than being assigned to True North) shall be affirmatively abandoned or  
amended so as to effectively eliminate all use or reference to the True North  
Trademark.  
  
 2.4.6. None of True North, FCBI or TNBV, nor any of their respective  
subsidiaries, has granted nor is obligated to grant a license, assignment or  
other right in respect of any Publicis Trademark nor has it sold or otherwise  
encumbered any Publicis Trademark. None of Publicis, Communication nor PBV, nor  
any of their respective subsidiaries, has granted nor is obligated to grant a  
license, assignment or other right in respect of any True North Trademark nor  
has it sold or otherwise encumbered any True North Trademark.  
  
 2.4.7. Each party agrees to work diligently to identify all Trademarks or  
registrations or applications therefor worldwide which are subject to this  
Agreement and to take those steps that may be necessary to effectuate the  
purposes of this Agreement when and as any such Trademark or registration or  
application therefor becomes known to it. Each party shall advise the other when  
and as it learns of any information concerning any such Trademarks or  
registrations or applications therefor. The parties further agree that they will  
cooperate with each other in all reasonable respects regarding this Agreement  
and each will promptly execute any document reasonably necessary to facilitate  
the protection by the other party of its Trademarks anywhere in the world. The  
parties further agree that they will cause any entity owned or controlled by  
either of them to cooperate in effectuating the terms of this Agreement and to  
execute any document necessary to facilitate the terms of this Agreement.  
  
 2.5. Coordination Fees. Each of True North, FCBI and TNBV, on the one  
hand, and Publicis, Communication and PBV, on the other hand, shall pay to the  
other coordination fees of 1% of capitalized xxxxxxxx for "qualified  
international accounts" (as hereinafter defined), computed as being 6.67% of  
revenue from such qualified international accounts. Such fees shall be payable  
hereunder retroactively from January 1, 1996. Each of True North, FCBI and TNBV,  
on the one hand, and Publicis, Communication and PBV, on the other hand, agree  
to pay all such fees due in respect of xxxxxxxx during calendar year 1996 on or  
prior to June 30, 1997, such payment to be made by certified check. All fees due  
in respect of each succeeding calendar year, including 1997, shall be due and  
payable on June 30 of the year immediately following such year, such payment to  
be made by appropriate means. Each of True North, FCBI and TNBV, on the one  
hand, and Publicis, Communication and PBV, on the other hand, agree to provide  
the other party with such information requested by such party as is reasonably  
required in order to substantiate such fee requests. "Qualified international  
accounts" are clients which are (i) aligned on a worldwide basis with either  
Publicis or True North, (ii) served by a worldwide coordination team working  
with an agency consisting of agency employees located in proximity to the  
client's headquarters and delivering services through local agencies and (iii)  
coordinated on and administered by such team through a global network of local  
agencies. Specific clients which will be "qualified international  
  
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accounts" for 1996 and subsequent years, if any, will be jointly agreed upon by  
the CEO of Communication and the CEO of FCB  
  
 2.6. Collaboration in Certain Countries. For a period of one year from  
the date of this Agreement, each of Publicis, Communication and PBV, on the one  
hand, and True North, FCBI and TNBV, on the other hand, shall, upon request,  
service clients of the other in countries where the other has not established  
operations. This covenant shall be renewable for additional one year terms by  
either party upon the delivery of written notice to the other prior to the 60th  
day prior to the expiration of such period. Each of the foregoing arrangements  
shall be terminable on a country-by-country basis by either party upon 6 weeks  
prior written notice.  
  
 2.7. Transfer of Certain Clients, Employees. Subject to the parties  
understanding that the concurrence of a client to a transfer of its account from  
one agency to another is the way the advertising business works (and it is the  
parties' assumption that neither party will attempt to obstruct such  
concurrence), each client of Publicis, Communication and PBV, on the one hand,  
and True North, FCBI and TNBV, on the other hand, whose account was managed by  
the other party because such client was located within the other party's "sphere  
of influence" (within the meaning of such term under the Master Alliance  
Agreement referred to below), shall be transferred to the party having the  
worldwide agreement with such client. Such transfer shall be effected as soon as  
possible after the party having such worldwide agreement has available to it, in  
its sole judgment, agencies capable of serving such transferred client.  
Employees of the transferring party responsible primarily for the servicing of  
such transferred client shall be given the opportunity to leave the employ of  
the transferring party and become employed by the agency to whom the client is  
to be transferred.  
  
 2.8. Termination of Adversarial Proceedings; Releases. Each of Publicis,  
Communication and PBV, and their respective subsidiaries, on the one hand and  
True North, FCBI and TNBV, and their respective subsidiaries, on the other hand,  
shall immediately and irrevocably terminate with prejudice any and all  
adversarial proceedings now pending between them, of every nature and in every  
forum, including all litigation or arbitration which arises out of events  
occurring prior to the date of this Agreement.  
  
 2.8.1. Non-Assignment of Claims. Each of True North, FCBI and TNBV  
represents and warrants, on behalf of themselves and their respective  
subsidiaries, to Publicis, Communication and PBV that it has not assigned and  
will not assign any claim it may have against the Publicis Released Parties, as  
defined in paragraph 2.8.2 herein, to any other person or entity. Each of  
Publicis, Communication and PBV, on behalf of themselves and their respective  
subsidiaries, represent and warrant to True North, FCBI and TNBV that they have  
not assigned and will not assign any claim they may have against the True North  
Released Parties, as defined in paragraph 2.8.3 herein, to any other person or  
entity.  
  
 2.8.2. True North Release of Publicis. Each of True North, FCBI and TNBV,  
on behalf   
  
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of themselves, their respective subsidiaries, and each of their respective  
officers, directors, employees and affiliates, hereby releases, remises and  
forever discharges Publicis, Communication, PBV, their respective subsidiaries  
and each of their respective present and former officers, directors, employees,  
shareholders, principals, affiliates, subsidiaries, consultants and agents  
(collectively, the "Publicis Released Parties") from all actions, causes of  
action, suits, debts, dues, sums of money, claims for unpaid remuneration,  
accounts, reckonings, bonds, bills, specialties, covenants, contracts,  
controversies, agreements, promises, variances, trespasses, damages, judgments,  
extents, executions, obligations, claims and demands whatsoever ("True North  
Claims"), in contract or tort, in law or equity, whether known or unknown,  
including without limitation, all True North Claims arising under or related in  
any way to the Master Alliance Agreement and the other agreements and  
undertakings contemplated thereby, which True North or True North's successors  
and assigns ever had, now have or hereafter can, shall or may have against the  
Publicis Released Parties for, upon, or by reason of any matter, cause or thing  
whatsoever from the beginning of the world to the date hereof, but excluding any  
True North Claims relating to or arising under this Agreement and the other  
Operative Agreements (as hereinafter defined).  
  
 2.8.3. Publicis Release of True North. Each of Publicis, Communication  
and PBV, on behalf of themselves, their respective subsidiaries, and each of  
their respective officers, directors, employees and affiliates, hereby releases,  
remises and forever discharges True North, FCBI, TNBV, their respective  
subsidiaries and each of their respective present and former officers,  
directors, employees, shareholders, principals, affiliates, subsidiaries,  
consultants and agents (collectively, the "True North Released Parties") from  
all actions, causes of action, suits, debts, dues, sums of money, claims for  
unpaid remuneration, accounts, reckonings, bonds, bills, specialties, covenants,  
contracts, controversies, agreements, promises, variances, trespasses, damages,  
judgments, extents, executions, obligations, claims and demands whatsoever  
("Publicis Claims"), in contract or tort, in law or equity, whether known or  
unknown, including without limitation, all Publicis Claims arising under or  
related in any way to the Master Alliance Agreement and the other agreements and  
undertakings contemplated thereby, which Publicis or Publicis's successors and  
assigns ever had, now have or hereafter can, shall or may have against the True  
North Released Parties for, upon, or by reason of any matter, cause or thing  
whatsoever from the beginning of the world to the date hereof, but excluding any  
Publicis Claims relating to or arising under this Agreement and the other  
Operative Agreements.  
  
 2.9. Publicis Consent to Certain Transactions. Subject to the provisions  
of Section 2.4, each of Publicis, Communication and PBV authorizes and consents  
to any and all transactions by True North and its subsidiaries in Europe  
designed to establish an independent True North network in Europe; provided that  
such authorization and consent shall not extend to the solicitation by any of  
True North, FCBI, TNBV or any of their respective subsidiaries of employees or  
clients of any of Publicis, Communication or PBV or their respective  
subsidiaries.  
  
 2.10. Status of Alliance Agreements. The parties hereto hereby confirm  
the status of the  
  
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following agreements previously entered into between and among the parties  
hereto:  
  
 a. The Master Alliance Agreement dated as of January 1, 1989 between  
 Communication and True North (then known as Xxxxx, Cone & Xxxxxxx  
 Communications, Inc.) has been terminated in its entirety and has no  
 current or further force or effect.  
  
 b. The Publicis Communication Shareholders Agreement dated as  
 January 1, 1989 among Communication, Publicis and True North (then  
 known as Xxxxx, Cone & Xxxxxxx Communications, Inc.) has been  
 terminated in its entirety and has no current or further force or  
 effect.  
  
 c. The FCB Stockholders Agreement dated as of January 1, 1989  
 between Communication and True North (then known as Xxxxx, Cone &  
 Xxxxxxx Communications, Inc.) has been terminated in its entirety and  
 has no current or further force or effect.  
  
 d. The PBV Stockholders Agreement dated as of January 1, 1989 among  
 Communication, FCBI and PBV has been terminated in its entirety and  
 has no current or further force or effect.  
  
 e. The Publicis Undertaking made and entered into as of January 1,  
 1989 by Publicis has been terminated in its entirety and has no  
 current or further force or effect.  
  
 f. The Multiparty Arbitration Agreement dated as of January 1, 1989  
 among Communication, Publicis, FCBI, True North and PBV has been  
 terminated in its entirety and has no current or further force or  
 effect.   
  
 g. The Registration Rights Agreement dated as of January 1, 1989  
 (the "Registration Rights Agreement") between Communication and True  
 North (then known as Xxxxx, Cone & Xxxxxxx Communications, Inc.) is,  
 as of the date hereof, in full force and effect and is hereby agreed  
 by the parties to be in all respects reaffirmed, remade and ratified;  
 provided, that the arbitration provisions contained in Sections 8(b)  
 and (c) thereof are agreed by the parties to be replaced with the  
 arbitration provisions contained in Sections 3.4.2 through 3.4.10  
 hereof.  
  
In respect of each of the agreements referred to in this Section, each of the  
parties hereto agrees to take, or cause to be taken, all actions and to do, or  
cause to be done, all things necessary or desirable under applicable laws and  
regulations to confirm the terminations provided for under clauses a through f,  
and the reaffirmation provided for under clause g, of this Section.  
  
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 2.11. Right of Communication to Buy True North Stock. True North agrees  
that it shall not on or before March 31, 2000 (i) amend the Rights Agreement,  
dated as November 16, 1988, between True North (then known as Xxxxx, Cone &  
Xxxxxxx Communications, Inc.) and Xxxxxx Trust and Savings Bank, to establish an  
ownership threshold below 22% as it relates to Communication, (ii) adopt a new  
rights agreement (or other device similar to a rights agreement) with an  
ownership threshold below 22% as it relates to Communication; or (iii) amend its  
bylaws, certificate of incorporation or fail to take an action under Section 203  
of the Delaware General Corporation law (or the analogous statute in another  
jurisdiction applicable to True North) which would limit Communication's ability  
to beneficially own up to 22% of the outstanding shares of True North Stock.  
  
 2.12. Payment of Fees. Upon the consummation of the transactions  
contemplated by this Agreement and as a condition to the transfers contemplated  
by the Share Repurchase and Share Exchange Agreement (as hereinafter defined),  
True North agrees that it shall pay Publicis, by certified check payable to  
Publicis, US$2,300,000 in respect of coordination and development fees due for  
the years 1992, 1993, 1994 and 1995.  
  
 2.13. Payment of Dividends. At the Closing, True North agrees that it  
shall pay Publicis, by certified check payable to Publicis, FFr 8,500,000 (less  
an agreed amount to provide for True North's anticipated tax burden, if any) in  
respect of dividends of Gnomi FCB Athens for the years 1992, 1993, 1994 and  
1995.  
  
 2.14. Closing of All Transactions. The Closing (as defined below) shall  
take place on Tuesday, June 10, 1997 (the "Closing Date") at 10:00 a.m. U.S.  
Eastern Daylight Time at the offices of Xxxxxx, Xxxxx & Xxxxx, 1330 Avenue of  
the Americas, New York, NY USA. All of the actions to be taken and documents to  
be executed and delivered at the closing shall be deemed to be taken, executed  
and delivered simultaneously, and no such action, execution or delivery shall be  
effective until all actions to be taken and execution and deliveries to be  
effected at the closing are complete.  
  
 At the Closing:  
  
 (1) the transactions contemplated by the Share Purchase and Share  
 Exchange Agreement shall be consummated;  
  
 (2) the transactions contemplated by the Germany Agreement shall be  
 consummated;  
  
 (3) the parties shall execute and deliver the definitive agreement  
 contemplated by the Australian Agreement; and  
  
 (4) True North shall pay to Publicis:  
  
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 (i) U.S.$310,000 pursuant to Section 2.1.2.  
  
 (ii) U.S.$2,300,000 pursuant to Section 2.12.  
  
 (iii) FFr 8,500,000 (less an agreed amount to provide for True  
 North's anticipated tax burden, if any) pursuant to Section 2.13.  
  
 2.15. Effective Date of Transactions. The parties agree that the  
effective date of the transactions contemplated by the Share Repurchase and  
Share Exchange Agreement shall be January 1, 1997. Notwithstanding the  
foregoing, the parties acknowledge that True North reserves the right to treat  
the closing date of such transactions as the effective date for US financial and  
tax reporting purposes.  
  
 Article III  
  
 Miscellaneous  
  
 3.1. Entire Agreement. This Agreement, the Memorandum of Agreement  
dated February 19, 1997 (the "Memorandum of Agreement") among Publicis,  
Communication, PBV, True North, Xxxxx, Cone & Xxxxxxx Communications Inc., FCBI,  
the Registration Rights Agreement, the Share Repurchase and Share Exchange  
Agreement, dated as of the date hereof (the "Share Repurchase and Share Exchange  
Agreement"), the India Agreement, the Thailand Agreement, the Germany Agreement,  
the Pooling Agreement and the Australian Agreement (collectively, the "Operative  
Agreements") constitute the full and entire understanding and agreement between  
the parties with regard to the subject matter hereof and supersede all prior  
agreements and understandings among the parties relating to the subject matter  
hereof. With the exception of the Memorandum of Agreement and the Registration  
Rights Agreement, no Operative Agreement will be of any force or effect until  
all Operative Agreements have been executed and delivered by each party thereto.  
To the extent that there is any conflict between the provisions of the  
Memorandum of Agreement and the provisions of this Agreement or the other  
Operative Agreement, dated as of the date hereof, the provisions of this  
Agreement or the other Operative Agreement, dated as of the date hereof shall  
govern.  
  
 3.2. Notices. Any notice, request or other demand to or upon the  
parties hereto shall be in writing (including telex and telecopy communication  
followed by registered mail with return receipt requested) and, unless otherwise  
expressly provided herein, shall be deemed to have been duly given or made when  
delivered by hand, or when telexed (answer-back received) or telecopied (with  
receipt acknowledged) addressed to the party for which intended as provided  
below (or as hereafter specified by such party by notice hereunder):  
  
 If to Communication, Publicis or PBV, to it at:  
  
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 000 xxxxxx xxx Xxxxxx-Xxxxxxx  
 00000 Xxxxx Cedex 08  
 France  
 Attention: President-Directeur General  
 Telecopy: 00-0-00-00-00-00  
  
 with a copy to:  
  
 Xxxxxx, Xxxxx & Xxxxx  
 1330 Avenue of the Americas  
 Xxx Xxxx, Xxx Xxxx 00000  
 Xxxxxx Xxxxxx of America  
 Attention: Xxxxxx X. Xxxx, Esq.  
 Telecopy: 000-000-0000  
  
 If to True North, FCBI or TNBV, to it at:  
  
 000 Xxxx Xxxx Xxxxxx  
 Xxxxxxx, Xxxxxxxx 00000  
 Xxxxxx Xxxxxx of America  
 Attention: Chief Executive Officer  
 Telecopy: 0-000-000-0000  
  
 with a copy to:  
  
 General Counsel  
 True North Communications Inc.  
 000 Xxxx Xxxx Xxxxxx  
 Xxxxxxx, Xxxxxxxx 00000  
 Xxxxxx Xxxxxx of America  
 Telecopy: 0-000-000-0000  
  
 with a copy to:  
  
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 Sidley & Austin  
 One First National Plaza  
 Chicago, Illinois 60603  
 Unites States of America  
 Attention: Xxxxxx X. Xxxx  
 Telecopy: 0-000-000-0000  
  
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 3.3. Survival. All representations and warranties, agreements and  
covenants contained herein or in any document delivered pursuant hereto or in  
connection herewith (unless otherwise expressly provided herein or therein)  
shall survive the date of this Agreement and shall remain in full force and  
effect.  
  
 3.4.1. Governing Laws; Arbitration. Sections 2.2, 2.3 and 2.11 of this  
Agreement shall be governed by and construed in accordance with the laws of the  
State of Delaware, United States of America. All other terms and conditions of  
this Agreement and the Operative Agreements (except as specifically otherwise  
provided in these Agreements), including, without limitation, the validity,  
interpretation, performance or termination of such agreements, shall be governed  
by and construed in accordance with the laws of France applicable to agreements  
executed and delivered and to be performed in France, without regard to  
conflicts of laws principles.  
  
 3.4.2. All disputes, differences, controversies or claims arising out of,  
related to or in connection with this Agreement or the Operative Agreements  
(other than the Pooling Agreement) or the transactions contemplated hereby and  
thereby shall be submitted to and resolved by arbitration in London, England  
conducted in accordance with UNCITRAL Arbitration Rules as then in force (the  
"Rules"). The London Court of International Arbitration shall be the  
administrative and appointing authority (the "Appointing Authority"). Each of  
the parties hereto hereby submits to such jurisdiction, forum and rules and  
irrevocably waives any and all objections to such jurisdiction, forum and rules.  
  
 3.4.3. Any such arbitration shall be initiated upon notice (the  
"Notice of Arbitration") by any party (the "Initiating Party") to any other  
party. Unless the Arbitral Tribunal (as defined in Section 3.4.5) directs  
otherwise, all communications between the parties and the Arbitral Tribunal  
(except at hearings and meetings) shall be made through the Appointing  
Authority. When passed on by the Appointing Authority to any party, such notices  
or communications shall be sent to the address of that party specified in  
Section 3.2.  
  
 3.4.4. The Notice of Arbitration shall be signed by the chief executive  
officer of the Initiating Party. A copy of the Notice of Arbitration shall  
simultaneously be communicated by the Initiating Party to each and every other  
party regardless of whether or not they are sought as respondents in the said  
Notice of Arbitration.  
  
 3.4.5. An arbitral tribunal (the "Arbitral Tribunal") shall be created  
which shall consist of three arbitrators all to be appointed by the Appointing  
Authority pursuant to the procedure contemplated in Article 6(3) of the Rules,  
except that the list procedure shall only be applied in re spect of the  
presiding arbitrator and that Article 7 of the Rules shall not apply. All such  
arbitrators shall be capable of participating in the proceedings in both French  
and English. The presiding arbitrator of the Arbitral Tribunal shall be a lawyer  
and shall not be a citizen or resident of France or the United States of  
America. Contrary to the first phrase of Article 14 of the Rules,  
  
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if any arbitrator is replaced, including the presiding arbitrator, any hearings  
held previously shall only be repeated if and to the extent deemed necessary by  
the Arbitral Tribunal.  
  
 3.4.6. Subject to the Rules and the provisions hereof, the Arbitral  
Tribunal shall conduct the arbitration in such manner as it considers  
appropriate. The shall be no discovery or interrogatory proceedings unless and  
to the extent deemed by the Arbitral Tribunal to be necessary for fairly  
disposing of the matter or matters before it. All oral hearings shall be taped  
recorded and copies made available to all parties. Each party can speak in  
English or French and file any document in its own language with a translation  
into the other language.  
  
 3.4.7. Any party hereto shall have the right within thirty days from the  
Notice of Arbitration (or from joinder of a new party to the arbitration) to be  
joined as a party in any arbitration initiated hereunder between other parties  
hereto, regardless of whether or not they are parties to the same Operating  
Agreement. Any party named as a Respondent in the Notice of Arbitration shall  
have the right within thirty days from such Notice of Arbitration to join as a  
party in the arbitration one or more other parties hereto. Any party jointed in  
arbitration, pursuant to this Section, shall have the right within thirty days  
from such joinder to join in its turn any other party hereto not yet a party to  
the arbitration. All joinders pursuant to this Section shall be effected by  
notice communicated to all parties hereto and to the Appointing Authority.  
  
 3.4.8. After submission of the statements of defense, or at any later  
stage, if the Arbitral Tribunal so decides, the Arbitral Tribunal shall draw up  
in the presence of the parties to the arbitration and in the light of their  
submissions a document (the "Terms of Reference") which shall include the  
following particulars:  
  
 . the names and addresses of the arbitrators;  
 . the full names and description of the parties to the arbitration;  
 . the addresses of the parties to the arbitration to which  
 notifications or communications arising in the course of the  
 arbitration may validly be made;  
 . a summary of the respective claims of the parties to the arbitration  
 and the issues on which the Arbitral Tribunal must decide; and  
 . any particular rules of the conduct of arbitration on which the  
 parties to the arbitration may agree or on which the Arbitral  
 Tribunal may decide without prejudice to the power of the  
 Arbitral Tribunal to make further procedural rulings as circumstances  
may require.  
  
 The Terms of Reference shall be signed by a duly authorized representative  
of each party to the arbitration who shall include the attorneys for any such  
party and by the arbitrators. Should any party to the arbitration refuse to take  
part in the drawing up of the Terms of Reference or refuse to sign the same, the  
Terms of Reference shall be communicated to the Appointing Author ity, who shall  
send a copy thereof to each party to the arbitration. The Arbitral Tribunal, if  
it is satisfied prima facie that the Arbitration Agreement is binding on the  
defaulting party and that this  
  
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 party has been informed of the arbitral proceedings initiated shall set a fixed  
 limit for the signature of the Terms of Reference by the defaulting party and  
 on expiring of that time limit the arbitration shall proceed and the award to  
 be rendered shall be binding on the defaulting party.  
  
 The Terms of Reference, when signed, shall be sent by the Arbitral  
 Tribunal to all the Parties hereto who are not yet party to the arbitration and  
 any such party wishing to be joined in the arbitration may do so on notice  
 given within thirty days of such party's receipt of those Terms of Reference to  
 all other parties to the arbitration and the Arbitral Tribunal; the decision of  
 the Arbitral Tribunal on any matters therein included shall be binding on all  
 the Parties who received copies thereof whether or not they have joined the  
 arbitration proceedings.  
  
 3.4.9. In the event a matter is submitted to arbitration involving a  
 provision of an Operative Agreement which is invalid, illegal or unenforceable  
 and for which the parties to such agreement have failed to reach a negotiated  
 solution, the Arbitral Tribunal shall have the power to replace or remove such  
 provision as it deems necessary to most closely achieve the original intent  
 expressed by the replaced or removed provision.  
  
 3.4.10. Nothing herein shall limit the right of a party to seek  
 provisional or injunctive relief pending resolution of a dispute pursuant to  
 this Agreement. The arbitrators shall be entitled to consider the adequacy of  
 performance by the Parties under all the Agreements in considering any relief  
 requested hereunder and to award such relief including release of a party from  
 its obligations under any or all of the Agreements or requiring a party to  
 perform such obligations under any or all of the Agreements as they determine.  
  
 3.5. Enforceability. It is the desire and intent of the parties  
 hereto that the provisions of this Agreement and the Operative Agreements shall  
 be enforced to the fullest permissible extent under the laws and public  
 policies applied in each jurisdiction in which enforcement is sought.  
 Accordingly, if any particular provision of this Agreement or the Operative  
 Agreements shall be adjudicated to be invalid or unenforceable, such provision  
 shall be deemed amended to delete therefrom the portion thus adjudicated to be  
 invalid or unenforceable, such deletion to apply only with respect to the  
 operation of such provision in the particular jurisdiction in which such  
 adjudication is made.  
  
 3.6. Expenses. Except as the parties may otherwise agree, all fees,  
 commissions and expenses incurred by True North, Publicis, or Communication in  
 connection with the negotiation of this Agreement shall be borne by the party  
 incurring such expenses. All fees, expenses, and costs incurred by True North,  
 Publicis or Communication in connection with the adversarial proceedings  
 referred to in Section 2.8 above shall be borne by the party incurring such  
 fees, expenses or costs.  
  
 3.7. Successors and Assigns. This Agreement shall be binding upon and  
 shall inure to the benefit of the parties thereto and their respective  
 successors and assigns. This Agreement may   
  
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 not be assigned by a party hereto, whether by operation of law or otherwise,  
 without the prior written consent of the other party. Any purported assignment  
 in violation of this provision shall be void and of no force or effect.  
  
 3.8. Descriptive Headings. Section headings used in the Agreement are  
 used for convenience of reference only and shall in no event be used for  
 interpretation purposes.  
  
 3.9. Amendment; Waivers. Neither this Agreement nor any term hereof  
 may be amended, waived, discharged or terminated other than by a written  
 instrument signed by the party against whom enforcement of any such amendment,  
 waiver, discharge or termination is sought.  
  
 3.10. Severability. It is the desire and intent of the parties that  
 this Agreement and the Operative Agreements shall be enforced to the fullest  
 extent permissible under the governing laws. Accordingly, if any provision of  
 this Agreement or the Operative Agreements shall be adjudicated to be invalid  
 or unenforceable, under French or Delaware law, as applicable, then such  
 provision shall be interpreted under Dutch law, and insofar as it is invalid or  
 unenforceable under Dutch law, such provision shall be interpreted under the  
 laws of France (in the case of Sections 2.2, 2.3 and 2.11) and as under the  
 laws of Delaware in the case of all other provisions.  
  
 3.11. Counterparts. This Agreement may be executed in one or more  
 counter-parts, each of which shall be considered an original instrument, but  
 all of which shall be considered one and the same agreement, and shall become  
 binding when one or more counterpart have been signed by each of the parties  
 and delivered to each of the other parties thereto.  
  
 3.12. Organization and Authority of Publicis, Communication and PBV.  
 Each of Publicis, Communication and PBV represents and warrants to True North  
 and FCBI as follows: Each of Publicis and Communication is a limited liability  
 entity similar to a corporation duly organized, validly existing and in good  
 standing under the laws of France. PBV is a Besloten Vennootschap duly  
 organized, validly existing and in good standing under the laws of the  
 Netherlands. Each of Publicis, Communication and PBV has full power and  
 authority to execute and deliver this Agreement and each other Operative  
 Agreement to which it is a party and to perform its obligations hereunder and  
 thereunder. All corporate action on the part of each of Publicis,  
 Communication and PBV and its officers, directors and shareholders necessary  
 for the authorization, execution, delivery and performance of all of the  
 obligations of each of Publicis, Communication and PBV under this Agreement and  
 each other Operative Agreement to which it is party has been taken prior to  
 closing except for certain corporate actions which will be taken prior to the  
 Closing, which actions are not required for this Agreement to be enforceable.  
 Each of this Agreement and each other Operative Agreement, when executed and  
 delivered, shall constitute the valid and legally binding obligation of each of  
 Publicis, Communication and PBV (assuming that they are parties thereto)  
 enforceable in accordance with its terms.  
  
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 3.13. Organization and Authority of True North and FCBI. Each of True  
 North and FCBI represents and warrants to Publicis, Communication and PBV as  
 follows: Each of True North and FCBI is a corporation duly organized, validly  
 existing and in good standing under the laws of the State of Delaware and has  
 full corporate power and authority to execute and deliver this Agreement and  
 each other Operative Agreement and to perform its obligations hereunder and  
 thereunder. All corporate action on the part of each of True North and FCBI  
 and its officers, directors and shareholders necessary for the authorization,  
 execution, delivery and performance of all of the obligations of each of True  
 North and FCBI under this Agreement has been taken prior to closing except for  
 certain corporate actions which will be taken prior to the Closing, which  
 actions are not required for this Agreement to be enforceable. Each of this  
 Agreement and each other Operative Agreement, when executed and delivered,  
 shall constitute the valid and legally binding obligation of each of True North  
 and FCBI (assuming that they are parties thereto) enforceable in accordance  
 with its terms.  
  
 3.14. Minor Disputes. Any dispute arising under this Agreement and  
 the Operative Agreements which involves a claim for the payment of money is an  
 amount not in excess of US $500,000 shall be referred in the first instance by  
 written notice to a committee consisting of an equal number of members to be  
 appointed by the Chief Executive Officer of each of True North and  
 Communication. If such dispute is not resolved by such committee within thirty  
 days, the dispute may be referred by either party to the Chief Executive  
 Officers or Chief Operating Officers of True North and Communication. Disputes  
 which are not resolved within thirty days after giving notice to the Chief  
 Executive or Chief Operating Officers shall be settled in accordance with  
 Section 3.4.1 through 3.4.10 hereof.  
  
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 In Witness Whereof, the parties hereto have caused this Agreement to be  
 executed and delivered by their respective duly authorized officers, effective  
 as of the date first written above.  
  
  
 Publicis S.A. True North Communications Inc.  
  
  
  
 By: /s/ Xxxxxxx Xxxx By: /s/ Xxxxxxx X. Xxxxxxxx  
 ------------------ -------------------------   
 Name: Xxxxxxx Xxxx Name: Xxxxxxx X. Xxxxxxxx  
 Title: President of Directoire Title: Director, Chairman of  
 Special Committee  
  
  
 Publicis Communication FCB International, Inc.  
  
  
  
 By: /s/ Xxxxxxx Xxxx By: /s/ Xxxxxxxx X. Xxxxxxxxxx  
 ------------------ -----------------------------   
 Name: Xxxxxxx Xxxx Name: Xxxxxxxx X. Xxxxxxxxxx  
 Title: Director General Title: Executive Vice President  
  
  
 Publicis-FCB Europe B.V. True North Holdings Netherlands B.V.  
  
  
  
 By: /s/ Xxxxxxx Xxxx By: /s/ Xxxxxxxx X. Xxxxxxxxxx  
 ----------------------- -------------------------------  
 Name: Xxxxxxx Xxxx Name: Xxxxxxxx X. Xxxxxxxxxx  
 Title: President Director Title: Executive Vice President  
  
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