

MullenLowe London Limited Standard Terms & Conditions for Creative Advertising Services

1 Agreement to Act as Agency

- 1.1 The “**Client**”, the company named in any relevant statement of work, media schedule, estimate or invoice to which these Terms & Conditions apply (the “**SoW**”), appoints McCann Erickson Central Limited (the “**Agency**”) to carry out, and the Agency agrees to provide, the services outlined in the SoW (the “**Services**”) to the Client during the Term (as defined below) in accordance with these Terms & Conditions.
- 1.2 The Agency will allocate suitable personnel with appropriate levels of experience and seniority to provide the Services. The Client acknowledges and agrees that it may be necessary for the Agency to replace the personnel with alternative personnel with similar levels of seniority and experience.
- 1.3 The Agency acts in all its contracts as a principal at law and the Client appoints the Agency as sole provider to perform the Services.
- 1.4 The Agency warrants that it shall comply with all applicable laws and regulations in performing its obligations under these Terms & Conditions.
- 1.5 Any cancellation, amendment or additions to the Services provided by the Agency must be agreed in writing between the Agency and the Client. The Agency will take all reasonable steps to comply with any such request from the Client provided that the Agency is able to do so within its contractual obligations to suppliers.
- 1.6 In the event of any such cancellation, amendment or addition to the Services provided, the Client will reimburse the Agency for any charges or expenses committed to or incurred by the Agency. The Client shall also pay the Agency’s remuneration covering the cancelled or amended Services as well as any charges imposed on the Agency by third parties arising from the cancellation or amendment.
- 1.7 The Agency may outsource or sub-contract its performance of the Services or part thereof with the prior consent of the Client, such consent not to be unreasonably withheld or delayed.

2 Term of Appointment

- 2.1 These Terms & Conditions shall be effective from the date of the first relevant SoW and shall continue until all Services are completed and delivered pursuant to any and all relevant SoWs, or unless terminated pursuant to Clause 7 (the “**Term**”).

3 Co-operation

- 3.1 The Client will give the Agency clear briefings and ensure that all the facts given about the account are accurate. The Agency will co-operate fully with the Client and use reasonable care and skill to make the Materials (as defined below) as successful as is to be expected from a competent communications agency. The Client will help the Agency do this by making available to the Agency all relevant information and co-operating with the Agency.

4 Fees and Production Costs

- 4.1 The Client shall pay the Agency the fee for the Services as set out in any relevant SoW, or as otherwise agreed between the parties in writing, (the “**Fee**”). Unless otherwise stated in the SoW, the Fee is earned on a fixed and non-reconcilable basis and shall be payable in addition to all production, studio costs, and other disbursements and expenses committed to or incurred.
- 4.2 All production costs and expenses are normally invoiced at the value of estimates set out in the relevant SoW.
- 4.3 The Client will pay all Fees and other production costs and expenses within 30 days of the date of the invoice, or as otherwise agreed between the parties in writing. Where suppliers require payment in advance or at various stages of production, the Agency will notify and obtain the Client’s written agreement in advance and payment will be made immediately upon presentation of an invoice or by the date specified thereon.
- 4.4 Purchase Orders (POs) will be issued in advance for all work to be paid for by the Client. Should this not be possible, the Client must approve the estimate in writing in advance and this will serve as sufficient authority until the PO is issued.

4.5 All amounts stated in any SoW or estimate or quotation shall be exclusive of VAT and similar taxes and surcharges regardless of how they are denominated (collectively, “**Transaction Taxes**”). The Client shall be solely responsible for paying all relevant Transaction Taxes that are lawfully levied or imposed by reason of the transactions covered under these Terms & Conditions at the rate prevailing at the time the invoice is issued.

4.6 Client shall be responsible to pay any Transaction Taxes payable by Agency on the goods or services used or consumed by Agency in providing the Services where the tax is imposed on Agency's acquisition or use of such goods or services and the amount of tax is measured by Agency's costs in acquiring such goods or services.

4.7 Client acknowledges that, as regards production services, the insurance policies obtained by agencies such as Agency do not provide cover for costs or liabilities that relate to Covid-19. Client acknowledges and agrees that should there be a postponement, delay, relocation, cancellation due to Covid-19 or should material changes need to be made to Services due to the same, (i) Agency shall not be in breach of these Terms & Conditions and (ii) without prejudice to any other part of these Terms & Conditions, the Agency shall be entitled to recover from Client and Client shall pay to Agency such unavoidable costs incurred or committed to by Agency which are attributable to such, postponement, delay, relocation or material changes, and, in the event of cancellation, an amount in respect of work performed by Agency up to the date of the notice of cancellation, together with any unavoidable costs actually and already incurred or committed to by Agency. Agency and third party suppliers shall use all commercial efforts to mitigate any such costs.

5 Intellectual Property Rights and Warranties

5.1. Where the Agency is providing creative services, the Agency shall, upon Client's request, assign to the Client the intellectual property rights in the material created solely by the Agency specifically for the Client and which are owned by the Agency and capable of assignment (“**Agency Materials**”). Such assignment shall be made provided all obligations of the Client arising from these Terms and Conditions (including without limitation those relating to payment and notice periods) have been met. Such assignment shall be subject to clause 5.2 below.

5.2 As regards any third party owned materials that the parties desire to make use of in the provision of the Services, the Agency shall use reasonable endeavours to procure an assignment of any necessary third party owned materials in the first instance but where such assignment is not possible the Agency shall obtain for the Client all such usage rights in such materials as are deemed necessary and agreed by the parties at the time such material is selected or obtained. The Agency shall not enter into any licence without the Client's consent for the terms and fee of such licence. The Client warrants and undertakes that it shall use the Services and deliverables strictly pursuant to these Terms & Conditions and any licence for third party materials obtained hereunder.

5.3 The Agency warrants that the Agency Materials are the original work of the Agency and shall not infringe any third party rights.

5.4 Notwithstanding the above the Agency shall, with the Client's written consent, be able during and after the relationship to use the materials created for the purpose of promoting its own business and for purposes associated with the entry and conduct of advertising industry awards schemes.

5.5 The Client acknowledges and agrees that any ideas, concepts, decks, presentations, artwork, copy and any other content and/or materials, including any intellectual property rights subsisting therein presented by the Agency to the Client under these Terms & Conditions, including as part of a Client-requested pitch, and rejected by the Client shall remain proprietary to the Agency and shall constitute Agency's Confidential Information.

5.6 If there is an error in Advertising as published or publication is delayed or does not occur as planned, the Agency will not be liable unless this is caused by the wilful default or gross negligence of the Agency.

6 Third Party Contracts

6.1 The Agency may outsource or sub-contract its performance of certain of the Services or part thereof with the prior consent of the Client, such consent not to be unreasonably withheld or delayed. In addition, the Client acknowledges and agrees that the Agency may have to enter into contracts with third party suppliers in respect of Services in accordance with suppliers' standard contracts or standard industry contracts. Provided that the Agency has notified the Client of any significant restrictions or contract terms contained in any contracts entered into by the Agency pursuant to this clause, the Client hereby acknowledges and agrees that: (i) its right to use or otherwise benefit from any Services acquired under such Third Party Contracts (including any rights of amendments, omission and/or

cancellation) shall be as set out in such Third Party Contracts; and (ii) as between the Agency and the Client, any charges or liabilities (to the extent caused by an act or omission of the Client or any third party acting for or on its behalf) for which the Agency is liable under such Third Party Contracts (including cancellation payments, retrospective Media Charges and/or other penalties) shall be the responsibility of the Client.

7 Termination

7.1 Either party may terminate these Terms & Conditions by giving the other party written notice as set out in the relevant SoW. In the absence of a specific notice period in the relevant SoW, the terminating party shall provide such notice as is reasonable having regard to the relevant SoW.

7.2 Either party may terminate these Terms & Conditions immediately by notice in writing to the other if the other party is in material breach of any of these Terms & Conditions and, in the case of a breach capable of remedy, fails to remedy such breach within 30 days of receipt of written notice, giving full particulars of the breach and of the steps required to remedy it.

8 Liability

8.1 The Agency's maximum aggregate liability under these Terms & Conditions is no greater than the total Fees paid to the Agency under the relevant SoW. Neither party shall be liable for any indirect or consequential losses.

9 Miscellaneous

9.1 Client acknowledges and agrees that generative AI technology platforms ("**AI Platforms**") may be used in the provision of the Services or aspects thereof. At this time, AI Platforms (i) typically offer no assurances (including for non-infringement of 3rd party intellectual property rights) as regards having an unencumbered rights to make use of the outputs (ii) might not provide the user with ownership rights or, even where they do, such rights might not be exclusive to the user (i.e., other individuals or entities would be free to use the same image, text, or other content). Given this, Agency agrees that it shall not use AI Platforms to produce material elements of the final products of the Services without the prior approval of the Client. Client acknowledges and agrees that where Agency uses AI produced images, text and/or other content ("**AI Content**") in the provision of the Services (a) Agency makes no representations or warranties with respect to any AI Content and Agency's warranties and indemnity obligations under these Terms & Conditions shall not apply to any AI Content; (b) Client may not have ownership rights in and to AI Content (and in those instances where Client does, such rights may not be exclusive), and (c) Client shall bear all risk associated with the use of AI Content and shall indemnify, defend and hold Agency harmless from and against all claims (including claims of infringement), losses, liabilities, damages and expenses (including, reasonable attorneys' fees) arising out the use of AI Content.

9.2 Client further understands and acknowledges that to the extent that Client furnishes any images, text and/or other content which are to be input into or used by the AI Platform for the purpose of generating further imagery, text and/or content, Agency takes no responsibility for any use which the AI Platform makes of such Client furnished images, text and/or content.

9.3 If, for whatever reason, the sterling equivalent of the actual price to the Agency of any materials or services purchased overseas is less or more than the originally anticipated estimates price and/or invoiced to the Client as a result of fluctuations in the rate of currency exchange, the Client shall be liable for any such increase, and will benefit from any decrease. The rate of currency exchange shall be obtained from Lloyds Bank plc. and the Agency shall reconcile the price of any overseas purchases on an annual basis and notify the Client of any amounts payable by, or due to, the Client..

9.4 A person who is not a party to these Terms & Conditions has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Terms & Conditions.

9.5 These Terms & Conditions constitute the entire agreement and understanding of the parties and supersedes any previous agreement between the parties relating to the subject matter of these Terms & Conditions. No variation of these Terms & Conditions or of any of the documents referred to in it shall be valid unless it is in writing and signed by or on behalf of each of the parties. Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in either these

Terms & Conditions or the relevant SoW. Nothing in these Terms & Conditions shall seek to limited either party's liability for fraud or fraudulent misrepresentation or for death or personal injury caused by its negligence. Unless specifically stated in these Terms & Conditions or in any relevant SoW, where there is any discrepancy between the terms contained herein and those stated on any relevant SoW the terms of these Terms & Conditions shall take precedence.

9.6 The parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales and agree that these Terms & Conditions will be governed by and construed in accordance with the laws of England and Wales.