

PRCA, ISBA and CIPS Suggested Terms and Conditions for Public Relations Consultancy/Client Relationships



Public Relations Consultants Association



The Voice of British Advertisers

THE
CHARTERED INSTITUTE OF
PURCHASING & SUPPLY



Public Relations
Consultants Association,
Willow House,
Willow Place,
London SW1P 1JH.
T: 020 7233 6026
F: 020 7828 4797
www.prca.org.uk

Incorporated Society of
British Advertisers,
Langham House,
1B Portland Place,
London W1B 1PN
T: 020 72919020
F: 020 7291 9030
www.isba.org.uk

The Chartered Institute of
Purchasing and Supply,
Easton House,
Easton on the Hill,
Stamford,
Lincolnshire PE9 3NZ.
T: 01780 756777
F: 01780 751610
www.cips.org

Prepared by

lewissilkin

12 Gough Square,
London EC4A 3DW
Tel: 020 7227 8000
www.lewissilkin.co.uk

User Guidelines
ISBA/PRCA/CIPS Standard Contract for Public Relations
Consultancy/Client Relationships

This model contract has been created and endorsed by the PRCA, ISBA and CIPS to provide an easy starting point for negotiations between PR agencies /consultancies and clients, which, we hope will ensure that more formal contracts are put in place and signed, enhancing the possibility that sound commercial terms are created protecting the interests of both parties. We have drafted these user guidelines to help the parties find their way through these terms as easily as possible and ensure that the right options are chosen from within the contract to best reflect the relationship. Some elements of the model terms relate only to agencies/consultancies that are PRCA members e.g. Schedule 6 PRCA Professional Charter and obviously should only be included when the agency concerned is a member of this professional body. Schedule 2 contains details of broad services, which can be provided by PR agencies and consultancies – this list is by no means exhaustive but the parties should be careful to choose only those options appropriate. There are handy notes throughout the model terms explaining in more detail best practice issues.

All parties commend these terms to you and hope you find them useful in helping to put your relationships on sound commercial footings.

User Guidelines

- It is recommended that the parties read both the agreement letter and terms and conditions of business in full to ensure that the parties select the options appropriate to each client/consultancy relationship.
- Please ensure that the notes and optional sections of the contract that are not relevant to the relationship are deleted in full from the final document. This will ensure that the contract you present is clear and will help to reduce further negotiation on the final terms and conditions.
- Please note re Clause 14 - Copyright and Intellectual Property Rights. It is advisable that the Consultancy establishes a management system that records the ownership on third party rights, and that it is communicated when the Consultancy cannot transfer rights from a third party to the Client.

Please note that freelance staff employed by the Consultancy are regarded as a third party and therefore it is recommended that the Consultancy asks all freelance staff to assign all works prior to commencement of work. (Please check the PRCA Standard Freelance Employment Contract – available to PRCA members only).

The use of square brackets denotes optional clauses.

- **Please note that the following clauses and schedules contain options:**

2. Appointment and Term: Clauses 2.1, 2.2 and 2.3

Please note that you need to look at the definition of the date and put in the commencement date of work, even if it was six months ago, although the date at the top of the contract must be the date the contract was signed.

Clause 2 contains two mutually exclusive options for the type of appointment being created by the agreement.

The first option envisages the Consultancy being appointed to provide the Services set out in Schedule 2 on a consistent and regular basis, in an on-going relationship. The scope of work to be provided by the Consultancy on a particular Campaign may be set out in a Proposal agreed by both parties. A specimen form for a Proposal is set out in Schedule 5. This type of appointment will often be on an exclusive basis with the Consultancy's remuneration being based on a regular monthly fee. The appointment will usually continue until either party serves notice of termination of a defined duration.

The second alternative in Clause 2 envisages that the Consultancy's appointment is for a single project or Campaign, which can also be defined by reference to Schedule 2 and, if appropriate, with a cross reference to a Proposal in Schedule 5. The term of a project appointment is envisaged as ending upon completion of the project, rather than by the service of notice.

3. Exclusivity

6. Fees: Clause 6.1

7. Operating Expenses and Disbursements: Clauses 7.1, 7.2, 7.3 and 7.4

8. Payment Terms: Clauses 8.1, 8.5 and 8.6

Please note that the legal status of the Consultancy is as 'principal'. The Consultancy is therefore liable to third party sub-contractors and suppliers, even if the Client cannot pay the Consultancy. It is recommended that the Consultancy asks for payment in advance or obtains suitable credit insurance whenever appropriate.

14. Intellectual Property: Clause 14.1

Clause 14.1 provides two different ways to handle intellectual property rights. The first option entitles the Client to require the Consultancy to assign all of the intellectual property rights in work created for the Client. This assignment only applies to work that is in existence at the time of the assignment, and is subject to payment by the Client of all amounts owing for that work.

Under the second option, the Consultancy retains ownership of the intellectual property rights in the work created for the Client, but grants the Client a licence to use that work for a specified period and in a named territory. This entitles the Consultancy to charge an additional fee if the Client wishes to use the materials otherwise than in accordance with the terms of the licence.

16. Liability: Clause 16.2.3

The Consultancy should not agree to take liability for amounts that exceed the Consultancy's Professional Indemnity cover but should ensure this is discussed in detail with the client and a suitable limit on liability agreed.

Schedule 1. Definitions and Interpretation

Be sure to remove definitions which are not required from Schedule 1.

Schedule 2. The Services

Pin down the definition of the Consultancy's services for both retained and project work very carefully. This should help to eliminate unnecessary over-servicing and ensure that an appropriate fee can be calculated based only on those services required by the client.

Schedule 3. Hourly Rates

Schedule 4. Approvals

- **Personal Tips and Suggestions from Brinsley Dresden of Lewis Silkin.**
 - It is vital to apply logic and take a coherent approach to drafting your contracts
 - Patience and attention to detail is required and will pay off in the long run
 - One version will not fit all scenarios
 - Use the ISBA/PRCA/CIPS standard contract so agreements can be negotiated with less time and expense.

If you require clarification on any of the details within the standard contract or would like to feedback comments on how the model is working in practice, please contact the PRCA on 020 7233 6026 or ISBA on 020 7291 9020.

Foreword to the PRCA/ISBA/CIPS Standard Terms

Lawyers know that other professionals do not share their fascination with contracts. In the real world inhabited by our clients, people have better things to do with their time.

So it comes as no surprise that in the public relations industry, just like other parts of the commercial communications sector, consultancies and clients often have no signed, written contract in place.

Having worked with the IPA, ISBA and CIPS on the suggested terms for client/agency contracts in the advertising industry, we know this phenomena all too well. But the consequences of this omission for public relations consultancies are even more serious than for advertising agencies.

Advertising agencies can often use copyright law to protect their position with clients who seek to avoid their contractual obligations. Copyright is only transferred if the creator has signed it over, even if the material has been paid for. So if the client wants to continue using materials created by the agency, it must obtain a written assignment. This provides the agency with a vital means to protect its position.

Although the legal position is the same, public relations consultancies are less likely to have this luxury in practice. The materials that they create generally have a shorter shelf life, so the client is often less concerned about obtaining an assignment. This is all the more reason for public relations consultancies to ensure that they always have written and signed client/consultancy contracts in place. And this initiative by the PRCA, ISBA and CIPS will undoubtedly facilitate that process, while allowing both parties to save time and money into the bargain.

The main change to the previous terms issued by the PRCA has been the introduction of alternative provisions that take account of different types of appointment: retainer or project; as well as different charging methods: retainer; time spent/hourly rates; or project fees. These provisions are mutually exclusive, so it is important to ensure that those elements that are not required are deleted from any draft agreement.

The aim has been to create a document that provides clarity and certainty about the rights and obligations of both the client and the consultancy. At the same time, we have tried to use terms that strike a reasonable balance between the legitimate expectations of both parties. Anything else would simply generate the kind of gridlock that so often results in a failure to agree written terms.

Finally, as it is hoped that these terms will be updated and improved from time-to-time, please tell the PRCA and ISBA (for clients) about your experiences of using the suggested terms in practice, so they can be factored in to future editions.

BRINSLEY DRESDEN
Partner, Lewis Silkin
November 2004

Agreement Letter for Retainers and Projects – For use by the Consultancy

Dear

I am delighted that you have decided to appoint [insert the Consultancy's name] to provide public relations services in relation to [your business] **OR** [give brief details of the specific project(s) the client has appointed you to work on].

This letter summarises the key terms of our agreement with you. Our full terms and conditions are set out in the attached "Terms and Conditions of Business". The Terms and Conditions of Business specify the fees that we will charge you for our services. [I also enclose, for your information, a copy of the Public Relations Consultants Association Professional Charter, which defines our code of conduct] ***if the Consultancy is a PRCA member***].

This letter, together with our Terms and Conditions of Business, will form a binding agreement between us, but if there is any conflict between this letter and our Terms and Conditions of Business, then the Terms and Conditions of Business will take precedence.

Our agreement with you will start on [***insert date***], and it will continue [for an initial period of x months]. After that initial period, it will continue indefinitely [, covering any services you request from time to time], until either of us terminate the agreement by giving at least x months' written notice] **OR** [until we have finished work on the projects described in this letter] **OR** [for a fixed period of x months].

We will invoice you for our fees [**monthly**] **OR** [**quarterly**] in [advance] **OR** [arrears] and such invoices shall be payable not later than [30] days after the invoice date. Disbursement invoices will be submitted at the end of the month in which they are incurred and are again subject to payment within 30 days.

I would be grateful if you could sign both copies of this letter and return one to me.

Yours sincerely

Company Director

Enc.: Budget
Standard Terms of Business
PRCA Professional Charter

PRCA CONTRACT

TERMS AND CONDITIONS OF BUSINESS

THIS AGREEMENT is made on the ● day of ● 200●

BETWEEN:

- (1) [*insert name of Consultancy*] a company registered in [England and Wales] with company number [*insert Consultancy's company registration number*] whose registered office is at [*insert Consultancy's registered office address*] (the "**Consultancy**");
- (2) [*insert name of Client*], a company registered in [England and Wales] with company number [*insert Client's company registration number*] whose registered office is at [*insert Client's registered office address*] (the "**Client**").

BACKGROUND

The Client has agreed to appoint the Consultancy to provide public relations services, and the Consultancy has agreed to such appointment, in accordance with the terms and conditions of this Agreement.

NOW IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

- 1.1 The words defined in Schedule 1 shall have the meanings assigned to them in that Schedule.
- 1.2 All other defined words and phrases shall have the meaning given to them when they first appear in that form.

2 APPOINTMENT AND TERM

Note to Clause 2: EITHER: For use in on-going retainer appointments:

- 2.1 The Client appoints the Consultancy to carry out and the Consultancy agrees to provide the Services in accordance with Schedule 2 for the Client in the Territory in accordance with the terms and conditions of this Agreement, including any Proposal(s) prepared by the Consultancy and Approved by the Client in accordance with Clause 2.2.
- 2.2 Details of any specific Campaigns proposed by the Consultancy from time to time shall be set out in a Proposal in accordance with Schedule 5 which once agreed

between and signed by both parties, shall be incorporated into and form part of this Agreement. Each Proposal shall set out details of the Services to be provided by the Consultancy in relation to the relevant Campaign.

- 2.3 This Agreement shall commence on [*insert date on which the agreement is to come into effect*] (the “Commencement Date”) and continue for an initial period of [12] months from the Commencement Date (the “Initial Period”), unless terminated sooner by either party in accordance with Clause 18. After that Initial Period the Agreement shall continue in full force and effect (subject to Clause 18) unless and until terminated by either party giving not less than [3] months’ notice in writing to the other party. Notice to terminate cannot expire until the Initial Period has elapsed.

OR: *For use for a single project:*

- 2.1 The Client appoints the Consultancy to carry out and the Consultancy agrees to provide the Services to the Client in the Territory in relation to the Campaign described in Schedule 2 and in accordance with the terms and conditions of this Agreement.
- 2.2 This Agreement shall commence on the Commencement Date and, unless terminated sooner in accordance with Clause 18 below, shall continue in full force and effect until the completion of the Consultancy’s Services in relation to the Campaign.

Note to Clause 2: The first option set out above provides for an initial term, during which neither party can terminate unless there has been a breach of contract by the other party. The duration of the initial term should be commensurate with the need to create a stable relationship. Although 12 months is often regarded as appropriate, there may be cases where a smaller project or campaign would involve a shorter reduced commitment.

A period of notice should always be agreed in advance to avoid dispute and uncertainty. The duration of the notice period can be any length that the parties’ choose, but is often three months. The impact of the duration of the notice will depend upon the drafting of other parts of the contract, such as the exclusivity provisions.

The first alternative version of Clause 2 is expressed to be on a rolling basis, so if the parties intend that it should only be a particular project, the second version should be used – see below.

Termination for breach or insolvency is dealt with in Clause 18.

3 EXCLUSIVITY

Note to Clause 3: Clause 3.1 sets out the obligations of exclusivity imposed on the Client. Please delete Clause 3.1 (only) if the Consultancy’s engagement is on a roster basis or if the parties do not intend the Consultancy’s appointment to be exclusive. Clause 3.2 imposes a reciprocal obligation on the Consultancy, and should similarly be deleted if the parties do not intend the relationship to be exclusive. The first part of Clause 3.2 is only appropriate if the Consultancy is a member of the PRCA.

- 3.1 [The Client shall not engage any third party to provide services in the Territory during the Term that compete with or are similar to the Services.]
- 3.2 [Without prejudice to the requirements of the PRCA Professional Charter,] the Consultancy agrees that it shall not represent any company or organisation whose interests conflict or compete with those of the Client without the Client's express prior written consent.]

4 RESPONSIBILITIES OF THE CONSULTANCY

- 4.1 The Consultancy shall perform the Services with reasonable skill and care, to a standard to be reasonably expected from a competent and professional supplier of public relations services.
- 4.2 The Consultancy agrees with the Client:
- 4.2.1 to work diligently to protect and promote the interests of the Client at all times;
 - 4.2.2 to act loyally and faithfully towards the Client in all matters;
 - 4.2.3 to advise the Client of all its key meetings, discussions and correspondence with representatives of the media concerning the Client; and
 - 4.2.4 to co-operate where appropriate with any advertising and/or marketing services agencies engaged by the Client during the Term.
- 4.3 Contact reports providing each party with a written record of all matters of substance discussed at meetings or in telephone conversations between the parties will be supplied by the Consultancy to the Client within [X] Working Days following the meeting or conversation. If the subject matter of a contact report is not questioned by the Client within [X] Working Days of its receipt, it will be taken to be an accurate record of the meeting or telephone conversation to which it refers.
- 4.4 The Consultancy may appoint sub-contractors to perform any of the Services. The Consultancy acknowledges that such sub-contracting shall not release the Consultancy from any of its contractual obligations under this Agreement and the Consultancy shall remain fully responsible for the performance of such Services.
- 4.5 The Consultancy shall use reasonable care and skill in the selection and appointment of suppliers and the agreement of the terms and conditions of such appointment. Should the Client request, the Consultancy will obtain more than one quote for a particular supply and discuss these with the Client before placing an order. The Consultancy shall obtain the Client's consent before commissioning services from any

company in which the Consultancy has a financial interest, such consent not to be unreasonably withheld or delayed.

Note to Clause 4.3: The prompt creation and confirmation of Contact Reports are of enormous practical importance for both the Client and the Consultancy, providing evidence for both parties concerning matters agreed in meetings and phone calls. The Client will want to ensure that its instructions and approvals have been correctly understood and recorded. Significant consequences will often flow from the decisions recorded in Contact Reports, especially if the Consultancy, acting as a principal, will be entering into obligations with third parties as a result. As both parties have significant interests to protect, there is a good argument that the two time periods mentioned in this Clause should be reciprocal, and kept reasonably short, such as about 3 Working Days.

5 RESPONSIBILITIES OF THE CLIENT

- 5.1 The Client undertakes promptly to provide the Consultancy with all information, assistance and materials that the Consultancy requests from time to time to facilitate the proper and timely performance of the Services. In particular (but without limitation) the Client agrees to:
- 5.1.1 notify the Consultancy of any inquiries related to the Campaign(s) from any of the media;
 - 5.1.2 advise the Consultancy well in advance of any major events in the Client's business such as the launch of a new product or service and/or the opening of any new premises;
 - 5.1.3 to permit the Consultancy (by its representatives) to attend meetings, when reasonably necessary, with any advertising and/or marketing services agencies and other advisers engaged by the Client.
- 5.2 The Client warrants that:
- 5.2.1 to the best of its knowledge and belief, all information provided by it to the Consultancy is accurate and complete; and
 - 5.2.2 that the Client is entitled to provide such information, and any photography, artwork, literature or other materials provided by or on behalf of the Client for use by the Consultancy without recourse to any third party.
- 5.3 The Client agrees not to discuss the Campaign(s) to any reasonably significant extent with any representative of the media other than through or with the knowledge of the Consultancy.

6 **FEES**

Note to Clause 6: EITHER: Where the Fees are based on the hourly rates of Consultancy Personnel:

- 6.1 The Consultancy's Fees for the Services shall be calculated using the hourly charge out rates set out in Schedule 3. [The Consultancy's hourly charge out rates shall increase on [date] each year by a percentage equal to the annualised percentage increase in the Retail Price Index published by the Office for National Statistics over the preceding twelve month period.]

The reference to an automatic increase in the Fee in line with inflation is in square brackets because it is a matter to be negotiated by the parties on an individual basis.

OR: Where the Fees are agreed yearly in advance:

- 6.1 The Consultancy's Fees for the Services shall be £[●] for the first Year, payable in equal [monthly/quarterly] instalments of £[●]. [The Consultancy's Fees for each subsequent Year shall increase by a percentage equal to the annualised percentage increase in the Retail Price Index published by the Office for National Statistics over the preceding twelve month period.]

OR: Where the Fees are agreed on a project-by-project basis:

- 6.1 The Consultancy's Fees for the Services shall be agreed on a per Campaign basis and set out in the relevant Proposal(s).

OR: For one-off Projects:

- 6.1 The Fees due from the Client to the Consultancy shall be £[●] for all Services relating to the Campaign.

All versions now continue as follows:

- 6.2 If it is agreed that work shall be undertaken outside the Territory, or that the Consultancy shall provide services that are outside the scope of the Services, or that the scope of an agreed Campaign shall be extended, the Consultancy reserves the right to charge a further fee for any such additional work. Any such additional fee shall be subject to the Client's prior written Approval, such Approval not to be unreasonably withheld, conditioned or delayed.

7 OPERATING EXPENSES AND PROGRAMME COSTS

- 7.1 In addition to the Fees, the Consultancy shall charge the Client for the items set out in Clauses 7.2, 7.3 and 7.4 below.
- 7.2 **House/Office Costs:** General costs including postage and packaging, telephone calls and faxes, general stationery and photocopying, general subscriptions, newspapers and storage (“**House/Office Costs**”) incurred by the Consultancy in the performance of the Services, other than Expenses and Programme Costs (as defined in this Agreement), shall be charged to the Client on a [monthly/quarterly] basis at a rate of [£●] or [●% of the Fee].
- 7.3 **Expenses:** Other expenses including couriers, media monitoring, specialist subscriptions, travel, accommodation and subsistence [in accordance with the Client’s travel policy, if any] (“**Expenses**”) incurred specifically in the performance of the Services, other than House/Office Costs and Programme Costs (as defined in this Agreement) shall be charged to the Client [at cost] **OR** [together with a [●%] handling charge].

Note to Clause 7.3: The references to ‘at cost’ or ‘subject to a ...handling charge’ are mutually exclusive, and of the two sets of words in square brackets should be deleted.

- 7.4 **Programme Costs:** Costs for goods and services brought from third party suppliers on behalf of the Client, (other than House/Office Costs and Expenses) including photography, reproduction, artwork, design, printing, advertising, market research, exhibition and display materials, press distribution and major mailings, artiste/celebrity fees, evaluation, venues, legal advice and any other third party costs approved by the Client in advance (“**Programme Costs**”) shall be charged to the Client [at cost] **OR** [subject to a [●%] handling charge].

Note to Clause 7.4: Once again, the references to ‘at cost’ or ‘subject to a ...handling charge’ are mutually exclusive, and one of the two sets of words in square brackets should be deleted.

- 7.5 The Client shall receive the benefit of all commissions, discounts and rebates [derived from the handling by the Consultancy of the Services under this Agreement].

8 PAYMENT TERMS

EITHER: For retainer appointments:

- 8.1 Fees and Operating Expenses shall be invoiced [monthly/quarterly] in [advance/arrears].

OR: For one-off appointments:

8.1 Fees and Operating Expenses shall be invoiced in accordance with the schedule set out in the Proposal.

All versions now continue as follows:

8.2 Programme Costs shall be invoiced monthly in arrears.

8.3 Subject to Clauses 8.4 and 8.6, all invoices rendered by the Consultancy shall be due and payable within [30] days of the [invoice date] **OR** [date of receipt by the Client of the relevant invoice].

The references to the 'invoice date' and the 'date of receipt etc.' are mutually exclusive, and the parties should remove the words in whichever set of square brackets that are not required.

8.4 The Client reserves the right to withhold payment of any invoice or part of an invoice which is not in accordance with this Agreement. On receipt of any such invoice the Client shall immediately notify the Consultancy in writing of the reason for such withholding and pay the undisputed part of such invoice in accordance with Clause 8.3.

8.5 Subject to Clause 8.4, all sums referred to in this Agreement shall be payable in full without deduction, withholding or set-off and are exclusive of VAT and any other duty or tax which shall (if and to the extent applicable) be payable by the Client.

8.6 If the Consultancy is required to make a cost commitment or payment in excess of £[1,000] in order to complete an agreed Campaign, the Client shall be required to provide the Consultancy with sufficient funds prior to the payment or commitment being made.

8.7 The Client shall be liable to pay interest on any overdue amount at an annual rate of [2]% above the prevailing base rate of [*insert the name of the Consultancy's bank*] Bank plc, which interest shall accrue on a daily basis from the date payment becomes due until the date that the Consultancy has received payment of the overdue amount together with all accrued interest. This right extends to any part of an invoice of which payment is withheld pursuant to Clause 8.4 should it subsequently be established that the amount in question was invoiced in accordance with this Agreement.

The reference in this Clause should be to the Consultancy's bank, not the Client's bank, because the intention is to allow the Consultancy to cover the cost of servicing its overdraft as a result of late payment by the Client.

- 8.8 The Consultancy, and/or persons or companies acting on its behalf, or as agents, reserve the right to charge and recover all costs incurred in connection with the pursuance and/or recovery of outstanding monies and property from the Client.
- 8.9 The cost to the Consultancy of materials or services purchased overseas for the Services may be more or less than the cost anticipated at the date when the Consultancy ordered the relevant materials or services (or obtained the Client's approval for such costs) as a result of fluctuations in the rate of currency exchange. If so, the Consultancy shall charge the Client at the rate of currency exchange in operation on the date the Consultancy pays for the relevant materials or services, which shall be deemed to be the closing mid-point rate in London for that day as subsequently quoted in the next published edition of The Financial Times.

9 APPROVALS AND AUTHORITY

- 9.1 Any reference in this Agreement to the Client's "Written Approval" shall mean Written Approval by directors or employees of the Client authorised to approve the Consultancy's work and/or expenditure and whose names are set out in Schedule 4 (the "**Authorised Person(s)**"). The Client shall notify the Consultancy in writing of any change to the Authorised Persons during the term of this Agreement. The Consultancy shall not be responsible for any delay in the performance of the Services resulting from the unavailability of an Authorised Person to provide Written Approval.
- 9.2 For the purposes of this Agreement, Written Approval shall mean approval signified by:
- 9.2.1 any fax, letter or purchase order from the Client bearing the signature of an Authorised Person; or
 - 9.2.2 oral approval given by an Authorised Person or e-mail emanating from the individual business e-mail address of an Authorised Person provided such oral or e-mail approval is confirmed in writing within two Working Day(s) by way of a written report from the Consultancy to the Client; or
 - 9.2.3 the signature of an Authorised Person on the Consultancy's documentation.
- 9.3 After obtaining general Written Approval of Campaign plans, the Consultancy shall submit to the Client for specific approval:
- 9.3.1 draft press releases, articles, photographs and captions; and
 - 9.3.2 copy, layouts, artwork and/or scripts; and

- 9.3.3 estimates of the cost of the various items of the Campaign.
- 9.4 Written Approval by the Client of drafts and proofs shall be taken by the Consultancy as authorisation to proceed to publication and Written Approval of estimates provided by suppliers shall be the Client's authorisation for the Consultancy to enter into contracts with such suppliers on the basis of such estimates.
- 9.5 The Consultancy shall take all reasonable steps to comply with any requests from the Client to amend or halt any plans or to cancel any schedules or work in progress, insofar as this is possible within the scope of its contractual obligations to its suppliers. Any amendments or cancellation shall be implemented by the Consultancy provided that the Client shall be responsible for any costs or expenses incurred or to which the Consultancy is committed prior to, or as a result of, the cancellation or amendment. The Client shall also pay the Consultancy's Fees covering the cancelled or amended Services, as well as any charges imposed on the Consultancy by third parties arising from the cancellation or amendment.
- 9.6 The Client undertakes to notify the Consultancy forthwith if the Client considers that any statement made in any document submitted by the Consultancy to the Client for approval is incorrect or misleading in any way, or is likely to give rise to any claim or action against Consultancy, whether for defamation or otherwise.
- 9.7 The Client shall keep the Consultancy fully indemnified against any costs, claims, proceedings or demands arising out of or in connection with any press releases, publications or other material prepared for the Client by the Consultancy and approved by the Client prior to publication or transmission.

10 USE OF WORK

- 10.1 Work carried out as part of the Services shall not be used by the Client for any purpose other than that for which it was commissioned. Draft or incomplete work shall not be used or published as finished work without the Consultancy's prior written approval.

11 MODIFICATIONS

- 11.1 No modifications or alterations to any work created for the Client may be made without the Consultancy's prior written consent. Any agreed modifications or alterations shall only be carried out by the Consultancy or under its supervision and shall be paid for at a rate agreed between the parties in writing in advance. Reprints obtained by the Client shall not differ in any way from the originals supplied without the Consultancy's prior written consent.

12 RELATIONSHIP EVALUATION

- 12.1 The parties will conduct a full two-way evaluation and review of their relationship every [6] **OR** [12] months, including (without limitation) the performance of staff from both parties. Any resulting changes agreed to the Services, the remuneration or any other aspect of this Agreement shall be agreed in writing, failing which the arrangements in place at the time of the evaluation, including (without limitation) those concerning the Consultancy's remuneration, will continue to apply.

Note to Clause 12: A regular formal review is recommended to ensure the best possible communication between the parties and keep the relationship operating at an optimum level. To assist this process and at agreed intervals, an agreed form of report might be completed and copied to executives and staff on a "need to know" basis.

13 AUDIT

- 13.1 The Consultancy shall maintain Records in respect of all expenditure that is reimbursable by the Client under this Agreement.
- 13.2 The Consultancy will allow the Client by its own personnel or by an Independent Auditor access to all the Records during the Term and for 12 months afterwards. Any such access for the purposes of auditing or otherwise inspecting the Records shall be on not less than 14 days written notice at any time during normal business hours provided that, in the absence of exceptional circumstances, the Consultancy shall not be obliged to allow such access or inspection more than once during any 12-month period.
- 13.3 The Client and Consultancy shall meet together with the Independent Auditor not less than 3 Working Days prior to the start of any audit and agree the scope of that audit in writing. Should any audit or inspection of the Records by the Client reveal that the Client has been overcharged the Consultancy shall reimburse to the Client the amount of the overcharge within 14 days.
- 13.4 Once the Records for any period have been inspected by the Client in accordance with this Agreement, the Client shall not inspect the Records for that period again unless there are reasonable grounds to suspect fraudulent activity has occurred. For the avoidance of doubt, this right of audit shall not extend to payroll and personnel records, or records relating to any of the Consultancy's other clients.
- 13.5 The Consultancy will afford to the Client all reasonable assistance in the carrying out of such audit. The Client and its auditor will ensure that any information obtained in the course of the audit concerning the Consultancy's business is kept in the strictest confidence and not used for any purpose other than the proper conduct of the audit.

14 COPYRIGHT AND OTHER INTELLECTUAL PROPERTY RIGHTS

***EITHER:** Where the Consultancy assigns the intellectual property rights in materials created for a Campaign:*

14.1 It is the intention of the parties that the Client should own the Rights in any Consultancy Materials. To that end, the Consultancy shall forthwith on the Client's written request from time-to-time sign an unconditional assignment with full title guarantee of all Rights in the Consultancy Materials as are owned by the Consultancy and capable of assignment, together with the right to sue for damages for past infringement, provided that at the time of any such request the Client has fulfilled all its obligations to the Consultancy under this Agreement including, without limitation, those relating to notice and payment. The Consultancy shall also waive any Moral Rights it may have in the Consultancy Materials.

***OR:** Where the Consultancy grants the Client a licence to use materials created for a Campaign:*

14.2 It is the intention of the parties that the Client should hold a licence in the Consultancy Materials. Upon the Client's request and provided the Client has complied with all of its obligations under this Agreement (including, without limitation, those relating to payment and period of notice), the Consultancy shall grant to the Client a licence for the use of the Consultancy Materials throughout [the Territory][the world][**OR specify other territory**]. The term of such licence shall be [the duration of the Campaign for which such Consultancy Materials were created][the Term][*specify*] (the "**Licence Period**"). The Consultancy shall also waive any Moral Rights in Consultancy Material for the Licence Period.

This Clause should be amended to specify the territory in which the Client is entitled to use the materials and the duration of use.

Clause 14 now continues as follows:

14.3 The Consultancy shall inform the Client as soon as possible if it intends to incorporate any Third Party Material in the Campaign(s). The Consultancy will use its reasonable endeavours to obtain an unconditional written assignment to the Client of all Rights in any such Third Party Materials at pre-agreed cost to the Client. The Consultancy shall notify the Client in writing if no such assignment of the Rights in such Third Party Materials can be obtained on reasonable terms. The Client shall then decide whether it still wishes the relevant Third Party Materials to be used in the Campaign(s), and if so, the Consultancy shall negotiate with the owner of such Rights to obtain such usage rights as the Consultancy reasonably believes will be required at the time of such

negotiations. The Consultancy shall grant to the Client (at the Client's expense) only such Rights in any Third Party Materials as the Consultancy is permitted by the relevant Third Party to grant to the Client.

- 14.4 The Consultancy shall ensure that all Moral Rights in the Consultancy Material and Third Party Material are waived, but if this is not possible in respect of any Third Party Material, the Consultancy will discuss this with the Client in advance of concluding the relevant commissioning contract and proceed as agreed.
- 14.5 Notwithstanding Clause 14.1 above, the Consultancy may use any of the Materials for the purposes of internal training or, with the Client's prior consent (such consent not to be unreasonably withheld or delayed), in the promotion of the Consultancy.

15 CONFIDENTIAL INFORMATION

- 15.1 The parties acknowledge a duty not to disclose during or after the Term, without the other's prior written permission any confidential information either concerning the other's business, its business plans, customers or associated companies or resulting from studies or surveys commissioned and paid for by the Client. The parties also acknowledge that the terms and conditions of this Agreement including (without limitation) those relating to the Consultancy's remuneration are confidential information and cannot be disclosed without the prior written approval of the other party, except to an Independent Auditor pursuant to an audit in accordance with Clause 13 of this Agreement.
- 15.2 During and after the Term, the Consultancy acknowledges its responsibility to treat in complete confidence all the marketing and sales information and statistics relating to the Client's business with which the Client may supply the Consultancy in the course of any work for the Client.
- 15.3 From now on in this Clause 15 "**Information**" shall be used to describe the categories of information referred to in sub-Clauses 15.1 and 15.2.
- 15.4 The Consultancy shall, where so requested by the Client, impose obligations in terms equivalent to those in sub-Clauses 15.1 and 15.2 on its own personnel and obtain written assurances from any third parties to whom Information has to be disclosed in order to enable the Consultancy to carry out its obligations under this Agreement.

Note to Clause 15.4: Clients should be mindful of the need to consider whether to require the Consultancy to impose confidentiality obligations on its employees and sub-contractors, particularly staff employed on a freelance basis.

- 15.5 For the avoidance of doubt, the restrictions in this Clause 15 shall not prevent:
- 15.5.1 the disclosure or use of Information in the proper performance of the Consultancy's duties;
 - 15.5.2 the disclosure of Information if required by law; or
 - 15.5.3 the disclosure of Information which has come into the public domain otherwise than through unauthorised disclosure.
- 15.6 The Client acknowledges that nothing in this Agreement shall affect the Consultancy's right to use as it sees fit any general intelligence gained by the Consultancy in the course of its appointment.
- 15.7 Following consultation with the Client, the Consultancy may advertise or publicly announce that it is undertaking work for the Client pursuant to this Agreement, subject to obtaining the Client's prior approval, such approval not to be unreasonably withheld or delayed.

16 LIABILITY

- 16.1 If there is an error in the Consultancy Materials or the Third Party Materials as published, or publication is delayed or does not occur as planned, the Consultancy will not be liable unless this is caused by its default or neglect.
- 16.2 Should either party or its employees sustain any loss or liability, costs (including legal costs) or damages as a result of the other's breach of this Agreement, the party in breach shall indemnify the other subject to the provisions of Clause 16.5.
- 16.3 The Consultancy warrants that to the best of its knowledge and belief the publication of the Consultancy Materials and/or the Third Party Materials shall not infringe any third party rights or be in any other way contrary to law in the United Kingdom other than as contained in any legal or other advice provided to the Consultancy and communicated to the Client.
- 16.4 The Consultancy warrants that its personnel working on the Services are and shall be competent and suitable in every respect, whether as to qualifications, experience or otherwise, to perform the Services.
- 16.5 Nothing in this Agreement shall exclude or in any way limit the Consultancy's liability for fraud or for death or personal injury caused by its negligence, or any other liability to the extent such liability may not be excluded or limited as a matter of law. Subject to this:

- 16.5.1 the Consultancy shall not be liable for: (i) any loss or damage suffered by the Client arising out of or in connection with any act, omission, misrepresentation or error made by or on behalf of the Client or arising from any cause beyond the Consultancy's reasonable control; or (ii) any delay in or omission of publication or transmission or for any error in any press or other publication unless such delay, omission or error is due to its own default or neglect;
- 16.5.2 the Consultancy shall not be liable for any loss of actual or anticipated income or profits, loss of contracts or for any special, indirect or consequential loss or damage of any kind howsoever arising and whether caused by tort (including negligence) breach of contract or otherwise, whether or not such loss or damage is foreseeable, foreseen or known; and
- 16.5.3 the Consultancy's maximum aggregate liability to the Client under or in connection with this Agreement whether such claim arises in contract or in tort (including negligence), or otherwise shall in no circumstances exceed **EITHER** *[insert sum that is not less than the annual/project fee but which does not exceed the Professional Indemnity cover of the Consultancy e.g. £1 million]* **OR** *[an amount equal to the Consultancy's Professional Indemnity cover]*.
- 16.6 This Agreement states the full extent of the Consultancy's obligations and liabilities in respect of the Materials and the performance of the Services. The parties agree that any condition, warranty, representation or other term concerning the Materials and/or the performance of the Services which might otherwise be implied into or incorporated in this Agreement, whether by statute, common law or otherwise, is excluded to the maximum extent permitted by law.
- 16.7 The Client shall effect insurance as is suitable having regard to its particular circumstances and the terms of this Clause 16.
- 16.8 **Warranty and Indemnity:** The Client warrants that to the best of its knowledge, information and belief, all information supplied to the Consultancy before, during and after the Term shall be accurate and not in any way contrary to English law. The Client shall indemnify and keep indemnified the Consultancy from and against any and all proceedings, claims, damages, losses, costs, expenses (including legal costs and expenses) and liabilities which the Consultancy may incur or sustain as a direct or indirect result of or in connection with any information, representation, reports, data or material supplied or prepared by the Client. Such material shall include but not be limited to press releases, articles, copy, scripts, advertisements, designs, artwork and detailed plans or programmes.

- 16.9 Client's Property: The Consultancy shall take reasonable care of any property belonging to the Client and made available to the Consultancy for the purpose of this Agreement and shall mark or otherwise identify the Property as being the property of the Client. Subject to the foregoing, such property shall be at all times at the sole and entire risk of the Client, and the Consultancy shall not be subject to any other liability for it.
- 16.10 With regard to materials created in the course of providing the Services:
- 16.10.1 such materials retained by the Consultancy shall, at all times, whilst in the Consultancy's possession, be insured by the Consultancy against loss or damage; and
- 16.10.2 the Client shall insure such materials against loss or damage when in transit between the Consultancy and the Client or any third parties for the purposes of production or publication and when in the possession of those third parties.

17 EMPLOYMENT RESTRICTION

- 17.1 During the Term and for six months after termination of this Agreement, neither party shall, without the written consent of the other, solicit or entice (either directly or indirectly) or attempt to solicit or entice (or authorise the taking of such action by any other person) any person who is employed by the other or has been employed by the other during the preceding six months, and who has been involved with the Services under this Agreement, to terminate their employment with the other party.
- 17.2 If the Consultancy consents to a member of the Consultancy's staff joining the Client pursuant to Clause 17.1, the Consultancy may charge a fee in consideration for such consent. Such fee shall be equivalent to 20% of the gross annual salary that shall be paid by the Client to that employee by the Client. The Consultancy shall invoice the Client immediately upon the commencement of the employment of the relevant employee by the Client and such invoice shall be payable by the Client immediately upon presentation. [If the Consultancy does not require the employee to complete the notice period required by his or her terms of employment, the Consultancy reserves the right to charge the Client an additional fee equivalent to the salary payable by the Consultancy for the period of unfulfilled notice.]

18 TERMINATION

- 18.1 Either party may terminate this Agreement by service of notice in accordance with Clause 2.

- 18.2 If payment is not made by the Client to the Consultancy in accordance with Clause 8 above and the Client shall not have remedied the breach within 14 days of written notice to do so, the Consultancy shall have the right to terminate this Agreement immediately by service of notice in writing.
- 18.3 In addition to the Consultancy's rights under Clause 18.2, either party may terminate this Agreement forthwith upon written notice to the other in the event of:
- 18.3.1 any material breach of this Agreement by the other party, which breach is not remedied (if capable of remedy) within 30 days after the service of a written notice specifying the nature of the breach and the steps required for its remedy;
- 18.3.2 the other party becoming insolvent, entering into liquidation, whether voluntary or compulsory, passing a resolution for its winding up, having a receiver or administrator appointed over the whole or any part of its assets, making any composition or arrangement with its creditors or taking or suffering any similar action in consequence of debt; or ceases or threatens to cease to carry on business.
- 18.4 The termination of this Agreement shall be without prejudice to the accrued rights of either party in respect of any prior breach of this Agreement, including (without limitation) the liability of the Client to the Consultancy for all Fees, Operating Expenses and Programme Costs due in respect of Services performed up to the effective date of termination.

19 PRCA PROFESSIONAL CHARTER

- 19.1 As a registered member of the Public Relations Consultants Association (PRCA), the Consultancy shall abide by the Professional Charter set out in Schedule 6, as updated from time to time, and shall be subject to the PRCA Arbitration and Disciplinary Procedures.]

Note to Clause 19: This Clause shall only be appropriate if the Consultancy is a member of the PRCA.

20 FORCE MAJEURE

- 20.1 Neither party shall be liable for any delay in performing or failure to perform its obligations hereunder to the extent that and for so long as the delay or failure results from any cause or circumstance whatsoever beyond its reasonable control (hereinafter, an "event of force majeure") provided the same arises without the fault or negligence of such party. Each party shall use its reasonable endeavours to minimise the effects of any event of force majeure.

20.2 Immediately upon becoming aware of any event of force majeure, the affected party shall notify the other party of the manner and extent to which its obligations are likely to be prevented or delayed and the date(s) for performance of the obligation(s) affected shall be postponed for so long as is made necessary by the event of force majeure.

20.3 If any event of force majeure continues for a period of or exceeding two months, either party may terminate this Agreement with immediate effect on giving written notice to the other party and neither shall be liable to the other for such termination.

21 COMPLIANCE WITH THE DATA PROTECTION ACT AND OTHER LAWS

21.1 In performing its obligations under this Agreement, each party shall comply with the requirements of all legislation in force from time to time including, without limitation, the Data Protection Act 1998.

21.2 If the Consultancy is engaged to create Financial Promotions (as defined in Clause 21.3.2 below) from time to time pursuant to this Agreement, it does so on the basis set out in sub-Clauses 21.3 to 21.6 below.

21.3 For the purposes of this Clause 21:

21.3.1 “**authorised person**” shall have the meaning set out in as section 31 of the Financial Services and Markets Act 2000 (rather than the meaning set out in Clause 9 of this Agreement); and

21.3.2 “**Financial Promotion**” means any material created by the Consultancy for the Client pursuant to this Agreement that comprises or includes an invitation or inducement to engage in investment activity (as those terms are from time to time interpreted for the purposes of the FSMA);

21.3.3 “**FSMA**” the Financial Services and Markets Act 2000 together with any rules, orders, regulations, codes of practice and delegated legislation made thereunder from time to time.

21.4 The Client shall be responsible for ensuring that it, and every Financial Promotion, complies with the FSMA and all relevant rules, regulations and guidance issued by Financial Services Authority from time to time (including without limitation the “Conduct of Business Sourcebook”, as amended from time to time).

- 21.5 The Client warrants in relation to each Financial Promotion that:
- 21.5.1 the Client is an authorised person and that such Financial Promotion will be seen and approved by the Client for the purposes of section 21 of the FSMA prior to being communicated to any person; or
 - 21.5.2 if the Client is not required to be an authorised person, that such Financial Promotion will be approved by an authorised person for the purposes of section 21 of the FSMA prior to being communicated to any person; or
 - 21.5.3 such Financial Promotion is otherwise permitted by the FSMA.
- 21.6 For the purposes of Clauses 21.5.1 and 21.5.2, a Financial Promotion shall not be treated as having been “communicated to any person” by virtue solely of its having been communicated to the personnel and/or professional advisers of the Client and/or the Consultancy for the purposes of the performance of this Agreement.
- 21.7 If the Client authorises the Consultancy to publish, transmit or release any price sensitive information (“Financial Information”) from time-to-time pursuant to this Agreement, it does so on basis set out in Clauses 21.8 to 21.10 below.
- 21.8 The Client acknowledges and agrees it is solely responsible for the preparation of the Financial Information, and for any errors or omissions contained therein, and that the Financial Information has not been proofed or approved by the Consultancy.
- 21.9 The Client warrants and agrees that the Financial Information (and any part of it):
- 21.9.1 is accurate and not false, misleading or deceptive;
 - 21.9.2 does not conceal any material facts; and
 - 21.9.3 complies (and its publication, transmission or release shall comply) with all applicable laws, regulations and codes of practice whether in force in England or elsewhere, including without limitation the FSMA.
- 21.10 Without prejudice to any other indemnity under this Agreement, the Client hereby agrees to indemnify the Consultancy (including its directors, officers and employees) against all losses, damages, liabilities and expenses (including legal expenses) which the Consultancy may incur or sustain directly or indirectly as a result of any claims, demands, civil or criminal proceedings or disciplinary action brought against the Consultancy by the Financial Services Authority or any other person or organisation which arise as a result of or in connection with any of the Financial Information, any publication, transmission or release of the Financial Information or any breach by the Client of the terms set out in this Clause 21.

22 SURVIVAL

22.1 The following Clauses shall survive the end of the Term:

Clause 14	Copyright and other Intellectual Property Rights
Clause 15	Confidential Information
Clause 16	Liability
Clause 17	Employment Restriction
Clause 21	Compliance
Clause 23	Notices
Clause 24	Dispute Resolution
Clause 25	General

23 NOTICES

23.1 Any notice, invoice or other communication which either party is required or permitted by this Agreement to serve on the other party shall be sufficiently served if sent to the other party at its specified address at Clause 1 (or such other address as is notified to the other party in writing) as follows:

23.1.1 by hand;

23.1.2 by registered or first class post or recorded delivery; or

23.1.3 by fax confirmed by registered or first class post or recorded delivery.

23.2 Notices sent by registered post or recorded delivery shall be deemed to be served three (3) working days following the day of posting. Notices sent by fax shall be deemed to be served on the day of transmission if transmitted before 4.00p.m. on a working day, but otherwise on the next following working day. In all other cases, notices are deemed to be served on the day when they are actually received.

24 DISPUTE RESOLUTION

24.1 Subject to Clause 24.3, if any claim or dispute arises under or in connection with this Agreement, the parties shall attempt to settle such claim or dispute by negotiation prior to commencing legal proceedings.

24.2 If any claim or dispute cannot be settled by negotiation within [21] days after either party has made a written offer to the other party to negotiate a settlement to such claim or dispute, the parties may attempt to resolve the claim or dispute, if appropriate, in accordance with the Centre for Dispute Resolution (CEDR) Model Mediation Procedure. If the parties have not settled any claim or dispute by mediation within 42 days from the initiation of the mediation, the dispute shall be referred to and finally resolved by the courts in accordance with Clause 25.7

24.3 Nothing in this Agreement shall restrict or exclude the right of either party to seek injunctive relief against the other party or to resolve any dispute in accordance with Clause 25.7 without prior negotiation or mediation.

25 GENERAL

25.1 A person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

25.2 The failure of either party to enforce or to exercise at any time or for any period of time any term of or any right pursuant to this Agreement does not constitute, and shall not be construed as, a waiver of such term or right and shall in no way affect that party's right later to enforce or to exercise it.

25.3 If any term of this Agreement is found to be illegal, invalid or unenforceable under any applicable law, such term shall, insofar as it is severable from the remaining terms, be deemed omitted from this Agreement and shall in no way affect the legality, validity or enforceability of the remaining terms.

25.4 Any valid alteration to or variation of this Agreement must be in writing and signed on behalf of each of the parties by a duly authorised officer.

25.5 Neither party shall assign, transfer, charge or deal in any other manner with this Agreement or any of its rights under it without the prior written consent of the other party, such consent not to be unreasonably conditioned, withheld or delayed.

25.6 This Agreement and the documents referred to in it (the 'Contractual Documentation') constitutes the entire agreement and understanding of the parties and supersedes any previous agreement between the parties relating to the subject matter of this Agreement, whether oral or in writing. The parties agree that neither of them have been induced to enter into any Contractual Documentation in reliance upon any warranty, representation, statement, agreement or undertaking of any kind (whether negligently or innocently made) of any person other than as expressly set out in this Agreement. The only remedy available to the parties in connection with any statements, representations, warranties and understandings expressly set out in this Agreement shall be for breach of contract as provided in this Agreement. Nothing in this Clause shall, however, operate to limit or exclude any liability for fraud.

25.7 This Agreement shall be governed by and construed in accordance with the law of England and Wales and each party hereby irrevocably agrees to submit to the exclusive jurisdiction of the Courts of England and Wales over any claim or matter arising under or in connection with this Agreement or the legal relationships established by this Agreement.

Signed on behalf of
[name of Client]

Signed on behalf of
[name of Consultancy]

.....

.....

Print name

Print name

Job title:

Job title:

Date:

Date:

SCHEDULE 1

Definitions and Interpretation

1 In this Agreement, the following words have the following meanings:

“**Agreement**” means these Terms and Conditions of Business, together with the Schedules and the agreed Proposal(s), if any;

“**Campaign**” means the individual project(s) to be undertaken by the Consultancy in the delivery of the Services;

“**Commencement Date**” means the date specified in Clause 2;

“**Consultancy Material**” means any finished press releases and all other press and publicity materials created by the directors or employees of the Consultancy in the course of their employment and for the Client pursuant to this Agreement, provided that such material is approved by the Client;

“**Fees**” means the fees payable to the Consultancy for the Services in accordance with Clause 6;

“**Independent Auditor**” means [a practising member of the Chartered Institute of Management Accountants, or the Association of Chartered Certified Accountants or the Institute of Chartered Accountants in England and Wales] [a firm or person] whose remuneration is not directly or indirectly linked with the outcome of any audit of the Agency and who has never been an employee of the Agency;

“**Initial Period**” means the period specified in Clause 2;

“**Moral Rights**” means all rights described in Part I, Chapter IV of the Copyright Designs and Patents Act 1988 and any similar rights of authors anywhere in the world;

“**Operating Expenses**” means the House/Office Costs and the Expenses;

“Proposal**” means the Consultancy’s detailed written description of a Campaign in a form similar to that specified in Schedule 6, as agreed with the Client from time-to-time;

“**Records**” means such accounts and records maintained by the Consultancy of all expenditure which is reimbursable by the Client under this Agreement and as are reasonably necessary for the purpose of enabling the Client to conduct an audit of that expenditure;

“**Rights**” means any copyright, design right, registered design right, patent, performer’s property right, trade mark, database right or any similar right exercisable in any part of the world, including any application for registration therefor;

“**Services**” means the public relations services the Consultancy shall perform for the Client and specified in Schedule 2;

“**Term**” means the period from the Commencement Date until the termination of this Agreement;

“**Territory**” means ●;

Please enter the territory covered by this contract; e.g. the United Kingdom or list specific countries, avoiding vague terms such as ‘Europe’.

“**Third Party Materials**” means press and publicity materials, photographs, films, sound recordings and all other materials created by a third party (excluding directors or employees of either the Consultancy or the Client), regardless of whether such material is already in existence at the time that it is desired to make it use of it for the purposes of the Client’s public relations or is commissioned by the Consultancy for the Client’s public relations during the Term;

“**Working Day**” means a day (other than a Saturday or a Sunday) on which the clearing banks in the City of London are open for business;

“Year**” means each period of twelve consecutive months during the Term beginning with the Commencement Date and its anniversaries.

*** Delete if not applicable.*

2 In this Agreement Clause headings are purely for ease of reference and do not form part of or affect the interpretation of this Agreement. Where the context so admits or requires words denoting the singular include the plural and vice versa and words denoting any gender include all genders and references to Clauses and Schedules are to clauses of and schedules to this Agreement.

3 References to any statute or statutory provision include references to that statute or statutory provision as from time to time amended, extended or re-enacted and to any rules, orders, regulations and delegated legislation made thereunder.

SCHEDULE 2

The Services

Please note this is an illustrative 'menu' only: select only the services required. The parties should add other services or omit those listed as appropriate. The description of the Services should also make clear whether the public relations activity to be performed by the Consultancy is in relation to Client itself, or in relation to specific 'accounts' belonging to the Client, or both.

It is particularly important to include a proper description of the Campaign where the appointment is for a single project. The appointment will last until the final element of the Campaign has been completed.

The Services shall include:

- Media Relations;
- Promoting the Client and advising on all media and image related matters;
- Creating and executing press and public relations activity;
- Co-ordinating press contact and liaison;
- Providing additional support services such as Campaign co-ordination and administration, internal and external public relations presentations, copy writing and co-ordination of press packs and related activities where appropriate or if required;
- Corporate affairs;
- Corporate social responsibility;
- Crisis & issue management;
- Employee/ Internal communications;
- Environmental communications;
- Financial relations – acquisitions/mergers/T-O;
- Financial relations – analyst;
- Financial relations – investor/institutional;
- Financial relations – new listings/flotations;
- Financial relations – shareholder;
- Government relations/lobbying: EU/international;

- Government relations/lobbying: local;
- Government relations/lobbying: national;
- Trade relations;
- Communications planning;
- Media & presentation training;
- Creative advertising;
- Design;
- Direct marketing;
- Evaluation;
- Event & conference management;
- Market & opinion research;
- Marketing support;
- Media buying;
- Message development;
- Online PR;
- Publications;
- Specialist writing (corporate brochures/speeches);
- Sponsorship;
- Strategic consulting;
- Website development management;
- Youth PR;
-
- [Insert any other applicable details and a description of the Campaign, if agreed as part of the negotiations of the contract. A specimen for a detailed Proposal form for a particular Campaign is set out in Schedule 5.]*

SCHEDULE 3

Charge Out Rates

Insert titles of individuals working on the campaign and their charge out rates.

SCHEDULE 4

Authorised Persons

The Authorised Persons shall be:

Name: [.....]

Title: [.....]

Name: [.....]

Title: [.....]

SCHEDULE 5

Specimen Proposal

(This is the substance of the information to be provided; it is intended to be for guidance only, and is not prescriptive).

This Proposal is made as of _____ between ● (the “Client”) and ● (the “Consultancy”). This Proposal incorporates by reference the agreement between the Client and the Consultancy dated ● (the “Agreement”). The defined terms used in this Proposal shall have the same meaning as in the Agreement. In the event of any conflict between the terms of this Proposal and the terms of the Agreement, the terms of the Agreement shall prevail, except for those terms defined in this Proposal as Special Terms.

The Consultancy shall provide the following Services on the terms set out below:

Description of Campaign:

Date of commencement of Services:

Target completion date:

Description of Services to provided:

Consultancy Fee ([[daily] [hourly] rate] [Fixed Fee])

Cancellation Fee (Fixed price projects only):

Production Costs

Basis/Frequency of invoicing:

Special Terms (to take precedence if they conflict with any terms of the Agreement):

Consultancy personnel assigned to project:

SCHEDULE 6

PRCA PROFESSIONAL CHARTER

1 PRCA Professional Charter

A member firm shall:

- 1.1 Have a positive duty to observe the highest standards in the practice of public relations. Furthermore a member has the responsibility at all times to deal fairly and honestly with clients, past and present, fellow members and professionals, the public relations profession, other professions, suppliers, intermediaries, the media of communication, employees, and above all else the public.
- 1.2 Be expected to be aware of, understand and observe this code, any amendment to it, and any other codes which shall be incorporated into this code, and to remain up-to-date with the content and recommendations of any guidance or practice papers issued by the PRCA, and shall have a duty to conform to good practice as expressed in such guidance or practice papers.
- 1.3 Uphold this code and co-operate with fellow members in so doing by enforcing decisions on any matter arising from its application. A member firm that knowingly causes or permits a member of its staff to act in a manner inconsistent with this code is party to such action and shall itself be deemed to be in breach of it. Any member of staff of a member company who acts in a manner inconsistent with this code must be disciplined by the employer.

A member firm shall not:

- 1.4 Engage in any practice nor be seen to conduct itself in any manner detrimental to the reputation of the Association or the reputation and interests of the public relations profession.

2 Conduct towards the public, the media and other professionals

A member firm shall:

- 2.1 Conduct its professional activities with proper regard to the public interest.
- 2.2 Have a positive duty at all times to respect the truth and shall not disseminate false or misleading information knowingly or recklessly, and to use proper care to avoid doing so inadvertently.

- 2.3 Have a duty to ensure that the actual interest of any organisation with which it may be professionally concerned is adequately declared.
- 2.4 When working in association with other professionals, identify and respect the codes of these professions and shall not knowingly be party to any breach of such codes.
- 2.5 Cause the names of all its directors, executives and retained consultants who hold public office, are members of either House of Parliament, are members of Local Authorities or of any statutory organisation or body, to be recorded in the relevant section of the PRCA Register.
- 2.6 Honour confidences received or given in the course of professional activity.
- 2.7 Neither propose nor undertake any action which would constitute an improper influence on organs of government, or on legislation, or on the media of communication.
- 2.8 Neither offer nor give, nor cause a client to offer or give, any inducement to persons holding public office or members of any statutory body or organisation who are not directors, executives or retained consultants, with intent to further the interests of the client if such action is inconsistent with the public interest.

3 Conduct towards clients

A member firm shall:

- 3.1 Safeguard the confidences of both present and former clients and shall not disclose or use these confidences, to the disadvantage or prejudice of such clients or to the financial advantage of the member firm, unless the client has released such information for public use, or has given specific permission for its disclosure; except upon the order of a court of law.
- 3.2 Inform a client of any shareholding or financial interest held by that firm or any member of that firm in any company, firm or person whose services it recommends.
- 3.3 Be free to accept fees, commissions or other valuable considerations from persons other than a client, only provided such considerations are disclosed to the client.
- 3.4 Shall list the names of its clients in the Annual Register of the Association.
- 3.5 Be free to negotiate with a client terms that take into account factors other than hours worked and seniority of staff involved. These special factors, which are also applied by other professional advisers, shall have regard to all the circumstances of the specific situation and in particular to:

- 3.5.1.1 The complexity of the issue, case, problem or assignment, and the difficulties associated with its completion.
- 3.5.1.2 The professional or specialised skills and the seniority levels of staff engaged, the time spent and the degree of responsibility involved.
- 3.5.1.3 The amount of documentation necessary to be perused or prepared, and its importance
- 3.5.1.4 The place and circumstances where the assignment is carried out in whole or in part.
- 3.5.1.5 The scope, scale and value of the task, and its importance as an issue or project to the client.

A member firm shall not:

- 3.6 Misuse information regarding its client's business for financial or other gain.
- 3.7 Use inside information for gain. Nor may a consultancy, its members or staff directly invest in their clients' securities without the prior written permission of the client and of the member's chief executive or chief financial officer or compliance officer.
- 3.8 Serve a client under terms or conditions which might impair its independence, objectivity or integrity.
- 3.9 Represent conflicting or competing interests without the express consent of the clients concerned.
- 3.10 Guarantee the achievement of results which are beyond the member's direct capacity to achieve or prevent.
- 3.11 Invite any employee of a client advised by the member to consider alternative employment; (an advertisement in the press is not considered to be an invitation to any particular person).

4 Conduct towards colleagues

A member firm shall:

- 4.1 Adhere to the highest standards of accuracy and truth, avoiding extravagant claims or unfair comparisons and giving credit for ideas and words borrowed from others.

4.2 Be free to represent its capabilities and services to any potential client, either on its own initiative or at the behest of the client, provided in so doing it does not seek to breach any existing contract or detract from the reputation or capabilities of any member consultancy already serving that client.

A member firm shall not:

4.3 Injure the professional reputation or practice of another member.

5 **Discriminatory conduct**

A member is required to take all reasonable care that professional duties are conducted without causing offence on the grounds of gender, race, religion, disability or any other form of discrimination or unacceptable reference.