

thenetworkone: summary of terms of business with agencies

thenetworkone works with advertising, public relations and other marketing and communications agencies in three main ways:

- 1) we maintain a comprehensive database of independent agencies in 109 countries, which we have personally evaluated and accredited*
- 2) we introduce new business from our own multinational clients and prospects and through referrals from other agencies*
- 3) we provide the resources necessary for agencies without traditional networks, to pitch, win and manage international assignments, through our membership program, publications and events*

Our standards terms of business are as follows:

1) accreditation of agencies

Accreditation of any agency by thenetworkone, implying an endorsement of the agency's quality and capabilities, will be at the discretion of thenetworkone. If we decide to accredit an agency, we will not publicise that accreditation in the public domain without the agency's agreement.

We accredit agencies in good faith, based on our judgment and information known to us. However, we are not able to accept liability for agencies' or clients' actions or performance. thenetworkone acts as advisor but not as principal in any contractual relationship, unless and until a contract is established otherwise.

Accredited agencies agree to supply, and that thenetworkone may retain, information about their businesses, necessary for us to recommend them for appropriate assignments. This includes date of foundation, ownership, key contacts, principal capabilities and major clients. Agencies are encouraged to provide other relevant information about their businesses to help us assess their suitability for assignments. This information will be securely held on our database and will only be used in connection with the provision of services outlined in this document.

Note that accreditation by the networkone is non-exclusive. We normally accredit more than one agency in each country. Accreditation does not prevent the agency from accepting business from other sources or belonging to other international organisations.

2) thenetworkone membership:

Accredited agencies may choose to become members of thenetworkone. Membership provides leading independent agencies in any market, with the necessary resources to compete effectively with traditional multinational agency networks.

Included in this is the agencies' right to publicise their membership of thenetworkone and to use thenetworkone identity and materials in their own literature and presentations, for the duration of their membership.

Members agree:

- to keep thenetworkone informed, if they commission work from, or introduce clients to, agencies recommended by thenetworkone
- to respect thenetworkone's right to receive commission from agencies in other countries, who we have recommended as local partners.
- to recognise thenetworkone's ownership of our trademark and associated materials
- only to use thenetworkone logos and graphic materials in accordance with thenetworkone corporate identity guidelines which are supplied to all new members.

Subject to this, thenetworkkone will provide support for the member agency within reasonable limits, taking into account the cost of membership, including:

- graphic and other materials enabling the agency to present itself as an accredited member of thenetworkkone
- recommendation of local partner agencies covering 109 countries, including all major markets
- support and advice in developing international strategies and creative work
- sharing of experience in sub-contracting and other aspects of managing international assignments
- co-ordination of input from key markets as required
- additional member benefits as described in the current membership application document

Members receive priority in new business introductions, where more than one agency is equally well qualified to handle an assignment.

The cost of annual membership is £2,650 GBP or €2,950 EUR or \$3,350 USD per calendar year (January through December). The membership fee is payable at the start of each year and is non-refundable.

There is no separate joining fee, but agencies must pay a full year's subscription on joining. If members join after the first quarter, their following year's fee will still be payable in January, but will be reduced proportionally: so agencies joining in April-June will pay 75%, July-September 50%, October-December 25% of the regular rate in the following year.

Annual membership will be renewed automatically unless cancelled in writing by either party before the start of the year. thenetworkkone will send a reminder of this in mid-December.

Membership may be terminated by either party at three months notice, in the event of a change of ownership or control. Membership may be terminated immediately in case of gross misconduct or bringing the name of the other party into disrepute. Fees already paid will not be refunded.

At the discretion of thenetworkkone, membership services may be withheld until payment is received, if fees remain unpaid for more than three months and after two reminders. If fees still remain unpaid at the end of a calendar year, membership for the following year will be cancelled automatically.

If a membership is cancelled and the agency subsequently applies to re-join, an additional re-joining fee of GBP 700, or the equivalent in Euros or US Dollars.

3) introduction of new business

We recommend members and other accredited agencies to our clients, on the basis of our judgment as to the agency's suitability for the assignment. We never commit the agency to accepting any assignment without the agency's clear agreement in advance.

In the event of accepting business from a new client introduced by thenetworkkone, the agency agrees:

- to inform thenetworkkone when a contract is made with an introduced client, or (if no formal contract is made), when income is first received from the client
- to pay to thenetworkkone a commission of 7% of the agency's fee, commission or equivalent income from the client(s) we introduce, for a period of one year from the date of the agency's first invoice to the client in question. This commission period may be extended at the agency's request, if the agency wishes thenetworkkone to provide continuing active support to the agency in servicing the client's business.
- to report income quarterly by means of a simple form, supplied by thenetworkkone.
- to inform thenetworkkone with a minimum of three months notice (and always before informing the client) if the agency wishes to resign a client's business after starting to work for that client.

All information regarding any new business opportunity is provided on the strict understanding that it will be kept confidential, unless the information is already in the public domain.

All introductions are made on the understanding that if accepted, the agency will respect and adhere to all local laws and international standards of financial transparency, as well as any contractual terms made known in advance by thenetworkone or the client.

Changes to these terms and conditions

Any changes to these terms and conditions will be individually advised to all members. The currently applicable terms of business will at all times be posted on our website, www.thenetworkone.com.

For further information please contact Julian Boulding or Paul Squirrell, Directors of thenetworkone:

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All contractual and other business relationships entered into by thenetworkone are governed by the laws of England, unless agreed otherwise in writing.

« thenetworkone » means Thenetworkone Management Limited, whose registered address is 3rd Floor 48 Beak Street, Soho, London, W1F 9RL, United Kingdom.